



Harnett Health System

NEWS RELEASE

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Harnett Health System Announces Plans to Build New Hospital

Dunn, N.C. (April 28, 2011) Harnett Health System (HHS) today proudly announced the successful completion of selling bonds enabling the system to proceed forward with the construction and opening of the new hospital. "The completion of the financing plan is tremendous healthcare news for all the people in and around central Harnett County," said Ken Bryan, president and CEO of Harnett Health System. "I would like to extend my appreciation to our partners, BB&T Capital Markets, First Citizens Bank and USDA for successfully completing the financing package. We are eager to move forward and build the new full-service Central Hospital Campus." The new hospital is the result of a major commitment made by HHS and its partners to the Certificate of Need including WakeMed Health & Hospitals, Harnett County and the City of Dunn. The construction project will advance the local economy by creating hundreds of jobs and broaden HHS's provision of quality care to the region.

The hospital held a pre-construction conference with USDA, Brasfield and Gorrie General Contractors, First Citizens Bank, Perkins+Will Of North Carolina, Inc. Architects and Planners and others yesterday. Mike Jones, vice president for the Central Campus stated, "All approvals and necessary documents are in place to allow construction to begin the third week of May. The expected construction completion date is fall 2012."

The bond proceeds will be used to defease the 2003 HUD insured bonds. The defeasance was a necessary step in completing the overall financing plan that will construct and equip the Central Hospital Campus and purchase a new information technology system. The bond sale is the last segment of the financing plan, and enables HHS to move forward with constructing the Central Hospital. BB&T Capital Markets served as the broker in the sale of the bonds. HHS received a \$63 million USDA direct loan to provide permanent financing for the Central Hospital Campus, and received a \$63 million commitment from First Citizens for the construction loan.

The new 50-bed hospital will contain an Emergency Department, Imaging, including CT and MRI, Cardiopulmonary Diagnostics, Surgical Services, Food Services/Cafeteria, Pharmacy, Laboratory and other clinical services. The 120,000 square foot two story hospital will be built to expand both horizontally and vertically as demand for services increases in the future. The hospital is designed to allow growth up to 150 beds. The land provided by the county located in the Brightwater Park is sufficient for this growth plan.

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About Harnett Health

Harnett Health System is a private, not-for-profit health care organization based in Dunn, N.C. The system encompasses a network of health care facilities throughout Harnett and Johnston Counties, including a 101-bed full-service hospital in Dunn, out-patient rehab/wellness center in Benson; a family medicine practice in Angier; family medicine, OB/GYN and pediatrics practice in Lillington; and pediatric, OB/GYN and internal medicine practices in Dunn. Serving patients since 1940, the hospital has over 100 affiliated physicians and over 750 employees. For more information, visit our website at www.harnetthealth.org.