



Ziegler

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October 1, 2013

Maureen L. Dymond
Vice President, Financial Operations
Adventist HealthCare
820 W. Diamond Avenue, Suite 600
Gaithersburg, MD 20878

Dear Ms. Dymond,

B.C. Ziegler and Company ("Ziegler") understands that Washington Adventist Hospital ("WAH"), located in Takoma Park, MD, seeks to build a replacement hospital in White Oak, MD. Adventist HealthCare ("AHC"), the parent company of WAH, is applying for a Certificate of Need ("CON") for the construction of this new 201-bed replacement hospital (the "Project").

You have stated that AHC will likely finance the Project through the issuance of approximately \$278,000,000 of tax-exempt revenue bonds (the "Proposed Bonds") on a parity basis with the senior indebtedness of the AHC's Obligated Group. Based on your estimated costs associated with the Project, Ziegler has prepared a preliminary sources and uses of funds and bond debt service schedule, related to the Proposed Bonds, based upon today's market conditions.

Having served as AHC's investment banker since 2001, Ziegler is familiar with AHC's financial profile and the service area characteristics and demographics of the Takoma Park, MD and the White Oak, MD area. We have reviewed with AHC management, the financial projections and key financing assumptions for both the WAH Project and the combined projections for AHC's Obligated Group. Based on those projections, prepared and provided by AHC, we believe this Project is financially feasible in the current bond market environment.

It should be noted that the financial projections prepared by AHC, do not take into consideration the potential sale of Hackettstown Regional Medical Center ("HRMC"), which is currently being evaluated. In the event that HRMC is sold, the resulting balance sheet improvement, that would likely occur, would enhance AHC's financial profile.

Ziegler looks forward to continuing working with AHC on this Project.

Sincerely,

Donald A. Carlson, Jr.
Vice Chairman