VISTA
HEALTH
SYSTEM

Re: Project 15-026

Dear Ms. Avery:

Please accept this letter as the 2017 annual report for the above referenced project.

The current status of the project is similar as to the prior annual report, but for certain design and construction materials have been purchased or identified for purchase. The reason for this is that Quorum Health Corporation, one of the permit holders, and Vista's parent entity, has placed a capital hold on the project. Once the hold is listed, it is anticipated the project will proceed, within the scope as approved. It is likely a permit renewal will be necessary, and one will be sought. The amount of funds expended on the project to date is $717,698.00. The method of financing the project remains cash and securities.

Thank you.

Sincerely,

Norman F. Stephens, Interim CEO

c. Mike Constantino

Clare Connor Ranalli