

Brookwood Advises Specialty Behavioral Healthcare Services Provider On its Sale to Strategic Acquirer

Brookwood Associates is pleased to announce the December 2009 sale of Three Springs, Inc. ("TSI") to Sequel Youth and Family Services ("SYFS"). Based in Huntsville, Alabama, TSI provides at-risk youth with behavioral health services including residential treatment and education, outpatient / day treatment, and outdoor therapeutic programs.

- We are pleased to complete another transaction in the healthcare services industry. Specialty behavioral healthcare services sectors, including adolescent treatment, are particularly dynamic and we anticipate additional consolidation among these companies.
- The transaction required that the buyer obtain both equity and debt financing. Brookwood played a significant role in obtaining the financing in a difficult financing environment.
- TSI is a complex, national business that was undergoing an operational restructuring during the sale process. Brookwood's insights and expertise were critical to completing this successful transaction at a valuation that reflects our client's potential in addition to their existing strengths.



"We hired Brookwood to advise us regarding the sale of our company. What we got was a partner who provided strong commitment, and excellent insight, guidance, advice and industry knowledge. A key quality of Brookwood's professionals was that their commitment to our company, regardless of the circumstances and complexity of the transaction, never wavered. As a CEO, it is invaluable to know that there are extremely smart people at your side."

**-Gary Saliba
President and CEO
Three Springs, Inc.**

About Three Springs, Inc: TSI is a leading provider of specialized, at-risk youth treatment services. With 19 diverse programs in 6 states and strong clinical expertise, TSI serves both the public and private pay markets and has long tenured relationships with multiple state agencies and referral sources across the U.S.

About Sequel Youth & Family Services: SFYS is a leading national provider of private educational, developmental and rehabilitative programs for at-risk and delinquent youth. Sequel operates 5 residential facilities and 3 community-based subsidiaries, which collectively serve over 1,800 kids from over 20 states and territories. Levine Leichtman Capital Partners provided equity financing to Sequel as part of this transaction.

About Brookwood Associates: Brookwood was founded in 1989 and has grown to become one of the largest independently owned middle-market investment banking firms in the nation. Brookwood has 23 professionals, including seven Managing Directors, with offices in Atlanta and Charlotte. The firm offers merger, acquisition, corporate financing, restructuring, fairness opinion and other related advisory services.