

30 South Wacker Drive
Suite 2302
Chicago, Illinois 60606

312 627 8400 Phone
312 474 1950 Fax



Contact: Bryan S. Fisher
Chief Financial Officer
National Surgical Hospitals, Inc.
(312) 627-8427
bfisher@nshinc.com

Brett J. Weinberg
GMAC Health Capital
(952) 857-6859
brett.weinberg@gmacrescap.com

NATIONAL SURGICAL HOSPITALS, GMAC HEALTH CAPITAL ANNOUNCE \$150 MILLION DEBT TRANSACTION

CHICAGO (August 8, 2007) – National Surgical Hospitals (NSH), a leading owner and operator of surgical hospitals and surgery centers, announced the completion of a \$150 million debt transaction with GMAC Health Capital, a business unit of Residential Capital, LLC (GMAC ResCap).

The proceeds from the transaction will be used to repay NSH’s existing senior credit facility and most of the company’s outstanding preferred stock and related dividends. An additional acquisition line of credit provides NSH access to capital for future transactions to expand the company. The transaction also provides for a working capital line of credit.

“This transaction substantially reduces our cost of capital and puts our balance sheet in line with the company’s stage of development,” said Bryan Fisher, chief financial officer for NSH.

“As we open new facilities in the coming year and pursue other opportunities in a pipeline of potential ventures unprecedented in NSH’s history, GMAC Health Capital has helped put us in a position to grow even stronger. The partnership with GMAC Health Capital, the market’s demand for an alternative to the traditional general acute care hospital, and NSH’s track record of top performance have put us in a prime position for increased growth,” added John Rex-Waller, chief executive officer for NSH.

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“We are excited about this new relationship with NSH and look forward to working with one of the nation’s leading surgical hospital operators,” said Lorna Gleason, senior managing director for GMAC Health Capital.

About National Surgical Hospitals

National Surgical Hospitals owns, operates, and develops surgical hospitals and surgery centers in partnership with local physicians. It operates 11 surgical hospitals in Arizona, Idaho, Michigan, New Mexico, North Carolina, Texas, Utah, and Wisconsin, with additional facilities scheduled to open in the next 12 months in California, Colorado, and Wyoming. It also operates six orthopedic-focused surgery centers in Arizona, California, and Michigan. More information about NSH’s innovative way to deliver high-quality surgical care is available at <http://www.nshinc.com>.

About GMAC Health Capital

GMAC Health Capital, a business unit of Residential Capital, LLC (GMAC ResCap), provides unregulated capital solutions including revolving lines of credit, cash flow term loans, fixed asset term loans and real estate bridge loans to healthcare enterprises. GMAC ResCap is an indirect wholly owned subsidiary of GMAC Financial Services, a global, diversified financial services company that operates in approximately 40 countries in automotive finance, real estate finance, insurance and other commercial businesses. GMAC was established in 1919 and currently employs about 31,000 people worldwide. At December 31, 2006, GMAC held more than \$287 billion in assets and earned net income for 2006 of \$2.1 billion on net revenue of \$18.2 billion. For more information, go to <http://www.gmacfs.com>.

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