

Odyssey Behavioral Healthcare, a New Partnership between Nautic Partners and Scott Kardenetz, Acquires Pasadena Villa and Lifeskills

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Odyssey Behavioral Healthcare (“Odyssey”), a new partnership between Nautic Partners, LLC (“Nautic”) and Chief Executive Officer Scott Kardenetz, today announced it has completed the first two acquisitions of its platform, Pasadena Villa Psychiatric Residential Treatment Centers (“Pasadena Villa”) and Lifeskills South Florida (“Lifeskills”). Odyssey, headquartered in Brentwood, Tennessee, was formed to build a diversified platform of behavioral healthcare facilities across the treatment spectrum in psychiatric and addiction care. Scott Kardenetz, a 25 year veteran of the healthcare industry, has served in various leadership roles with behavioral health companies including Ardent Health Services, Psychiatric Solutions and Universal Health Services. Nautic and Odyssey management plan to invest up to \$50 million of equity capital to support its strategy of growth.

Over the last year, Odyssey has sought out best in class treatment facilities across the country. Both Pasadena Villa and Lifeskills provide adult residential and outpatient treatment services and have established outstanding reputations for delivering high quality clinical care. Odyssey will seek to expand the platform through de novo development and acquisition. In developing its platform, Odyssey will continue to acquire and develop treatment facilities that are leaders in their therapeutic niche and that can benefit from senior management leadership and support.

“I’m thrilled to launch Odyssey Behavioral Healthcare with backing from Nautic Partners”, said Odyssey CEO Scott Kardenetz. “With their impressive facilities, top clinical staffs, and exceptional reputations within the industry, I believe that Pasadena Villa and Lifeskills of South Florida give Odyssey an impressive platform from which to launch our company. In addition, the Odyssey management team of behavioral health professionals Vaughn Bell, John Coleman, and Tom Croffut, who have been industry colleagues for many years, will make the new Odyssey Behavioral Healthcare enterprise an even more compelling opportunity for our clients, our employees, and our investors.”

“We are very excited to partner with Scott Kardenetz to build a leading company in the behavioral healthcare industry,” said Nautic Partners Managing Director Chris Corey. “The Odyssey management team is an exceptional collection of senior industry executives with proven track records of delivering outstanding clinical, operational, and financial results. We believe Odyssey is well positioned for growth driven by the expected increase in demand for behavioral health services.”

“We believe the delivery system for behavioral healthcare is inadequate and in need of investment and leadership,” said Nautic Partners Managing Director Scott Hilinski. “With the addition of Pasadena Villa and Lifeskills, two prominent treatment centers, Odyssey has established an outstanding foundation from which to expand high quality access to those in need of psychiatric and addiction treatment care.”

MidCap Financial provided financing for the transaction. Brentwood Capital Advisors acted as financial advisor to Pasadena Villa, and The Braff Group acted as financial advisor to Lifeskills.

About Odyssey Behavioral Healthcare

Odyssey Behavioral Healthcare was formed in 2015 as a partnership between Nautic Partners and Scott Kardenetz. Odyssey's plan is build a diversified platform of behavioral health facilities across the treatment spectrum in psychiatric and addiction care. Odyssey's treatment centers include Pasadena Villa (<http://pasadenavilla.com/>) and Lifeskills (<http://lifekillsouthflorida.com/>) which provide adult residential treatment care in three primary facilities and outpatient care in Tennessee and Florida.

About Nautic Partners

Founded in 1986, Nautic is a middle-market private equity firm that has managed over \$3 billion of assets throughout its history. The firm has completed 122 transactions in partnership with management. Nautic targets equity investments of \$25 to \$75 million, representing majority ownership in niche businesses with strong market share and growth potential, identified value enhancement opportunities and strong management teams. Areas of focus include business services, manufacturing, and healthcare. For more information, please visit: www.nautic.com.