



CCA to End North Carolina Management Contracts

June 23, 2000

NASHVILLE, Tenn., June 23 /PRNewswire/ -- Prison Realty Trust, Inc. (NYSE: PZN) announced today that its primary tenant Corrections Corporation of America has begun negotiations with the state of North Carolina Department of Correction to end its two management contracts for the Mountain View and Pamlico correctional facilities. Prison Realty owns both the Mountain View and Pamlico facilities.

CCA initiated contract termination discussions with North Carolina DOC officials in May. Contracts for both facilities were part of the 1998 CCA acquisition of U.S. Corrections Corporation contracts.

"We plan to work in full cooperation with the DOC to ensure a smooth and professional operational transition," said Thomas W. Beasley, Prison Realty Trust chairman. "Given the economics of these management agreements, which we assumed as part of the acquisition, we believe that it is in the best interests of Prison Realty and CCA to take this action. In light of our pending restructuring, this decision is a positive step in our restructuring plan that is being developed by the companies in consultation with our financial consultants, Zolfo Cooper, LLC."

As owner of the two institutions, Prison Realty Trust plans to continue its 10-year lease agreement with the state. "While the management contracts are not in keeping with CCA's current business priorities, Prison Realty very much looks forward to a long-term partnership with the state for these projects," said Beasley.

Both the Mountain View and Pamlico facilities are 528-bed, medium-security institutions housing adult male inmates for the state.

Prison Realty's business is the development and ownership of correctional and detention facilities. Headquartered in Nashville, Tenn., the company provides financing, design, construction and renovation of new and existing jails and prisons that it leases to both private and governmental managers. Prison Realty currently owns or is in the process of developing 50 correctional and detention facilities in 17 states, the District of Columbia and the United Kingdom.

The companies doing business as Corrections Corporation of America provide detention and corrections services to governmental agencies. The company is the industry leader in private sector corrections with approximately 69,000 beds in 77 facilities under contract or under development in the United States, Puerto Rico, Australia and the United Kingdom. CCA's full range of services includes design, construction, renovation and management of new or existing jails and prisons, as well as long-distance inmate transportation services.

This news release contains forward-looking statements within the meaning of Section 27 of the Securities Act of 1933, as amended, and Section 21 (e) of the Security Exchange Act of 1934, as amended. Actual results could differ materially from those set forth in the forward-looking statements.