



Prison Realty to Construct 1,104 Bed Facility in Tallahatchie, Mississippi

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NASHVILLE, Tenn., March 17 /PRNewswire/ -- Prison Realty Corporation ("Prison Realty" or the "Company") (NYSE: PZN), a Maryland corporation, today announced that it has begun construction of the 1,104 bed, all-cell, Tallahatchie County Correctional Center in Tallahatchie, Mississippi for lease by primary tenant Correctional Management Services Corporation (CMSC). When constructed, the \$37 million facility will be leased to CMSC to house county and Mississippi inmates, as well as inmates from out of state. State legislation was enacted to enable the economically-disadvantaged county to accommodate the medium security facility. The excitement over the project shared by local and state officials is captured in the words of County Supervisor Rodger Sturgis, "The prison facility in our County could have the most far-reaching impact of any new business in my lifetime. The jobs and opportunities for growth in the County -- directly and indirectly related to the prison -- are the achievements I'm most proud of during my term in office."

CMSC expects to generate additional annual revenues exceeding \$21 million when the new facility is fully occupied. Construction began in February 1999 and the facility is expected to be operational in the first quarter of the year 2000. "We are pleased to have been chosen through a competitive procurement to build a private facility in Tallahatchie County," said Chairman and CEO Doctor R. Crants. "This prison is a wonderful opportunity to expand our presence in Mississippi, as well as provide expansion space for our existing customer base."

CMSC, along with two other management companies operating under the name of Corrections Corporation of America (CCA), provides management services to governments under contracts for 79 correctional and detention facilities with a total design capacity of 68,647 beds, of which 67 facilities with a total design capacity of 50,005 beds are in operation.

The Company is the successor entity to the mergers of CCA Prison Realty Trust and Corrections Corporation of America into the Company consummated January 1, 1999 and currently owns 47 correctional and detention facilities in 17 states, the District of Columbia and the United Kingdom having a total design capacity in excess of 44,000 beds, of which nine new facilities are under construction. Prison Realty Corporation is based in Nashville, Tennessee and plans to qualify as a real estate investment trust under the Internal Revenue Code. The Company's business is to provide the integrated design, construction and finance of new correctional and detention facilities and the redesign, renovation and finance of older facilities for both private prison managers and government entities. Doctor R. Crants serves as Chairman and CEO of both the Company and CMSC.

This press release contains forward-looking statements that involve various risks and uncertainties. Actual results could differ materially from those contained in these forward-looking statements due to certain factors. These and other risks and uncertainties are detailed in the Company's reports filed with the SEC.