

NEW ISSUE



\$28,880,000

**DORMITORY AUTHORITY OF THE STATE OF NEW YORK
UNITED HEALTH SERVICES HOSPITALS, INC.
FHA – INSURED MORTGAGE HOSPITAL REVENUE BONDS, SERIES 2009**

Dated: Date of Delivery

Due: as shown on the inside cover

Payment and Security: The Series 2009 Bonds will be special obligations of the Dormitory Authority of the State of New York (the "Authority") payable solely from, and secured by a pledge of payments to be made by United Health Services Hospitals, Inc. ("UHS Hospitals" or the "Institution") under a note (the "Refinanced Note") insured by the United States Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner ("FHA") and as provided in the United Health Services Hospitals, Inc. FHA-Insured Mortgage Hospital Revenue Bond Resolution adopted by the Authority on July 29, 2009 (the "Resolution") and in the Series Resolution Authorizing up to \$33,500,000 United Health Services Hospitals, Inc. FHA-Insured Mortgage Hospital Revenue Bonds, Series 2009, adopted by the Authority on July 29, 2009 (the "Series 2009 Resolution" and, together with the Resolution, the "Resolutions").

The Series 2009 Bonds will be secured by: (i) certain revenues received on behalf of the Authority from payments to be made by the Institution under the Refinanced Note and, in the event of a default by the Institution thereunder, from the FHA Mortgage Insurance Benefits (as defined herein); and (ii) certain other moneys and funds (including investment income) held under the Resolution and as may be available pursuant to a Loan Agreement, dated as of July 29, 2009, by and between the Institution and the Authority (the "Loan Agreement").

The Series 2009 Bonds will not be a debt of the State of New York (the "State") nor will the State be liable thereon. The Authority has no taxing power. The Series 2009 Bonds do not constitute an obligation or indebtedness of, and the payment of the Series 2009 Bonds is not insured or guaranteed by, the United States of America or any agency or instrumentality thereof, including the Department of Housing and Urban Development ("HUD") or FHA.

Description: The Series 2009 Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. The Series 2009 Bonds will be issued initially under a Book-Entry Only System, registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). Individual purchases of beneficial interests in the Series 2009 Bonds will be made in Book-Entry form (without certificates). So long as DTC or its nominee is the registered owner of the Series 2009 Bonds, payments of the principal and Redemption Price of and interest on such Series 2009 Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See "PART 3 - THE SERIES 2009 BONDS - Book-Entry Only System" herein. Interest on the Series 2009 Bonds will be payable on each February 1 and August 1 beginning on February 1, 2010. The trustee for the Series 2009 Bonds will be The Bank of New York Mellon (the "Trustee").

Redemption: The Series 2009 Bonds are subject to redemption prior to maturity, as more fully described in this Official Statement.

Tax Matters: In the opinion of Nixon Peabody LLP, New York, New York, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the Authority and the Institution described herein, interest on the Series 2009 Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Bond Counsel is further of the opinion that interest on the Series 2009 Bonds is, by virtue of the Act, exempt from personal income taxes imposed by the State of New York or any political subdivision of the State of New York. See "PART 16 - TAX MATTERS" herein regarding certain other tax considerations.

The Series 2009 Bonds are offered when, as and if issued and received by the Underwriter. The offer of the Series 2009 Bonds may be subject to prior sale, or may be withdrawn or modified at any time without notice. The offer is subject to the approval of legality of the Series 2009 Bonds by Nixon Peabody LLP, New York, New York, Bond Counsel to the Authority, and to certain other conditions. Certain legal matters will be passed upon for Capmark Finance Inc., the Mortgage Servicer, by its counsel, Byrne, Costello & Pickard, P.C., Syracuse, New York.; for the Underwriter by its co-counsel, Trespasz & Marquardt, LLP, Syracuse, New York and Marous & Marous, P.C., New York, New York; and for the Institution by its counsel, Hinman, Howard and Kattell, LLP., Binghamton, New York. The Authority expects to deliver the Series 2009 Bonds in definitive form in New York, New York, on or about October 8, 2009.

CAIN BROTHERS