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Skagit County Auditor

4/17/2001 Page 1 of 8 1:58:21PM

**MEMORANDUM OF
TERMINATION OF LEASE AGREEMENT**

Grantor:

HAROLD R. CLURE, M.D., HAROLD EIESLAND, M.D., C. LES CONWAY,
M.D., MARK S. BACKMAN, M.D., DBA FMA BUILDING ADDITION
PARTNERSHIP

Grantee:

VIRGINIA MASON MEDICAL CENTER

Abbreviated Legal Description:

Portion of SE ¼ , Section 24, Township 35 N, Range 1 E.
W.M., Skagit County, Washington

Additional legal description is on page 6 of document

Assessor's Property Tax Parcel Account Number(s):

**P31917
350124-0-139-0103**

**P6128
350124-0-139-0300**

SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

APR 17 2001

Amount Paid \$ 0
By: *[Signature]* Skagit County Treasurer Deputy

**MEMORANDUM OF
TERMINATION OF LEASE AGREEMENT**

This MEMORANDUM OF TERMINATION OF LEASE AGREEMENT ("Memorandum") is made as of April 1, 2001, by and among HAROLD R. CLURE, M.D., HAROLD EIESLAND, M.D., C. LES CONWAY, M.D., MARK S. BACKMAN, M.D. dba FMA BUILDING ADDITION PARTNERSHIP ("Landlord"), and VIRGINIA MASON MEDICAL CENTER, a Washington nonprofit corporation ("Tenant"):

RECITALS

A. Public Hospital District #2 Skagit County, Washington, f/k/a Skagit County Hospital District #2, a Washington municipal corporation ("Island Hospital"), is the landlord, and Island Medical Dental Center, a Washington general partnership ("IMDC"), is the tenant, under a Ground Lease dated July 10, 1973 and recorded under Skagit County recording number 798039, which was amended by First Amendment to Ground Lease dated June 11, 1974 and recorded under Skagit County recording number 802693, and Second Amendment to Ground Lease dated July 11, 1989 and recorded under Skagit County recording number 8907210082 (such ground lease, as amended, is referred to as the "Ground Lease"). The Ground Lease covers certain real property located in Skagit County, Washington more particularly described on Exhibit A attached hereto (the "Property"). Pursuant to the Ground Lease, a medical and dental office building and related improvements (collectively, the "IMDC Building") were constructed on the Property.

B. IMDC is the landlord, and Fidalgo Medical Associates, P.S., a Washington professional corporation ("FMA"), is the tenant, under a Lease Agreement dated November 1, 1987, which was amended by Amendment to Lease Agreement dated September 26, 1989 and by Second Amendment to Lease Agreement dated October 11, 1994. (Such lease, as amended, is referred to as the "FMA Lease"). The FMA Lease covers premises within the IMDC Building more particularly described in the FMA Lease (the "FMA Premises").

C. All of FMA's rights, title and interest as tenant under the FMA Lease were assigned to Landlord, and all of FMA's obligations under the FMA Lease were assumed by Landlord, pursuant to an Assignment of Lease Agreement dated November 16, 1995.

D. IMDC is the landlord, and Landlord is the tenant, under a Sublease Agreement dated July 20, 1989 and recorded under Skagit County recording number 8910270068, which was amended by Amendment to Sublease Agreement dated October 17, 1989 and recorded under recording number 8910270069, and by Second Amendment to Sublease Agreement dated August 22, 1995 and recorded under recording number 9511070096. (Such sublease, as amended, is referred to as the "BAP Lease"). The BAP Lease covers premises in a building



that was constructed adjacent to the IMDC Building and on the Property ("BAP Building"). Such premises are more particularly described in the BAP Lease (the "BAP Premises").

E. The IMDC Building and BAP Building and related improvements are together commonly known as the Island Medical Dental Center, the address of which is 24th Street and M Street, Anacortes, Washington (the "Clinic").

F. Landlord is the landlord, and Tenant is the tenant, under a Lease Agreement dated December 11, 1995, pursuant to which Tenant leases the FMA Premises and the BAP Premises from Landlord (the "Lease").

G. Pursuant to a Termination of Lease Agreement dated as of the date of this Memorandum (the "Termination Agreement"), Landlord and Tenant desire to terminate the Lease, on the terms set forth in the Termination Agreement.

MEMORANDUM

1. **Purpose.** This Memorandum is prepared for the purpose of recording the termination of the Lease as of the date hereof, in accordance with the Termination Agreement. This Memorandum does not modify the Termination Agreement in any respect.

EXECUTED as of the date first above written.

LANDLORD:

FMA BUILDING ADDITION PARTNERSHIP


Harold R. Clure, M.D.


Harold Eiesland, M.D.


C. Les Conway, M.D.


Mark S. Backman, M.D.

UNOFFICIAL

TENANT:

VIRGINIA MASON MEDICAL CENTER, a
Washington nonprofit corporation

By _____
Name _____
Title _____

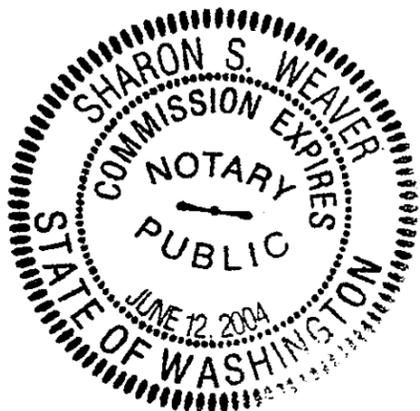
ATTACHMENTS:

Exhibit A – Legal Description of Property

STATE OF WASHINGTON)
COUNTY OF Skagit) ss.

On this 30th day of March, 2001, before me, a Notary Public in and for the State of Washington, personally appeared HAROLD R. CLURE, M.D., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument and acknowledged it to be his free and voluntary act and deed for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.



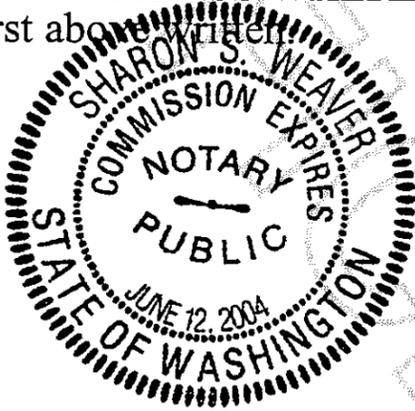
Sharon S. Weaver
NOTARY PUBLIC in and for the State of
Washington, residing at Anacortes WA
My appointment expires June 2004
Print Name Sharon S. Weaver



STATE OF WASHINGTON)
COUNTY OF Skagit) ss.

On this 30th day of March, 2001, before me, a Notary Public in and for the State of Washington, personally appeared HAROLD EIESLAND, M.D., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument and acknowledged it to be his free and voluntary act and deed for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

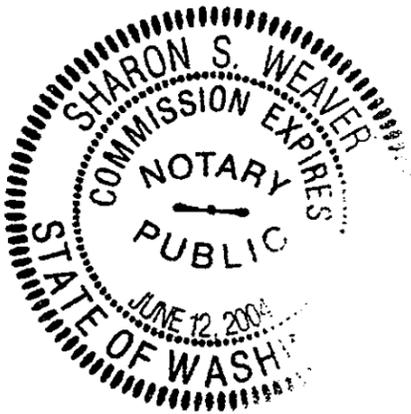


Sharon S. Weaver
NOTARY PUBLIC in and for the State of
Washington, residing at Anacortes WA
My appointment expires June 2004
Print Name Sharon S. Weaver

STATE OF WASHINGTON)
COUNTY OF ~~KING~~ Skagit) ss.

On this 30th day of March, 2001, before me, a Notary Public in and for the State of Washington, personally appeared C. LES CONWAY, M.D., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument and acknowledged it to be his free and voluntary act and deed for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.



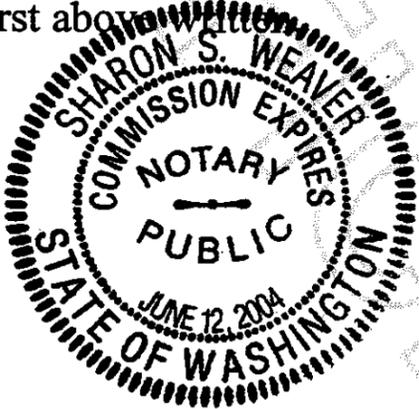
Sharon S. Weaver
NOTARY PUBLIC in and for the State of
Washington, residing at Anacortes WA
My appointment expires June 2004
Print Name Sharon S. Weaver



STATE OF WASHINGTON)
COUNTY OF ~~KING~~ Skagit) ss.

On this 3rd day of March, 2001, before me, a Notary Public in and for the State of Washington, personally appeared MARK S. BACKMAN, M.D., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument and acknowledged it to be his free and voluntary act and deed for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.



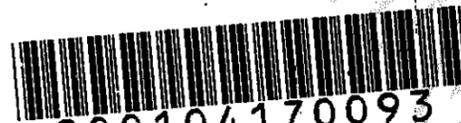
Sharon S. Weaver
NOTARY PUBLIC in and for the State of
Washington, residing at Anacortes WA
My appointment expires June 2004
Print Name Sharon S. Weaver

STATE OF WASHINGTON)
COUNTY OF KING) ss.

On this _____ day of _____, 2001, before me, a Notary Public in and for the State of Washington, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that she was authorized to execute the instrument, and acknowledged it as the _____ of VIRGINIA MASON MEDICAL CENTER to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

NOTARY PUBLIC in and for the State of
Washington, residing at _____
My appointment expires _____
Print Name _____



STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2001, before me, a Notary Public in and for the State of Washington, personally appeared MARK S. BACKMAN, M.D., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument and acknowledged it to be his free and voluntary act and deed for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

NOTARY PUBLIC in and for the State of
Washington, residing at _____
My appointment expires _____
Print Name _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 20th day of March, 2001, before me, a Notary Public in and for the State of Washington, personally appeared Sarah H. Davidson, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that she was authorized to execute the instrument, and acknowledged it as the Vice President of VIRGINIA MASON MEDICAL CENTER to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Diane E. Mehlman

NOTARY PUBLIC in and for the State of
Washington, residing at Seattle
My appointment expires 10/9/02
Print Name DIANE E. MEHLMAN

