



200203130116

Skagit County Auditor

3/13/2002 Page 1 of 6 3:55PM

THIS INSTRUMENT PREPARED BY:

James H. Levine, Esq.
Baker, Donelson, Bearman & Caldwell, P.C.
1800 Republic Centre
633 Chestnut Street
Chattanooga, Tennessee 37450

Life Care Center of Mt. Vernon and The Bridge at Mt. Vernon

Memorandum of Lease

Reference numbers of related documents:
on page 6 of document

ACCOMMODATION RECORDING

ISLAND TITLE CO. QB2190

Lessor(s):

1. Mt. Vernon Medical Investors, LLC

Lessee(s):

2. Mt. Vernon Medical Investors Limited Partnership

Legal Description:

3. See Exhibit "A" attached hereto
4. Additional legal description is on page 5 of document

Assessor's Property Tax Parcel Account Number(s): 340420-4-004-0109; 340420-4-004-0000

Island Title Company has placed
this document for recording as a
customer courtesy and accepts no
liability for its accuracy or validity

Memorandum of Lease

THIS INSTRUMENT PREPARED BY:
James H. Levine, Esq.
Baker, Donelson, Bearman & Caldwell, P.C.
1800 Republic Centre
633 Chestnut Street
Chattanooga, Tennessee 37450

Life Care Center of Mt. Vernon and The Bridge at Mt. Vernon
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

MAR 13 2002

Amount Paid \$
Skagit Co. Treasurer
By *[Signature]* Deputy

Memorandum of Lease

THIS MEMORANDUM OF LEASE ("Memorandum"), made and entered into as of the 25th day of February, 2002, by and between Mt. Vernon Medical Investors, LLC, a Tennessee limited liability company ("Lessor"), and Mt. Vernon Medical Investors Limited Partnership, a Tennessee limited partnership ("Lessee");

WITNESSETH:

WHEREAS, the parties hereto have made and entered into a certain Lease (the "Lease") dated February 25, 2002 with respect to the property known as Life Care Center of Mt. Vernon and The Bridge at Mt. Vernon, more particularly described in Exhibit A, attached hereto and made a part hereof as fully as if set out verbatim herein, (all of which improvements and land are hereinafter collectively referred to as the "Premises"); reference is hereby made to the Lease for the terms and provisions thereof, and the Lease is hereby made a part hereof as fully and particularly as if set out verbatim herein; and

WHEREAS, the parties desire to enter into this Memorandum for recordation in order that it shall not be necessary that the entire Lease be recorded;

NOW, THEREFORE, for and in consideration of the premises, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, it is agreed by the parties as follows:

1. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, for the rents described in the Lease and upon the mutual agreements and covenants and subject to the reservations, terms and conditions set forth in the Lease, the Premises known as Life Care Center of Mt. Vernon and The Bridge at Mt. Vernon, situated in Skagit County, Washington, effective as of February 25, 2002. The term of the Lease shall extend for thirty-five (35) years from such date (the "Initial Term") and following the Initial Term, the Lease shall automatically renew for successive periods of one (1) year each, all as more particularly set forth in the Lease.



IN WITNESS WHEREOF, Lessor and Lessee have executed this Memorandum of Lease, or have caused this Memorandum of Lease to be executed by and through their duly authorized officers, on the day, month and year first above set out.

LESSOR:

MT. VERNON MEDICAL INVESTORS,
LLC

By: Cindy S. Cross

Cindy S. Cross
Vice President

LESSEE:

MT. VERNON MEDICAL INVESTORS
LIMITED PARTNERSHIP, by its corporate general
partner, Developers Investment Company, Inc.

By: Cindy S. Cross

Cindy S. Cross
Vice President

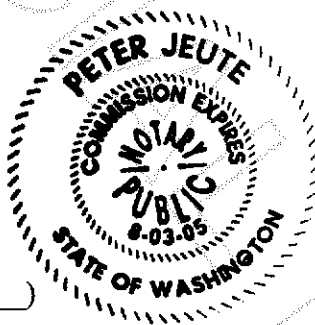


STATE OF Washington

COUNTY OF KING

On this 7th day of March, 2002, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Cindy S. Cross, to me known to be the Vice President of Mt. Vernon Medical Investors, LLC, the Tennessee limited liability company that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes herein mentioned and on oath stated that she is authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.



Peter Jeute
Notary Public

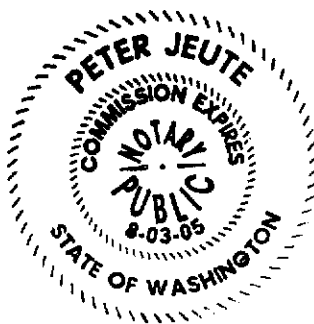
My Commission Expires: 8-03-05

STATE OF Washington

COUNTY OF KING

On this 7th day of March, 2002, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Cindy S. Cross, to me known to be the Vice President of Developers Investment Company, Inc., the corporate general partner of Mt. Vernon Medical Investors Limited Partnership, the Tennessee limited partnership that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said limited partnership, for the uses and purposes herein mentioned and on oath stated that she is authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.



Peter Jeute
Notary Public

My Commission Expires: 8-03-05



**EXHIBIT A
TO
MEMORANDUM OF LEASE**

Property Description



Fidelity National Title

INSURANCE COMPANY

MT. VERNON/LC058 AND LC059

POLICY NUMBER: 27-041-92 325490

EXHIBIT A

LEGAL DESCRIPTION

TRACT 1 (LC058)

As to Parcel 1:

Lot 3 of CITY OF MOUNT VERNON SHORT PLAT NO. MV-7-95, as approved January 24, 1996, and recorded January 26, 1996, in Volume 12 of Short Plats, Page 69, under Auditor's File No. 9601260017, records of Skagit County, Washington; being a portion of the Northeast Quarter of the Southeast Quarter of Section 20, Township 34 North, Range 4 East of the Willamette Meridian.

Situated in Skagit County, Washington.

TRACT 1 (LC059)

Lot 2 of CITY OF MOUNT VERNON SHORT PLAT NO. MV-7-95, as approved January 24, 1996, and recorded January 26, 1996, in Volume 12 of Short Plats, Page 69, under Auditor's File No. 9601260017, records of Skagit County, Washington; being a portion of the Northeast Quarter of the Southeast Quarter of Section 20, Township 34 North, Range 4 East of the Willamette Meridian.

Situated in Skagit County, Washington.



200203130116

Skagit County Auditor

3/13/2002 Page 6 of 6 3:55PM