

Return Address:
Land Title Company
2801 Commerical Avenue #2
Anacortes, WA 98221



200306260138

Skagit County Auditor

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LAND TITLE COMPANY OF SKAGIT COUNTY

106528 PA E

Document Title(s) (for transactions contained therein):

1. Memorandum of Lease
- 2.
- 3.
- 4.

**Reference Number(s) of Documents assigned or released:
(on page of documents(s))**

Grantor(s)

1. Northwest Educational Service District No. 189
- 2.
- 3.
- 4.

Additional Names on page of document.

Grantee(s)

1. Shared Healthcare Systems, Inc.
- 2.
- 3.
- 4.

Additional Names on page of document.

Legal Description (abbreviated i.e. lot, block, plat or section, township, range)

Lot 2A, Seafarer's View

Additional legal is on page of document.

Assessor's Property Tax Parcel/Account Number

P32948/350219-0-040-0008

The Auditor/Recorder will rely on information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided

MEMORANDUM OF LEASE

This Memorandum of Lease dated June 25, 2003 and effective this 25 day of June 2003, ("Commencement Date") by and between Northwest Educational Service District No. 189, a political subdivision of the state of Washington, 1601 R Avenue, Anacortes, Washington 98221, as Landlord; and Shared Healthcare Systems, Inc., a Delaware corporation, Anacortes Washington 5712, as Tenant.

1. Area Leased. The Landlord hereby leases to Tenant and Tenant hereby leases from the Landlord, real estate located in Skagit County, Washington, the legal description of which property is described as follows: (See attached Exhibit "A" for legal.)

2. Term of Lease. The term of this Lease is for four (4) years and terminating on the 4th year anniversary of the Commencement Date.

3. This Memorandum of Lease is subject to the terms, conditions and restrictions contained in that certain unrecorded Lease between Landlord and Tenant dated June 30, 2003.

LANDLORD:

Northwest Educational Service District
No. 189

TENANT:

Shared Healthcare Systems, Inc.

By: [Signature]
Its: Supt.
Date: 6/25/03

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX
Amount Paid \$
By [Signature] Skagit Co. Treasurer
Deputy

By: [Signature]
Its: Vice President
Date: 6/25/03

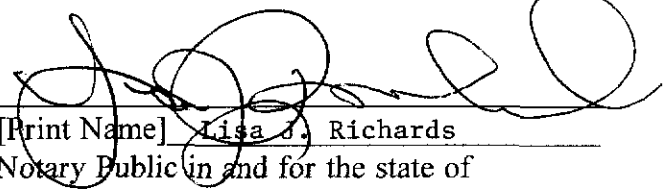


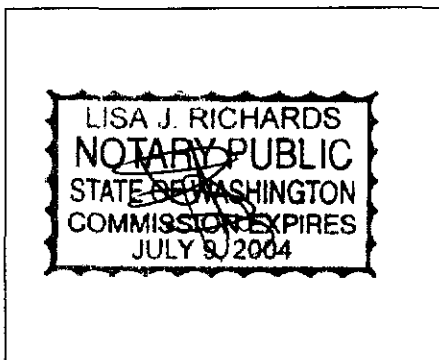
STATE OF WASHINGTON)
) ss.
COUNTY OF Skagit)

On this day personally appeared before me Gerald W. Jenkins, to me known to be the Superintendent of Northwest Educational Service District No. 189, the municipal corporation described herein and that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument on behalf of said corporation.

Given under my hand and official seal this 25 day of June 2003.

For recording in the state of Washington,
the Notarial Seal must be fully legible
and cannot intrude into document margins.
Please affix seal in space provided.


[Print Name] Lisa J. Richards
Notary Public in and for the state of
Washington, residing at Mount Vernon
My commission expires: July 9, 2004



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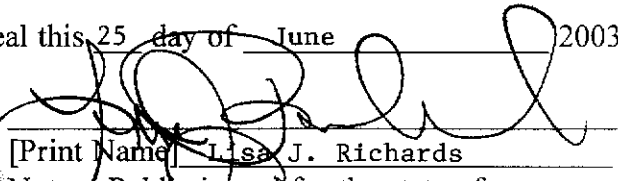
Skagit County Auditor

STATE OF WASHINGTON)
) ss.
COUNTY OF Skagit)

On this day personally appeared before me Lisa Matthews, to me known to be the Vice President of Shared Healthcare Systems, Inc., the corporation described herein and that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument on behalf of said corporation.

Given under my hand and official seal this 25 day of June 2003.

For recording in the state of Washington,
the Notarial Seal must be fully legible
and cannot intrude into document margins.
Please affix seal in space provided.


[Print Name] Lisa J. Richards
Notary Public in and for the state of
Washington, residing at Mount Vernon
My commission expires: July 9, 2004

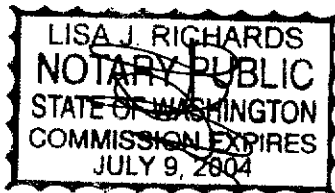


EXHIBIT AA

**LEGAL DESCRIPTION OF PROPERTY
and
DESCRIPTION OF PREMISES**

Legal Description of Property:

Lot 2A, "Seafarer's View", as recorded under Auditor's File No. 200112030101, records of Skagit County, Washington, being in portions of Government Lots 1 and 2, Section 19, Township 35 North, Range 2 East, W.M., and of "Plate No. 10 Tide and Shore Lands of Section 19, Township 35 North, Range 2 East, W.M., Anacortes Harbor", according to the official map thereof on file with the State Land Commissioner at Olympia, Washington,

TOGETHER WITH all those portions of lots 2C and 2D, said "Seafarer's View", lying South and East of the following described line:

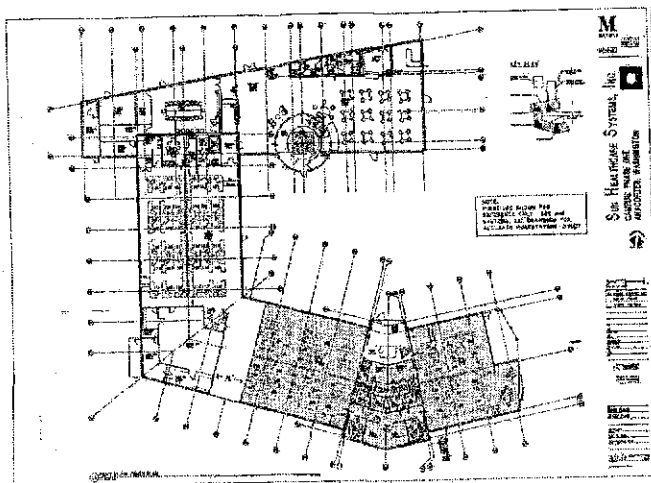
Commencing at the Southwest corner of said Lot 2C; **thence** North 00° 00' 25" East along the West line of said Lot 2C, 6.22 feet to the **TRUE POINT OF BEGINNING** of said described line; **thence** South 89° 58' 10" East along said line, 399.51 feet; **thence** North 00° 34' 57" West, 33.52 feet to that certain angle point on the Easterly line of said lot 2D and the end of said described line, said point lying between courses L4 and L5 on said Easterly line;

EXCEPTING from said lot 2A that portion thereof lying Southerly and Westerly of the following described line:

Commencing at the Northwest corner of Lot 2B, said "Seafarer's View"; **thence** North 00° 00' 25" East, along the West line of said Lot 2A, 52.70 feet to the **TRUE POINT OF BEGINNING** of said described line; **thence** South 79° 00' 24" East along said line, 201.32 feet to an angle point thereon; **thence** South 00° 53' 55" West along said line, 232.95 feet to the South line of said Lot 2A and the end of said described line.

Situate in the City of Anacortes, County of Skagit, State of Washington.

Description of Premises: Area highlighted in following drawing.



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