



200810290110

Skagit County Auditor

10/29/2008 Page 1 of 9 3:19PM

When Recorded Return To:

**Donald W. Black
OGDEN MURPHY WALLACE, P.L.L.C.
1601 Fifth Avenue, Suite 2100
Seattle, Washington 98101-1686**

CHICAGO TITLE CO.

**ACCOMMODATION RECORDING CORRECTION OF
FIRST AMENDMENT TO DECLARATION OF
ISLAND MEDICAL CENTER CONDOMINIUM**

Reference Number(s)
of Related Documents:

200603140130; 200712060103

Additional Reference #s on page: N/A

Grantor:

CHALLENGE DEVELOPMENTS II, L.L.C., a Washington
limited liability company

Additional Grantors on page: N/A

Grantees:

SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2 (d/b/a
Island Hospital), a Washington state public hospital district, and
CHALLENGE DEVELOPMENTS II, L.L.C., a Washington state
limited liability company

Additional Grantees on page: N/A

Legal Description (abbreviated):

That portion of the Southeast Quarter of Section 24, Township 35
North, Range 1 East of the Willamette Meridian

Additional Legal on page: 9

Assessor's Tax
Account Number:

P124175; P124176; P124177

**CORRECTION OF
FIRST AMENDMENT TO DECLARATION OF
ISLAND MEDICAL CENTER CONDOMINIUM**

THIS CORRECTION OF FIRST AMENDMENT TO DECLARATION OF ISLAND MEDICAL CENTER CONDOMINIUM (this "Correction") is made by ISLAND MEDICAL CENTER CONDOMINIUM ASSOCIATION (the "Association") and its Unit Owners, CHALLENGE DEVELOPMENTS II, L.L.C., a Washington limited liability company ("Challenge"), and SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, a Washington municipal corporation (the "District"), and corrects that certain First Amendment to Declaration of Island Medical Center Condominium (the "Condominium"), recorded on December 6, 2007 under Auditor's File No. 200712060103, records of Skagit County, Washington (the "First Amendment").

RECITALS

A. The Association, District and Challenge (collectively the "Parties"), being all of the parties to the First Amendment, have determined there was an error in the First Amendment which should be corrected. Correction of that error will not affect the intended transactions and actions which were meant to be taken and effected by the First Amendment.

B. The Parties agree that this Correction is in the best interest of each of the Parties and will more accurately reflect what had been intended by the First Amendment. The District and the other Parties did not intend that the District convey or release interests it has in Units 101 and 102 under other agreements including, but not limited to: (i) that Amended and Restated Ground Lease between the Parties, dated March 13, 2006, and recorded on March 14, 2006 under Auditor's File No. 200603140128, records of Skagit County, Washington; (ii) the Option to Purchase Real Property and Right of First Refusal between Challenge and the District, dated March 13, 2006, and recorded on March 14, 2006 under Auditor's File No. 200603140137, records of Skagit County, Washington; (iii) the Reciprocal Easement Agreement between the Parties, dated March 14, 2006, and recorded on March 14, 2006 under Auditor's File No. 200603140129, records of Skagit County, Washington; and (iv) the Unit 101 Walkway Easement Agreement between the Parties, dated March 13, 2006, and recorded on March 14, 2006 under Auditor's File No. 200603140132, records of Skagit County, Washington. All of the foregoing agreements remain in full force and effect.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Correction of First Amendment.** Section 4.3 of the First Amendment, entitled "Conveyance of District's Interest in Units 101 and 102 to Challenge," is hereby amended and restated as follows:

"4.3 Conveyance of District's Interest in Units 101 and 102 to Challenge. The District, for good and valuable consideration, the sufficiency and receipt of which



are hereby acknowledged, hereby quit claims and conveys to Challenge any interest the District may have in Unit 101 and in Unit 102 (other than the improvements to Unit 102 that are conveyed to the District pursuant to Section 4.2 above), subject to the following exceptions, which shall remain in full force and effect: (i) that Amended and Restated Ground Lease between the District, Challenge and the Association, dated March 13, 2006, and recorded on March 14, 2006 under Auditor's File No. 200603140128, records of Skagit County, Washington; (ii) the Option to Purchase Real Property and Right of First Refusal between Challenge and the District, dated March 13, 2006, and recorded on March 14, 2006 under Auditor's File No. 200603140137, records of Skagit County, Washington; (iii) the Reciprocal Easement Agreement between the District, Challenge and the Association, dated March 14, 2006, and recorded on March 14, 2006 under Auditor's File No. 200603140129, records of Skagit County, Washington; and (iv) the Unit 101 Walkway Easement Agreement between the District, Challenge and the Association, dated March 13, 2006, and recorded on March 14, 2006 under Auditor's File No. 200603140132, records of Skagit County, Washington."

2. **Effect of the Correction.** This Correction corrects the First Amendment to reflect what the Parties had intended. The Declaration, as amended by the First Amendment as hereby corrected, is in full force and effect, and the Parties hereby ratify and affirm the same. In the event of any conflict between the provisions of the First Amendment and this Correction, the provisions of this Correction shall control.

3. **Effective Date.** This Correction shall be deemed effective as and when the First Amendment was effective, which was upon filing of the First Amendment on December 6, 2007 in the office of the Auditor of Skagit County, Washington.

[Remainder of page intentionally left blank]



DATED as of the 6th day of October, 2008.

ASSOCIATION:

ISLAND MEDICAL CENTER CONDOMINIUM
ASSOCIATION

Vincent C. Oliver
By: Vincent C. Oliver
President, Board of Directors of Island
Medical Center Condominium Association

UNIT OWNERS:

CHALLENGE DEVELOPMENTS II, L.L.C.

Jerald Zavallney
By: Jerald Zavallney
Its: Member

Michael E. Ruthford
By: Michael E. Ruthford
Its: Member

SKAGIT COUNTY PUBLIC HOSPITAL
DISTRICT NO. 2

Vincent C. Oliver
By: Vincent C. Oliver
Its: Superintendent and Chief Executive Officer

ATTEST:

The undersigned hereby attests that the Correction was properly adopted in accordance with the Association's Bylaws and the provisions of Section 31.1 and 18.4 of the Declaration.

Peter M Swanson
By: Peter Swanson
Its: Secretary, Board of Directors of Island Medical
Center Condominium Association



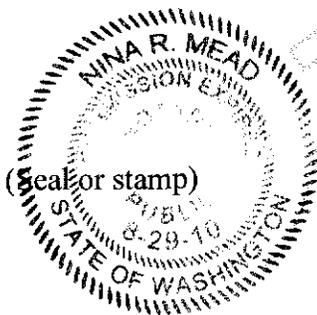
STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Vincent C. Oliver is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of the Board of Directors of Island Medical Center Condominium Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: October 6th, 2008.

Nina R. Mead
Vincent C. Oliver
(Signature)

Nina R. Mead
(Name legibly printed or stamped)
Notary Public in and for the State of Washington,
residing at Anacortes.
My appointment expires 8-29-10



STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Peter Swanson is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Secretary of the Board of Directors of Island Medical Center Condominium Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: October 6th, 2008.

Nina R. Mead
(Signature)

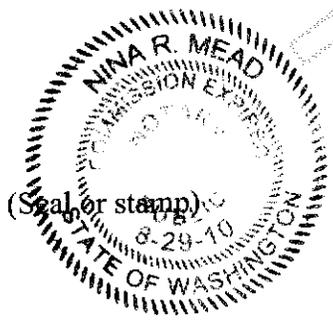
Nina R. Mead
(Name legibly printed or stamped)
Notary Public in and for the State of Washington,
residing at Anacortes.
My appointment expires 8-29-10



STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Jerald Zavalney is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Member of Challenge Developments II, L.L.C. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: October 6th, 2008.



Nina R. Mead
(Signature)

Nina R. Mead
(Name legibly printed or stamped)

Notary Public in and for the State of Washington,
residing at Arcacortes.
My appointment expires 8-29-10

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Michael E. Ruthford is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Member of Challenge Developments II, L.L.C. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: October 6th, 2008.



Nina R. Mead
(Signature)

Nina R. Mead
(Name legibly printed or stamped)

Notary Public in and for the State of Washington,
residing at Arcacortes.
My appointment expires 8-29-10



STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Vincent C. Oliver is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Superintendent and Chief Executive Officer of Skagit County Public Hospital District No. 2 to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: October 6th, 2008.

Tina R. Mead
(Signature)

Tina R. Mead
(Name legibly printed or stamped)

Notary Public in and for the State of Washington,
residing at Arcata, CA
My appointment expires 8-29-10



LEGAL DESCRIPTION

That portion of the Southeast Quarter of Section 24, Township 35 North, Range 1 East of the Willamette Meridian, described as follows:

Commencing at the East Quarter corner of said Section 24;
thence South $0^{\circ}59'30''$ East, along the East line of said Section 24, 1,223.17 feet to an intersection with the South line of 24th Street;
thence South $89^{\circ}58'48''$ West, along the South line of 24th Street, 396.27 feet to the true point of beginning;
thence South $0^{\circ}01'35''$ East, 264.46 feet;
thence South $89^{\circ}58'25''$ West, 358.50 feet to the East line of "M" Avenue;
thence North $0^{\circ}01'35''$ West, along the East line of "M" Avenue, 264.50 feet to the South line of 24th Street;
thence North $89^{\circ}58'48''$ East along the South line of 24th Street, 358.50 feet to the true point of beginning;

Together with that Reciprocal Easement Agreement recorded March 14, 2006 under Auditor's File No. 200603140129, Records of Skagit County, Washington.

Situate in Skagit County, Washington.

