

When Recorded Return To

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201109220098

Skagit County Auditor

9/22/2011 Page

1 of

6 3:06PM

MEMORANDUM OF GROUND LEASE

Reference Number(s)
of Related Documents:

N/A

Grantor/Lessor:

SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, a
Washington municipal corporation d/b/a Island Hospital

Grantee/Lessee:

ISLAND HOSPITAL MEDICAL PROPERTIES, a
Washington non-profit corporation

Legal Description:

Portion of Block 3, Hensler's First Addition

Additional Legal on page 6

Assessor's Tax

Account Number:

P57320, P57321, P57322, P57323 P124698 and P31916

THIS MEMORANDUM OF LEASE ("Memorandum") is made this 5th day of August, 2011 (the "Memo Date"), between Skagit County Public Hospital District No. 2, a Washington municipal corporation doing business as Island Hospital ("Landlord"), and Island Hospital Medical Properties, a Washington non-profit corporation ("Tenant").

Landlord and Tenant hereby acknowledge that they entered into a Ground Lease Agreement (the "Ground Lease"), dated August 5, 2011, for the property legally described in Exhibit A attached hereto and incorporated herein (the "Leased Land").

Principal Terms of the Ground Lease. The following is a brief description of certain terms of the Ground Lease. This is not intended as an amendment, modification or restatement of any term of the Ground Lease, and no rights or obligations shall separately arise under this Memorandum. Reference should be made to the full Ground Lease that is maintained in the records of Landlord and Tenant. In the event of any conflict between any

Memorandum of Ground Lease

-1-

{MVL908792.DOC;1\14335.010009\}

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

SEP 22 2011

Amount Paid \$
Skagit Co. Treasurer
By *man* Deputy

term of this Memorandum and any term of the Ground Lease, the term of the Ground Lease shall prevail.

1. Term. Tenant's rights to occupy the Leased Land is for seventy-five (75) years (the "Term"), commencing on the "Commencement Date" as defined in the Ground Lease, unless sooner terminated pursuant to the terms of the Ground Lease.
2. Extension of Term. The Term of the Ground Lease may be extended for two (2) additional term of ten (10) years each pursuant to the terms set forth in the Ground Lease.

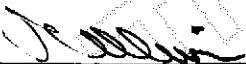
[Remainder of page intentionally blank. Signature page follows.]



IN WITNESS WHEREOF, the parties have duly executed, acknowledged and delivered this instrument as of the latest date set forth next to/beneath their signatures below.

LANDLORD:

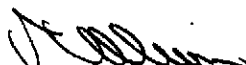
SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2


By: Vincent C. Oliver
Its: Superintendent and CEO

Date: 8/3/11

TENANT:

ISLAND HOSPITAL MEDICAL PROPERTIES


By: Vincent C. Oliver
Its: President

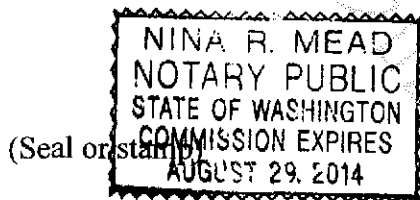
Date: 8/3/11



STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this 3rd day of Aug, 2011, before me personally appeared Vincent C. Oliver to me known to be the president of ISLAND HOSPITAL MEDICAL PROPERTIES, the non-profit corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

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



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 8-29-14

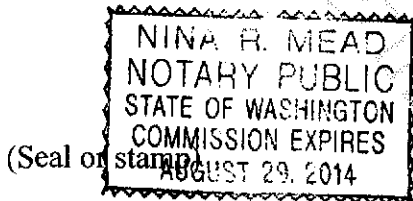
STATE OF WASHINGTON)

) ss.

COUNTY OF SKAGIT)

On this 3rd day of Aug, 2011, before me personally appeared Vincent C. Oliver, to me known to be the Superintendent and Chief Executive Officer of Skagit County Public Hospital District No. 2, the municipal corporation that that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

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



Nina R. Mead
(Signature)

Nina R. Mead
(Name legibly printed or stamped)

Notary Public in and for the State of
Washington, residing at Quacortes.
My appointment expires 8-29-14



EXHIBIT A

LEGAL DESCRIPTION

All that portion of the Northeast Quarter of the Southeast Quarter of the Southeast Quarter of Section 24, Township 35 North, Range 1 East, WM, as delineated on that survey recorded under Auditor's File Number 9703110090, records of Skagit County, Washington, AND all that portion of Lots 8 through 17 of Block 3 of the Plat of Hensler's First Addition to the City of Anacortes as per the plat recorded in Volume 3 of Plats, Page 46, records of Skagit County, Washington AND all that portion of the alley of said Block 6 as vacated under Ordinance #2845 recorded March 15, 2011 under Skagit County Auditor's File No. 201103150061, described as follows:

Commencing at the southeast corner of Lot 17 of said Block 3, as delineated on that survey recorded under Auditor's File Number 200803120069, records of Island County, Washington;

Thence S 89°58'18" W, along the south line of said Lot 17, a distance of 28.78 feet;

Thence N 00°01'42" W a distance 24.50 feet to the **TRUE POINT OF BEGINNING** of this Lease Legal Description;

Thence S 89°58'18" W a distance of 60.59 feet;

Thence S 00°01'42" E a distance of 5.00 feet;

Thence S 89°58'18" W a distance of 42.00 feet;

Thence N 00°01'42" W a distance of 5.00 feet;

Thence S 89°58'18" W a distance of 26.41 feet;

Thence N 00°01'42" W a distance of 90.51 feet;

Thence N 45°45'46" E a distance of 35.12 feet;

Thence N 89°58'18" E a distance of 64.18 feet;

Thence S 00°01'42" E a distance of 17.00 feet;

Thence N 89°58'18" E a distance of 51.65 feet;

Thence S 00°01'42" E a distance of 41.50 feet;

Thence S 89°58'18" W a distance of 12.00 feet;

Thence S 00°01'42" E a distance of 56.50 feet to the **POINT OF BEGINNING**;

Containing 14,561 square feet, more or less.

