

WHEN RECORDED RETURN TO:

After Recording Return to:
Stewart Title Guaranty Company
One Washington Mall, Suite 1400
Boston, MA 02108
Attn: Joseph Berry

t II, Inc.



201412010145

Skagit County Auditor

\$226.00

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2:24PM

**SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX**

DEC 01 2014

LAND TITLE OF SKAGIT COUNTY

150450-5

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

Document Title: Assignment and Assumption of Ground Lease and Leases with Consent

Grantor/Assignor: MV INVESTORS LLC

Grantee/Assignee: ARHC MVMVNW A01, LLC

Legal Description:

Abbreviated Legal Description: PTN LOTS 4-8 AND 11-13 DALE AND SHEA'S ADD
TO THE CITY OF MT. VERNON AND PTN VACATED MONTGOMERY STREET

Full Legal Description: See Exhibit A attached

Assessor's Tax Parcel Nos.: P129783 and P126330

Reference Nos. of Documents Released or Assigned: Memorandum of the Ground Lease,
Recording No. 2000511300086; First Amendment to Memorandum of Ground Lease, Recording No.
200702200204; and Second Amendment to Memorandum of Ground Lease, Recording No.
201407160029

ASSIGNMENT AND ASSUMPTION OF GROUND LEASE AND LEASES WITH CONSENT

This Assignment and Assumption of Ground Lease and Leases with Consent ("**Agreement**") is made between **ARHC MVMVNW A01, LLC**, a Delaware limited liability company ("**Purchaser**"), and **MV INVESTORS LLC**, a Washington limited liability company ("**Seller**"), and consented to by Public Hospital District No. 1 of Skagit County, a Washington public hospital district formed pursuant to Chapter 70.44 RCW ("**Hospital**").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser, Seller and Hospital agree as follows:

1. Seller hereby grants, sells, conveys, transfers, assigns, warrants and delivers to Purchaser, all of Seller's right, title and interest in and to and under (a) all leases (written or oral, now or hereafter in effect), that grant a possessory leasehold interest in and to any space on or in the improved real property (the "**Property**"), located in Mount Vernon, Skagit County, Washington, legally described in Exhibit A attached (collectively the "**Leases**"); (b) the Ground Lease dated September 12, 2005, between the Hospital as Landlord and Seller as Tenant as amended pursuant to an Amended and Restated First

Amendment to Ground Lease dated February 6, 2007, and an Agreement as to Status of Leases dated May 11, 2009 (as amended, the "**Ground Lease**"), together with all of Seller's right, title and interest in and to all buildings, facilities and other improvements located on the Property (collectively, the "**Improvements**"); (c) the leasehold estate as set forth in the Ground Lease; (d) any unpaid award for (i) any taking or condemnation of the Property, the Improvements or any portion thereof, or (ii) any damage to the Property or the Improvements by reason of a change of grade of any street or highway; and (d) all easements, licenses, rights and appurtenances relating to any of the foregoing (collectively, the "**Assignment**"). A description of the Leases is attached hereto as Exhibit B. A Memorandum of the Ground Lease was recorded in the real property records of Skagit County, Washington, on November 30, 2006, under recording no. 2000511300086, and amended by a First Amendment to Memorandum of Ground Lease recorded in the real property records of Skagit County, Washington, under recording no. 200702200204 and a Second Amendment to Memorandum of Ground Lease recorded in the real property records of Skagit County, Washington, under recording no. 201407160029.

2. Seller further grants, sells, conveys, transfers, assigns, warrants and delivers to Purchaser, all of its right, title and interest in and to all lease guaranties, security deposits and/or prepaid rents, if any, held by Seller or its agents in connection with the Leases.

3. Seller represents and warrants to Purchaser that it is the holder of (a) the landlord's interest under the Leases, and it has not assigned any of its rights, titles or interests in the Leases to any person or entity other than Purchaser, other than the current and prior lenders to Seller, and (b) the tenant's interest under the Ground Lease, and it has not assigned any of its rights, titles or interests in the Ground Lease to any person or entity other than Purchaser, other than the current and prior lenders to Seller.

4. Purchaser hereby assumes and agrees (a) to perform all obligations and liabilities to tenants under the Leases, including any and all liabilities to tenants for prepaid rents and security deposits, arising out of events occurring from and after the effective date of this Agreement, and (b) to perform all obligations and liabilities of the tenant under the Ground Lease. Such performances by Purchaser, to tenants under the Leases (except Lease No. VA-101-08-RP-0133) and as tenant under the Ground Lease, shall be fully enforceable by the Hospital as the "tenant" under any of such Leases and as the "landlord" under the Ground Lease. Purchaser agrees to indemnify, defend and hold Seller harmless from and against any and all claims, demands, liabilities, suits, actions, judgments, costs and expenses (including reasonable attorneys' fees and court costs), other than speculative damages, consequential damages or lost profits, arising out of events occurring from or out of the Leases or the Ground Lease after the effective date of this Agreement.

5. Seller agrees to indemnify, defend and hold Purchaser harmless from and against any and all claims, demands, liabilities, suits, actions, judgments, costs and expenses (including reasonable attorneys' fees and court costs), other than speculative damages, consequential damages or lost profits, arising out of events occurring from or out of the Leases or the Ground Lease prior to the effective date of this Agreement.

6. This Agreement shall be binding upon and inure to the benefit of Seller, Purchaser and Hospital and their respective heirs, personal representatives, successors and assigns.



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7. In the event either party commences a lawsuit or other legal proceeding to enforce the terms of this Agreement, the prevailing party in such lawsuit or other proceeding shall be entitled to recover from the other party its reasonable attorneys' fees and costs.

8. This Agreement shall be construed in accordance with and interpreted under the laws of the State of Washington. Venue for any action concerning this Agreement shall be exclusively in Skagit County Superior Court.

9. This Agreement shall be effective as of the date this Agreement is recorded in the real property records of Skagit County, Washington in accordance with the terms of that certain Purchase and Sale Agreement and Joint Escrow Instructions dated October 17, 2014, between Seller and Purchaser.

10. This Agreement may be executed in multiple counterparts, each of which will constitute a complete and fully executed original.

[SIGNATURE PAGES FOLLOW]



201412010145

DATED as of November 10, 2014.

SELLER:

MV INVESTORS LLC, a Washington limited liability company

By: **Capstone Partners NW, LLC**, a Washington limited liability company, its Manager

By: **CBIL Group, LLC**, a Washington limited liability company, Authorized Member

By: 
Kirk A. Johnson, Sole Member

PURCHASER:

ARHC MVMVNW01, LLC, a Delaware limited liability company

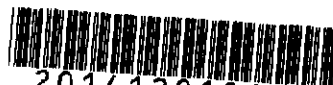
By: _____
Name:
Title:

By its execution below, Hospital hereby consents to the Assignment on the foregoing terms and conditions.

HOSPITAL:

**SKAGIT COUNTY PUBLIC HOSPITAL
DISTRICT NO. 1, DBA SKAGIT VALLEY HOSPITAL**

By: _____
Gregg A. Davidson, CEO/Superintendent



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DATED as of November 25, 2014.

SELLER:

MV INVESTORS LLC, a Washington limited liability company

By: **Capstone Partners NW, LLC**, a Washington limited liability company, its Manager

By: **CBIL Group, LLC**, a Washington limited liability company, Authorized Member

By: _____
Kirk A. Johnson, Sole Member

PURCHASER:

ARHC MVMVNW01, LLC, a Delaware limited liability company

By: _____
Name: Jesse C. Galloway
Title: Authorized Signatory

By its execution below, Hospital hereby consents to the Assignment on the foregoing terms and conditions.

HOSPITAL:

**SKAGIT COUNTY PUBLIC HOSPITAL
DISTRICT NO. 1, DBA SKAGIT VALLEY HOSPITAL**

By: _____
Gregg A. Davidson, CEO/Superintendent



201412010145

DATED as of November __, 2014.

SELLER:

MV INVESTORS LLC, a Washington limited liability company

By: **Capstone Partners NW, LLC**, a Washington limited liability company, its Manager

By: **CBIL Group, LLC**, a Washington limited liability company, Authorized Member

By: _____
Kirk A. Johnson, Sole Member

PURCHASER:

ARHC MVMVNA01, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

By its execution below, Hospital hereby consents to the Assignment on the foregoing terms and conditions.

HOSPITAL:

**SKAGIT COUNTY PUBLIC HOSPITAL
DISTRICT NO. 1, DBA SKAGIT VALLEY HOSPITAL**

By: _____
Gregg A. Davidson, CEO/Superintendent



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STATE OF WASHINGTON)

) ss.

COUNTY OF King)

On this 10 day of November, 2014, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared **Kirk A. Johnson**, known to me to be the sole member of **CBIL Group, LLC**, the authorized member of **Capstone Partners NW, LLC**, the manager of **MV INVESTORS LLC**, the 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 purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.



[Signature]
Signature

Leland Swartz
Print Name

NOTARY PUBLIC in and for the State of
Washington, residing at Seattle

My commission expires 6-19-18



STATE OF New York)
) ss.
COUNTY OF New York)

On this 14th day of November, 2014, before me, the undersigned, a Notary Public in and for the State of New York, duly commissioned and sworn personally appeared Jack Galloway, known to me to be an Authorized Signatory of ARHC MVMVNW01, LLC, the 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 purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.


Signature

Stephanie Leal
Print Name

NOTARY PUBLIC in and for the State of

NY, residing at Kings County.

My commission expires 9/19/16.



201412010145

STATE OF WASHINGTON)

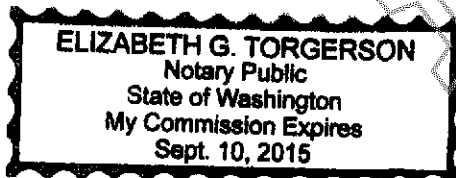
) ss.

COUNTY OF SKAGIT)

On this 24th day of November, 2014, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Gregg A. Davidson, to me known to be the CEO/Superintendent of Skagit County Public Hospital District No. 1, a municipal corporation, the municipal corporation that executed the foregoing instrument, and acknowledged the 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 is authorized to execute the said instrument.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.



Elizabeth G. Torgerson
Signature

Elizabeth G. Torgerson
Print Name

NOTARY PUBLIC in and for the State of
Washington, residing at Sedro-Boyley
My commission expires 9-10-15



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EXHIBIT A

Legal Description

The real property located in Skagit County, Washington, legally described as follows:

Parcel 1.

The West half of the tract described as follows:

That portion of Lot 4 lying West of the West line of 13th Street, as conveyed to the City of Mount Vernon by deeds recorded October 28, 1955 and May 21, 1956, under Auditor's File Nos. 526414 and 536375, respectively, and all of Lots 5-8, inclusive in "DALE & SHEA'S ADDITION TO THE CITY OF MT. VERNON," according to the plat thereof, recorded in Volume 3 of Plats, page 68, records of Skagit County, Washington.

Parcel 2.

The East half of the tract described as follows:

That portion of Lot 4 lying West of the West line of 13th Street, as conveyed to the City of Mount Vernon by deeds recorded October 28, 1955 and May 21, 1956, under Auditor's File Nos. 526414 and 536375, respectively, and all of Lots 5-8, inclusive in "DALE & SHEA'S ADDITION TO THE CITY OF MT. VERNON," according to the plat thereof, recorded in Volume 3 of Plats, page 68, records of Skagit County, Washington.

Parcel 3.

Those portions of vacated East Montgomery Street described in those City of Mount Vernon Ordinance Nos. 3333 and 3310 as recorded on September 7, 2006 and January 9, 2006, under Auditor's File Nos. 200609070012 and 200601090167, records of Skagit County, Washington.

Parcel 4.

The North 72.00 feet of the east 187 feet of the West 202.00 feet of Lots 11 through 13 in "DALE AND SHEA'S ADDITION TO THE CITY OF MT. VERNON," according to the plat thereof, recorded in Volume 3 of Plats, page 68, records of Skagit County, Washington.



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EXHIBIT B

List of Leases

1. Lease No. VA-101-08-RP-0133, between MV Investors LLC, as Lessor, and the United States of America.
2. Cancer Care Center Lease Agreement dated September 12, 2005, between MV Investors LLC, as Landlord, and Public Hospital District No. 1, Skagit County, Washington, as Tenant, as amended by (a) a First Amendment to Cancer Center Lease Agreement dated February 8, 2007, (b) a Consent Agreement for Construction of Additional Tenant Improvements and Second Amendment to Linear Accelerator Space Lease Agreement and Second Amendment to Cancer Care Center Lease Agreement dated September 26, 2008, and (c) an Agreement as to Status of Leases dated May 11, 2009.
3. Linear Accelerator Space Lease Agreement dated September 9, 2005, between MV Investors LLC, as Landlord, and Public Hospital District No. 1, Skagit County, Washington, as Tenant, as amended by (a) a First Amendment to Linear Accelerator Space Lease Agreement dated February 7, 2007, (b) a Consent Agreement for Construction of Additional Tenant Improvements and Second Amendment to Linear Accelerator Space Lease Agreement and Second Amendment to Cancer Care Center Lease Agreement dated September 26, 2008, and (c) an Agreement as to Status of Leases dated May 11, 2009.
4. Pacific NW Cardiology Space Lease Agreement dated September 9, 2005, between MV Investors LLC, as Landlord, and Public Hospital District No. 1, Skagit County, Washington, successor in interest to Pacific NW Cardiology Inc., as Tenant, as amended by First Amendment to Lease dated August 13, 2006, and a Lease Assignment Agreement dated as of December 28, 2007.



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