

201912230105
12/23/2019 02:05 PM Pages: 1 of 7 Fees: \$213.00
Skagit County Auditor

When Recorded Return To:

Carrle A. Soli
OGDEN MURPHY WALLACE, P.L.L.C.
901 Fifth Avenue, Suite 3500
Seattle, WA 98164

TERMINATION OF OPTION TO PURCHASE REAL PROPERTY AND RIGHT OF FIRST REFUSAL

CHICAGO TITLE
620040416

Reference Number(s)
of Related Documents:

200603140137

Grantor:

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

Grantee:

SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, a Washington municipal corporation

Legal Description (abbreviated): Unit 101, ISLAND MEDICAL CENTR CONDOMINIUM

Additional Legal on Exhibit A, page 6

Assessor's Tax
Account Number:

P124175 / 4884-000-101-0000

Consideration:

For good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged

TERMINATION OF OPTION TO PURCHASE REAL PROPERTY AND RIGHT OF FIRST REFUSAL

THIS TERMINATION OF OPTION TO PURCHASE REAL PROPERTY AND RIGHT OF FIRST REFUSAL ("Termination") is entered into as of the 19 day of DEC., 2019 (the "Effective Date"), by and between Challenge Developments II, L.L.C., a Washington limited liability company ("Challenge"), and Skagit County Public Hospital District No. 2, a Washington municipal corporation doing business as Island Hospital ("Island Hospital").

WHEREAS, Challenge and Island Hospital have entered into that certain Real Property Purchase and Sale Agreement, pursuant to which Challenge will sell Unit 101 of Island Medical Center Condominium to Island Hospital (the "Unit 101 Sale"); and

WHEREAS, in connection with the closing of the Unit 101 Sale, the parties desire to terminate that certain Option to Purchase Real Property and Right of First Refusal between Challenge, as seller, and Island Hospital, as purchaser, recorded March 14, 2006, under Auditor's File No. 200603140137 (the "Option Agreement").

NOW, THEREFORE, in consideration of the promises and covenants set forth herein and in the Real Property Purchase and Sale Agreement for the Unit 101 Sale, and other good and valuable consideration, the parties agree as follows:

1. Challenge and Island Hospital agree that the Unit 101 Sale is occurring outside of the Option Agreement, and accordingly agree that in connection with the closing of the Unit 101 Sale, and effective as of the Effective Date, the Option Agreement is terminated and of no further force or effect.
2. Challenge and Island Hospital acknowledge and agree that Unit 102 of the Island Medical Center Condominium expired on its own accord on December 31, 2013, and is no longer an existing unit of the Island Medical Center Condominium. Accordingly, the parties agree that any references in the Option Agreement to Unit 102 are no longer applicable.
3. This Termination may be executed in counterparts, which, when taken together, shall be considered one and the same agreement, and each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties have executed this Termination as of the Effective Date set forth above.

CHALLENGE:

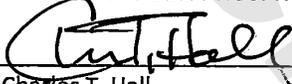
CHALLENGE DEVELOPMENTS II, L.L.C.

By: Jerald L. Zavalney
Its: Managing Member

By: Michael E. Ruthford
Its: Managing Member

ISLAND HOSPITAL:

SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2 d/b/a Island Hospital



By: Charles T. Hall
Its: Superintendent and CEO

IN WITNESS WHEREOF, the parties have executed this Termination as of the Effective Date set forth above.

CHALLENGE:

CHALLENGE DEVELOPMENTS II, L.L.C.



By: Jerald L. Zavalney
Its: Managing Member



By: Michael E. Ruthford
Its: Managing Member

ISLAND HOSPITAL:

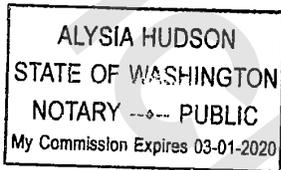
SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2 d/b/a Island Hospital

By: Charles T. Hall
Its: Superintendent and CEO

STATE OF WASHINGTON)
 : ss
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Jerald L. Zavalney is the person who appeared before me and said person acknowledged that he is authorized to execute the instrument and acknowledged it as Managing 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 this instrument.

SUBSCRIBED AND SWORN to before me this 19 day of December, 2019.

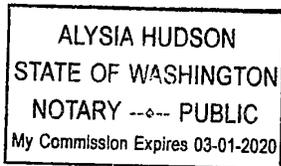


Alysia Hudson
(Signature of Notary)
Alysia Hudson
(Print or stamp name of Notary)
NOTARY PUBLIC in and for the State of Washington,
residing at Arington
My Appointment Expires: 03.01.2020

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 is authorized to execute the instrument and acknowledged it as Managing 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 this instrument.

SUBSCRIBED AND SWORN to before me this 19 day of December, 2019.



Alysia Hudson
(Signature of Notary)
Alysia Hudson
(Print or stamp name of Notary)
NOTARY PUBLIC in and for the State of Washington,
residing at Arington
My Appointment Expires: 03.01.2020

**EXHIBIT A
LEGAL DESCRIPTION**

Unit 101, ISLAND MEDICAL CENTER CONDOMINIUM, a condominium, according to the Declaration recorded March 14, 2006, under Auditor's File No. 200603140130, records of Skagit County, Washington and any amendments thereto, and Survey Map and Plans thereof recorded March 14, 2006, under Auditor's File No. 200603140131, records of Skagit County, Washington, and any amendments thereto.

Situated in Skagit County, Washington