

After recordation, return to:

Bennett Bigelow & Leedom, P.S.
1700 Seventh Avenue, Suite 1900
Seattle, WA 98101
ATTN: Anne Redman



200705230139

Skagit County Auditor

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CHICAGO TITLE COMPANY
IC41035

AGREEMENT FOR RIGHT OF FIRST OFFER

GRANTOR: Cultus Mountain Medical Investments, LLC

GRANTEE: Skagit County Public Hospital District #304

Abbreviated Legal Description: Unit 1, The Pavilion Condominium, Doc. No 200704040079
Complete legal description of page 7 of document.

Tax Parcel Nos: 350427-1-003-0100
350427-1-002-0102
350427-1-020-0008

**AGREEMENT FOR
RIGHT OF FIRST OFFER**

THIS AGREEMENT FOR RIGHT OF FIRST OFFER, dated this 15 day of May, 2007, is between SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT #304 (d/b/a United General Hospital), a Washington municipal corporation ("Hospital") and CULTUS MOUNTAIN MEDICAL INVESTMENTS, LLC, a Washington limited liability company ("CMMI").

RECITALS:

Hospital is lessor under the certain Ground Lease of the real property located in Skagit County, Washington more particularly described in the Memorandum of Ground Lease recorded with the Skagit County Auditor under File No. 2006 09270118 ("Property");

CMMI is the owner of Unit 1, The Pavilion Condominium, established by Declaration recorded under Document No. 200704040079 in Skagit County, Washington ("Pavilion Unit 1") located on the Property;

Hospital desires to have the opportunity to purchase Pavilion Unit 1 in the event CMMI desires to sell Pavilion Unit 1, and CMMI is willing to grant to Hospital the Right of First Offer on the terms set forth in this Agreement;

AGREEMENT:

Accordingly, in consideration of payment in the amount of One Thousand Dollars (\$1, 000) and the mutual covenants herein, the parties agree:

1. Hospital's Right of First Opportunity.

(a) If at any time during the term of the Ground Lease, or any extension thereof, CMMI elects, in CMMI's sole and unrestricted discretion, to sell or transfer, directly or indirectly, all of its right, title, and interest in Pavilion Unit 1, CMMI shall first deliver to Hospital a written statement of the terms upon which CMMI would sell its interest in Pavilion Unit 1, or, in the alternative, a true and complete copy of any offer to purchase such interest which offer CMMI wishes to accept ("Notice of Proposed Sale"). The Notice of Proposed Sale shall state the purchase price (which must be an amount specified in dollars, but which may be paid either in a lump sum or in installments over an extended period of time) and any other provisions of the proposed sale. The Notice of Proposed Sale shall constitute an offer by CMMI which Hospital may accept, within sixty (60) calendar days of receipt of the Notice of Proposed Sale, by delivering to CMMI Hospital's unconditional acceptance of the offer stated in the Notice of Proposed Sale. During such sixty (60) calendar days, CMMI and Hospital agree to negotiate exclusively and in good faith with one another for the potential purchase and sale of the real property, but neither party shall have any obligation to accept any term or condition not acceptable or desirable to such party in its own subjective discretion. If Hospital accepts the Notice of Proposed Sale offer or CMMI accepts in writing an offer by Hospital, the purchase



price shall be equal to and paid, and the other terms of sale shall be, in accordance with the terms of the Notice of Proposed Sale or a negotiated agreement between Hospital and CMMI. If Hospital does not so timely accept the Notice of Proposed Sale offer by CMMI or offer to purchase the real property on terms acceptable to CMMI, CMMI shall have the right to sell its interest in the Property to a third party at a price and on terms agreed to by the third party and CMMI, provided that if CMMI does not sell its interest in the Property within one (1) year of the end of such sixty (60) day period, this right of first offer shall thereafter apply to any future offers CMMI may make or consider for sale of its interest in the Property .

(b) Hospital shall have no right to acquire the real property in the event of a transfer by foreclosure of any lien granted by CMMI, dissolution or reorganization of the CMMI legal entity, contribution of the real property by CMMI to a legal entity in exchange for at least a two-thirds interest in the legal entity, operation of law, or gift.

(c) Upon a sale of the real property by CMMI to a third party following the Notice of Proposed Sale procedure provided for in this section, Hospital's rights under this section shall be forever terminated and this section shall be deemed deleted from this Lease.

(d) CMMI has no present intention to sell the real property and shall have no obligation to do so or to ever issue a Notice of Proposed Sale except in the circumstances expressly stated at the beginning of this Section. If a Notice of Proposed Sale is issued, neither Hospital nor CMMI shall have any obligation to negotiate for any change in the terms so offered although they may elect to do so in their own individual and unlimited discretion.

2. Notices. Any and all notices under this Right of First Offer Agreement shall be deemed given upon mailing such notice, postage prepared, by United States registered or certified mail to the following addresses:

(a) To Hospital:

Skagit County Public Hospital District #304
2000 Hospital Drive
Sedro-Woolley, WA 98282-4327
Attention: Chief Executive Officer

(b) To CMMI:

Cultus Mountain Medical Investments, LLC
2241 Hospital Drive
Sedro-Woolley, WA 98282
Attention: Dr. Edwin Stickle

3. Miscellaneous.

(a) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.



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(b) Commissions. Hospital and CMMI each warrant to the other that it will not agreed to pay any real estate brokerage commissions in connection with the transaction contemplated by this Agreement to any person or entity; each party ("Indemnitor") shall indemnify, defend and hold harmless the other party from any claims by any reason or entity for real estate commissions or finder's fees arising by reason of any action taken by the Indemnitor.

(c) Attorneys' Fees. If any lawsuit arises in connection with this Agreement, the substantially prevailing party therein shall be entitled to recover from the losing party the prevailing party's costs and expenses, including reasonable attorneys' fees, incurred in connection therewith, in preparation therefor and on appeal therefrom, which amounts shall be included in any judgment entered therein.

(d) Complete Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, it supersedes all proper agreements, understandings and communications between the parties, written or oral, and may not be modified, amended or otherwise changed in any manner except by written instrument executed by both parties thereto. If any provision of this Agreement is finally adjudicated to be invalid, illegal or unenforceable, in whole or in part, it will be deemed deleted to that extent, and all other provisions of this Agreement shall remain in full force and effect.

(e) Saturdays, Sundays and Legal Holidays. If the time for performance of any of the terms, conditions or provisions of this Agreement shall fall on a Saturday, Sunday or legal holiday, that the time of such performance shall be extended to the next "business day" thereafter. For purpose of this Agreement, the term "business day" shall mean a day when banks generally are open to the general public for commercial banking purposes.

(f) Counterparts. This Agreement may be executed in counterpart, including counterparts transmitted by facsimile machines, and the executed counterparts together shall constitute one instrument.

(g) Subordination. If requested by a lender to CMMI, this Agreement shall be subordinate to any mortgage, deed of trust, or any other hypothecation for security now or hereafter placed upon Pavilion Unit 1. Hospital agrees to execute such document as may be reasonably required to effectuate such subordination.

[Signatures on the following page]



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HOSPITAL:

SKAGIT COUNTY PUBLIC HOSPITAL
DISTRICT #304 (d/b/a United General
Hospital), a Washington municipal
corporation

By: [Signature]
Name: Breg Reed
Title: Superintendent

CMMI:

CULTUS MOUNTAIN MEDICAL
INVESTMENTS, LLC, a Washington
limited liability company

By: Edwin Stickle
Name: Edwin Stickle
Title: Managing Member

STATE OF WASHINGTON)
)
COUNTY OF Skagit)

THIS IS TO CERTIFY that on this 15th day of May, 2007, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared Breg Reed, to me known to be the Superintendent of SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT #304 (d/b/a United General Hospital), a Washington municipal corporation, the corporation that executed the within and foregoing instrument, and acknowledged the 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 is authorized to execute said instrument.

WITNESS my hand and official seal the day and year in this certificate first above written.



Cindy Lou Warren
Print Name: Cindy Lou Warren
NOTARY PUBLIC in and for the State of
Washington, residing at Sedro-Woolley
My commission expires: April 14, 2009



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STATE OF WASHINGTON)
COUNTY OF Skagit)

THIS IS TO CERTIFY that on this 16th day of May, 2007, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared Edwin Stickle, to me known to be the President of CULTUS MOUNTAIN MEDICAL INVESTMENTS, LLC, a Washington limited liability company, the corporation that executed the within and foregoing instrument, and acknowledged the 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 is authorized to execute said instrument.

WITNESS my hand and official seal the day and year in this certificate first above written.



Karyn Larae Clark
Print Name: Karyn Larae Clark
NOTARY PUBLIC in and for the State of
Washington, residing at Burlington
My commission expires: 6/30/2011



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EXHIBIT "A"

Unit 1, THE PAVILION CONDOMINIUM, according to the declaration thereof, recorded April 4, 2007, under Auditor's File No. 200704040079, records of Skagit County, Washington, and the Survey Map and Plans recorded April 4, 2007, under Auditor's File No. 200704040078, records of Skagit County, Washington; and being a portion of the West half of the Southeast quarter of the Northeast quarter of Section 27, Township 35 North, Range 4 East, W.M.

Situated in Skagit County, Washington

- END OF EXHIBIT "A" -



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