

WHEN RECORDED RETURN TO:

WHIDBEY ISLAND BANK
ATTN: BRYAN MCDONALD
450 SW BAYSHORE DRIVE
OAK HARBOR WA 98277



200710150088
Skagit County Auditor

10/15/2007 Page 1 of 6 9:09AM

Chicago Title Insurance Company

425 Commercial Street – Mount Vernon, Washington 98273

IC43736

DOCUMENT TITLE(s)

1. **CONSENT REGARDING FINANCING**
- 2.
- 3.

REFERENCE NUMBER(s) OF DOCUMENTS ASSIGNED OR RELEASED:

Additional numbers on page _____ of the document

GRANTOR(s):

1. **SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT #304**
2. **J & J SKAGIT, L.L.C.**
3. **SKAGIT VALLEY MEDICAL CENTER, INC. P.S.**

Additional names on page _____ of the document

GRANTEE(s):

1. **WHIDBEY ISLAND BANK**
- 2.
- 3.

Additional names on page _____ of the document

ABBREVIATED LEGAL DESCRIPTION:

LOT 2, THE PAVILION CONDO

Complete legal description is on page _____ of the document

ASSESSOR'S PROPERTY TAX PARCEL ACCOUNT NUMBER(s):

4923-000-002-0000

(sign only if applicable) I am requesting an emergency nonstandard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document.

Signature _____

This cover sheet is for the County Recorder's indexing purposes only.
The Recorder will rely on the information provided on the form and will not read the document to verify the accuracy or completeness of the indexing information provided herein.

CONSENT REGARDING FINANCING
United General Hospital – Skagit Valley Medical Center

Whereas, SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT #304 (d/b/a United General Hospital) (“Lessor”), is the owner and Lessor of certain real property located in the County of Skagit, State of Washington (the “Leasehold Property”), as more fully described in the Ground Lease dated March 31, 2006, as amended by First Amendment to the Ground Lease dated as of September 13, 2006 (hereinafter referred to as the “Ground Lease”) by and between Lessor and J & J SKAGIT, L.L.C. (“Lessee”);

Whereas, SKAGIT VALLEY MEDICAL CENTER, INC. P.S. (“SVMC”), a Washington professional corporation, proposes to purchase from Lessee the certain condominium located on the Leaseholder Property known as Unit 2, The Pavilion Condominium, established by Declaration recorded on April 4, 2007 under Skagit County Auditor’s File No. 200704040079,, together with easements appurtenant thereto and the Lessee’s interests in the Ground Lease to the extent the land and interests demised thereby are part of said Unit 2 or part of the common elements assigned to said Unit 2 by the aforementioned Declaration (“Pavilion Unit 2”);

Whereas, Lessor is informed that WHIDBEY ISLAND BANK (“Lender”) is about to make a loan or loans to SVMC, to be secured by Deeds of Trust and other security instruments in favor of Lender on Pavilion Unit 2;

Whereas, pursuant to the provisions of Ground Lease, including without limitation the provisions of Section 6, the right of the tenant under the Ground Lease to mortgage its interest in the Leasehold Property is subject to the fulfillment of certain conditions;

Whereas, SVMC has requested Lessor to consent to a modification of the condition set forth in Section 6.1.1.3 of the Ground Lease, which condition requires that in the case of a Purchase Money Mortgage, the aggregate amount of the mortgages affecting the Property may be increased to 90% of the sales price of the tenant’s interest under the Ground Lease; SVMC has requested that the limitation percentage be increased to permit the aggregate amount of the mortgages affecting the property to be not more that 100% of the Purchase Price of the tenant’s interest under the Ground Lease, as defined below

Whereas, Lessor is willing to accede to such requested modification with regard to the particular purchase money mortgage loans by Lender to SVMC;

Accordingly, understanding that it is a condition to Lender making said loans that this modification consent be furnished to SVMC, and subject to the representation of SVMC set forth below, Lessor certifies as follows:

1. By execution below, SVMC represents that the total of the obligations (“Loan Amount”) secured by the mortgage(s) or real property security interests of any kind on or otherwise affecting SVMC’s interest in Pavilion Unit 2 will not exceed the purchase price of Unit 2 (“Purchase Price”). For purposes of this consent, the Purchase Price for Pavilion Unit 2



200710150088

Skagit County Auditor

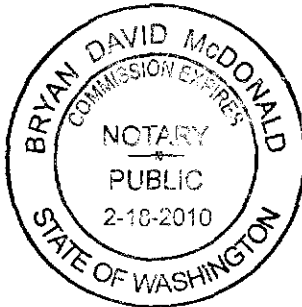
shall be not more than 100% of the Pavilion Unit 2 sales price, plus \$349,776 of tenant improvement costs paid by SVMC.

2. Lessor consents to permit the Loan Amount to be not more than 100% of the Purchase Price, subject to the other provisions of the Ground Lease, including without limitation receipt of complete copies of loan documentation. Lessor's consent is further conditioned upon Lender's waiver of any pre-payment penalty provisions in connection with Lender's purchase money mortgage loans to SVMC in the event of SMVC's default and Lessor's assumption of SVMC's obligations under the loans.

3. By execution of this Consent, Lessor does not waive, amend, or modify the provisions of the Ground Lease or waive any breach of the Ground Lease arising from application of its provisions and covenants, except only the specific Loan and transaction described in this Consent.

4. This Consent may be executed in, including counterparts transmitted by facsimile machines, and the executed counterparts together shall constitute one instrument.

IN WITNESS WHEREOF, this Consent has been duly executed and delivered as of the 11th day of October, 2007.



SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT #304

By: [Signature]
Its: Superintendent

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this day personally appeared before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared CREG REED to me known to be the Superintendent of SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT #304, the entity that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument.

GIVEN under my hand and official seal this 13th day of OCTOBER, 2007.

Bryan David McDonald
NOTARY PUBLIC in and for the State of Washington,
residing at: CAMANO ISLAND, WA



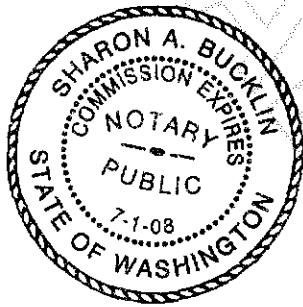
WHIDBEY ISLAND BANK

By: Bryan McDonald
Its: SVP

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this day personally appeared before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Bryan McDonald to me known to be the SVP of WHIDBEY ISLAND BANK, the entity that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument.

GIVEN under my hand and official seal this 5 day of Oct, 2007.



Sharon A. Bucklin
NOTARY PUBLIC in and for the State of Washington,
residing at: Island
My commission expires: 7-1-08



EXHIBIT "A"

Unit 2, 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" -



200710150088
Skagit County Auditor