

After recording Return To:

Heritage Bank

1800 S. Burlington Blvd. PO Box 302
Burlington WA 98233



201504140095

Skagit County Auditor

\$150.00

4/14/2015 Page

1 of

7 12:11PM

VI

CHICAGO TITLE

620023802

Reference Nos.: 200609270118, 200609270120, 200705230138, 200705230139

Grantor:

Grantee:

Abbr. Legal: UNIT 1, THE PAVILION CONDOMINIUM

Tax Parcel Nos.: 3504 27-1-003-0100, 350427-1-002-0102, 350427-1-020-0008

GROUND LESSOR ESTOPPEL CERTIFICATE AND CONSENT

SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT #304 (d/b/a United General Hospital) ("Lessor"), being the present 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"), understands and acknowledges that HERITAGE BANK ("Lender") is about to make a loan to CULTUS MOUNTAIN MEDICAL INVESTMENTS, LLC ("Borrower"), to be secured by Borrower's interest in and to Unit 1, The Pavilion Condominium, established by Declaration recorded under Document No. 200704040079 in Skagit County, Washington (the "Declaration"), 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 1 or part of the common elements assigned to said Unit 1 by the aforementioned Declaration ("Pavilion Unit 1"). The loan will be secured by a Deed of Trust in favor of Lender on Pavilion Unit 1. Lessor further understands that it is a condition of the making of said loan that this certificate and consent be furnished to Lender, and Lessor acknowledges that the execution of this certificate is of material value and benefit to Lessor and will further Lessor's business and financial interests. In consideration of the mutual benefits to be derived there from, Lessor certifies as follows:

1. Except as stated in paragraph 2 below, the Ground Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way, and that there shall be no cancellation, surrender or modification of the Ground Lease, by mutual agreement of the parties thereto, without Lender's prior written consent.

2. On or about September 27, 2006, a Memorandum (the "Ground Lease Memorandum") was executed by Lessor and Lessee with respect to the Ground Lease, which Ground Lease Memorandum was recorded with the Skagit County Auditor under File No. 200609270118. On or about September 27, 2006, the Access Easement (the "Easement") was executed by Lessor in favor of Lessee, which Easement was recorded with the Skagit County Auditor under File No. 200609270120. On or about May 4, 2007, the Quitclaim Deed and Partial Assignment of Lease and Easement (the "Deed and Assignment") was executed by Lessee to Borrower, which Deed and Assignment was recorded with the Skagit County Auditor under File No. 200705230138. On or about April 27, 2007, Lessor, Lessee, Borrower and Skagit Valley Medical Center, Inc., P.S. executed that certain Agreement regarding Helipad (the "Helipad Agreement"). On or about May 15, 2007, Borrower and Lessor executed that certain Right of First Offer Agreement (the "Right of First Offer"), which was recorded with the Skagit County Auditor under File No. 200705230139. On or about May 15, 2007, Lessor, Lessee, Borrower and Whidbey Island Bank executed that certain Ground Lessor Estoppel Certificate and Consent (the "Estoppel Certificate"), which was recorded with the Skagit County Auditor under File No. 200705230140. On or about April 3, 2008, Borrower and Physician's Care Family Medicine, Inc., P.S. executed that certain Memorandum of Lease (the "Lease Memorandum"), which was recorded with the Skagit County Auditor under File No. 200804030158. The Ground Lease, the above-mentioned First Amendment, Ground Lease Memorandum, Easement, Helipad Agreement, Right of First Offer, Estoppel Certificate and Lease Memorandum are collectively referred to herein as the "Lease Documents."

3. The Lessor has consented to and approved the Lease Documents, the Deed, and the Declaration, and there is no default presently known to exist under the Lease Documents in the payment of rent or in the observance or performance of any other covenant or condition to be observed or performed by the Lessee or Borrower, and Lessor has no knowledge of any facts or information that, with the giving of notice, passage of time, or both, would constitute a default thereunder. At the request of Lessee, on or about May 15, 2007, Lessor also executed a Ground Lessor Estoppel Certificate in favor of First Horizon Home Loan Corporation recognizing such party as a Leasehold Mortgagee pursuant to the Ground Lease and the terms of a deed of trust described in such estoppel certificate.

4. Except as herein stated, Lessor has no knowledge of any other assignment, sublease, transfer, hypothecation or pledge of the Lessee's interest in the Ground Lease.

5. The term of the Ground Lease expires 99 years from commencement date, which term may be extended as set forth in paragraph 1.3 of the Ground Lease.

6. Lessor consents to Borrower's execution and recording of deed(s) of trust and personal property security agreements and other loan and security documents pledging the Borrower's interest in Pavilion Unit 1 to Lender, to secure the loans or other financial accommodations Lender is making or will make to Borrower.

7. All conditions to Lender being a "Leasehold Mortgagee" under Section 6.1.1 of the Ground Lease are satisfied. Upon the recording of the Deed of Trust to Lender and without further notice to Lessor, Lessor shall recognize Lender as a "Leasehold Mortgagee" for all purposes under the Ground Lease. Lender's address for notice is:

Heritage Bank

8. The Leasehold Mortgagee protection provisions in Section 6 of the Ground Lease, and all other provisions inuring to the benefit of a Leasehold Mortgagee or its successors and assigns are in full force and effect. Upon the recording of the Deed of Trust, Lessor confirms its obligations with respect to such provisions as set forth in the Ground Lease.

9. Lessor has no knowledge or notice of the existence of hazardous wastes or hazardous products located on the Leasehold Property, and no state or federal agency has notified Lessor that any type of hazardous waste cleanup is required or necessary with respect to the Leasehold Property.

10. The Lessor has no pending plans or proposals to condemn the Leasehold Property or any part thereof, and the Lessor has not engaged in any legal actions, lawsuits or other proceedings that may result in the condemnation of the Leasehold Property.

11. The statements, promises and agreements made herein made shall be binding upon Lessor and its successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

12. This certificate shall be governed by and construed in accordance with laws of the State of Washington. The parties hereto represent and warrant that their undersigned agents have full power and authority to execute this certificate.

THE UNDERSIGNED EACH ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS AGREEMENT, AND EACH AGREES TO ITS TERMS.

(The remainder of page left intentionally blank. Signature pages to follow.)

SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT #304

By: Ted Brockmann

Its: Superintendent / CFO

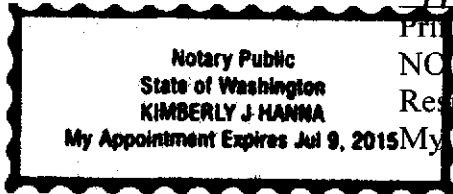
STATE OF WASHINGTON)

: 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 Ted Brockmann, to me know as the Superintendent / CFO 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.

DATED this 10th day of April, 2015.



Kimberly J. Hanna
Printed name: Kimberly J. Hanna
NOTARY PUBLIC in and for the State of Washington
Residing at 5020 160th Ave
My Commission Expires: 7/9/15

CULTUS MOUNTAIN MEDICAL INVESTMENTS, LLC

By: Edwin Stickle

Its: Member

STATE OF WASHINGTON)

: ss.

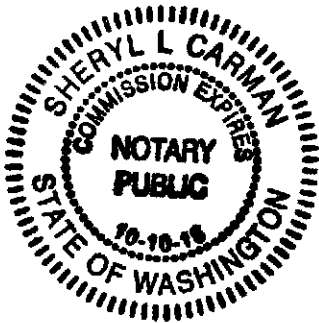
County of SKAGIT)

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 H. Edwin Stickle, to me know as the Member of CULTUS MOUNTAIN MEDICAL INVESTMENTS, LLC, 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.

DATED this 10th day of April, 2015.

Sheryl L. Carman

Printed name: Sheryl L. Carman
NOTARY PUBLIC in and for the State of Washington
Residing at Mount Vernon, WA
My Commission Expires: 10-10-15

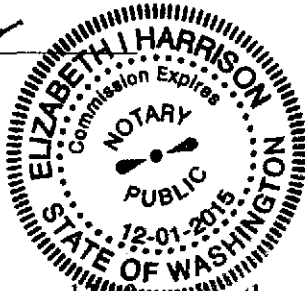


HERITAGE BANK

By: Matt Herman

Its: loan officer

STATE OF WASHINGTON)
: ss.
County of SKAGIT)



On this day personally appeared me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Matt Herman, to me know as the loan officer of HERITAGE 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.

DATED this 13 day of April, 2015.

Elizabeth I. Harrison
Printed name: Elizabeth Harrison
NOTARY PUBLIC, in and for the State of Washington
Residing at Burlington
My Commission Expires 12-1-15

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.

Situate in Skagit County, Washington