



201509250044

Skagit County Auditor \$151.00
9/25/2015 Page 1 of 8 11:25AM

After Recording Return To:

FURLONG ♦ BUTLER
ATTORNEYS
825 Cleveland Avenue
Mount Vernon Washington 98273

Document Title: Ground Landlord Estoppel Certificate and Consent
Reference number of documents assigned or released: 200804030158
Grantor/Landlord: Skagit County PHD # 304
Grantee/Assignee: Skagit County PHD # 1
Tenant: Cultus Mountain Medical Investments LLC
Partial Legal Description: Portion of the W¼ SE¼ NE¼, Sec. 27, T35N, R4E, W.M.
Assessor's Parcel/Tax I.D. Number: 350427-1-002-0102
350427-1-003-0100
350427-1-020-0008

Land Title and Escrow

153121

GROUND LANDLORD ESTOPPEL CERTIFICATE AND CONSENT

Skagit County Public Hospital District No. 304 (d/b/a United General Hospital), a Washington public hospital district ("Landlord"), being the present owner and Landlord of certain land and premises located in the county of Skagit, state of Washington (the "Leasehold Property"), as more fully described in: The Ground Lease dated March 31, 2006 by and between Landlord and J & J SKAGIT, LLC, as amended by the FIRST AMENDMENT TO GROUND LEASE entered into as of September 13, 2006 and effective March 31, 2006, QUITCLAIM DEED AND PARTIAL ASSIGNMENT OF LEASE AND EASEMENT (naming Cultus Mountain Medical Investments LLC "Grantee;" said Grantee being hereinafter referred to as "CMMI") dated May 4, 2007 and recorded under Skagit County Auditor's file number 200705230138, all as are affected by the Agreement (Regarding Helipad) partially dated April 20, 2007 (collectively, "Ground Lease"), understands and acknowledges that Skagit County Public Hospital District No. 1, dba Skagit Regional Health ("SRH") is about to take assignment of the Tenant's interest in the lease between CMMI, as landlord therein, and Physician's Care Family Medicine, Inc., PS, as tenant, concerning Unit One of Pavilion Condominium (the "Unit One Lease"), a Memorandum of which lease was recorded April 3, 2008, under Skagit County Auditor's file number 200804030158 and which lease was amended and restated effective January 1, 2014, with a memorandum of said restated lease recorded on September 8, 2015, under Skagit County

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LANDLORD CMMI SRH

Auditor's File No. 201509080093 ("Assignment"). Landlord further understands that as a condition and in consideration of taking such Assignment, SRH requires this Certificate and Consent ("Certificate") to be furnished to SRH. In consideration of the mutual benefits to be derived therefrom, Landlord certifies and represents to SRH as follows:

1. The Ground Lease, as fully described above, is in full force and effect and has not been assigned, modified, supplemented or amended in any way, and that there shall be no voluntary cancellation, surrender or modification of the Ground Lease, by mutual agreement of the parties thereto, without SRH's prior written consent.

2. As of the date of this Certificate there is no default existing under the Ground Lease, whether in the payment of rent or in the observance or performance of any other covenant or condition to be observed or performed by CMMI or CMMI's predecessors in interest under the Ground Lease, and Landlord has no knowledge of any facts or information that, with the giving of notice, passage of time, or both, would constitute a default by CMMI thereunder.

3. Landlord has no knowledge of any prior assignment, except as: herein stated; set forth in unrecorded documents or instruments to which CMMI is a party, or to the extent set forth in any of the documents recorded under the following Skagit County, Washington recording numbers: 200710150089, 200710150088, 200710150087, 200710150086, 200705230140, 200705230139, 200704040079, 200609270124, 200609270119, and 200609270118; or of any prior hypothecation or pledge of CMMI's interest in the Ground Lease; and except as would be disclosed by a current licensed title insurance company report with respect to the property interests affected.

5. The initial term of the Ground Lease expires ninety-nine (99) years after the Commencement Date as defined in the Ground Lease. The Commencement date of the Ground Lease is March 31, 2006. The term may be extended for twenty-five (25) years ("Extended Term") as set forth in paragraph 1.3 of the Ground Lease.

6. Landlord consents to CMMI's Assignment of the Unit One Lease to SRH as tenant thereunder and in particular, said consent is predicated upon SRH's confirmation hereby that SRH's contemplated use of the Leasehold Property, is in compliance with the RESTATED INTERLOCAL AGREEMENT dated June 26, 2015 ("Interlocal Agreement"), that said consent is subject to the terms and conditions of and SRH's compliance with said Interlocal Agreement, and SRH's use thereof will, at all times, be in compliance with Section "Alternative 3.3: Approved Use" as set forth in the FIRST AMENDMENT TO GROUND LEASE, subject to the following:

A. Landlord's consent contained herein shall not waive any of its rights to consent to any subsequent assignment of the Ground Lease nor shall such consent alter or eliminate any provision of the Interlocal Agreement.

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ESTOPPEL CERTIFICATE
SKAGIT COUNTY PHD #304
SKAGIT COUNTY PHD #1

B. Landlord makes no representations or warranties, expressed or implied, concerning the condition of the Leasehold Property, and as between Landlord and SRH; SRH agrees to accept the Leasehold Property in its "as-is" condition as of the date, if any, that it succeeds to the interest of Tenant under the Lease, subject to Landlord's obligations under the Lease.

6. The parties hereto agree as follows with respect to payment of rent under the Unit One Lease and Ground Lease:

A. CMMI is currently paying as its prorate share of the Ground Lease approximately \$600/month with payments made by the Pavilion Owners' Association ("POA") from the CMMI monthly assessment and remitted to the following address:

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

B. Pursuant to Section 2.2.1 of the Ground Lease, the monthly rent will be adjusted periodically as set forth therein.

C. Pursuant to Section 2.3 of the Ground Lease, the monthly rent will be adjusted as set forth therein.

D. Pursuant to Section 2.3.1 of the Ground Lease, the monthly rent will be adjusted as set forth.

7. Landlord, upon serving CMMI with notice of any default, shall simultaneously serve a copy thereof upon SRH, and notice shall not be deemed to have been served upon CMMI unless Landlord shall simultaneously serve a copy of such notice upon SRH. Upon receipt of written notice of any default of CMMI, SRH shall have the amount of time provided for in the applicable section of the Ground Lease after service of such notice upon SRH to remedy or cause to be remedied the defaults complained of, and Landlord shall accept such performance as if the same had been done by CMMI. If the default is one that cannot reasonably be cured by CMMI (such as insolvency, bankruptcy or other judicial proceedings against CMMI, or the failure to maintain continuous business operations), then Landlord will not terminate the Ground Lease so long as Landlord receives all sums due under the Ground Lease for the period during which SRH is in possession of the Leasehold Property.

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8. In the event the Ground Lease terminates for any reason, including the rejection of the Ground Lease in a bankruptcy proceeding, Landlord agrees to enter into a new ground lease with SRH for the remainder of the term of the Interlocal Agreement, effective as of the date of such termination, with conditions, covenants and agreements as contained in the Ground Lease except as provided herein ("New Ground Lease"). SRH shall deliver a written request to Landlord for such a new lease within fifteen (15) days after the notice of termination has been served upon SRH, together with all sums then due to Landlord under the Ground Lease and shall further remedy any and all defaults of SRH then in existence.

9. Landlord agrees that SRH may enter into one or more third party sublease agreements with respect to some or all of the Leasehold Property as provided in paragraph 3.3 of the Ground Lease.

10. Landlord 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 Landlord that any type of hazardous waste cleanup is required or necessary with respect to the Leasehold Property.

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

12. All notices required by this **GROUND LANDLORD ESTOPPEL CERTIFICATE AND CONSENT** shall be in writing at the addresses of the parties appearing in the signature blocks below and shall be deemed received three (3) working days after deposited in the United States Mail to such addresses or any subsequent address of which a party provides written notice to the other party.

13. The statements, promises and agreements herein made shall be binding upon Landlord and SRH and their successors and assigns, and shall insure to the benefit of Landlord and SRH and their successors and assigns.

14. This Certificate shall be governed by and construed in accordance with the laws of the State of Washington. SRH and Landlord represent and warrant to each other that their respective undersigned agents have full power and authority to execute this Certificate on each party's behalf. Neither party shall be deemed to have waived any rights hereunder unless such waiver is in writing and signed by such party. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right. A waiver by a party of a provision of this Certificate shall not constitute a waiver of or prejudice that party's right otherwise to demand strict compliance with that provision or any other provision.

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15. The document may be executed by the parties in counterparts with the effect that such executed counterparts shall comprise one document.

LANDLORD, SRH AND CMMI EACH ACKNOWLEDGE HAVING READ ALL OF THE PROVISIONS OF THIS CERTIFICATE, AND EACH CONSENTS AND AGREES TO ITS TERMS.

[THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY.
SIGNATURES FOLLOW]

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LANDLORD


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ESTOPPEL CERTIFICATE
SKAGIT COUNTY PHD #304
SKAGIT COUNTY PHD #1

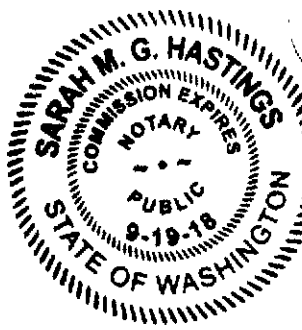
IN WITNESS WHEREOF, this Certificate has been duly executed and delivered as of the 23 day of September, 2015.

**SKAGIT COUNTY PUBLIC HOSPITAL
DISTRICT No. 304**

By: Ted Brockman
Ted Brockman, Superintendent/CFO
2241 Hospital Drive
Sedro Woolley, WA 98284

STATE OF WASHINGTON)
) SS
COUNTY OF SKAGIT)

On this 23rd day of September, 2015, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Ted Brockman to me known to be the Superintendent/CFO of the Skagit County Public Hospital No. 304, a municipal corporation that executed the 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 is duly authorized to execute the said instrument. WITNESS my hand and official seal hereto affixed the day and year first above written.



Sarah M G Hastings
(signature)

Sarah mg+hastings
(printed name)

NOTARY PUBLIC in and for the State of
Washington, residing at: Sedro Woolley
My appointment expires: 9/19/18

TB _____ SR
LANDLORD CMMI SRH

**CULTUS MOUNTAIN MEDICAL
INVESTMENTS LLC**

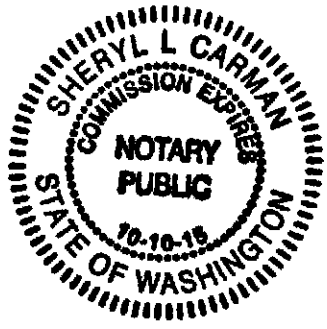
By: Edwin Stucke

Its: Member

Address: PO Box 2529
Mount Vernon, WA 98273

STATE OF WASHINGTON)
) SS
COUNTY OF SKAGIT)

On this 23rd day of September, 2015, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Edwin Stucke to me known to be the Member of Cultus Mountain Medical Investments LLC, a 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 uses and purposes therein mentioned, and on oath stated that he/she is duly authorized to execute the said instrument. WITNESS my hand and official seal hereto affixed the day and year first above written.



Sheryl L. Carman
(signature)
Sheryl L. Carman
(printed name)

NOTARY PUBLIC in and for the State of
Washington, residing at: Mount Vernon
My appointment expires: 10-10-15

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UNOFFICIAL DOCUMENT

**SKAGIT COUNTY PUBLIC HOSPITAL
DISTRICT No. 1**

By: *Tom Litaker*
 Tom Litaker, CFO
 1415 E. Kincaid Street
 Mount Vernon, WA 98273

STATE OF WASHINGTON)
) SS
 COUNTY OF SKAGIT)

On this 24th day of September, 2015, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Tom Litaker to me known to be the CFO of the Skagit County Public Hospital No. 1, a municipal corporation that executed the 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 is duly authorized to execute the said instrument. WITNESS my hand and official seal hereto affixed the day and year first above written.



Sharon M. Zaferin
 (signature)
SHARON M. ZAFERIN
 (printed name)
 NOTARY PUBLIC in and for the State of
 Washington, residing at: Mount Vernon, WA
 My appointment expires: 10-08-2016

TB *TZ*
 LANDLORD CMMI SRH

UNOFFICIAL DOCUMENT