

Medical Office and Equipment Lease Agreement

BASIC LEASE TERMS

1. BASIC LEASE INFORMATION AND EXHIBITS. The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

- (a) Lease Date: September 8, 2017.
- (b) Tenant: UW Physicians Network, a Washington non-profit corporation.
- (c) Address of Tenant: UW Physicians Network
1100 NE 45th Street
Suite 500
Seattle, WA 98195
Attn: Executive Director
- (d) Landlord: Orcas Medical Foundation, a Washington non-profit corporation.
- (e) Address of Landlord: Orcas Medical Foundation

- (f) Building The building located at 7 Deye Land, Eastsound, WA 98245 at on the Land legally described as Tax parcel# 271411009 Deye Short Plat Lot 2 Redivision; 2B, Excluding County Road, Orcas Island, Washington.
- (g) Premises: The medical office space commonly known as Orcas Medical Center located within the Building as depicted in Exhibit B.
- (h) Lease Term: Three (3) years, commencing on the date Tenant commences operations at the Premises (the "Commencement Date") and terminating at midnight on the last day of the 36th full calendar month after the month in which the Commencement Date occurs, unless the Lease Term is extended to include an Extended Term, in which case at midnight on the last day of such Extended Term (the "Termination Date").
- (i) Permitted Use: Primary care medical clinic and for no other use or purpose without Landlord's prior consent.
- (j) Party Responsible for Janitorial Services: Tenant.

- (k) Exhibits:
- Exhibit A – List of Landlord’s Furniture, Fixtures and Equipment
 - Exhibit B – Space Plan of Premises
 - Exhibit B1 – Rules and Regulations of the Building
 - Exhibit C – Landlord’s Work
 - Exhibit D – Copy of Agreement for Clinic Support

Unless otherwise defined herein, all capitalized terms in this Lease have the same meaning as in the Agreement for Clinic Support between Orcas Medical Foundation and UW Physicians Network (the “Agreement”) being executed simultaneously with this Lease and attached as Exhibit D.

SECTION 1. TERM AND TERMINATION

This Lease shall run concurrent with the Term(s) as set forth in Section III.A of the Agreement. The Commencement Date of this Lease shall be the date upon which UWPN begins providing patient care services at the Orcas Island medical clinic which is estimated to be September 11, 2017. This Lease shall terminate on the date of termination of the Agreement. Landlord shall permit access to the Premises to Tenant no later than the Effective Date to allow Tenant to install furniture, fixtures, equipment and IS/IT systems necessary for operation of a primary care medical practice.

SECTION 2. OPERATING COST

Landlord shall be responsible for all Operating Costs relating to the Building and the Premises. As used herein, “Operating Costs” shall mean all amounts arising out of the ownership, management, maintenance, operation, repair, replacement and administration of the Building and the land upon which the Building is located (the “Land”), including, (a) taxes assessed against the Premises, the Building, the Land, Landlord’s equipment and improvements; (b) insurance; (c) services provided to tenants of the Building by Landlord (other than any services which are separately billed to Tenant or any other tenants); (d) the cost of heating, ventilating and air conditioning of the rentable space in the Building (if the Building is equipped with a central or any shared heating, ventilating and air-conditioning system); and (e) the cost of all utilities (except if separately metered). Tenant covenants and agrees to pay promptly when due all personal property taxes or other taxes and assessments levied and assessed by any governmental authority upon the property of Tenant in, upon or about the Premises.

SECTION 3. LANDLORD’S WORK.

Notwithstanding anything to the contrary in this Lease, Landlord shall, at Landlord’s sole expense, complete the maintenance and repair items listed on Exhibit C (“Landlord’s Work”) on or before sixty (60) days following the Commencement Date.

SECTION 4. USE OF PREMISES AND EQUIPMENT

4.1. Medical Office Use. The Premises shall continuously and at all times during the Term be used and occupied by Tenant only as medical offices for licensed physicians (“**Physicians**”) and other healthcare providers to engage in the practice of medicine in the specialties of primary care medicine and other ancillary services and related activities incidental thereto.

4.2. Exclusivity. During the Initial Term of the Lease and during any Renewal Term, Landlord will not lease space in the Building to, or allow other tenants to sublease space to, any other tenant or entity that provides medical services to patients.

4.3. Compliance with Legal Requirements. Tenant shall comply with (a) any restrictions or covenants of record affecting the Building (b) all applicable laws; (c) the Certificate of Use or Occupancy issued for the Building; and (d) all rules, orders, regulations and requirements of the appropriate Fire Rating Bureau or any other organization performing a similar function. Tenant shall immediately discontinue any use of the Premises which is declared by either any governmental authority having jurisdiction or the Landlord to be a violation of any law, code, regulation or a violation of said Certificate of Use or Occupancy. Tenant shall comply with any direction of any governmental authority having jurisdiction which shall, by reason of the nature of Tenant's use or occupancy of the Premises, impose any duty upon Tenant or Landlord with respect to the Premises or with respect to the use or occupancy thereof.

4.4 Furniture, Fixtures and Equipment. Landlord owns certain furniture, fixtures and equipment ("FF&E") utilized in the medical clinic currently located in the Premises, which FF&E is listed on Exhibit A. Landlord shall be solely responsible for maintenance, repair and replacement of the items listed on Exhibit A until such time as the title to the FF&E is transferred to the PHD. Any replacement of FF&E must be reasonably acceptable to both parties.

SECTION 5. BUILDING SERVICES AND MAINTENANCE

5.1. Landlord's Services. (a) Landlord will provide all of the following utilities and services, which shall be provided in a manner that is consistent with those services provided in comparable medical office buildings of similar size and age which are located within the regional community:

(i) electricity and water for the Premises, as reasonably necessary for the uses permitted under the Lease, except to the extent those utilities are separately metered or submetered to the Premises;

(ii) if the Building is equipped with a central heating and air-conditioning system that serves the rentable areas of the Building, heat and air-conditioning as required for Tenant's comfortable use and occupancy of the Premises during the Clinic's normal hours of operation excluding legal holidays;

(iii) unless the Premises are equipped with a water heater, hot water at those points of supply provided for the general use of Tenant and other tenants of the Building;

(iv) exterior window cleaning, cleaning and snow and ice removal services for the parking areas and walk ways serving the Building,

(v) normal maintenance and servicing of lavatory facilities, toilets, sinks and faucets located within the Premises; provided that Landlord shall not be responsible for any repair, maintenance or servicing required on account of misuse of any of the foregoing or the disposal of foreign materials or substances not intended to be disposed in toilets or sinks, all of which shall be the sole responsibility of Tenant;

(b) Tenant will be responsible for all janitorial and cleaning services for the Premises.

5.2. Telephone/Communication Services. Tenant shall be responsible for and shall pay all reasonable charges for telephone and other communication services. Any expenditures for installation, operation and maintenance of new communication equipment and/or services are subject to prior written consent of Landlord.

5.3 Garbage/Refuse. Tenant shall not permit undue accumulations of trash within the Premises and shall keep all trash in proper containers until disposal.

5.4 Landlord's Repairs. Landlord shall maintain in good repair the mechanical, plumbing and electrical systems of the Premises, the walls, floors, doors, windows and all structural elements of the Premises including painting and floor and wall coverings within the Premises.

5.5 Tenant's Repairs. Tenant shall maintain the Premises in good repair and condition, normal wear and tear excepted. Tenant shall not make any alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord and, where appropriate, in accordance with plans and specifications approved by Landlord. Any alterations required to be made to the Premises by any applicable building, health, safety, fire, nondiscrimination, or similar law or regulation ("law") shall be made at Landlord's sole expense. Unless Landlord requires their removal, all Alterations (other than trade fixtures and movable equipment) which may be made on the Premises shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the term.

SECTION 6. SUBROGATION/INSURANCE

6.1 Waiver of Subrogation. Landlord and Tenant hereby mutually waive any and all rights of recovery against one another based upon the negligence of either Landlord or Tenant or their agents or employees for real or personal property loss or damage occurring to the Premises or to the Building or any part thereof or any personal property located therein from perils which are able to be insured against in standard fire and extended coverage, vandalism and malicious mischief and sprinkler leakage insurance contracts (commonly referred to as "all risk"). If either party's insurance policies do not permit this waiver of subrogation, then such party will obtain such a waiver from its insurer at its sole expense.

6.2 Landlord Insurance. During the Lease Term, Landlord shall, at its sole cost and expense, maintain in full force property insurance covering all improvements on the property, including without limitation the Premises and the Building and the FF&E listed on Exhibit A, in an amount not less than one hundred percent (100%) of the full insurable replacement cost thereof.

6.3 Tenant Insurance. During the Lease Term, Tenant shall, at its sole cost and expense, maintain in full force (a) commercial general liability insurance in an amount not less than two million dollars (\$2,000,000) per occurrence/general aggregate limit, written on an occurrence basis and which lists Landlord as an additional insured; (b) professional liability insurance in the amount and form requirement under the Agreement for Clinic Support; and (c) Worker's Compensation Insurance as required by applicable Washington state law.

SECTION 7. DAMAGE OR DESTRUCTION

7.1 If the Premises are damaged by fire or other casualty (collectively "**Casualty**"), Landlord shall repair the damage if such repairs can be made within 60 days after the occurrence of such Casualty. If such repairs cannot be made within 60 days, Landlord must notify Tenant within 30 days after the Casualty of its decision to either terminate this Lease and the Agreement or make such repairs. If Landlord does not give Tenant written notice within such 30 day period, then either party may, by written notice to the other, terminate this Lease as of the date of the Casualty. A total destruction of the Building shall automatically terminate this Lease and the Agreement.

7.2 If a Casualty occurs to the Premises and/or the Building prior to the Commencement Date, Tenant may terminate this Lease and the Agreement. Tenant shall not have any interest in any

insurance proceeds attributable to said casualty. In the event of a casualty, if Landlord cannot obtain all utilities, permits and authorizations necessary to reconstruct the Building and/or the interior improvements in accordance with the plans and specifications therefor or complete reconstruction of the Building within a reasonable time, Tenant may terminate this Lease and the Agreement and Tenant shall have no further obligations or liabilities under either this Lease or the Agreement except for those which survive following termination.

SECTION 8. EMINENT DOMAIN

If the Building, or any portion thereof, shall be taken by any authorized entity by eminent domain or by negotiated purchase under threat thereof, this Lease shall terminate as of the earlier of the date when title or possession thereof is acquired or taken by the condemning authority and all rights of Tenant set forth in this Lease shall immediately terminate. Nothing contained herein shall be deemed to give Landlord any interest in or require Tenant to assign to Landlord any separate award expressly made to Tenant for: (a) the taking of personal property and fixtures belonging to Tenant; (b) the interruption of or damage to Tenant's business or profession; (c) the cost of relocation expenses incurred by Tenant; and (d) Tenant's unamortized cost of leasehold improvements.

SECTION 9. INDEMNIFICATION

9.1. Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorneys' fees, arising from any act, omission, or negligence of Tenant or its officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors in or about the Premises or Land, or arising from any injury or damage to any person or property, occurring in or about the Premises or Land as a result of any act, omission or negligence of Tenant, or its officers, contractors, licensees, agents, employees, guests, or visitors or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused solely by the negligence or intentional misconduct of Landlord, or its officers, contractors, licensees, agents, employees, or invitees in the Premises. Subject to Section 6.1 (waiver of subrogation), Landlord shall indemnify, defend and hold Tenant and its officers, agents, employees and contractors harmless from all losses, damages, fines, penalties, liabilities and expenses incurred (including Tenant's attorneys' fees and other costs incurred in connection with such claims, regardless of whether claims involve litigation) resulting from any actual or alleged injury to any person or from any actual or alleged loss of or damage to any property alleged to be attributable to Landlord's negligent operation of the Building or the negligent acts or omissions of Landlord, or its employees, agents, officers or directors in the Premises. Notwithstanding any of the foregoing, if losses, liabilities, damages, liens, costs and expenses so arising from the operation or occupation of the Premises are caused by the concurrent negligence of both Landlord and Tenant or their respective employees, agents, invitees and licensees, each party (the "Indemnifying Party") shall indemnify the other party (the "Indemnified Party") only to the extent of the negligence of the Indemnifying Party or its officers, agents, employees, guests or invitees..

9.2 Exemption of Landlord From Liability. As a material part of the consideration to Landlord, Tenant hereby agrees that, notwithstanding anything to the contrary in Section 9.1 above, Landlord shall in no event be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to Tenant's employees, invitees, customers, or any other person in or about the Premises, whether such damage, loss or injury results from conditions arising upon the Premises, or from other sources or places, and regardless of whether the cause of such damage, loss or injury or the means of repairing the same is inaccessible to Tenant. The foregoing exemption of Landlord from liability shall not apply to the extent that the conditions of the Premises that gave rise to the damage, loss or injury is a result of Landlord's negligence, willful or intentional conduct or that of Landlord's officers, contractors, licensees, agents, employees in the Premises.

SECTION 10. DEFAULTS

Neither party shall be deemed to be in default in the performance of any obligation required to be performed by it hereunder unless and until it has failed to perform such obligation within 30 days after written notice by the non-defaulting party specifying defaulting party's failure to perform; provided, however, that if the nature of defaulting party's obligation is such that more than 30 days are required for its performance, then the defaulting party shall not be deemed to be in default if it shall commence such performance within such 30 day period and thereafter diligently prosecute the same to completion.

10.1 Default By Tenant. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant: (i) the abandonment of the Premises by Tenant or the vacating of the Premises for more than thirty (30) consecutive days; (ii) the failure by Tenant to make any payment required to be made by Tenant hereunder, and such failure continues for more than fifteen (15) days after written notice from Landlord; (iii) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of the Lease, where such failure shall continue for a period of twenty (30) days after written notice from Landlord; provided, however, if more than 30 days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion; (iv) the making by Tenant of any general assignment or general arrangement for the benefit of creditors; (v) the filing by or against Tenant of a petition to have Tenant adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (vi) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in the Lease, where possession is not restored to Tenant within thirty (30) days; (vii) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days; (viii) the assignment or other transfer of all or any interest of Tenant in this Lease, or the subletting of all or any portion of the Premises; or (viii) a material default under the terms of the Clinic Support Agreement. All notice and cure periods set forth above are in lieu of and not in addition to any notice required pursuant to applicable unlawful detainer/eviction statutes.

SECTION 11. REMEDIES

In the event of a default by either party beyond the applicable notice and cure periods, the non-defaulting party shall have all available remedies at law or in equity.

SECTION 12. RULES AND REGULATIONS

Tenant shall comply with the Rules and Regulations of the Building as set forth on Exhibit B1 attached.

SECTION 13. RIGHT OF ACCESS

Upon no less than two (2) business days' notice to Tenant, Landlord and its employees, contractors and agents shall have access to the Premises in order to (a) inspect the Premises; (b) make repairs as required hereunder; (c) maintain and repair any pipes, ducts, conduits and the like in and through the Premises (whether the same service the Premises or other portions of the Building); (d) exhibit the Premises to prospective purchasers, lenders or tenants; and (e) construct and install any and all supports, improvements, pipes, ducts, conduits, wires and mechanical equipment serving other portions of the Building, in, through, under or above the Premises that Landlord deems reasonably necessary. During any such access, Landlord shall use reasonable efforts to minimize the disruption to Tenant's business.

Landlord and its agents shall have access to the Premises at any time without prior notice in the event of an emergency.

SECTION 14. END OF TERM

At the termination or expiration of the Term of this Lease, Tenant shall surrender the Premises to Landlord in as good condition and repair as at the Commencement Date, reasonable wear and tear excepted, and will leave the Premises broom-clean.

SECTION 15. CHANGE OF CIRCUMSTANCES

Termination of this Lease for change of circumstances shall be governed by Section III.D –E and Section IV of the Agreement.

SECTION 16. REGULATORY MATTERS

16.1 Nothing in this Lease shall be construed to require Tenant or its affiliated health care professionals to refer patients to the Landlord or any affiliate of the Landlord or to utilize the Landlord or any affiliate of the Landlord to provide inpatient, outpatient or other services to patients or otherwise generate business for Landlord or any affiliate of the Landlord. The parties further acknowledge that Tenant and its affiliated health care professionals are not restricted from establishing staff privileges at, referring any patient to, utilizing the services of, or otherwise generating any business for any other facility of Tenant's choosing. Landlord and Tenant enter into this Lease with the intent of conducting their relationship and implementing the agreements contained herein in full compliance with applicable federal, state and local law, rules and regulations, including without limitation, the Medicare/Medicaid Anti-Kickback statute, 42 U.S.C. § 1320a-7b(b) (the "**Anti-Kickback Law**") and 42 U.S.C. § 1395nn (the "**Stark Law**"), as amended. The parties further intend that this Lease comply with as many as reasonably practicable of the conditions for meeting the space rental safe harbor to the Anti-Kickback Law which is set forth in 42 C.F.R. § 1001.952(b), as such regulations may be amended. Notwithstanding any unanticipated effect of any of the provisions of this Lease, neither party will intentionally conduct itself under the terms of this Lease in a manner that would constitute a violation of such statutes and regulations, this Lease shall be construed in a manner consistent with compliance with such statutes and regulations, and the parties hereto shall take such actions necessary to construe and administer this Lease therewith. In the event any court or administrative agency of competent jurisdiction determines this Lease violates any of such statutes or regulations, the parties shall take such actions as necessary to amend this Lease to comply with the applicable statutes or regulations, as provided herein. Furthermore, Tenant represents that the size of the Premises does not exceed the amount of space which is reasonable and necessary for Tenant's legitimate business purposes. Notwithstanding any contrary provisions of the Lease, the parties acknowledge that Tenant is to have exclusive use and possession of the Premises while this Lease is in effect and that the Premises may not be shared with or used by Landlord or any person or entity affiliated with Landlord.

16.2 If any legislation, regulation or government policy is passed or adopted, the effect of which would cause either party to be in violation of such laws due to the existence of any provision of this Lease, then Landlord and Tenant agree to negotiate in good faith for a period of 30 days to modify the terms of this Lease to comply with applicable law. Should the parties hereto fail to agree upon modified terms to this Lease within this time, either Landlord or Tenant may immediately terminate this Agreement by giving written notice to the other party.

16.3 Each party represents and warrants that it is not an Ineligible Person. An "Ineligible Person," as such term is used in this Agreement, is an individual or entity who: (i) is currently

excluded, debarred, suspended, or otherwise ineligible to participate in the Federal health care programs as defined in 42 USC § 1320a-7b(f) (the “**Federal health care programs**”) or in Federal procurement or non-procurement programs; or (ii) has been convicted of a criminal offense that falls within the range of activities described in 42 U.S.C. § 1320a-7(a), but has not yet been excluded, debarred, suspended or otherwise declared ineligible to participate in the Federal health care programs. The foregoing representation shall be an ongoing representation and warranty during the term of this Lease and each party shall immediately notify the other party of any change in the status of the representation and warranty set forth in this Section, at which time the party receiving such notice will have the right to immediately terminate this Lease.

SECTION 17. MISCELLANEOUS

17.1 Authority. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms.

17.2 No Brokers. Tenant represents and warrants to Landlord that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant.

17.3 Landlord Consent. In any instance where the Landlord's approval or consent is required either by the terms of this Lease or otherwise, such approval or consent shall not be unreasonably withheld, conditioned or delayed.

17.4 Entire Agreement. This Lease is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

17.5 Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

17.6 Force Majeure. Except for the payment of Additional Rent or other sums payable by Tenant to Landlord, time periods for Tenant's or Landlord's performance under any provisions of this Lease shall be extended for periods of time during which Tenant's or Landlord's performance is prevented due to circumstances beyond Tenant's or Landlord's control, including without limitation, strikes, embargoes, shortages of labor or materials, governmental regulations, acts of God, war or other strife.

17.7 Notices. All notices under this Lease shall be in writing and delivered in person or sent by registered or certified mail, postage prepaid, to Landlord and to Tenant at the Addresses provided in the Summary on Page 1 of this Lease and to the holder of any mortgage or deed of trust at such place as such holder shall specify to Tenant in writing; or such other addresses as may from time to time be designated by any such party in writing. If mailed, a notice shall be deemed received five (5) business days after the postmark affixed on the envelope by the United States Post Office. All notices to

Tenant under this Lease shall include a copy to: General Counsel, UW Physicians Network, 701 Fifth Avenue, Suite 700, Seattle, WA 98104.

17.8 Costs and Attorneys Fees; Waiver of Jury Trial. If Tenant or Landlord shall bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Additional Rent or other payments hereunder or possession of the Premises each party shall, and hereby does, to the extent permitted by law, waive trial by jury and the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such suit, at trial and on appeal, and such attorneys fees shall be deemed to have accrued on the commencement of such action.

17.9 Governing Law; Venue. This Lease shall be governed by and construed in accordance with the internal laws of the State of Washington. Venue for any action concerning this Lease or the Premises shall be in King County, Washington.

17.10 Recording. Tenant shall not record this Lease or a memorandum hereof without Landlord's prior written consent and such recordation shall, at the option of Landlord, constitute a non curable default of Tenant hereunder.

17.11 Waivers. No waiver by either party of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by the other party of the same or any other provision. Either party's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of such party's consent to or approval of any subsequent act by the other party. The acceptance of any additional rent hereunder by Landlord shall not be a waiver of any preceding breach at the time of acceptance of such additional rent.

17.12 Time of Essence. Time is of the essence for the performance of all of the obligations specified hereunder.

17.13 Quiet Enjoyment. Subject to the other terms of this Lease, Landlord covenants that Tenant shall, and may peacefully have, hold and enjoy the Premises and Furniture, Fixtures and Equipment for the Lease Term free of any claims by any party claiming by, through or under Landlord, provided that Tenant performs all of Tenant's obligations, covenants and agreements herein provided.

17.14 Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

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Signatures on Following Page

Signature Page to Medical Office and Equipment Lease

IN WITNESS WHEREOF, the Parties have executed this Lease as of the date set forth below.

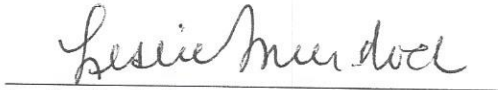
Tenant: UW Physicians Network



Debra Gussin
Executive Director

Date: 9/8/17

Landlord: Orcas Medical Foundation



Leslie Murdock
President

Date: 9.8.17

LANDLORD ACKNOWLEDGMENT

STATE OF WASHINGTON
COUNTY OF San Juan

ss.

I certify that I know or have satisfactory evidence that Leslie Murdock is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the President of ORCAS MEDICAL FOUNDATION, a Washington non-profit corporation, to be the free and voluntary act of such non-profit organization for the uses and purposes mentioned in the instrument.

Dated this 8th day of Sept, 2017.



Kathleen A Kantrud
(Signature of Notary)

Kathleen A Kantrud
(Legibly Print or Stamp Name of Notary)
Notary public in and for the State of Washington,
residing at Eastsound
My appointment expires 10-27-2017

TENANT ACKNOWLEDGMENT

STATE OF WASHINGTON
COUNTY OF ~~KING~~ San Juan

ss.

I certify that I know or have satisfactory evidence that Debra Gussin is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Executive Director of UW PHYSICIANS NETWORK, a Washington non-profit corporation, to be the free and voluntary act of such non-profit organization for the uses and purposes mentioned in the instrument.

Dated this 8th day of Sept, 2017.



Kathleena A. Kantrud
(Signature of Notary)

Kathleena A Kantrud
(Legibly Print or Stamp Name of Notary)
Notary public in and for the State of Washington
residing at Eastsound
My appointment expires 10-27-2017

Exhibit A

Orcas Medical Clinic
Furniture, Fixtures, Equipment List

<i>Tag</i>	<i>Description</i>	<i>Manufacturer</i>	<i>Model</i>	<i>Serial</i>	<i>Area</i>
<u>OMF40001</u>	Microscope	Leitz	Laborlux S	104833	ORC-LAB
<u>OMF40004</u>	Oto/Ophthalmoscope	Welch Allyn Medical	74710	None	ORC-EXAM 1
<u>OMF40005</u>	Defib/AED	Zoll Medical	AED Plus	X06G091009	ORC-URGENT
<u>OMF40006</u>	Defibrillator	Physio Control	Lifepak 12	11762137	ORC-URGENT
<u>OMF40007</u>	Procedure Chair	Midmark	119	DF3668	ORC-URGENT
<u>OMF40008</u>	Oxygen Concentrator	Airsep	NewLife	None	ORC-PROCEDURE
<u>OMF40009</u>	Patient Examination Light	Welch Allyn Medical	44100	None	ORC-EXAM 1
<u>OMF40010</u>	Patient Examination Light	Midmark	152-001	532293	ORC-EXAM 8
<u>OMF40011</u>	Exam Table	Ritter	104	None	ORC-EXAM 7
<u>OMF40012</u>	Vaginal Exam Light	Welch Allyn Medical	739	None	ORC-EXAM 8
<u>OMF40013</u>	Patient Examination Light	Midmark	152-001	700764	ORC-EXAM 4
<u>OMF40014</u>	Exam Table	Ritter	104	None	ORC-EXAM 6
<u>OMF40015</u>	Oto/Ophthalmoscope	Welch Allyn Medical	74710	None	ORC-EXAM 5
<u>OMF40016</u>	Desk Charger, Otoscope / Ophthalmoscope	Welch Allyn Medical	7114	None	ORC-URGENT
					Treatment
<u>OMF40017</u>	Desk Charger, Otoscope / Ophthalmoscope	Welch Allyn Medical	7114	None	ORC-URGENT
					Treatment
<u>OMF40018</u>	X-Ray Console	Gendex	QG-6500	07329	ORC-XRAY
<u>OMF40019</u>	Electrocardiograph	Nihon-Kohden	Cardiofax M ECG-1350A	None	ORC-URGENT
<u>OMF40020</u>	Oto/Ophthalmoscope	Welch Allyn Medical	74710	None	ORC-EXAM 8
<u>OMF40021</u>	Exam Table	Ritter	104	NA	ORC-EXAM 8
<u>OMF40022</u>	Patient Examination Light	Welch Allyn Medical	44100	None	ORC-EXAM 5
<u>OMF40023</u>	Exam Table	Ritter	104	None	ORC-EXAM 5
<u>OMF40024</u>	Oto/Ophthalmoscope	Welch Allyn Medical	74710	None	ORC-EXAM 4
<u>OMF40025</u>	Exam Table	Ritter	104	None	ORC-EXAM 4
<u>OMF40026</u>	Patient Examination Light	Midmark	152-001	700758	ORC-EXAM 4
<u>OMF40027</u>	Patient Examination Light	Welch Allyn Medical	48830	None	ORC-EXAM 4
<u>OMF40028</u>	Exam Table	Ritter	104	None	ORC-EXAM 3
<u>OMF40029</u>	Oto/Ophthalmoscope	Welch Allyn Medical	74710	None	ORC-EXAM 3
<u>OMF40030</u>	Oto/Ophthalmoscope	Welch Allyn Medical	74710	None	ORC-EXAM 2
<u>OMF40031</u>	Patient Examination Light	Welch Allyn Medical	GS300	None	ORC-EXAM 3
<u>OMF40032</u>	Patient Examination Light	Welch Allyn Medical	GS300	None	ORC-EXAM 7
<u>OMF40034</u>	Oto/Ophthalmoscope	Welch Allyn Medical	74710	None	ORC-EXAM 6
<u>OMF40035</u>	Oto/Ophthalmoscope	Welch Allyn Medical	74710	None	ORC-EXAM 7
<u>OMF40037</u>	Patient Examination Light	Welch Allyn Medical	GS300	None	ORC-EXAM 2
<u>OMF40038</u>	Exam Table	Ritter	104	None	ORC-EXAM 2
<u>OMF40039</u>	Patient Scale	SECA	700	None	ORC-HALL

<u>OMF40040</u>	Patient Scale	SECA	700	57031699	ORC-HALL
<u>OMF40041</u>	Image Reader	iCRco Inc	iCR-1000	1091-897	ORC-XRAY
<u>OMF40042</u>	X-Ray Table	Gendex	5000	AE1284-1291	ORC-XRAY
<u>OMF40043</u>	Thermometer, Clinical	Welch Allyn Medical	Sure Temp Plus 690	16020712	ORC-HALL
<u>OMF40044</u>	Thermometer, Clinical	Welch Allyn Medical	Sure Temp Plus 690	4177084	ORC-HALL
<u>OMF40045</u>	Vaginal Exam Light	Welch Allyn Medical	739	None	ORC-HALL
<u>OMF40046</u>	Electrosurgical Unit	Bovie Medical	Aaron 950	None	ORC-HALL
<u>OMF40047</u>	Pulse Oximeter	Nellcor	N20PA	G05879566	ORC-HALL
<u>OMF40048</u>	Thermometer, Temporal	Exergen	TAT 5000	A470777	ORC-HALL
<u>OMF40049</u>	Thermometer, Clinical	Welch Allyn Medical	Sure Temp Plus 690	14270272	ORC-HALL

Location	QTY	Description			
			1	oto/ophthalmoscope, wall mount	
Exam Room 1			1	BP cuff, wall mount	
	1	shelf unit, metal	Exam Room 5	2	chairs, upholstered/wood
	1	stool, rolling		1	stool, rolling
Exam Room 2	2	chairs, upholstered/wood		1	exam table, adjustable w. stirrups
	1	stool, rolling		1	exam light, gooseneck
		exam table, adjustable		1	oto/ophthalmoscope, wall mount
	1	w. stirrups		1	BP cuff, wall mount
	1	exam light, gooseneck	Exam Room 6	2	chairs, upholstered/wood
		oto/ophthalmoscope,		1	stool, rolling
	1	wall mount		1	exam table, adjustable w. stirrups
	1	BP cuff, wall mount		1	exam light, gooseneck
		chairs, upholstered		1	oto/ophthalmoscope, wall mount
Exam Room 3	2	/wood		1	BP cuff, wall mount
	1	stool, rolling	Exam Room 7	2	chairs, upholstered/wood
		exam table, adjustable		1	stool, rolling
	1	w. stirrups		1	exam table, adjustable w. stirrups
	1	exam light, gooseneck		1	exam light, gooseneck
		oto/ophthalmoscope,		1	oto/ophthalmoscope, wall mount
	1	wall mount		1	BP cuff, wall mount
	1	BP cuff, wall mount	Exam Room 8	2	chairs, upholstered/wood
		chairs, upholstered/		1	stool, rolling
Exam Room 4	2	wood			exam table, adjustable
	1	stool, rolling		1	w. stirrups
	1	exam table, adjustable w. stirrups		1	exam light, gooseneck
	1	exam light, gooseneck		1	oto/ophthalmoscope,

	wall mount			
	1 BP cuff, wall mount	Meeting Room	1	chart shelves, 7-tier, metal
			2	shelf unit, metal
URGENT CARE	beds, emerg., rolling,		1	cart, metal w. drawers
	2 adjustable		7	Conference Room Style Tables
	3 stools, rolling			
	1 desk, metal	X-ray records rm.	2	shelves, storage, X-ray, metal
	chairs, upholstered/		2	O2 tanks, lrg.,
	3 wood		2	O2 tanks, sm.,
	crash cart, rolling metal		1	stabilizer board, peds.
	1 w. drawers			
	carts, med. supply,	Waiting Room	2	racks, brochure display
	2 rolling		1	tray/table, stainless, rolling
	1 cabinet, wood, standing		19	chairs, upholstered/wood
	3 wheel chairs, folding		3	tables, wood
	1 wheel chair, over-sized		1	table, child's round, wood laminate,
	tray/table, stainless,		3	chairs, child's
	1 rolling		2	bookshelves, wood, sm.
	1 chair, office	Records Room	1	desk, wood
	cart, metal, rolling, for		1	desk, wood, w. secty. Return
	1 ECG		1	file cab., vert., 4 dwr.
	Table, X-ray,		2	file cab., vert., 2 dwr.
X-ray Room	1 mechanized		2	chairs, desk
	1 chair, upholstered/wood		1	printer stand, laminate
	1 stool, rolling		2	chairs, desk
	bed, emerg., rolling,		1	cart, wire, rolling
Procedure room	1 adjustable	Reception area	1	file cab., vert., 2 dwr.
	1 chair, upholstered/wood		1	refrigerator/freezer
	1 stool, rolling		1	table, round, laminate
	1 tray/table, stainless, rolling			chairs, armless,
Mgr. Office	1 desk, wood	Break Room/Kit.	4	upholstered
	2 file cab., lateral, 4 dwr.		3	desk chairs
	1 bookshelf, wood		1	chair, upholstered/
	2 chairs, upholstered/wood			

		wood		1	bookshelf, wood, standing
Nurse Station 1	1	file cab., lateral, 4 dwr.			
		shelves, storage,		1	scale, adult
	4	steel/plastic		1	chair, desk
		shelves, storage,		1	chair, upholstered/wood
	2	steel/plastic	AV Room	1	file cab., 4 dwr, vertical
Med. Supply Room	1	dishwasher		1	file cab., 4 drw, lateral
				1	tray/table, stainless, rolling
	4	chairs, desk, rolling	Nurse Station 3	1	cart, resin, peds weigh station
	1	stool, roling			
Lab	1	cart, metal, for computer refrigerator,		1	desk, wood
				2	desk, wood
	1	under-counter	Physician Office	1	file cab., 4 drw, lateral
				1	file cab., 4 drw, vertical
	1	desk, wood		1	table, resin/metal, folding
	2	chairs, desk		3	chairs, desk, rolling
Physician Office	1	chair, upholstered/wood		1	chair, upholstered/wood

EXHIBIT B

FLOOR PLAN OF THE PREMISES

EXHIBIT B1

RULES AND REGULATIONS OF THE BUILDING

EXHIBIT C

LANDLORD'S WORK

	Estimate	60 days	Comments
Complete HVAC Restoration/Replacement	\$ 180,000.00	x	Refer to estimate - ASAP
Install push button powered door openers on main entry doors	\$ 2,600.00	x	ADA Requirement - ROUGH ESTIMATE
Tune paint job exterior	\$ 600.00	x	Several of these areas- Building could use paint job, but touch up in general - Exterior
Replace switching for parking lot lights to photo-cell	\$ 600.00	x	Timer to be transitioned to photocell to change with
Replace two parking lot light bulbs	\$ 100.00	x	
Remove "AFTER HOURS CLINIC" sign at back of building	\$ 300.00	x	Must be removed ASAP
Replace or rebuild fence at urgent care entrance	\$ 1,700.00	x	Must be replaced- Falling down / Creates a barrier when patients are being transported by ambulance
Touch up paint interior	\$ 600.00	x	
Trim growth around building		x	Current landscape support is not doing a great job- needs a quarterly landscape support- tremendous overgrowth. Needs Quarterly contract-
Repair gutter downspout at back of building	\$ 200.00	x	Rain can damage the building
Cap old clothes dryer at back of building	\$ 100.00	x	Leaves open piping vulnerable to the clinic
Check building trim for integrity	\$ 400.00	x	
Change switching at reception to non-dimmer style switches to eliminate flicker < or >			
Replace can lights in reception area with LED retrofits (x8)	\$ 700.00	x	Labor and parts
Ceiling tile inspection and replacement throughout building as needed	\$ 400.00	x	Multiple ceiling tiles broke- Has tiles in stock; need to pay labor to have installed
Patch sheetrock high on the wall in reception	\$ 250.00	x	
Install 1x8 Fir Board behind Lighting Fixture-	\$ 250.00	x	Must be fixed ASAP
Repair toilet in main bathroom	\$ 400.00	x	Must be fixed ASAP - sign on the toilet says 'jiggle' the handle to use the restroom
Devise new backer for all thermostats to cover up missing wall paper		x	part of HVAC project
Replace lamps in break room	\$ 100.00	x	
Reset outlet and wallpaper in west wing near reception		x	Part of interior (paint and trim work)
Increase flow on water fountain	\$ 50.00	x	Water fountain doesn't work- Dribbles
Fill wallpaper holes throughout	\$ 150.00	x	Equipment has been moved and there are holes in the 'wallpaper' and a compound needs to be mixed to fill the holes to make look the wallpaper
Check screws and edge banding in Room #6	\$ 500.00	x	Jay to investigate what this actually is...
Align all lamps to same color to improve overall lighting quality	\$ 200.00	x	Lighting quality is poor for work environment- numerous mixed lamps and bulbs and change to same brand and color - needs to be a regular maintenance schedule
Check all plumbing fixtures for calcified screens, working shut-offs, etc...	\$ 200.00	x	Walkthru on all the plumbing and upgrade- Could be up to \$1,000 dependent on what walkthru details
Install vinyl cove on all backsplash to counter connections	\$ 400.00	x	requirement for healthcare environment
Replace vanity lamp in small bath	\$ 100.00	x	This needs to be done ASAP- The bathroom is dark
Install mop sink in utility room	\$ 900.00	x	Currently janitorial service is pouring mop water outside. The room is plumbed and has availability to install sink- Jay to review
Patch wall at nurses station		x	Associated with interior patch and paint work estimate above
End cap and patch at end of backsplash in supply room		x	Associated with interior patch and paint work estimate above
Repair counter in lab room	\$ 250.00	x	Falling down and needs to be repaired- This is important to quality patient care and work environment
Repair undercab lighting in lab room	\$ 350.00	x	Touch up/ replace ballast and bulbs
Install electronic solenoid ball valves on water in north bath to enable shut-off during drug testing	\$ 750.00	x	Required for employer drug testing to include Coast Guard, Captains License, etc.
Install edge banding in Room #7		x	Associated with interior patch and paint work estimate above
Install base cove in A/V room	\$ 150.00	x	
Investigate performance of hot water recirculation pump		x	Needs to be investigated and assessed
Touch up paint at x-ray door		x	Associated with interior patch and paint work estimate above
TOTAL	\$ 193,300.00		

EXHIBIT D
Clinic Support Agreement