

2014-009521

Klamath County, Oregon

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Fee: \$77.00

When recorded return to:

J. Dillon Curran, Esq
Conner & Winters, LLP
211 N. Robinson, Suite 1700
Oklahoma City, OK 73102

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT is made and entered into effective the 11th day of September 2014 by and among Sky Lakes Medical Center, Inc. f/k/a Merle West Medical Center, Inc. ("Sky Lakes"), Klamath Falls Intercommunity Hospital Authority (the "Authority"), Sky Lakes SNF, LLC, a California limited liability company ("SNF") and BOKF, NA dba Bank of Oklahoma ("BOKF").

1. Sky Lakes, the Authority, SNF and BOKF hereby acknowledge and agree that they have executed that certain Landlord Consent and Estoppel Certificate (the "Certificate") dated effective September 11, 2014, which pertains to and affects that certain tract of real property located in Klamath County, Oregon, as more particularly described at Exhibit "A" attached hereto, together with all buildings and improvements now or hereafter constructed thereon (the "Property").

2. All of the terms, covenants, provisions and agreements of the Certificate, which are hereby incorporated by reference into this Memorandum, shall extend to and be binding on the parties hereto, their respective successors and assigns and all other third parties who hereafter obtain or acquire any interest in and to the Property.

IN WITNESS WHEREOF, the parties have duly executed this Memorandum as of the date first written above.

**SKY LAKES MEDICAL CENTER, INC. f/k/a
MERLE WEST MEDICAL CENTER, INC.**

By: 

Paul R. Stewart, Chief Executive Officer

**KLAMATH FALLS INTERCOMMUNITY
HOSPITAL AUTHORITY**

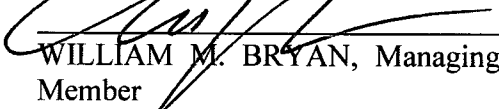
By: 

Stan Gilbert, Chair

NCS-677668-Dr.1
FATCD

SKY LAKES SNF, LLC, a California limited liability company

By: RBD CAPITAL GROUP, LLC, a California limited liability company, Manager

By: 
WILLIAM M. BRYAN, Managing Member

BOKF, NA dba BANK OF OKLAHOMA


By: _____
Name: _____
Title: _____

SKY LAKES SNF, LLC, a California limited liability company

By: RBD CAPITAL GROUP, LLC, a California limited liability company, Manager

By: _____
WILLIAM M. BRYAN, Managing Member

BOKF, NA dba BANK OF OKLAHOMA

By: 
Name: Robert Duncan
Title: Vice President

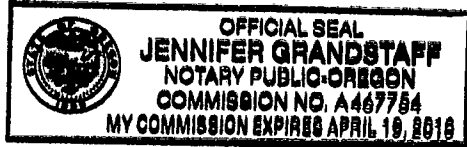
ACKNOWLEDGMENTS

STATE OF Oregon)
) SS:
COUNTY OF Klamath)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that Paul R. Stewart, Chief Executive Officer of SKY LAKES MEDICAL CENTER, INC. f/k/a MERLE WEST MEDICAL CENTER, INC., has signed the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said corporation.

GIVEN under my hand and official seal of office, this 8th day of September, 2014.

[SEAL]



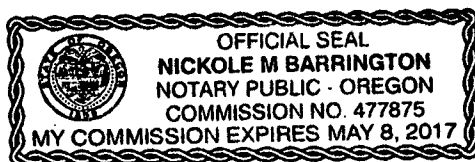
Jennifer Grandstaff
Notary Public
My Commission Number: A467754
My Commission Expires: 4-19-2016

STATE OF OREGON)
) SS:
COUNTY OF KLAMATH)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that Stan Gilbert, Chair of KLAMATH FALLS INTERCOMMUNITY HOSPITAL AUTHORITY, has signed the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority of said entity, executed the documents voluntarily.

GIVEN under my hand and official seal of office, this 5th day of September, 2014.

[SEAL]



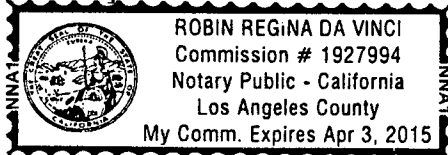
Nickole M. Barrington
Notary Public for Oregon
My Commission Number: 477875
My Commission Expires: 5-8-2017

STATE OF California)
) SS:
COUNTY OF Los Angeles)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that WILLIAM M. BRYAN, Managing Member of RBD CAPITAL GROUP, LLC, a California limited liability company, Manager of SKY LAKES SNF, LLC, a California limited liability company, has signed the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said limited liability company.

GIVEN under my hand and official seal of office, this 10th day of September, 2014.

[SEAL]



Robin Regina Da Vinci
Notary Public
My Commission Number: 1927994
My Commission Expires: 4/3/2015

STATE OF _____)
) SS:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that _____, _____ of BOKF, NA dba BANK OF OKLAHOMA, has signed the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said entity.

GIVEN under my hand and official seal of office, this ____ day of _____, 2014.

[SEAL]

Notary Public
My Commission Number: _____
My Commission Expires: _____

STATE OF _____)
) SS:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that WILLIAM M. BRYAN, Managing Member of RBD CAPITAL GROUP, LLC, a California limited liability company, Manager of SKY LAKES SNF, LLC, a California limited liability company, has signed the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said limited liability company.

GIVEN under my hand and official seal of office, this ____ day of _____, 2014.

[SEAL]

Notary Public
My Commission Number: _____
My Commission Expires: _____

STATE OF OKLAHOMA)
) SS:
COUNTY OF OKLAHOMA)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that Robert Duncan, Vice President of BOKF, NA dba BANK OF OKLAHOMA, has signed the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said entity.

GIVEN under my hand and official seal of office, this 11 day of September, 2014.

[SEAL]



Susan Blethrow

Notary Public
My Commission Number: 99016159
My Commission Expires: 10-08-2015

Exhibit "A"

Legal Description

Real property in the City of Klamath Falls, County of Klamath, State of Oregon, described as follows:

PARCEL I:

A TRACT OF LAND SITUATED IN THE SW 1/4 OF THE NE 1/4 OF SECTION 20, TOWNSHIP 38 SOUTH, RANGE 9 EAST, WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING A PORTION OF BLOCKS 7 AND 8 AND VACATED HILLTOP STREET, MCLOUGHLIN HEIGHTS SUBDIVISION, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF MCLOUGHLIN HEIGHTS; THENCE SOUTH 0°46'00" WEST, ALONG THE EAST BOUNDARY OF MCLOUGHLIN HEIGHTS, 100.0 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 0°46'00" WEST, ALONG THE EAST BOUNDARY OF MCLOUGHLIN HEIGHTS 572.30 FEET TO THE NORTH BOUNDARY OF FOOTHILLS BOULEVARD; THENCE 40.57 FEET ALONG THE ARC OF A 20.00 FOOT RADIUS CURVE TO THE RIGHT (THE LONG CHORD OF WHICH BEARS SOUTH 58°53' WEST, 33.97 FEET); THENCE NORTH 63°00'00" WEST, ALONG THE NORTH BOUNDARY OF FOOTHILLS BOULEVARD, 104.35 FEET; THENCE 482.81 FEET ALONG THE ARC OF A 774.83 FOOT RADIUS CURVE TO THE LEFT (THE LONG CHORD OF WHICH BEARS NORTH 80°51'03" WEST, 475.03 FEET); THENCE LEAVING SAID ROAD BOUNDARY NORTH 20°39'40" EAST, 504.11 FEET; THENCE SOUTH 89°21'00" EAST, 420.87 FEET TO THE TRUE POINT OF BEGINNING. TOGETHER WITH THE NORTHERLY ONE-HALF OF VACATED FOOTHILL BOULEVARD ABUTTING THE SOUTHERLY BOUNDARY OF THE ABOVE DESCRIBED PARCEL.

ALSO INCLUDING LOTS 8, 9, 10, 11, 12, 13, 14 AND 15 OF BLOCK 6 OF MCLOUGHLIN HEIGHTS SUBDIVISION, TOGETHER WITH THE SOUTHERLY ONE-HALF OF VACATED FOOTHILL BOULEVARD ABUTTING THE NORTHERLY BOUNDARY OF SAID LOTS 8, 9, 10, 11, 12, 13, 14 AND 15 OF BLOCK 6;

EXCEPTING THEREFROM LOTS 8, 9, 10, 11, 12, 13, 14 AND 15 OF BLOCK 6 OF MCLOUGHLIN HEIGHTS SUBDIVISION, TOGETHER WITH THE SOUTHERLY ONE-HALF OF VACATED FOOTHILL BOULEVARD ABUTTING THE NORTHERLY BOUNDARY OF SAID LOTS 8, 9, 10, 11, 12, 13, 14 AND 15 OF BLOCK 6;

ALSO EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL: COMMENCING AT THE NE 1/16 CORNER OF SECTION 20, TOWNSHIP 38 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING THE NORTHEAST CORNER OF MCLOUGHLIN HEIGHTS SUBDIVISION; THENCE ALONG THE EAST BOUNDARY OF SAID MCLOUGHLIN HEIGHTS AND THE EAST LINE OF THE SW 1/4 NE 1/4 OF SAID SECTION 20 SOUTH 0°46'00" WEST 100.00 FEET TO THE NORTHEAST CORNER OF THAT PARCEL DESCRIBED AS PARCEL 1 IN DEED VOLUME M91, PAGE 13596, RECORDS OF KLAMATH COUNTY, OREGON; THENCE ALONG THE NORTHERLY BOUNDARY OF SAID PARCEL NORTH 89°21'00" WEST 420.87 FEET TO THE NORTHWEST CORNER OF SAID PARCEL; THENCE SOUTH 20°39'40" WEST 504.11 FEET TO THE SOUTHWEST CORNER OF THAT PARCEL DESCRIBED IN DEED VOLUME M75, PAGE 8321, RECORDS OF KLAMATH COUNTY, OREGON AND THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE SOUTH 08°42'06" EAST 25.00 FEET TO THE CENTERLINE OF VACATED FOOTHILL BOULEVARD; THENCE FOLLOWING SAID CENTERLINE ALONG THE ARC OF A 749.83 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT 82.06 FEET, THE LONG CHORD OF WHICH BEARS SOUTH 84°26'01" WEST 82.02 FEET; THENCE LEAVING SAID CENTERLINE NORTH 09°10'20" WEST 12.82 FEET; THENCE SOUTH 80°17'48" WEST 17.62 FEET; THENCE NORTH 09°32'02" WEST 17.40 FEET; THENCE SOUTH 80°54'52" WEST 63.92 FEET TO THE POINT OF BEGINNING:

ALSO EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PORTION OF PARCEL 1 OF DEED VOLUME M91, PAGE 13596, RECORDS OF KLAMATH COUNTY, OREGON: BEGINNING AT A POINT ON THE EAST BOUNDARY OF MCLOUGHLIN HEIGHTS WHICH BEARS SOUTH 0°46'00" WEST 100.00 FEET FROM THE NORTHEAST CORNER THEREOF, SAID POINT BEING THE NORTHEAST CORNER OF SAID PARCEL 1 OF DEED VOLUME M91, PAGE 13596; THENCE NORTH 89°21'00" WEST ALONG THE NORTH LINE OF SAID PARCEL 420.87 FEET TO THE NORTHWEST CORNER THEREOF; THENCE SOUTH 20°39'40" WEST ALONG THE WESTERLY LINE OF SAID PARCEL 173.00 FEET TO A POINT; THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL SOUTH 86°54'35" EAST 274.87 FEET; THENCE LEAVING SAID SOUTHERLY LINE NORTH 15°01'01" EAST 28.90 FEET; THENCE NORTH 72°20'55" EAST 13.09 FEET; THENCE SOUTH 69°41'02" EAST 99.96 FEET; THENCE SOUTH 24°30'18" EAST 3.74 FEET TO THE SOUTHERLY LINE OF SAID PARCEL 1; THENCE SOUTH 86°54'35" EAST TO A POINT ON THE EAST LINE OF SAID PARCEL; THENCE NORTH 0°46'00" EAST ALONG SAID EAST LINE 183.00 FEET TO THE POINT OF BEGINNING.

PARCEL II:

A RECIPROCAL ACCESS EASEMENT OVER THE FOLLOWING DESCRIBED PROPERTY:

A STRIP OF LAND 30 FEET IN WIDTH SITUATED IN THE SW 1/4 OF THE NE 1/4 OF SECTION 20, TOWNSHIP 38 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING 15 FEET, MEASURED AT RIGHT ANGLES, ON BOTH SIDES OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT A POINT WHICH BEARS S31°11'02"E 28.00 FEET FROM THE NE 1/16 CORNER OF SAID SECTION 20, (ALSO BEING THE NORTHEAST CORNER OF MCLOUGHLIN HEIGHTS SUBDIVISION) THENCE S10°16'15"E 333.71 FEET; THENCE 203.24 FEET ALONG THE ARC OF A 1230.78 FOOT RADIUS CURVE TO THE LEFT, SAID CURVE HAVING A DELTA ANGLE OF 9°27'40" AND A LONG CHORD WHICH BEARS S5°32'25"W 203.01 FEET; THENCE 14.04 FEET ALONG THE ARC OF A 200.00 FOOT RADIUS CURVE TO THE LEFT, SAID CURVE HAVING A DELTA ANGLE OF 4°01'21" AND A LONG CHORD WHICH BEARS S1°12'06"E 14.04 FEET; THENCE S3°12'47"E 44.14 FEET; THENCE 14.15 FEET ALONG THE ARC OF A 200.00 FOOT RADIUS CURVE TO THE RIGHT, SAID CURVE HAVING A DELTA ANGLE OF 4°03'10" AND A LONG CHORD WHICH BEARS S1°11'12"E 14.14 FEET; THENCE 68.76 FEET ALONG THE ARC OF A 1141.25 FOOT RADIUS CURVE TO THE RIGHT, SAID CURVE HAVING A DELTA ANGLE OF 3°27'08" AND A LONG CHORD WHICH BEARS S2°33'57"W 68.75 FEET; THENCE 74.74 FEET ALONG THE ARC OF A 37.08 FOOT RADIUS CURVE TO THE RIGHT, SAID SURVE HAVING A DELTA ANGLE OF 115°28'49" AND A LONG CHORD WHICH BEARS S62°01'55"W 62.71 FEET; THENCE 134.31 FEET ALONG THE ARC OF A 781.75 FOOT RADIUS CURVE TO THE LEFT, SAID CURVE HAVING A DELTA ANGLE OF 9°50'39" AND A LONG CHORD WHICH BEARS N65°09'00" W 134.15 FEET; THENCE 314.28 FEET ALONG THE ARC OF A 600.00 FOOT RADIUS CURVE TO THE LEFT, SAID CURVE HAVING A DELTA ANGLE OF 30°00'43" AND A LONG CHORD WHICH BEARS N85°04'41"W 310.70 FEET, TO A POINT WHICH BEARS S40°40'12"W 845.96 FEET FROM SAID NE 1/16 CORNER OF SECTION 20; THENCE WESTERLY AS PRESENTLY CONSTRUCTED TO THE EASTERLY RIGHT OF WAY LINE OF DAGGETT AVENUE; THE SIDE LINES OF SAID STRIP TO BE LENGTHENED OR SHORTENED TO TERMINATE AT THE EAST LINE OF SAID SW 1/4 NE 1/4 OF SECTION 20 AND AT SAID EASTERLY RIGHT OF WAY OF DAGGETT AVENUE.