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October 29, 2009

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Re: \$23,165,000
Coulee Medical Foundation
Taxable Revenue Build America Bonds (Direct Pay)
(GNMA Collateralized - Coulee Medical Center)
Series 2009A

Ladies and Gentlemen:

We are general counsel to the Coulee Medical Foundation (the "Mortgagor"), a non-profit corporation organized under the laws of the State of Washington (the "Organizational Jurisdiction") and the Douglas, Grant, Lincoln & Okanogan Counties Public Hospital District No.

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6 ("Operator"), a public hospital district organized under the laws of the State of Washington in connection with (i) a mortgage loan (the "Loan") in the original principal amount of Twenty Three Million One Hundred Sixty Five Thousand Dollars (\$23,165,000) from Red Mortgage Capital, Inc. (the "Mortgagee") to the Mortgagor and the issuance of the Bonds (as defined below) by the Mortgagor. The proceeds of the Loan will be used to construct that certain hospital project (the "Project"), commonly known as Coulee Medical Center (formerly known as Coulee Community Hospital, including the Coulee Family Medical Clinic) located in Grand Coulee, Grant County, Washington (said State to be referred to hereinafter as the "Property Jurisdiction") on the property described in Exhibit "A", (together with all improvements and fixtures thereon) (the "Property"). The Loan is being insured by the Federal Housing Administration ("FHA"), an organizational unit of the United States Department of Housing and Urban Development ("HUD"), pursuant to a commitment for insurance of advances issued to Red Capital Mortgage, Inc., as Originating Mortgagee, by Roger Miller, Agent of the Federal Housing Commissioner, dated June 30, 2009 ("FHA Commitment") as amended by that certain letter to Mortgagee from Roger Miller dated September 29, 2009. The Loan is being funded by the Mortgagor's issuance and sale of Taxable Revenue Build America Bonds (GNMA Collateralized - Coulee Medical Center) Series 2009A (the "Bonds") on behalf of the Operator. The Mortgagor and Operator have requested that we deliver this opinion and have consented to reliance by Bond Counsel and Mortgagee's counsel in rendering its opinion to Mortgagee and to reliance by Mortgagee and HUD in making and insuring, respectively, the Loan and have waived any privity between Mortgagor and us in order to permit said reliance by Mortgagee, counsel to Mortgagee, Bond Counsel and HUD. We consent to reliance on this opinion by Mortgagee, counsel to Mortgagee, Bond Counsel and HUD.

In our capacity as general counsel to the Mortgagor and the Operator, we have prepared or reviewed the following:

(a) The documents identified in an Opinion dated September 29, 2009 prepared for the benefit of the Federal Housing Commission, the Mortgagee, Counsel for Mortgagee, and Bond Counsel ("HUD Opinion").

(b) The following documents executed or delivered in connection with the financing of the loan with proceeds of Build America Bonds.

1. Guaranty Agreement;
2. GNMA Securities;
3. Indenture of Trust dated as of October 1, 2009 (the "Indenture") by and between the Mortgagor and U.S. Bank National Association (the "Trustee");

4. Financing Agreement, dated as of October 1, 2009 (the "Financing Agreement"), by and among the Mortgagor, the Operator, the Trustee and the Mortgagee;
5. Bond Purchase Agreement, dated October 6, 2009 (the "Purchase Agreement"), between the Mortgagor and Red Capital Markets, Inc., as underwriter (the "Underwriter");
6. Operating Lease;
7. Continuing Disclosure Agreement, dated as of October 1, 2009 (the Continuing Disclosure Agreement"), between the Mortgagor and the Trustee;
8. Site Lease;
9. Preliminary Official Statement dated September 28, 2009, relating to the Bonds and executed by the Mortgagor;
10. Official Statement dated October 15, 2009, relating to the Bonds and executed by the Mortgagor.

The documents listed in b. above are referred to collectively as the "Documents."

In basing the several opinions set forth in this document on "our knowledge," the words "our knowledge" signify that, in the course of our representation of the Mortgagor and Operator, no facts have come to our attention that would give us actual knowledge or actual notice that any such opinions or other matters are not accurate. Except as otherwise stated in this opinion, we have undertaken no investigation or verification of such matters. Further, the words "our knowledge" as used in this opinion are intended to be limited to the actual knowledge of the attorneys within our firm who have been involved in representing the Mortgagor and Operator in any capacity including, but not limited to, in connection with this Loan. We have no reason to believe that any of the documents on which we have relied contain matters which, or the assumptions contained herein, are untrue, contrary to known facts, or unreasonable.

In reaching the opinions set forth below, we have assumed, and to our knowledge there are no facts inconsistent with, the following:

- (a) Each of the parties to the Documents, other than the Mortgagor and Operator (and any person executing any of the Documents on behalf of the Mortgagor and Operator), has duly and validly executed and delivered each such instrument, document, and agreement to be executed in connection with the Loan to which such party is a signatory, and such party's obligations set forth in the Documents are its legal, valid, and binding obligations, enforceable in accordance with their respective terms.

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(b) Each person executing any of the Documents, other than the Mortgagor and Operator (and any person executing any of the Documents on behalf of the Mortgagor and Operator), whether individually or on behalf of an entity, is duly authorized to do so.

(c) Each natural person executing any of the Documents is legally competent to do so.

(d) All signatures of parties other than the Mortgagor and Operator (and any person executing any of the Documents on behalf of Mortgagor and Operator) are genuine.

(e) All Documents which were submitted to us as originals are authentic; all Documents which were submitted to us as certified or photostatic copies conform to the original document, and all public records reviewed are accurate and complete.

(f) All applicable Documents have been duly filed, indexed, and recorded among the appropriate official records and all fees, charges, and taxes due and owing as of this date have been paid.

(g) The parties to the Documents and their successors and/or assigns will: (i) act in good faith and in a commercially reasonable manner in the exercise of any rights or enforcement of any remedies under the Documents; (ii) not engage in any conduct in the exercise of such rights or enforcement of such remedies that would constitute other than fair and impartial dealing; and (iii) comply with all requirements of applicable procedural and substantive law in exercising any rights or enforcing any remedies under the Documents.

(h) The exercise of any rights or enforcement of any remedies under the Documents would not be unconscionable, result in a breach of the peace, or otherwise be contrary to public policy.

In giving the following opinions, I have assumed, with your consent, the genuineness of all signatures, the authenticity of all documents submitted to me as originals, and the conformity to the authentic original documents of documents submitted to me as certified, conformed or photostatic copies and as to certificates of public officials, I have assumed the same to have been properly given and to be accurate. I have also assumed, with your consent, the due authorization, valid execution and delivery of all such documents by the respective parties thereto other than the Mortgagor, and the authority of all persons executing such documents on behalf of such other parties and the validity and enforceability of all of the documents as to or against such other parties, except as otherwise specified.

In representing the Mortgagor, I have acted as counsel with regard to matters of Washington law only. No opinion is given concerning the securities laws of Washington or any other state, the Securities Act of 1933, as amended, the Securities and Exchange Act of 1934, as amended, the Trust indenture Act of 1939, as amended, neither I nor the Mortgagor have made any independent investigation of any factual matters except that I have examined the documents hereinabove set out.

Based on the foregoing and subject to the assumptions and qualifications set forth in this letter, it is our opinion that:

1. The Mortgagor is a Washington non-profit corporation duly organized and validly existing under the laws of the Organizational Jurisdiction. The Mortgagor is duly qualified to do business and is in good standing under the laws of the Organizational Jurisdiction. The Operator is a Public Hospital District validly existing under the laws of the Organizational Jurisdiction.
2. The Mortgagor has the corporate power and authority and possesses all necessary governmental certificates, permits, licenses, qualifications and approvals to lease the Property interest and to carry out all of the transactions required by the Documents and to comply with applicable federal statutes and regulations of HUD in effect on the date of the FHA Commitment. Under the laws of the Organization Jurisdiction, the Operator, as a Public Hospital District, has the necessary power and authority to lease the Property and improvements as described in Exhibit "A" to a nonprofit corporation for a term of fifty (50) years pursuant to the terms and conditions of the Site Lease.
3. The Operator has the power and authority and possesses all the necessary governmental certificates, permits, licenses, qualifications and approvals to lease and operate the Property and to carry out all of the transactions required of it by the Documents and to comply with applicable federal statutes and regulations of HUD in effect on the date of the FHA Commitment.
4. The execution and delivery of the Documents by or on behalf of the Mortgagor and the consummation by the Mortgagor of the transactions contemplated thereby, and the performance by the Mortgagor of its obligations thereunder, have been duly and validly authorized by all necessary corporate action by, or on behalf of the Mortgagor. The execution and delivery of the Documents by or on behalf of, the Operator, and the consummation by the Operator, of the transactions contemplated thereby, and the performance by the Operator of its obligations thereunder, have been duly and validly authorized by all necessary action by, or on behalf of, the Operator.

5. All authorizations, consents, approvals, and permits have been obtained from, appropriate actions have been taken by, and necessary filings have been made with all necessary Organizational and Property Jurisdictions or federal courts or governmental authorities. To the best of our knowledge, these represent all such authorizations, consents, approvals, permits, actions and filings that are required in connection with the execution and delivery by the Mortgagor and the Operator of the Documents and the ownership, leasing and operation of the Property.

6. Each of the Documents, including the Site Lease, the Operating Lease, and the Equipment Rental Agreement has been duly executed and delivered by the Mortgagor, and where applicable, by the Operator, and constitute the valid and legally binding promises or obligations of the Mortgagor, and where applicable, of the Operator, enforceable against the Mortgagor, and where applicable, the Operator, in accordance with its terms, subject to the following qualifications:

(i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally;

(ii) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity); and

(iii) certain remedies, waivers, and other provisions of the Documents may not be enforceable, but, subject to the qualifications set forth in this paragraph at (i) and (ii) above, such unenforceability will not preclude (a) the enforcement of the obligation of the Mortgagor to make the payments as provided in the Mortgage and Note (and HUD's regulations), and (b) the foreclosure of the Mortgage upon the event of a breach thereunder.

7. The execution, delivery of, receipt of and the performance of the obligations under, the Documents will not violate the Organizational Documents of the Mortgagor, the Operator, or any applicable provisions of local or State law.

8. Based solely on (a) our knowledge and (b) the Certification of Mortgagor and Operator attached to the HUD Opinion, the execution and delivery of the Documents will not: (i) cause the Mortgagor or Operator to be in violation of, or constitute a default under the provisions of, any agreement to which the Mortgagor or Operator is a party or by which the Mortgagor or Operator is bound, (ii) conflict with, or result in the breach of, any court judgment, decree or order of any governmental body to which the Mortgagor or Operator is subject, or (iii) result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever on any of the property or assets of the Mortgagor or Operator except as specifically contemplated by the Documents.

9. The execution and delivery of the HUD Documents by the Operator and the Mortgagor and the consummation of the transactions contemplated thereby, and the performance of the Operator and the Mortgagor of their obligations thereunder, have been duly and validly authorized by all necessary actions of the Operator or the Mortgagor, as applicable or on behalf of the Operator or the Mortgagor, as applicable.

10. The Mortgagor is authorized to (i) issue the Bonds; (ii) provide for the financing of the Project; (iii) adopt the resolution and to execute and deliver the Documents to which it is a party and (iv) carry out and consummate all of the transactions contemplated on its part by the Documents and the Official Statement.

11. All Resolutions adopted in connection with the Bonds and this transaction have been duly adopted by the Mortgagor and the Operator and have not been repealed, revoked, rescinded or amended and no further action of the Mortgagor or Operator is required for its continued validity.

12. The Bonds (a) have been duly authorized, executed and delivered by the Mortgagor under and pursuant to the Indenture, (b) are legal, valid, binding and enforceable limited obligations of the Mortgagor, except that the rights of the holders of the Bonds and the enforceability thereof may be subject to (i) the exercise of judicial discretion in accordance with general principles of law and equity, and (ii) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditor rights. Under the Indenture, the Mortgagor has assigned and pledged all of its rights in and to all Revenues (other than certain Reserved Rights of the Mortgagor) and the GNMA Securities (each as defined in the Indenture) (the "Trust Estate") as security for the Bonds.

13. The Preliminary Official Statement has been duly authorized by the Mortgagor, the Official Statement has been duly authorized, executed and delivered by the Mortgagor, and the Mortgagor has duly approved the use and distribution of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering of the Bonds.

14. The adoption of all resolutions, the issuance, execution, sale, delivery and performance of the Bonds, the execution, delivery and performance of the Documents and the execution, delivery and use of the Official Statement, do not and will not conflict with or constitute on the part of the Mortgagor a violation of, breach of or default under any agreement or other instrument to which the Mortgagor is a party or by which it (or any of its property) is bound, or any constitutional provision, statute or law, or any rule, regulation, order or decree to which the Mortgagor is subject.

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15. All consents, approvals, authorizations and orders of governmental or regulatory bodies, if any, that are required to be obtained by the Mortgagor in connection with the adoption of the resolutions, the issuance, execution, sale, delivery and performance of the Bonds, the execution, delivery and performance of the Documents and the execution, delivery and use of the Official Statement have been duly obtained and remain in full force and effect; provided, however, no opinion is expressed with respect to any consents, approvals, authorizations and orders required in connection with (a) the Securities or "blue sky" laws of any jurisdiction, or (b) any sale of the Bonds to any person other than the Underwriter.

16. There is no action, suit, proceeding or investigation, at law or in equity, before or by any court, public board or body, pending or, to the best of my knowledge, threatened against or affecting the Mortgagor or the Operator nor, to my knowledge, is there any meritorious basis therefor, wherein an unfavorable decision, ruling or finding would materially and adversely affect the financial condition or the results of operations of the Mortgagor or the Operator or the transactions contemplated by the Documents or the Official Statement or adversely affect the validity or enforceability of the Bonds or the Documents or the existence or power of the Mortgagor or the Operator.

17. As counsel to the Mortgagor and the Operator, I have rendered legal advice and assistance to the Mortgagor and the Operator in the course of the issuance of the Bonds. This assistance involved, among other things, discussions and inquiries concerning various legal matters, review of various documents relating to the offering and participation in the conferences during which the contents of the Official Statement and related matters were discussed and reviewed. Nothing has come to my attention which causes me to believe that any portion of the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein in light of the circumstances under which they were made, not misleading.

In addition to the assumptions set forth above, the opinions set forth above are also subject to the following qualifications:

We express no opinion herein regarding the accuracy, adequacy or completeness of the Preliminary or final Official Statement prepared and circulated in connection with the offering and sale of the Bonds, or regarding the perfection or priority of the lien on the Trust Estate.

We confirm that:

- (a) we do not have any financial interest in the Project, the Property, or the Loan, other than fees for legal services performed by us, arrangements for the payment of which has been made; and we agree not to assert a claim or lien against the

