

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) dated as of October 1, 2009 is executed and delivered by the Coulee Medical Foundation (the “Issuer”) and U.S. Bank National Association, as dissemination agent (the “Dissemination Agent”), in connection with the issuance of \$23,165,000 in aggregate principal amount of its Taxable Revenue Build America Bonds (Direct Pay) (GNMA Collateralized – Coulee Medical Center) Series 2009A (the “Bonds”). The Bonds are being issued pursuant to a Trust Indenture dated as of October 1, 2009 (the “Indenture”) between the Issuer and U.S. Bank National Association (the “Trustee”). The proceeds of the Bonds are being loaned to the Issuer pursuant to a Financing Agreement dated as of October 1, 2009 among the Issuer, Douglas, Grant, Lincoln & Okanogan Counties Public Hospital District No. 6 (the “District”), the Trustee and Red Mortgage Capital, Inc. (the “Lender”) (the “Financing Agreement”). Pursuant to the Indenture and the Financing Agreement, the Dissemination Agent and the Issuer covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer and the Dissemination Agent for the benefit of the Bondholders and in order to assist the Participating Underwriter in complying with the Rule (defined below). The Issuer and the Dissemination Agent acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Agreement, and has no liability to any Person, including any holder of the Bonds or Beneficial Owner, with respect to any such reports, notices or disclosures.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“*Beneficial Owner*” shall mean any Person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including Persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Disclosure Representative*” shall mean the administrator of the Project or his or her designee, or such other Person as the Issuer shall designate in writing to the Dissemination Agent from time to time.

“*Dissemination Agent*” shall mean U.S. Bank National Association, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“*Listed Events*” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“*MSRB*” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934. All documents provided to the MSRB shall be in an electronic format and accompanied by identifying information, as prescribed by the MSRB. Initially, all document submissions to the MSRB pursuant to this Continuing Disclosure Agreement shall use the MSRB’s Electronic Municipal Market Access (EMMA) system at www.emma.msrb.org.

“*Participating Underwriter*” means Red Capital Markets, Inc. and its successors and assigns.

“Rule” means Rule 15c2 12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports. (a) The Issuer will, or will cause the Dissemination Agent to, not later than 180 days following the end of the Issuer’s fiscal year, commencing with the fiscal year ending in 2009, provide to the MSRB an Annual Report which is consistent with the requirements described below. No later than 15 Business Days prior to said date, the Issuer will provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross reference other information, provided that the audited financial statements for the prior calendar year of the Issuer may be submitted separately from the balance of the Annual Report.

(b) If by 15 Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent will contact the Disclosure Representative to determine if the Issuer is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent will send a notice to the MSRB in substantially the form attached as Exhibit A to the Continuing Disclosure Agreement.

(d) The Dissemination Agent will file a report with the Issuer and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been provided pursuant to the Disclosure Agreement, stating the date it was provided.

Section 4. Content of Annual Reports. The Issuer’s Annual Report will contain or incorporate by reference the following:

(a) the audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated from time to time by the Financial Accounting Standards Board and as modified by HUD. If the Issuer’s audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report will contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements will be filed in the same manner as the Annual Report when they become available; and

(b) census of the Project at the end of the Issuer’s fiscal year with an explanation of any significant trends or changes.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Issuer is an “obligated Person” (as defined by the Rule), which have been filed with the MSRB. The Issuer will clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Significant Events. (a) The Issuer will give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (i) principal and interest payment delinquencies;
- (ii) non payment related defaults;

- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (v) substitution of credit or liquidity providers or their failure to perform;
 - (vi) adverse tax opinions or events affecting the tax exempt status of the Bonds;
 - (vii) modifications to rights of Bondholders;
 - (viii) Bond calls (other than scheduled mandatory sinking fund redemptions);
 - (ix) defeasances;
 - (x) release, substitution or sale of property securing repayment of the Bonds;
- or
- (xi) Bond rating changes.

(b) The Trustee will, promptly after obtaining actual knowledge of the occurrence of any of the Listed Events (except events listed in clause (a)(v), (viii) or (ix)) contact the Disclosure Representative, inform such Person of the event and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f). For purposes of the Disclosure Agreement, “actual knowledge” of the occurrence of such Listed Events will mean actual knowledge by the officer or officers at the corporate trust office of the Trustee with regular responsibility for the administration of the Indenture.

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, because of a notice from the Trustee pursuant to subsection (b) or otherwise, the Issuer will as soon as possible determine if such event would be material under applicable federal securities laws, provided that any event under subsection (a)(vi) will always be deemed to be material.

(d) If the Issuer has determined that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Issuer will promptly notify the Dissemination Agent in writing. Such notice will instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event would not be material under applicable federal securities laws, the Issuer will so notify the Dissemination Agent in writing, together with an opinion of counsel to the same effect, and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent will file a notice of such occurrence to the MSRB with a copy to the Issuer. Notwithstanding the foregoing, (i) notice of the occurrence of a Listed Event described in subsection (a)(v), (viii), (ix) or (xi) will be given by the Dissemination Agent upon notice from the Trustee of such event(s) unless the Issuer gives the Dissemination Agent affirmative instructions not to disclose such occurrence and (ii) notice of Listed Events described in subsection (a)(viii) and (ix) need

not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Holders of affected Bonds pursuant to the Indenture.

Section 6. Amendment; Waiver. Notwithstanding any other provision of the Disclosure Agreement, the Issuer and the Dissemination Agent may amend the Disclosure Agreement (and the Trustee will agree to any amendment so requested by the Issuer) and any provision of the Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions described under paragraph (a) under “Provision of Annual Reports,” “Contents of Annual Reports” or paragraph (a) under “Reporting of Significant Events,” it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of an obligated Person with respect to the Bonds or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders or (ii) does not, in the opinion of the Trustee or nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Borrowers of the Bonds.

In the event of any amendment or waiver of a provision of the Disclosure Agreement, the Issuer will describe such amendment in the next Annual Report and will include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change will be given in the same manner as for a Listed Event under paragraph (f) under “Reporting of Significant Events” and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

The Issuer will provide a copy of any amendment to the Continuing Disclosure Agreement to the Issuer promptly following its execution.

Section 7. Default. In the event of a failure of the Issuer or the Dissemination Agent to comply with any provision of the Disclosure Agreement, the Dissemination Agent may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount of Outstanding Bonds, will), or the Issuer or any Holder or Beneficial Borrower of the Bonds may, take such actions as may be necessary and appropriate, including seeking, or specific performance by court order, to cause the Issuer or the Dissemination Agent, as the case may be, to comply with its obligations under the Disclosure Agreement. A default under the Disclosure Agreement will not be deemed an Event of Default under the Indenture or the Financing Agreement, and the sole remedy under the Disclosure Agreement in the event of any failure of the Issuer or the Dissemination Agent to comply with the Disclosure Agreement will be an action to compel performance.

Section 8. Beneficiaries. The Disclosure Agreement will inure solely to the benefit of the Issuer, the Trustee, the Dissemination Agent, the Participating Underwriter and Holders from time to time of the Bonds and will create no rights in any other Person or entity.

Section 9. GNMA/FHA Documents and Regulations Control. (a) To the extent that there is any conflict, inconsistency or ambiguity between or among this Continuing Disclosure Agreement and (i) any applicable FHA mortgage insurance, or other applicable FHA or GNMA statutory, regulatory, administrative requirements, (ii) any of the documents which have been or are required by FHA and/or the Lender to be executed by the Issuer, FHA and/or the Lender in connection with the subject transaction (each a “FHA Loan Document,” or collectively, the “FHA Loan Documents” as the context may require) or (iii) any of the documents which have been or are required by GNMA to be executed by the Issuer, FHA, GNMA and/or the Lender in connection with the subject transaction (each a “GNMA Document” or collectively, the “GNMA Documents” as the context may require), said FHA mortgage insurance and other applicable FHA and GNMA statutory, regulatory and administrative requirements and said FHA Loan Documents and GNMA Documents will be deemed to be controlling and any such ambiguity or inconsistency will be resolved in favor of, and pursuant to the FHA mortgage insurance, and other applicable FHA and GNMA statutory, regulatory and administrative requirements and the terms of the FHA Loan Documents and GNMA Documents, as applicable. For purposes hereof, the reference to FHA’s statutory, regulatory or administrative requirements shall be deemed to include, but shall not be limited to, any statutory, regulatory or administrative requirements pertaining to Section 242 of the National Housing Act, as may be applicable. The parties hereto agree to amend this instrument as may be necessary or required by FHA, GNMA or the Lender to conform this instrument to the above-cited requirements an FHA Loan Documents and GNMA Documents. In addition, it is understood and agreed that any default under this Agreement shall not constitute a default under the FHA Loan documents or the GNMA Documents; and further, that nothing herein contained shall be construed to limit or affect the Lender’s rights under the FHA Loan Documents or the GNMA Documents.”

(b) Notwithstanding anything contained to the contrary herein, the enforcement of this Continuing Disclosure Agreement shall not result in any claim against the Project, the proceeds of the Mortgage Loan, any reserve or deposit made with FHA or the Lender or another person or entity required by FHA or the Lender in connection with the Mortgage Loan or against the rents or other income from the Project except to the extent of “Residual Receipts” (as such term defined in the HUD Regulatory Agreement) available for distribution to the Issuer.

(c) If this Continuing Disclosure Agreement contains any provision requiring the Issuer or any other party to the transaction to take any action necessary to preserve the tax exemption of interest on the Bonds, or prohibiting the Issuer or any other party to the transaction from taking any action that might jeopardize such tax exemption, such provision is qualified to except any actions required (or prohibited) by FHA, GNMA or the Lender pursuant to (i) the National Housing Act, as amended, including, but not limited to, any applicable FHA mortgage insurance or other FHA or GNMA statutory, regulatory or administrative requirements therein contained or promulgated thereunder, (ii) Section 242 of the United National Housing Act and the administrative regulations and guidelines promulgated thereunder, or (iii) any of the FHA Loan Documents and the GNMA Documents, as applicable.

(d) Notwithstanding any provision contained in this section to the contrary, any transfer restrictions contained herein shall in no way be deemed to affect or otherwise impair the rights of FHA or the Lender, as applicable, to approve or disapprove the proposed sale transfer of the Project as required by the HUD Regulatory Agreement. The decision of FHA or the Lender, as applicable, with respect to any such proposed sale or transfer of the Project will be binding and determinative on the parties hereto, notwithstanding the approval or disapproval by the Issuer of any such proposed sale or transfer.

(e) Notwithstanding any provision of this Continuing Disclosure Agreement to the contrary, the parties hereto acknowledge and agree that all of their respective rights and powers under this Agreement are subordinate and subject to the liens of the Leasehold Mortgage created by the Issuer in favor of the Lender under the FHA Loan Documents, together with any and all amounts from time to time secured thereby, and interest thereon, and to all of the terms and provisions of the Leasehold Mortgage, and any and all other FHA Loan Documents and GNMA Documents executed by the Developer, FHA, GNMA and/or the Lender, as required by FHA, GNMA or the Lender in connection with the Mortgage Loan.

(f) This Agreement shall not be construed to restrict or adversely affect the duties and obligations of the Lender under the Contract of Mortgage Insurance between the Lender and HUD with respect to the Mortgage Loan.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VII of the Indenture is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Indenture and the Dissemination Agent shall be entitled to the same protections, limitations from liability and indemnities afforded the Trustee thereunder. The Dissemination Agent and the Trustee shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Issuer agrees to indemnify and save the Dissemination Agent, the Trustee, their officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their rights, obligations, powers and duties hereunder, including the costs and expenses (including reasonable attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's or Trustee's respective negligence or willful misconduct. The obligations of the Issuer under this Section shall survive the termination of this Disclosure Agreement, the resignation or removal of the Dissemination Agent or the Trustee and payment of the Bonds. The Dissemination Agent and the Trustee shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Bondholders, or any other party. Neither the Trustee or the Dissemination Agent shall have any liability to the Bondholders or any other party for any monetary damages or financial liability of any kind whatsoever related to or arising from the breach of this Disclosure Agreement.

The Dissemination Agent agrees to disseminate the information provided to it hereunder in the form delivered by the Issuer. The Dissemination Agent is acting hereunder solely in an agency capacity and as such is merely a conduit for the Issuer, and shall have no liability or responsibility for the form, content, accuracy or completeness of any information furnished hereunder. Any such information may contain a legend to that effect.

The Dissemination Agent shall have no obligation to make disclosure concerning the Bonds, the Project or any other matter except as expressly set out herein, provided that no provision of this Disclosure Agreement shall limit the duties, trusts, rights, powers or obligations of the Trustee under the Indenture. The fact that the Trustee has or may have any banking, fiduciary or other relationship with the

Issuer or any other party in connection with the Project or otherwise, apart from the relationship created by the Indenture and this Disclosure Agreement, shall not be construed to mean that the Trustee has knowledge or notice of any event or condition relating to the Bonds or the Project except in its respective capacities under such agreements.

No provision of this Disclosure Agreement shall require or be construed to require the Issuer or the Dissemination Agent to interpret or provide an opinion concerning any information disclosed hereunder.

The Issuer shall not disclose information: (1) deemed confidential or proprietary by the Issuer; (2) the disclosure of which is prohibited by applicable law; or (3) otherwise not subject to disclosure.

The Annual Report may contain such disclaimer language as the Issuer may deem appropriate. Any information disclosed hereunder by the Dissemination Agent may contain such disclaimer language as the Dissemination Agent may deem appropriate.

The Issuer hereby agrees to compensate the Dissemination Agent for the services provided and the expenses incurred pursuant to this Disclosure Agreement, in an amount to be agreed upon from time to time hereunder, and to reimburse the Dissemination Agent upon its request for all reasonable expenses, disbursements and advances incurred by the Dissemination Agent hereunder (including any reasonable compensation and expenses of counsel) except any such expense, disbursement or advance that may be attributable to its negligence or willful misconduct.

The Dissemination Agent may consult with counsel of its choice and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon, it being understood that for purposes of this provision, that such counsel may be counsel to the Issuer.

No provision of this Disclosure Agreement shall require the Dissemination Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights of powers.

Section 12a. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows, and shall be effective only upon receipt:

To the Issuer:

Coulee Medical Foundation
c/o Douglas, Grant, Lincoln & Okanogan Counties Public Hospital District No. 6
d/b/a Coulee Medical Center
411 Fortuyn Road
Grand Coulee, WA 99133
Telephone: (509) 633-1753
Facsimile: (509) 633-0295

With a copy to:

Stamper Rubens, P.S.
720 West Boone Avenue, Suite 200
Spokane, WA 99201
Attention: Randall Stamper, Esq.
Telephone: (509) 326-4800
Facsimile: (509) 326-4891

To the Trustee/Dissemination Agent:

U.S. Bank National Association
1420 Fifth Avenue, Suite 700
Mail Code: PD-WA-T7CT
Seattle, WA 98101
Telephone: (206) 344-4687
Facsimile: (206) 344-4630

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices of communications should be sent, effective only upon receipt.

Section 12b. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Washington.

Section 12c. Form of Submissions to Dissemination Agent. All information provided to the Dissemination Agent hereunder shall be furnished by the Issuer to the Dissemination Agent by overnight or express courier or by United States mail, on 8 ½ inch by 11 inch paper in legible form, on single sided paper, unbound, printed or typed with black ink, and suitable for machine copying, or in such other form or format as may be subsequently agreed upon by the Issuer and the Dissemination Agent in order to accommodate filing requirements of the MSRB. Such filing shall be made to the following address, or to such other address as may be specified in writing to the Issuer by the Dissemination Agent from time to time:

U.S. Bank National Association
1420 Fifth Avenue, Suite 700
Mail Code: PD-WA-T7CT
Seattle, WA 98101
Attention: Corporate Trust Department - 15c2-12 Disclosure

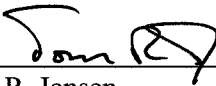
Unless expressly approved in writing by the Dissemination Agent prior to any filing, information delivered to the Dissemination Agent by facsimile transmission or electronic mail shall not satisfy the obligation of the Issuer to deliver information under this Disclosure Agreement.

Section 12d. Termination of this Disclosure Agreement. The Issuer or the Dissemination Agent may terminate this Disclosure Agreement by giving written notice to the other party at least 30 days prior to such termination. The Dissemination Agent shall be fully discharged at the time any such termination is effective.

Section 13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Dated as of October 1, 2009

COULEE MEDICAL FOUNDATION

By: 
Name: Tom R. Jensen
Title: President

[Signatures continued on next page]

[Trustee's signature page to Continuing Disclosure Agreement]

U.S. BANK NATIONAL ASSOCIATION,
as Trustee and Dissemination Agent


By: 
Name: Thomas Zrust
Title: Vice President

EXHIBIT A
NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF
FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Coulee Medical Foundation

Name of Bond Issue: \$23,165,000 Taxable Revenue Build America Bonds (Direct Pay) (GNMA Collateralized – Coulee Medical Center) Series 2009A

Date of Issuance: October 29, 2009

NOTICE IS HEREBY GIVEN that the above-captioned borrower (the “Issuer”) has not provided an Annual Report with respect to Coulee Medical Center in connection with the above-named bonds (the “Bonds”) as required by a Trust Indenture dated as of October 1, 2009 (the “Indenture”), between the Issuer and U.S. Bank National Association, as Trustee (the “Trustee”) and the Financing Agreement dated as of October 1, 2009 (the “Financing Agreement”), among the Issuer, Douglas, Grant, Lincoln & Okanogan Counties Public Hospital District No. 6 (the “District”), the Trustee, Red Mortgage Capital, Inc. (the “Lender”) and the Issuer. The undersigned has been informed by the Issuer that it anticipates that the Annual Report will be filed by _____.

Dated: _____

U.S. BANK NATIONAL ASSOCIATION,
as Dissemination Agent on Behalf of Issuer

By: _____
Name: Thomas Zrust
Title: Vice President

cc: Issuer