

Legacy LLC
P.O. Box 199604
Anchorage, AK 99519

December 14, 2012

Karen Lawfer
CON Program Coordinator
Health Planning & Systems Development Section
Division of Health Care Services
Department of Health and Social Services
P.O. Box 110660
Juneau, AK, 99811-0660

RE: Providence Mat-Su Surgery Center

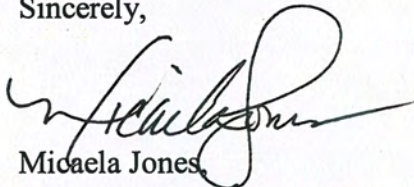
Dear Ms. Lawfer,

Legacy LLC has committed to build and lease 10,800 square feet of space to Providence Health & Services Alaska (PH&SA) to create Providence Mat-Su Surgery Center. This is contingent upon PH&SA receiving a Certificate of Need. The building will be constructed on the site owned by Legacy LLC at Township 17N Range 1E Section 15 LOT D7 in Wasilla.

Legacy LLC will lease the space to PH&SA at the rate of \$518,400 per year, increasing three percent yearly starting in the second year, to adjust for inflation. The lease rate is chosen based on the projected operating costs of the building and current lease rates in the Mat-Su area. (Legacy LLC currently leases out space in a medical office building in Wasilla on the land adjacent to the site of the proposed construction.)

The term of the lease is 20 years, which is consistent with the current leasing practice of Legacy LLC.

Sincerely,



Micaela Jones,
Regional Director, Real Estate & Development