MEMORANDUM OF JOINT VENTURE AGREEMENT and

FIRST AMMENDMENT THERETO

THIS Memorandum is notice of the existence of a Joint Venture Agreement and the First Ammendment thereto between Buddy T. and Sue E. Haynes, husband and wife, and their assignee, Haynes' Enterprises, Inc., a Washington, 16903 155th Pl. S.E., Renton, Washington 98058 and Biba Hot Springs Development Company, a Washington limited partnership and Vadim Investments, Inc., a Washington corporation, 1422 E. Burnside, Portland, Oregon 97210. The Agreement was signed on December 9, 1985 and the Agreement and First Ammendment pertains to real property described in "Exhibit 1" attached to this Memorandum.

THIS Memorandum of the Agreement and First Ammendment thereto is prepared for the purpose of recordation to put all parties interested in the real property hereinabove on notice of the existence of the Agreement and First Ammendment thereto which by their terms may create a lien on said real property.

IN WITNESS WHEREOF, Haynes' Enterprises, Inc., a Washington corporation witnesses this Memorandum.

Date: July 28 9887.

HAYNES' ENTERPRISES, INC. a Washington corporation

Buddy T. Haynes Pres.

STATE OF WASHINGTON County of King ss

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Notary Public in and for the State of Washington residing at

REAL ESTATE EXCISETAX
JULIU 1.1987

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BOOK 106 PAGE 286

ORDER NO. SK-14035 LEGAL DESCRIPTIONS

EXHIBIT 1

PARCEL I

THAT PORTION OF THE B-B- BISHOP D-L-C- IN SECTION 16, 17 AND 20, TOWNSHIP 2 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF THE SAID SECTION 16, WITH THE NORTHERLY LINE OF THE COUNTY ROAD KNOWN AS THE MOFFETTS-CARPENTER ROAD; THENCE FOLLOWING THE NORTHERLY LINE OF SAID ROAD IN A NORTHERLY AND EASTERLY DIRECTION TO INTERSECTION WITH THE WESTERLY LINE OF THE 300 FOOT STRIP OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA FOR THE BONNEVILLE POWER ADMINISTRATION'S ELECTRIC POWER TRANSMISSION LINES; (BOOK 27 PAGE 315); THENCE FOLLOWING THE WESTERLY LINE OF SAID 300 FOOT STRIP OF LAND TO INTERSECTION WITH THE NORTH LINE OF SAID BISHOP D.L.C.; THENCE WEST ALONG THE NORTH LINE OF SAID BISHOP D.L.C. TO THE NORTHWEST CORNER THEREOF: THENCE SOUTH ALONG THE WEST LINE OF SAID BISHOP D.L.C. TO THE NORTHERLY LINE OF THE SAID MOFFETTS-CARPENTER ROAD; THENCE EASTERLY ALONG THE NORTH LINE OF SAID ROAD TO THE POINT OF BEGINNING; EXCEPT THE FOLLOWING TRACT OF LAND: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SAID BISHOP D.L.C. WITH THE WESTERLY LINE OF SAID 300 FOOT STRIP OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA; (BOOK 27 PAGE 315); THENCE SOUTH 32° 27' 30" WEST 754.95 FEET, MORE OR LESS, TO THE NORTHERLY LINE OF SAID MOFFETTS-CARPENTER ROAD; THENCE IN A NORTHWESTERLY DIRECTION FOLLOWING THE NORTHERLY LINE OF SAID ROAD TO INTERSECTION WITH THE CENTERLINE OF THE RIGHT-OF-WAY GRANTED TO THE NORTHWESTERN ELECTRIC COMPANY; (BOOK "O" PAGE 85); THENCE IN A NORTHEASTERLY DIRECTION FOLLOWING THE CENTERLINE OF SAID RIGHT-OF-WAY TO INTERSECTION WITH THE NORTH LINE OF THE SAID BISHOP DILIG . THENCE EAST TO THE POINT OF BEGINNING.

PARCEL 11

THAT PORTION OF GOVERNMENT LOTS 8 AND 9 OF SECTION 16, TWONSHIP 2 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKING THE INTERSECTION BETWEEN THE CENTER OF GREENLEAF CREEK AND THE SOUTH LINE OF THE SAID GOVERNMENT LOT 9, SAID POINT BEING LOCATED ON THE NORTH LINE OF THE B.B. BISHOP D.L.C.; THENCE FOLLOWING THE CENTER OF GREENLEAF CREEK IN A NORTHEASTERLY DIRECTION TO A POINT IN THE SAID GOVERNMENT LOT 8, NORTH 430 FEET FROM THE NORTH LINE OF THE SAID BISHOP D.L.C.; THENCE WESTERLY PARALLEL TO, AND 430 FEET DISTANT FROM, THE NORTH LINE OF THE SAID BISHOP D.L.C. TO INTERSECTION WITH THE WEST LINE OF THE SAID GOVERNMENT LOT 9; THENCE SOUTH TO THE NORTH LINE OF SAID BISHOP D.L.C.; THENCE EASTERLY ALONG THE NORTH LINE OF SAID BISHOP D.L.C.; TO THE POINT OF DEGINNING;

EXCEPT THAT PORTION THEREOF LYING WESTERLY OF THE NATURAL GAS PIPELINE CONVEYED TO PACIFIC NORTHWEST PIPELINE CORPORATION) (BOOK 40 PAGE 465)

AND EXCEPT A TRACT OF LAND 40 FEET BY 115 FEET IN SIZE IN GOVERNMENT LOT 9 OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN; GRANTED TO WILLIAM F. HOWARD BY DEED DATED OCTOBER 2, 1964 AND RECORDED OCTOBER 20, 1964 AT PAGE 287 OF BOOK 53 OF DEEDS, RECORDS OF SKAMANIA COUNTY, WASHINGTON.

ORDER NO. SK-14035 LEGAL DESCRIPTION

EXHIBIT 1 - CONTINUED

PARCEL III

A TRACT OF LAND IN THE B. B. BISHOP DONATION LAND CLAIM, DESCRIBED AS FOLLOWS:

LOT 2, K.W. PETERSON SHORT PLAT, RECORDED JULY 28, 1976, UNDER AUDITOR'S FILE NO. 82540 IN BOOK 1 OF SHORT PLATS AT PAGE 44, RECORDS OF SKAMANIA COUNTY, WASHINGTON.

PARCEL IV

A PARCEL OF LAND SITUATED IN THE BISHOP D.L.C. IN SECTION 16, TOWNSHIP 2 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN, SKAMANIA COUNTY, WASHINGTON DESCRIBED AS FOLLOWS:

LOTS 1, 3 AND 4 OF THE K+ W+ PETERSON SHORT PLAT AS FILED IN BOOK 1 OF SHORT PLATS ON PAGE 44, SKAMANIA COUNTY RECORDS \bullet

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