

FILED RECORDED  
VOL 603  
PAGE 2811  
Mel Melby  
DEC 7 2 15 PM '90

TERMINATION OF  
JOINT VENTURE AGREEMENT

H.H. FERGUSON REGISTER  
ISLAND COUNTY, WASH  
V. Armstrong DEPUTY

THIS AGREEMENT is made and entered into this 24<sup>th</sup> day of November 1990, by and between USELESS BAY GOLF AND COUNTRY CLUB, a Washington nonprofit corporation, hereinafter referred to as the "Golf Club," and USELESS BAY COLONY, formerly known as USELESS BAY BEACH AND COUNTRY CLUB, a Washington nonprofit corporation, hereinafter referred to as "Colony Club."

RECITALS

- 1) The parties entered into a Joint Venture Agreement on May 7, 1973, and subsequently amended it, and desire to terminate said agreement.
- 2) Simultaneously with the termination of the Joint Venture Agreement, the Colony Club, the Golf Club desire to enter into an Agreement with respect to rights of the parties hereto, regarding the various assets currently owned by the parties.
- 3) Each of the parties acknowledges that they have acted in good faith in an effort to meet each and every term of the Joint Venture Agreement.

NOW THEREFORE in consideration of the mutual promises contained herein, and in compliance with the consideration each has given to the other, the parties hereby agree that the Joint Venture Agreement dated May 7, 1973 is hereby terminated.

Useless Bay Beach and Country Club, Inc.

By: Raymond Hoffman President

By: Fredericks C. Brown Secretary

Useless Bay Golf and Country Club, Inc.

By: Melvin L. Wilson President

By: Richard E. [unclear] Secretary

Malby Malby  
DEC 7 2 14 PM '90

H.H. FERRIER, AUDITOR  
ISLAND COUNTY, WASH.  
K. Armstrong DEPUTY

AGREEMENT

THIS AGREEMENT is made and entered into this 24<sup>th</sup> day of November, 1990, by and between USELESS BAY GOLF AND COUNTRY CLUB, a Washington nonprofit corporation, hereinafter referred to as the "Golf Club," and USELESS BAY COLONY, formerly known as USELESS BAY BEACH AND COUNTRY CLUB, a Washington nonprofit corporation, hereinafter referred to as "Colony Club."

RECITALS

1) The parties hereto have previously operated facilities for the mutual benefit of those persons who are owners of property, more particularly described in Exhibit A attached hereto and by this reference incorporated herein, or members of the Useless Bay Golf and Country Club.

2) The parties entered into a Joint Venture Agreement on May 7, 1973, and a subsequent amendment thereto, which agreement is being terminated concurrently herewith.

3) The parties desire to enter into an Agreement to determine the rights of parties with respect to the use of the Clubhouse, the swimming pool, and the tennis courts; and to clarify the relationship between the parties with respect to future development and costs.

NOW THEREFORE, the parties hereto agree as follows:

1. The Colony Club hereby transfers to the Golf Club all its right, title and interest in and to the real properties described in Exhibit B attached hereto, and by this reference incorporated herein.

2. The Golf Club hereby relinquishes any and all claims it has, or may have had, for reimbursement from the Colony Club for any claimed operating losses, maintenance, development expenditures, or any other charges which may have been due from the Colony Club to the Golf Club under the Joint Venture Agreement dated May 7, 1973, as amended.

(1)

CHINOOK DR.

3718 So Chinook Dr.  
Clinton 97231

3. The Golf Club agrees to bear all future costs, charges, or expenses for the operation, maintenance and development of the properties conveyed to the Golf Club, except as follows:

a. The Colony Club shall share a portion of the net operating expense relating to the swimming pool. The contribution paid by the Colony Club shall be proportionate, based on the ratio of the number of Colony Club members using the swimming pool to the number of Golf Club members, including social members of the Golf Club, using the swimming pool. (For example, in 1989 such contribution would have been approximately \$4,000.00, based on a ratio of 1:5.)

b. A swimming pool committee shall be established consisting of members of the Golf Club and the Colony Club, with the number of members from each Club to be determined in accordance with the ratio identified in paragraph 3.a.

4. The Colony Club members shall have access to and use of the facilities of the Golf Club under the same terms, and conditions as have heretofore existed with respect to the use of the facilities by Colony Club members.

The Colony Club memberships, hereinafter referred to as "Colony memberships," shall be available to those who are owners of a lot or a condominium unit in one of the properties described in Exhibit A. The Colony memberships shall inure to the benefit of any subsequent owner of any lot or condominium unit as described herein, and as more particularly described as set forth in Exhibit A.

5. Colony members shall be charged \$2.50 each per month in order to maintain their Colony membership in good standing with the Golf Club. Colony membership dues shall correspond to charges set for "social memberships" as currently defined in the Bylaws of the Golf Club.

For a period of five (5) years from the date of signing this agreement, Colony membership dues shall remain at \$2.50 per month, to be collected annually by the Colony Club and paid to the Golf Club. After five years, such dues shall be subject to change on the same percentage as dues may increase for "social members" of the Golf Club: provided, however, that Colony membership dues shall not be increased so as effectively to exclude Colony Club members from the use of named facilities.

6. This Agreement has been ratified by vote of a simple majority of the membership of Useless Bay Beach and Country Club and by the Board of Directors of Useless Bay Golf and Country Club and is effective as of the date of signing of this agreement.

Useless Bay Beach and Country Club, Inc.

By: Raymond Johnson  
President

By: Frederick C. Brown  
Secretary

Useless Bay Golf and Country Club, Inc.

By: Melvin L. Wilson  
President

By: Paul E. Kirkby  
Secretary

## Exhibit A

Useless Bay Beach and Country Club Division No. 1, according to the plat recorded in Volume 7 of Plats, page 54, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 2, according to the plat recorded in Volume 7 of Plats, page 60, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 3, according to the plat recorded in Volume 7 of Plats, page 70, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 4, according to the plat recorded in Volume 8 of Plats, page 8, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 5, according to the plat recorded in Volume 8 of Plats, page 9, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 6, according to the plat recorded in Volume 8 of Plats, pages 41-45, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 7, according to the plat recorded in Volume 8 of Plats, pages 68-71, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 8, according to the plat recorded in Volume 8 of Plats, page 8, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 9, according to the plat recorded in Volume 10 of Plats, page 53, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 10, according to the plat recorded in Volume 10 of Plats, pages 72-75, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 11, according to the plat recorded in Volume 12 of Plats, page 64, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 12, according to the plat recorded in Volume 10 of Plats, page 59, records of Island County, Washington.

Useless Bay Beach and Country Club Division No. 14, according to the plat recorded in Volume 11 of Plats, pages 49-52, records of Island County, Washington.

Exhibit B

62200 D  
7/9/74  
auditor's office  
#27464

1. Beginning at the West quarter corner of Section 18, Township 29 North, Range 3 E.W.M.; thence North 01° 30' 30" East along the West line of said section a distance of 1394.80 feet; thence South 85° 00' 00" East a distance of 146.60 feet; thence along the arc of a curve to the right having a radius of 246.92 feet and subtending an angle of 57° 20' 00" for 247.08 feet; thence South 27° 40' 00" East for 186.26 feet; thence due South for 50.00 feet to the true point of beginning; thence continue due South for an additional 100.00 feet; thence East for 200.00 feet; thence North for 100.00 feet; thence West for 200.00 feet to the true point of beginning; being a portion of the Southwest quarter of the Northwest quarter of said Section 18 and containing 0.46 acres.

what is it?

Situate in the County of Island, State of Washington.

2. A portion of the Northwest quarter of Section 18, Township 29 North, Range 3 E.W.M., described as follows:

Commencing at the most southerly corner of Lot 60 in the Plat of Useless Bay Beach and County Club Division No. 10, as recorded in Island County Auditor's Office; thence continue on the Southeasterly line of said lot produced bearing South 40° 48' 54" West for 16.37 feet; thence North 86° 15' 11" West for 204.07 feet to the true point of beginning, hereinafter called Point "A"; thence South 179.55 feet; thence North 89° 25' 19" West for 178.00 feet to the Easterly right of way line of County Club Drive; thence North 27° 40' 31" West along said right of way for 106.48 feet; thence North 76° 36' 02" East for 178.86 feet; thence North 51° 50' 32" East for 67.98 feet to the true point of beginning and containing 0.60 acres.

Situate in the County of Island, State of Washington

3. A portion of the Northwest quarter of Section 18, Township 29 North, Range 3 E.W.M., described as follows:

Commencing at the most Southerly corner of Lot 60 in the Plat of Useless Bay Beach and Country Club Division No. 10, as recorded in Island County Auditor's Office; thence continue on the Southeasterly line of said lot produced bearing South 40° 48' 54" West for 16.37 feet; thence North 86° 15' 11" West for 204.07 feet to the true point of beginning, hereinafter called Point "A"; thence South 51° 50' 32" West for 67.98 feet; thence North 13° 54' 48" West for 144.00 feet; thence North 76° 05' 12" East for 85.00 feet; thence South 120.00 feet to the true point of beginning and containing approximately 0.24 acres.

Also an easement for road and utilities purposes described as follows: a strip of land being 20 feet in width measured at right angles and lying northerly of the following described line: commencing at above mentioned Point "A", the true point of beginning; thence South

TRACT B  
(QUIT CLAIM DEED)

TRACT C

51°50' 32" West for 67.98 feet; thence South 76°37' 02" West for 178.86 feet to an intersection with the easterly right of way line of Country Club Drive.

The grantor reserves an easement for road and utilities purposes described as follows: a strip of land being 20 feet in width measured at right angles and lying southerly of the following described line: commencing at above mentioned Point "A", the true point of beginning, thence South 51°50' 32" West for 67.98 feet; thence South 76°36' 02" West for 178.86 feet to an intersection with the easterly right of way line of Country Club Drive.

Situate in the County of Island, State of Washington

ADDENDUM TO AGREEMENT DATED THE 24th DAY OF NOVEMBER, 1990,  
BETWEEN USELESS BAY GOLF & COUNTRY CLUB, INC. AND  
USELESS BAY BEACH & COUNTRY CLUB, INC.

On March 29, 1995, the Board of Directors of Useless Bay Golf and Country Club met and agreed to include in "Exhibit A" the following:

Add to the end of "Exhibit A": "Useless Bay Beach & Country Club, Division No. 16, according to the short plat recorded on April 21, 1994, Book No. 2 Short Plat, pages 458 - 459, #9400-9237, Records of Island County, Washington. This agreement, when ratified and signed by the Useless Bay Golf and Country Club Board of Directors and the Useless Bay Beach and Country Club, will become effective as of the date of the signing of the original agreement, November 24, 1990."

USELESS BAY GOLF & COUNTRY CLUB, INC.

By: Vincent G. Pellegrini, President Date: 3/29/95

By: Barbara Lindell, Secretary Date: 3/29/95

USELESS BAY BEACH & COUNTRY CLUB, INC.

By: Thomas W. Woodard, President Date: 3/30/95

By: Frederick C. Brown, Secretary Date: 3/30/95