

When Recorded Return to:

Michael R. McGraw
P.O. Box 900
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Document Title: Bylaws for The Vineyard, A Condominium, A Washington Non Profit Corporation

Grantors: Michael R. McGraw and Kaye D. McGraw

Grantee: The Vineyard, A Condominium

Legal Description (abbreviated):

Plat of the Vineyards as recorded in Volume 23 of Plats at page 39.

Assessor's Tax Parcel Identification Numbers:

Phase I: 81750000800, 81750000901 and 81750001001

Phase II: 81750000600, 81750000700, 81750001100, 81750001200 and 81750001300

Phase III: 81750000100, 81750000200, 81750000400 and 81750001400



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MIKE MCGRAW RENTALS

MISC

\$29.00

Thurston Co., Wa.

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Thurston Co. Wa.

BYLAWS OF THE VINEYARD, A CONDOMINIUM

ARTICLE I

Name and Location

The name of the corporation is The Vineyard, a Condominium, hereinafter referred to as the "Association". The principal office mailing address of the Association will be 2835 60th Lane SE, Olympia, Washington 98501, but meetings of members and directors may be held at such places as may be designated by the Board of Directors.

ARTICLE II

Definitions

The terms used in these Bylaws shall have the same meaning as those used in the Declaration of Covenants, Conditions and Restrictions of The Vineyard, a Condominium, (the "Original CC&R's"), recorded under Thurston County Auditor's File No. 3636184, and as further amended from time to time, including but not limited to the Amended Covenants, Conditions and Restrictions of The Vineyard Condominiums (the "Amended CC&R's"), recorded under Thurston County Auditor's File No. 3648724. Collectively, the Original CC&R's and the Amended CC&R's shall be referred to herein as the "Declaration."

ARTICLE III

Meetings of Members

Section 1. Annual Meetings. The first annual meeting of the Members shall be held at the discretion of the original Directors within one (1) year from the date of Incorporation of the Association. Thereafter, annual meetings shall be held on the anniversary of such date in each succeeding year, or on such date as approved by a majority of the membership if they decide the annual meeting should be held on another date for each succeeding year. If the day for the annual meeting of the members is a Saturday, Sunday, or legal holiday, the meeting shall be held at the same hour on the first day following which is not a Saturday, Sunday, or legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President, a majority of the Directors, or on written request of Members entitled to vote, in the aggregate, ten percent (10%) of the votes.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or the person authorized to call the meeting, by hand delivery or by mailing a copy of such notice, postage prepaid, at least fourteen (14) days before but not more than sixty (60) days before such meeting to each member entitled to vote at the meeting, addressed to the Member's address last appearing on the books of the Association, or supplied in writing by such member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and the items on the agenda to be voted on by the Members, including the general nature of any proposed amendment of the Declaration, Articles of Incorporation, or Bylaws, changes of a previously approved budget that result in assessment obligations, and any proposal to remove a Director or officer. All meetings shall be held at such place as is convenient for the Members as determined by the Board of Directors.

Section 4. Quorum. The presence at the beginning of any meeting of Members entitled to cast thirty-four percent (34%) of the votes of the Association shall constitute a quorum throughout that meeting for any action. If a quorum is not present or represented at any meeting, the



Members entitled to vote may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Manner of Voting. At all meetings of Members, each Member may vote in person, by mail, or by proxy. There should be one voting agent for each Condominium Unit. Such voting agent shall be designated by the Owner of Owners of an Condominium Unit by written notice signed by each party with an ownership interest, which notice shall be filed with the Secretary of the Board of Directors. The voting agent need not be an Owner. Any designation of voting agent may be revoked at any time by any one of the parties with an ownership interest in the Condominium Unit on written notice filed with the Secretary of the Board of Directors. Such designation shall be deemed revoked when the Secretary receives actual notice of the death or judicially declared incompetence of the Owner of the Condominium Unit, or of the conveyance of such ownership interest. When no designation is made, or where designation has been made and revoked and no new designation has been made, the voting agent shall be the person or group composed of all Owners of the Condominium Unit who attends any meeting of the Association; however, votes may not be split by multiple Owners of a Condominium Unit. Thus, if multiple Owners cannot agree on a vote, their vote will not be counted on a vote of the Association membership, even though those Owners maybe counted for purposed of a quorum (as if abstaining). A proxy is void if it is not dated or purports to be revocable without notice. Unless stated otherwise in the proxy, a proxy terminates eleven (11) months after its date of issuance.

ARTICLE IV

Board of Directors; Selection; Term of Office

Section 1. Number of Directors. The affairs of the Association shall be managed by a Board of Directors. The number of Directors that will constitute the whole Board will be seven (7). Until succeeded by the Directors elected by the Unit Owners, Directors need not be Unit Owners.

Section 2. Compensation. No Director shall receive compensation for any service rendered to the Association.

Section 3. Election of Directors; Vacancies. The directors shall be elected at each annual meeting of the Members or at a special meeting of the Members called for the purpose of electing Directors. In the event of the occurrence of any vacancy or vacancies on the Board of Directors, however caused, the remaining Directors, though less than a majority of the whole authorized number of Directors, may, by vote of a majority of their number, fill any vacancy for the unexpired term.

Section 4. Term of Office; Resignation. Each Director shall hold office until the next annual meeting of the Members and until his successor is elected, or until his earlier resignation, removal from office or death. Any Director may resign at any time by oral statement to that effect made at a meeting of the Board of directors or in a writing to that effect delivered to the secretary, such resignation to take effect immediately or at such other time as the Director may specify.

ARTICLE V

Standard of Care for Directors

Section 1. Standard. A Director shall perform the duties of a Director, including the duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the Association, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.



In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) One or more officers or employees of the Association whom the Director believes to be reliable and competent in the matter presented;

(b) Counsel, public accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or,

(c) A committee of the Board upon which the Director does not serve, duly designated in accordance with a provision in the Articles of Incorporation or Bylaws, as to matters within its designated authority, which committee the Director believes to merit confidence; so long as, in any such case, the Director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 2. Amendment. However, if the statutory standard of care is, at any time, different than the standard of care set forth in these Bylaws, the Bylaws shall be deemed amended so that the standard of care shall be that standard set forth statutorily for nonprofit corporations in the State of Washington. This section shall not apply where the consequences of an act, omission, error, or negligence are covered by the insurance obtained by the Board.

ARTICLE VI

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held, without call or notice, immediately following each annual meeting of the members of this Association and at such other times as the Directors may determine. The regular meetings shall be held in Thurston County, Washington at a location designated from time to time by resolution of the Board of directors or by written consent of all members of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any Director, after not less than three (3) days written notice to each Director. Special meetings shall be held in Thurston County, Washington at a location designated in the three (3) day written notice of such special meeting provided to each Director.

Section 3. Quorum. A quorum is deemed present throughout any meeting of the Board of Directors if a majority of the board of Directors are present at the beginning of the meeting. Members present through use of telephone shall be deemed present for purposes of a quorum, and may vote by telephone. Every act or decision done or made by a majority of the Directors present at a duly scheduled meeting at which a quorum is present shall be regarded as an act of the Board.

Section 4. Open Meetings. Except as provided in this subsection, all meetings of the Board of Directors shall be open for observation by all Unit Owners or record and their authorized agents. The Board of Directors shall keep minutes of all actions taken by the Board, which shall be available to all Unit Owners. Upon the affirmative vote in open meeting to assemble in closed session, the Board of Directors may convene in closed executive session to consider personnel matters; consult with legal counsel or consider communications with legal counsel; and discuss likely or pending litigation, matters involving possible violations of the governing documents of the Association, and matters involving the possible liability of an owner to the Association. The motion shall state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session shall be included in the minutes. The Board of Directors shall

restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the motion. No motion, or other action adopted, passed, or agreed to in closed session may become effective unless the Board of Directors, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. The requirements of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.

Section 6. Waiver of Notice. Any member of the Board of Directors may at any time waive notice of any meeting of the Board of Directors in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

ARTICLE VII

Powers and Duties of Board of Directors

Section 1. Powers. The Board of Directors shall have the power to do the following:

(a) exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration or as set forth in Chapter 64.34 of the revised Code of Washington, as currently enacted or hereafter amended;

(b) employ an independent contractor or such other employee or employees as the Board deems necessary to pursue the responsibilities of the Association, and to prescribe their duties; and,

(c) enforce all covenants, restrictions, and conditions of the Declaration as amended (this power does not in any way reduce the power of any member to enforce such covenant, nor does it require enforcement unless the Board of Directors deems such enforcement necessary).

The Board shall not act on behalf of the Association to:

(a) amend the Declaration in any manner that requires the vote or approval of the Unit Owners;

(b) amend the Articles of Incorporation;

(c) take any action that requires the vote or approval of the Unit Owners;

(d) terminate the Association; or,

(e) elect members of the Board of Directors or determine the qualifications, powers, and duties, or terms of office of members of the Board of Directors; provided, however, that the Board of Directors may fill vacancies in its membership for the unexpired portion of any term as provided herein.

Section 2. Duties. It shall be the duty of the Board of Directors to do, in their discretion, as follows:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by any one of the Members who are entitled to vote;

(b) supervise all officers, agents, and employees of this Association, and see that their duties are properly performed;



(c) as more fully provided in the Declaration, to do as follows:

(i) adopt a budget each year;

(ii) send written notice of and call a meeting of the Members to ratify the budget, at least fourteen (14) but not more than sixty (60) days in advance of the meeting;

(iii) file a lien if an assessment is not paid within sixty (60) days, and,

(iv) when deemed necessary, foreclose on a filed lien if it has not been paid within sixty (60) days from the date on which the lien was filed.

(d) issue, or to cause an appropriate officer to issue, on demand by any person, a statement signed by the treasurer setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such statement. If a statement states an assessment has been paid, such statement shall be conclusive evidence of such payment;

(e) enforce covenants as provided in the Declaration when deemed necessary by a vote of a majority of the Directors (this power of enforcement is in addition to the powers of the enforcement of any individual Owner);

(f) procure and maintain adequate liability insurance for the Directors of the Board of Directors; and

(g) perform any and all other functions that are necessary for maintenance and continuance of the Association.

ARTICLE VIII

Officers and Their Duties

Section 1. Enumeration of Officers. The officers of this Association shall be a president, vice president, secretary, and treasurer, who shall at all times be members of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, or until that officer's successor is elected, unless the officer sooner resigns, or shall be removed, or otherwise is disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer who is replaced.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person.



Section 8. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the board are carried out; and shall sign all written authorized instruments, promissory notes and other obligations in the name of the Association and shall have such other authority and shall perform such other duties as may be determined by the Board of Directors.

(b) Vice President. The vice president shall act in the place and stead of the president in the event of absence, inability, or refusal to act, and shall exercise and perform such other duties as may be required by the Board.

(c) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall; disburse such funds as directed by resolution of the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of accounts; cause an annual audit of the Association books to be made by a public accountant whenever the annual assessment exceeds \$50,000, unless waived by sixty-seven percent (67%) of the Members; and, prepare an annual budget and a statement of income and expenditures as set forth above. The desired time for preparation of such annual budget and statement of income and expenditures shall be prior to the regular annual meeting of the Members so that the budget and statement can be presented to the membership at its regular annual meeting. The Treasurer shall perform such other duties as may be determined by the Board of Directors.

(d) Secretary. The Secretary shall keep the minutes of meetings of the Members and the Board of directors. He shall keep such books as may be required by the Board of Directors, shall give notices of meetings of the Members and meetings of the Board of directors required by law or by these bylaws or otherwise, and shall have such authority and shall perform such other duties as may be determined by the Board of Directors.

ARTICLE IX

Committees

The Board of Directors shall appoint such committees as it deems appropriate in carrying out its purpose.

ARTICLE X

Books and Records

The books, records, and papers of the Association shall at all times, during normal business hours as determined by the Board, be subject to inspection by any Member, holder of a mortgage on a Condominium Unit, and their respective agents on reasonable advance notice. The Declaration, the Articles of Incorporation, and the Bylaws of the Association, shall be available for inspection by any Member at the office of the Secretary of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

Amendments

Section 1. Bylaws. These Bylaws may be amended only by an affirmative vote of a majority of Members. Any amendment shall be certified by the Secretary of the Association and copies shall be delivered to all Members within thirty (30) days of adoption.



Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XII

Indemnification of Directors and Officers

Section 1. Right of Indemnification. The Association shall indemnify its Directors and Officers against all liability, damage, or expense resulting from the fact that such person is or was a Director or Officer, to the maximum extent and under all circumstances permitted by law.

Section 2. Effect on Other Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, vote of shareholders, or disinterested Directors or otherwise.

Section 3. Insurance. The Association may maintain insurance, at its expense, to protect itself and any Director, officer, employee, or agent of the Association or another association, partnership, joint venture, trust, or other enterprise against any expense, liability, or loss, whether or not the Association would have the power to indemnify such person against such expense, liability, or loss under the Washington Nonprofit Corporation Act. The Association may enter into contracts with any Director or officer of the Association in furtherance of the provisions of this Article and may create a trust fund, grant a security interest, or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article. * JWD

Section 4. Advance Payment. The Association may, by action of its Board of Directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees and agents of the Association with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of Directors and officers of the Association or pursuant to rights granted pursuant to, or provided by, the Washington Nonprofit Corporation Act or otherwise.

ARTICLE XIII

Transactions Involving Directors

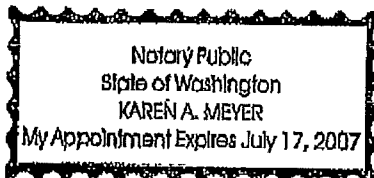
Section 1. Transactions. No contracts or other transactions between this Association and any other corporation, and no act of this Association shall in any way be affected or invalidated by the fact that any Director of this Association is pecuniarily or otherwise interested in, or is a trustee, director, or officer of, such other corporation.



State of Washington)
) ss.
County of Thurston)

On this day personally appeared before me Michael R. McGraw and Kaye D. McGraw, husband and wife, known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary acts and deeds, for the use and purpose therein mentioned.

Given under my hand and official seal this 11th day of June, 2004.

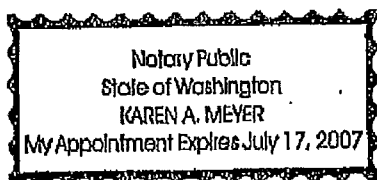


Karen A. Meyer
NOTARY PUBLIC in and for the State of
Washington, residing at Olympia.
My Commission expires: 7-17-07

State of Washington)
) ss.
County of Thurston)

On this day personally appeared before me Michael Real McGraw, known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the use and purpose therein mentioned.

Given under my hand and official seal this 11th day of June, 2004.



Karen A. Meyer
NOTARY PUBLIC in and for the State of
Washington, residing at Olympia.
My Commission expires: 7-17-07



ARTICLE XIV

Attorney Fees

Should any dispute arise regarding the terms of these Bylaws, the Declaration, the Articles of Incorporation, or the Rules and Regulations of the Association, the prevailing party shall recover reasonable attorney fees and costs, including those for appeals.

ARTICLE XV

Venue

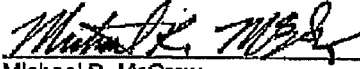
Venue, for purposes of these Bylaws, shall be Thurston County, Washington.

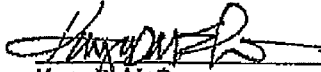
ARTICLE XVI

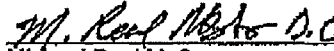
Fiscal Year

The fiscal year of the Association shall be a calendar year, unless determined otherwise by the Board of Directors.

IN WITNESS WHEREOF, we being all of The Vineyard, A Condominium, have hereunto set out hands this 11th day of June, 2004.


Michael R. McGraw


Kaye D. McGraw


Michael Real McGraw