

AMENDED AND RESTATED

BYLAWS

OF

SORRENTO CONDOMINIUM

Voted Upon and Approved

By a Majority of the Members of the Association

April 2009

**ARTICLE I
PLAN OF APARTMENT OWNERSHIP**

Section One: Apartment Ownership. The project located at 4300 67th Ave. SE, City of Olympia (Lacey), State of Washington, known as Sorrento, is submitted to the provisions of the Washington Condominium Act.

Section Two. Bylaws Applicability. The provisions of these bylaws are applicable to the project.

Section Three: Personal Application. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these bylaws and to the regulatory agreement attached as Exhibit "C" (Declaration) to the recorded plan of apartment ownership.

The mere acquisition or rental of any of the family units, referred to as units, of the project, or the mere act of occupancy of any of the units, will signify that these bylaws and provisions of the regulatory agreement are accepted, ratified, and will be complied with.

**ARTICLE II
VOTING; MAJORITY; QUORUM; PROXIES**

Section One: Voting. Voting shall be on a percentage basis, and the percentage of the vote to which the owner is entitled is the percentage assigned to such owner's family unit or units in the master deed.

Section Two: Majority of Owners. As used in these bylaws, the term "majority of owners" shall mean those owners holding fifty-one percent (51%) of the votes in accordance with the percentages assigned in the master deed.

Section Three: Quorum. Except as otherwise provided in these bylaws, the presence in person or by proxy of a "majority of owners" as defined in the preceding paragraph of this article shall constitute a quorum.

Section Four: Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the secretary before the appointed time of each meeting.

ARTICLE III ADMINISTRATION

Section One: Association Responsibilities. The owners of the units will constitute the Sorrento Condominium Association, referred to as association, who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments, and arranging for the management of the project pursuant to an agreement containing provisions relating to the duties, obligations, removal, and compensation of the management agent. Except as otherwise provided, decisions and resolutions of association shall require approval by a majority of owners.

Section Two: Place of Meetings. Meetings of association shall be held at the principal office of the project or such other suitable place convenient to the owners as may be designated by the board of directors.

Section Three: Annual Meetings. The first annual meeting of association shall be held on September 30, 1995. Thereafter, annual meetings shall be held on the second or third Tuesday of October of each succeeding year, or such other date in October at the discretion of the board.

Section Four: Special Meetings. It shall be the duty of the president of the board of directors to call a special meeting of the owners as directed by resolution of the board of directors or on a petition signed by twenty percent of the owners and having been presented to the secretary.

Section Five: Notice of Meetings. It shall be the duty of the secretary to mail a notice of each annual or special meeting, stating the purpose as well as the time and place of the meeting, to each owner of record, at least ten (10) but not more than sixty (60) days prior to such meeting. The mailing of notice in the manner provided in this section shall be considered notice served.

Section Six: Adjourned Meetings. If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present either in person or by proxy may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section Seven: Order of Business. The order of business at all association meetings shall be as follows:

- (a) Roll Call.
- (b) Proof of notice of meeting or waiver of notices.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Federal Housing Administration, if present.
- (f) Report of committees.
- (g) Election of inspectors of election.
- (h) Election of directors.
- (i) Unfinished business.
- (j) New business.

ARTICLE IV BOARD OF DIRECTORS

Section One: Number and Qualification. Association's affairs shall be governed by a board of directors composed of not less than three (3) nor more than seven (7) persons, all of whom must be owners of units in the project.

Section Two: Powers and Duties. The board of directors shall have the powers and duties necessary for the administration of association's affairs and may do all such acts and things as are not by law or by these bylaws directed to be exercised and done by the owners.

Section Three: Other Duties. In addition to duties imposed by these bylaws or by resolutions of association, the board of directors shall be responsible for the following:

- (a) Care, upkeep, and surveillance of the project and common areas and facilities and the restricted common areas and facilities.
- (b) Collection of monthly assessments from the owners.
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the project, the common areas and facilities, and the restricted common areas and facilities.
- (d) Collection, creation, and retention of the records of the Association.
- (e) Establishment of the Budget for the Association.

Section Four: Management Agent. The board of directors may employ for association a management agent at a compensation established by the board to perform such duties and services as the board shall authorize, including, but not limited to, the duties listed in Section Three of this article.

Section Five: Election and Term of Office. At the first annual meeting of association, the term of office of one (1) director shall be fixed for three years. The term of office of one (1) director shall be fixed at two years, and the term of office of one (1) director shall be fixed at one year. At the expiration of the initial term of office of each respective director, a successor shall be elected to serve a term of three years. The directors shall hold office until their successors have been elected and hold their first meeting. (If a larger board of directors is contemplated, the terms of office should be established in a similar manner so that they will expire in different years.)

Section Six: Vacancies. Vacancies in the board of directors caused by any reason other than the removal of a director by a vote of association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at association's next annual meeting.

Section Seven: Removal of Directors. At any regular or special meeting duly called, any one or more of the directors may be removed with or without cause by two-thirds (2/3) vote of the owners, and a successor may then and there be elected to fill the vacancy thus created.

Section Eight: Organization Meeting. The first meeting of the newly elected board of directors shall be held within ten days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, provided a majority of the whole board shall be present.

Section Nine: Regular Meetings. Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the board of directors shall be given to each director, personally or by mail, telephone, or telegraph, at least three days prior to the day named for such meeting.

Section Ten: Special Meetings. Special meetings of the board of directors may be called by the president on three days' notice to each director, given personally or by mail, telephone, or telegraph, which notice shall state the time, place, and purpose of the meeting. Special meetings of the board of directors shall be called by the president or secretary in like manner and on like notice on the written request of at least three directors.

Section Eleven: Waiver of Notice. Before or at any meeting of the board of directors, any director, in writing, may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the board shall be a waiver of notice by such director of the time and place of the meeting. If all the directors are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

Section Twelve: Quorum. At all meetings of the board of directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the quorum shall be the acts of the board of directors. If, at any meeting of the board of directors, there be less than a quorum present, the members present may adjourn the meeting from time to time. At any such meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section Thirteen: Fidelity Bonds. The board of directors may require that all officers and employees of association handling or responsible for association funds shall furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the association.

ARTICLE V OFFICERS

Section One: Designation. The principal officers of association shall be a president, a vice-president, a secretary, and a treasurer, all of whom shall be elected by and from the board of directors. The directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary. (In the case of an association of 100 owners or less, the offices of treasurer and secretary may be filled by the same person.)

Section Two: Election of Officers. The officers of association shall be elected annually by the board of directors at the organization meeting of each new board and shall hold office at the pleasure of the board.

Section Three: Removal of Officers. On an affirmative vote of a majority of the members of the board of directors, any officer may be removed, either with or without cause, and a successor elected at any regular meeting of the board of directors, or at any special meeting of the board called for such purpose.

Section Four: President. The president shall be the chief executive officer of the association. The president shall preside at all meetings of the association and of the board of directors. The president shall have all of the general powers and duties that are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the owners from time to time as the president may decide is appropriate to assist in the conduct of association's affairs.

Section Five: Vice-President. The vice-president shall take the place of the president and perform duties whenever the president shall be absent or unable to act. If neither the president nor the vice-president is able to act, the board of directors shall appoint some other member of the board to do so on an interim basis. The vice-president shall also perform such other duties as shall from time to time be imposed by the board of directors.

Section Six: Secretary. The secretary shall keep the minutes of all meetings of the board of directors and the minutes of all meetings of the association; shall have charge of such books and papers as the board of directors may direct; and shall, in general, perform all the duties incident to the office of secretary.

Section Seven: Treasurer. The treasurer shall have responsibility for association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to association. The treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit of, association in such depositories as may from time to time be designed by the board of directors.

ARTICLE VI AMENDMENTS TO BYLAWS

Section One: Bylaws. These bylaws may be amended by association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by owners representing at least eighty percent (80%) of the total number of all units in the project as shown in the master deed.

ARTICLE VII COMPLIANCE

These bylaws are set forth to comply with the requirements of chapter 64.34 RCW. In case any of these bylaws conflict with the provisions of that statute, it is agreed and accepted that the provisions of the statute will apply.

**ARTICLE VIII
CONFLICTS**

Except as provided herein to the contrary, if a conflict arises between these bylaws, and the Declaration of Protective Covenants, Easements, Conditions and Restrictions, the Declaration of Protective Covenants, Easements, Conditions and Restrictions shall control.