

BY-LAWS OF
LAKEWOOD HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to the LAKEWOOD HOMEOWNER'S ASSOCIATION, INC., a non-profit corporation organized and existing under the laws of the State of Utah.

Section 2. "The Properties" shall mean and refer to:

SEE ATTACHED EXHIBIT "A" INCORPORATED BY
REFERENCE HEREIN

Section 3. "Common Properties" shall mean and refer to playgrounds, commons, streets, footways, including buildings structures, personal properties incident thereto, and other properties owned and maintained by the Association for the common benefit and enjoyment of the residents within The Properties.

ARTICLE II

LOCATION

Section 1. The principal office of the Association shall be located at 800 East Center, Logan, Utah.

ARTICLE III

MEMBERSHIP

Section 1. Every person or entity who is a record owner of a fee or undivided fee, interest in any Lot which is subject by covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security f

the performance of an obligation shall not be a member.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each owner of and becomes a lien upon the property against which such assessments are made as provided by Article V of the Declaration of Covenants and Restrictions to which The Properties are subject and recorded on the 4 day of April, 1977, at 4:09 p.m. as Entry No. 401751 of the records of the Cache County, State of Utah, Recorder.

Section 3. The membership rights of any person whose interest in The Properties is subject to the assessments under Article III, Section 2, whether or not he be personally obligated to pay such assessments, may be suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privilege shall be automatically restored. If the directors have adopted and published rules and regulations governing the use of the common properties and facilities, and the personal conduct of any person thereon, they may, in their discretion, suspend the rights of any person for violation of such rules and regulation for period not to exceed thirty (30) days.

ARTICLE IV

VOTING RIGHTS

Section 1. The Association shall have two classes of voting membership.

Class A. Class Members shall be all those owners as defined in Section 1 with the exception of the Developer. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Section 1. When more than one person holds such interest or interests in any Lot all such persons shall be members, and the vote for

in no event shall more than one vote be cast with respect to any such Lot.

Class B. Class B members shall be the Developer. The Class B member shall be entitled to three votes for each Lot in which it holds the interest required for membership by Section 1, provided that the Class B membership shall cease and become converted to Class A Membership on the happening of any of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on July 1 1978. From and after the happening of these events, which every occurs earlier, the Class B member shall be deemed to be a Class A member entitled to one vote for each Lot in which it holds interests required for membership under Section 1.

ARTICLE V

PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON PROPERTY

Section 1. Each member shall be entitled to the use and enjoyment of the common properties and facilities as provided by deed of dedication and Article IV, Declaration of Covenants applicable to the Properties.

Section 2. Any member may delegate his rights of enjoyment in the Common Properties and Facilities to the members of his family who reside upon The Properties or to any of his tenants who reside thereon under a leasehold interest for a term of one year or more. Such member shall notify the Secretary in writing of the name of any such person and of the relationship of the member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 3, to the same extent as those of the member.

ARTICLE VI

BOARD OF TRUSTEES

Section 1. Number of Members: The business and affairs of this Corporation shall be managed by a Board of Trustees which shall consist of not less than three or more than 20 members. All Board members shall be members of the Corporation as soon as there are five members of the corporation to elect the new trustees. At the inception of the corporation, the Board shall consist of the members named in the Articles of Incorporation, and thereafter the members shall be elected by the membership.

Section 2. Regular Meetings: The Board shall meet for the transaction of business at such place as may be designated from time to time.

Section 3. Special Meetings: Special Meetings of the Board may be called by the President or by three members of the Board for any time and place, provided reasonable notice of such meetings shall be given to each member of the Board before the time appointed for such meetings.

Section 4. Quorum: The members shall act only as a Board, and the individual trustees shall have no power as such. A majority of the trustees for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting although less than a quorum, may adjourn the same from time to time without notice until a quorum be at hand. The act of a majority of Trustees at any meeting which there is a quorum shall be the act of the Board, except as may be

otherwise provided by law.

Section 5. Order of Business: The Board may from time to time determine the order of business at its meetings.

Section 6. Chairman: At all meetings of the Board, the President, or, in his absence, the Vice-President, or in the absence of both, a Chairman chosen by the trustees present, shall preside.

Section 7. Terms of Members of the Board: The first Board named in the Articles of Incorporation shall serve for one year or until replaced by members of the corporation.

Section 8. Annual Report: The Board after the close of the fiscal year, shall submit to the members of the corporation a report as to the condition of the corporation and its property together with an account of the financial transactions of the past year.

Section 9. Vacancies in the Board: Whenever a vacancy in the membership of the Board shall occur, the remaining members of the Board shall have the power, by a majority vote, to select a member of the corporation to serve the unexpired term of the vacancy.

ARTICLE VII

OFFICERS

Section 1. Executive Officers: The Executive Officers of the Corporation shall be a President, a Vice-President, a Secretary, and a Treasurer. The executive officers shall be elected annually by the Board of Trustees and shall take office immediately after election. They shall be members of the Board of Trustees and members of the Corporation.

Section 2. The President: Subject to the direction of the Board, the President shall be the chief executive officer of the Corporation, and shall perform such other duties as from time to time may be assigned to him by the Board.

Section 3. The Vice-President: The Vice-President shall have such power and perform such duties as may be assigned to him by the Board or the President. In case of the absence or disability of the President, the duties of that officer shall be performed by the Vice-President.

Section 4. The Secretary: The Secretary shall keep the minutes of all proceedings of the Board and the minutes of the member's meeting in books provided for that purpose; he shall have custody of the corporate seal and the books and papers as the Board may direct, and he shall in general perform all the duties incident to the office of Secretary; subject to the control of the Board and the President; and he shall also perform such other duties as may be assigned to him by the President or by the Board.

Section 5. The Treasurer: The Treasurer shall have the custody of all the receipts, disbursements, funds, and securities of the corporation and shall perform all duties incident to the office of Treasurer, subject to the control of the Board and the President. He shall perform such other duties as from time to time be assigned to him by the Board or the President. If required by the Board, he shall give a bond for the faithful discharge of his duties in such sums as the Board may require.

Section 6. Subordinate Officers: The President, with the approval of the Board, may appoint such other officers and agents as the Board may deem necessary, who shall hold office

during the pleasure of the Board, and who shall have such authority and perform such duties as from time to time may be prescribed by the President or by the Board.

ARTICLE VIII

MEETING OF THE MEMBERSHIP

Section 1. Annual Meetings: There shall be an annual meeting of the membership of the Corporation at such place as may be designated, on the second Friday in September of each year at 8:00 p.m., if not a legal holiday under the laws of the State of Utah, and if a legal holiday then on the next succeeding business day at 8:00 p.m. for the transaction of such business as may come before the meeting.

Section 2. Special Meetings: Special meetings of the membership shall be held whenever called by the Board or upon written request of the members who have a right to vote one-fourth of all the votes of the entire membership. Notice of each special meeting, stating the time, place and in general terms the purposes thereof, shall be sent by mail to the last known address of all members at least ten days prior to the meeting.

Section 3. Proxy: At all corporate meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his interest in The Properties.

Section 4. Quorum: At any meeting of the membership a quorum shall consist of members entitled to cast, or proxies entitled to cast, 50 percent of the votes of each class of

membership, and a majority in amount of such quorum shall decide any question that may come before the meeting.

ARTICLE IX

BOOKS AND PAPERS

Section 1. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any members.

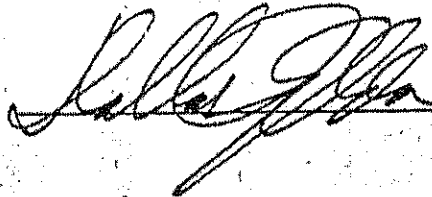
ARTICLE X

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of each class of members present in person or by proxy, provided that those provisions of these Bylaws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Covenants and Restrictions applicable to The Properties may not be amended except as provided in such Covenants and Restrictions.

Section 2. 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 Covenants and Restrictions applicable to The Properties referred to in Section 1 and these Bylaws, the Covenants and Restrictions shall control.

IN WITNESS WHEREOF, we, being all the Trustees
of the LAKEWOOD HOMEOWNER'S ASSOCIATION, INC., have hereunto
set our hands this ___ day of March, 1977.



Lot 5, Unit 1, LAKEWOOD TOWNHOUSES, as described in that certain "Declaration of Covenants and Restrictions for Lakewood Homeowners Association, Inc." Recorded 4 April, 1977, as Filing No. 401751, in the office of the Recorder of Cache County, Utah, and which unit is further described and depicted in that certain plat of LAKEWOOD TOWNHOUSES recorded 10 February, 1977, as Filing No. 400506, in the office of the Recorder of Cache County, Utah.

Subject However, to:

- a. The provisions of the Utah Condominium Ownership Act.
- b. All provisions of the plat of Lakewood Townhouses herebefore referred to.
- c. All rules and regulations and agreements made and entered into pursuant to the provisions of the said Condominium Ownership Act and said Declaration.