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Gary W. Ott
Recorder, Salt Lake County, UT
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When Recorded Return To:
Waverly Station Homeowners Assoc.
308 E 4500 S, Suite 200
Murray, UT 84107

**BYLAWS
WAVERLY STATION HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the Corporation is Waverly Station Homeowners Association, Inc., hereinafter referred to as the "Association" for and on behalf of the recorded Declaration of Protective Covenants, Conditions and Restrictions For Waverly Station recorded in the Recorder's Office in Salt Lake County, Utah, as Entry No. 9862959, Book 9359, Page 8366, and such other real property as may be added to Waverly Station from time to time. The principal office of the Association shall be located at 308 East 4500 South, Suite 200, Murray, Utah 84107 until the Board of Directors determines that the office should be in another location. Meetings of Members and Directors may be held at such places within the State of Utah as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 1. "Association" shall mean and refer to Waverly Station Homeowners Association, Inc., its successors and assigns.

Section 2. "Project" shall mean and refer to that certain real property in Salt Lake County, Utah (the "County") described in the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Owner" shall mean and refer to Owner as defined in Article I of the Declaration.

Section 4. "Declarant" shall mean and refer to Waverly Station, L.L.C., and any successors or assigns thereof to whom it shall expressly (i) convey or otherwise transfer all of its right, title and interest in the Project, or any portion or all thereof, as an entirety, without reservation of any kind; or (ii) transfer, set over or assign all its right, title and interest under the Declaration, or any amendment or modification thereof.

Section 5. "Declaration" shall mean and refer to the Declaration referred to under Article I of these By-Laws.

Section 6. "Member" or "Members" shall mean and refer to those persons entitled to Membership in the Association, as provided in the Declaration.

Section 7. Any other terms used herein shall have the meanings given to them in the Declaration.

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held in September during the first year following the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in September of each year thereafter, at a time and place within the State of Utah selected by the Board of Directors of the Association. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President, by the Board of Directors, by any three (3) members of the Board of Directors or upon written request of the Members who are holding at least twenty five percent (25%) of the undivided ownership interest in the Common Area.

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 person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days but not more than thirty (30) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or of proxies entitled to cast at least fifteen percent (15%) of all votes in the Association entitled to be cast shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, these Bylaws or applicable law. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, for a time no earlier than forty-eight (48) hours and no later than thirty (30) days after the time for the original meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Unit.

ARTICLE IV
BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The Association shall be governed by a Board of Trustees. There shall initially be three (3) trustees, but after the Development Period (or earlier if determined by Declarant), the Board shall be expanded to five (5) trustees. The trustees shall be elected by

majority vote of the Owners as called for in the Declaration and By-Laws. Each trustee shall serve a two (2) year term, provided that the trustees shall continue to serve until their successors have been elected or replacements appointed. Terms shall be staggered, and the initial Board shall divide itself into terms of one (1) and two (2) years by drawing lots. As of the date of the Declaration, the Trustees are: John Aldous, David Irwin and Nick Mingo. Until the expiration of the Development Period, the Declarant shall have the exclusive and irrevocable right to appoint all of the members of the Board of Directors and their successors or replacements, who need not be Owners. At the first annual Association meeting after the expiration of the Development Period, the members of the Board of Directors shall be elected by the Owners.

Section 2. Term of Office. From and after the first annual meeting of the Members, the term of office of the Directors shall be staggered, as described in the Declaration

Section 3. Removal. Any Board of Director member who fails on three (3) successive occasions to attend Board of Directors meetings (whether regular or special) or who has failed to attend at least twenty-five (25%) of all Board of Director meetings (whether regular or special) held during any twelve (12) month period shall automatically forfeit his seat. In such cases, the remaining members of the Board shall elect a replacement to sit on the Board of Directors until the next meeting of the Association. In addition, except for Board of Directors members appointed by the Declarant before the expiration of the Development Period, Board of Directors members may be removed at any time by the affirmative vote of a majority of the Members of the Association. A replacement to serve the remainder of the removed member's unexpired term shall be elected at the same meeting.

Section 4. Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of his or her duties if approved by the Board.

Section 5. Action Taken Without A Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take under Utah law at a closed meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a closed meeting of the Director.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS AFTER
THE EXPIRATION OF THE DEVELOPMENT PERIOD

Section 1. Nomination. After the expiration of the Development Period, nomination for election to the Board of Directors shall be made by a Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many

nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies. Nominations may be made from among Members of non-Members of the Association.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI
MEETINGS OF DIRECTORS

Section 1. Regular Meeting. A regular meeting of the Board of Directors shall be held immediately after the adjournment of each annual Owners meeting or at such other time as the members of the Board of Directors may decide. Other regular meetings shall be held at periodic intervals (no longer than monthly) at such time and place as the Board of Directors may determine. No notice need be given of regular Board of Directors meetings

Section 2. Special Meetings. Special Board of Directors meetings shall be held whenever called by the President or by any three (3) members of the Board of Directors. Reasonable effort shall be made to give either oral or written notice of a special meeting to each Board of Directors member at least twenty-four (24) hours before the time fixed for the meeting. The propriety of holding any meeting which is attended by all Board of Directors members may not be challenged on grounds of inadequate notice.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction to business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS, RIGHTS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to take the actions described in the Declaration, including, without limitation, the right to levy assessments.

Section 2. Specific Right of Inspection of The Board of Directors

Every Director of the Association will have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The foregoing right of inspection includes a right to make extracts and copies of documents.

Section 3. Duties. It shall be the duty of the Board of Directors to take the following actions, either on their own as a Board of Directors, or through delegation of said duties to the Board of Directors of the Project:

(a) cause to be kept 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 a statement is requested in writing by one-fourth (1/4) of the Class A Members or of the Class B Members who are entitled to vote;

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

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

(1) fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(3) foreclose the lien against any Units for which assessments are not paid within thirty (30) days after the due date thereof or to bring an action at law against the Owner personally obligated to pay the same;

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

(e) procure and maintain liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate; and

(g) cause to be maintained the other areas shown on the Plat that may be owned by governmental entities who are not maintaining such areas.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President, who shall at all times be a member of the Board of Directors, a Vice President, a Secretary and a

Treasurer, 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, and thereafter at the 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 unless any officer shall sooner resign, or shall be removed, or otherwise 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 he or she replaced.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of offices created pursuant to Section 4 of this Article.

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

8.1 President. The President shall preside at all meetings of the Members and of the Board of Directors and shall see that orders and resolutions of the Board are carried out. The President shall have the authority to sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

8.2 Vice-President. The Vice-President shall act in the place and stead of the President in the event of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board. The Vice-President shall likewise have the authority to sign all leases, mortgages, deeds and other written instruments.

8.3 Secretary-Treasurer. The Secretary-Treasurer shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Members; keep the

corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meeting of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board. The Secretary-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; shall sign all books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX
INDEMNIFICATION OF OFFICERS AND DIRECTORS

Each officer and Director of the Association, in consideration of his or her services, shall be indemnified by the Association to the extent permitted by law against expenses and liabilities reasonably incurred by him or her in connection with the defense of any action, suit or proceeding, civil or criminal, to which he or she may be a party by reason of being or having been a Director or officer of the Association. The foregoing right to indemnification shall be exclusive of any other rights to which the Director or officer or person may be entitled by law or agreement or vote of the Members or otherwise.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which the assessment is made. Any assessments or portions thereof which are not paid when due shall be delinquent. If the assessment is not paid within the time frames set forth in the Declaration, the Association may declare the entire balance of the assessment immediately due and payable. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Unit, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of the Owner's Unit.

ARTICLE XII
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds (2/3) of a quorum of Members present in person or by proxy.

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 Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIII
MISCELLANEOUS

The fiscal year of the Association shall be determined by the Board in its discretion.

CERTIFICATION

I, THE UNDERSIGNED, do hereby certify that I am the duly elected and acting secretary of Waverly Station Homeowners Association, Inc., a Utah non-profit corporation, and that the foregoing Bylaws constitute the original Bylaws of said Corporation, as duly adopted by unanimous written consent of the Board of Directors thereof on this 26th day of September, 2006.

IN WITNESS WHEREOF, I have hereunto subscribed my name of the Corporation this 26th day of September, 2006.

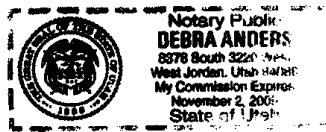


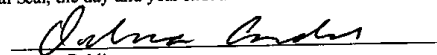
David Irwin
Secretary-Treasurer

STATE OF UTAH
COUNTY OF SALT LAKE

I HEREBY CERTIFY, that on this 26 day of September, 2006, before me, the subscriber, a Notary Public in and for the State of Utah and Salt Lake County aforesaid, personally appeared David Irwin, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged himself to be the Secretary-Treasurer of Waverly Station Homeowners Association, Inc. a Utah corporation, that he has been duly authorized to execute, and has executed, the foregoing instrument on behalf of the said entity for the purposes therein set forth, and that the same is its act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.




Notary Public
My commission expires: Nov 2, 2009

Description of the Property

PHASE I

BEING all those Lots shown and designated as Lot Nos. 1 through and including 41 and the Common Area shown as "Common Area" on the Plat entitled, "WAVERLY STATION PHASE No. 1" recorded among the Recorder's Office of Salt Lake County on August 30, 2006 in Book 2006P on Page 214.