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RETURN TO: Keith A. Green, MCGILL, GOTSDINER, WORKMAN & LEPP, P.C., L.L.O., 11404 W. Dodge Rd., Suite 500, Omaha, NE 68154-2584
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BYLAWS
OF
CANYON RIDGE HOMEOWNERS ASSOCIATION INC.
a Utah nonprofit corporation

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OF
CANYON RIDGE HOMEOWNERS ASSOCIATION INC.
a Utah nonprofit corporation**

**ARTICLE ONE
PURPOSES AND OBJECTIVES**

1.1 **Purposes.** The Corporation has been formed as a nonprofit corporation for the purposes as generally set forth in the Articles of Incorporation, and for the more specific the purposes and objectives as follows:

- (a) To develop a community designed for safe, healthful, and harmonious living.
- (b) To promote the collective and individual property and civic rights of all persons, firms, and corporations owning property in the Canyon Ridge Subdivision as said property is shown on that certain map filed for record in the office of the recorder of Iron County, State of Utah.
- (c) To care for the improvements and maintenance of the community center, gateways, public easements, parkways, grass plots, trees, parking areas, and any facilities of any kind dedicated to the community use and other open spaces and other ornamental features of the above-described subdivision known as Canyon Ridge, which now exists or which may hereafter be installed or construed therein.
- (d) To cooperate with the owners of all vacant and unimproved lots and plots now existing or that hereafter shall exist in the tract to keep them in good order and condition, in preventing them from becoming a nuisance and a detriment to the beauty of the tract and to the value of the improved property therein, and to take any action with reference to such vacant or unimproved lots and plots as may be necessary or desirable to keep them from becoming such nuisance and detriment.
- (e) To aid and cooperate with the members of the Corporation, and to counsel with the Iron County Planning Commission, having jurisdiction in relation to any zoning that may affect any portion of the subject property.
- (f) In general, but in connection with the foregoing, to do any and all things necessary to promote the general welfare of the residents and owners of any portions of the Canyon Ridge and their property interests therein.
- (g) To acquire, own, or lease such real and personal property as may be necessary or convenient for the transaction of its business and the fulfillment of its purposes and objects, and to exercise all rights, powers, and privileges of ownership to the same extent as natural persons might or could do.
- (h) To arrange social and recreational functions for its members.

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(i) To exercise any and all powers that may be delegated to it from time to time by the members in the Canyon Ridge Subdivision.

(j) This Corporation shall not engage in political activity or pursue political purposes of any kind of character.

ARTICLE TWO OFFICES

2.1 **Name.** The name of the corporation is "**Canyon Ridge Homeowners Association Inc.**" It is incorporated under the laws of the State of Utah as a nonprofit corporation. The corporation is the Association referenced in the Declaration (as defined below).

2.2 **Applicability.** These Bylaws ("**Bylaws**") shall relate to the property commonly known as the Canyon Ridge Subdivision, a residential development located in Cedar City, Iron County, Utah, more particularly described in the Declaration.

2.3 **Location.** The principal office of the Corporation shall be located at 6336 Pershing Drive, Omaha, Nebraska, until modified by the Directors of the Corporation. Meetings of members and the Board of Directors may be held at such places as provided herein.

ARTICLE THREE MEMBERS

3.1 **Class of Members.** The Corporation shall have one class of members. The qualifications and rights shall be as follows:

(a) Every beneficial owner, as distinguished from a security owner, of a residential lot in Canyon Ridge in Iron County, State of Utah, shall be a member. In construing the provisions of this paragraph, beneficial owners shall include the owner of any lot or any lot in the above-described subdivision that has been re-subdivided.

(b) Membership shall include an undertaking by the applicant to comply with and be bound by the Articles of Incorporation, these Bylaws and amendments thereto, and the policies, rules, and regulations at any time adopted by the Corporation in accordance with these Bylaws.

(c) Membership in this Corporation shall terminate on such member's ceasing to be a beneficial owner of a residential lot in or on the property described herein.

3.2 **Voting Rights.** Each member in good standing shall be entitled to vote on each matter submitted to a vote of the members, provided however, that each member shall be the sole beneficial owner of a residential lot in Canyon Ridge. A member shall have one vote for each residential lot of which he is a beneficial owner, and in the event any lot is re-subdivided, this shall mean one vote for each site of ownership as re-subdivided. Only one vote for such lot or site owned shall be allowed, and joint owners shall designate and register with the Secretary of the Corporation the name of that owner entitled to cast such single vote. At membership meetings all votes shall be cast in person, or by proxy registered with the Secretary. The Board of Directors is authorized to establish regulations provided for voting by mail.

3.3 **Suspension of Membership.** Unless otherwise provided in the Declaration from time to time, during any period in which a Member shall be in default in the payment of any assessment levied by the Corporation as provided in the Declaration, the voting rights of such Member shall be suspended by the Board until such assessment has been paid except for those specific circumstances as set forth in the Act when a certain consent or unanimous vote is required. Such rights of a Member may also be suspended by the Board, after notice and hearing, for a period not to exceed 90 days, for violation of any of the rules and regulations established by the Board governing the use of the Common Areas.

3.4 **Registration.** It shall be the duty of each member to register his or her name and Lot number with the Secretary of the Corporation. If a member does not so register, the Corporation shall have no duty or obligation to recognize such membership.

3.5 **Assignment of Rights.** A beneficial owner who is a member of the Corporation may assign his membership rights to the tenant residing in or on the beneficial owner's residential lot. Such assignment shall be effected by filing with the Secretary of the Corporation a written notice of assignment signed by the beneficial member.

ARTICLE FOUR MEETINGS OF MEMBERS

4.1 **Annual Meeting.** An annual meeting of the members for the purpose of hearing reports from all officers and standing committees shall be held in Iron County, State of Utah in January of each year; unless changed by the Board of Directors, the time place shall be fixed by the Board of Directors. At each annual meeting the Members shall elect the Board of Directors and may transact any other business authorized to be transacted by the Members.

4.2 **Regular Meetings.** In addition to the annual meetings, regular meetings of the members may be established and held on a periodic basis at such time and place as shall be determined by the Board of Directors.

4.3 **Special Meetings.** A special meeting of the members may be called by the President or the Board of Directors. Also, a special meeting of the members must be called within thirty (30) days by the President, if requested by twenty percent (20%) of the members having voting rights. No business shall be transacted at a special meeting except as stated in the notice thereof.

4.4 **Notice of Meetings.** Unless otherwise required by the Declaration, written notice stating the place, day, and hour of any meeting of members shall be delivered either personally or by mail to each member entitled to vote at such meeting, not less than ten (10) days, nor more than (60) days, before the date of such meeting.

4.5 **Quorum.** The members holding fifty percent (50%) of the votes, in person or proxy, that may be cast at any meeting shall constitute a quorum at any meeting of members. In the absence of a quorum, a majority of the members present may adjourn the meeting from time to time without further notice.

4.6 **Proxies.** At any meeting of the members, a member entitled to vote may vote by proxy executed in writing by the member. No proxy shall be valid after two (2) months from the date of its execution, unless otherwise provided in the Proxy.

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4.7 **Manner of Acting.** When a quorum is present at a meeting, any question brought before the meeting shall be decided by a majority of those voting present in person or by proxy, unless a greater vote is required under applicable Utah statutes, the Act, the Declaration, or these Bylaws.

ARTICLE FIVE BOARD OF DIRECTORS

5.1 **General Powers.** The affairs of the Corporation shall be managed by the Board of Directors, subject to instructions of the members of the Corporation as expressed by a vote of the membership.

5.2 **Interim Board of Directors.** Declarant and any other successor or assign shall assume full administrative control of Canyon Ridge Homeowners Association Inc. through an appointed interim Board of Directors, which shall serve until the Turnover Meeting. The Turnover Meeting shall be held within ninety (90) days of the earlier of the following: (a) Seven years from the recording of the Declaration; or (b) Declarant and any other successor or assign having conveyed ninety-five percent (95%) of the total number of Lots to be developed pursuant to the Declaration. Declarant and any other successor or assign may elect to relinquish control of Canyon Ridge Homeowners Association Inc. at an earlier time by written notice to the owners of any Lot and the Turnover Meeting shall be held within ninety (90) days of such notice.

5.3 **Directors Following the Control Period.** The number of Directors after the Turnover Meeting constituting the Board of Directors shall be three (3) unless modified, as provided in the Articles of Incorporation or these Bylaws, with the Directors elected by vote of the members. Each Director shall be a member of the Corporation entitled to vote at a regular meeting of the Corporation. A candidate for a position on the Board of Directors cannot be a co-landowner, spouse, sibling or child of a person currently serving on the board, a sub-board, or a chartered committee of the Corporation. The directors elected at the Turnover Meeting shall remain directors until the next annual meeting of the members. At the next annual meeting of the members, three directors shall be elected to the Board of Directors. Each director shall hold office for one year and an election to fill all director positions will be held annually.

5.4 **Regular Meetings.** Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board members. Notice of regular meetings shall be given to each Board member, personally or by mail, telephone, or telegraph, at least three (3) days prior to the day designated for such meeting, unless such notice is waived. At least one regular meeting shall be held annually.

5.5 **Special Meetings.** A special meeting of the Board of Directors may be called by or at the request of the President or of any Board member.

5.6 **Notices.** Notice of any special meeting of the Board of Directors shall be given at least two (2) days prior thereto, by written or verbal notice delivered personally to each Director. Any Director may waive notice of any meeting.

5.7 **Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time, and without further notice.

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5.8 **Manner of Acting.** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

5.9 **Vacancies.** Any vacancy occurring on the Board of Directors, and any position to be filled by reason of the increase in the number of Directors, shall be filled by election of the Board of Directors. A vacancy may be declared by the President by reason of resignation, loss of voting rights, or death of a member of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

5.10 **Recall.** A member of the Board of Directors may be recalled by a regular or special meeting of the membership. A majority vote of all members with voting rights is required for recall. Such meeting will be conducted under the rules specified in these Bylaws.

5.11 **Meetings.** All meetings of the Board of Directors shall be open to members except for the discussion of the following: (a) the character, competence, or health of an individual, and (b) pending or reasonably imminent litigation. No ordinance, rule, regulation, contract, appointment, or business in general may be approved in a closed meeting. Written minutes shall be kept of all meetings, open and closed.

ARTICLE SIX OFFICERS

6.1 **Officers.** The officers of the Corporation shall be a President, Vice-President, Secretary, and Treasurer.

6.2 **Qualifications and Method of Election.** The officers shall be members of the Corporation, shall be elected by the Board of Directors, and serve for a term of one year. The President and Vice-President shall be members of the Board of Directors.

6.3 **President.** The President shall preside at all meetings of the Corporation and of the Board of Directors at which he is present, shall exercise general supervision of the affairs and activities of the Corporation, and if not otherwise appointed as a member thereof, shall serve as a member ex-officio of all standing committees.

6.4 **Vice-President.** The Vice-President shall assume the duties of the President during his absence.

6.5 **Secretary/Treasurer.** A Secretary and Treasurer will be selected by the Board of Directors. The positions can be filled separately or combined and held by an individual with the title of Secretary/Treasurer. The Secretary shall keep the minutes of all meetings of the Corporation and of the Board of Directors, which shall be an accurate and official record of all business transacted. The Secretary shall post/distribute copies of all minutes to the Board of Directors within seven (7) calendar days following any meeting of the Corporation or the Board of Directors. The Secretary shall post/distribute copies of the agenda to the Board of Directors at least seven (7) calendar days prior to any regularly scheduled meeting of the Board of Directors. The Treasurer's duties are to receive all Corporate funds, keep them in a bank approved by the Board of Directors, and pay out funds on notice signed by him/her or by one other authorized Director.

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6.6 **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by any member of the Board of Directors for the unexpired portion of the term.

ARTICLE SEVEN INDEMNIFICATION

7.1 **Indemnification.** No officer or Director shall be personally liable for any obligations of the Corporation or for any duties or obligations of the Corporation or for any duties or obligations arising out of any acts or conduct of said officer or Director performed for or on behalf of the Corporation. The Corporation shall and does hereby indemnify and hold harmless each person and his heirs and administrators who shall serve at any time hereafter as a Director or officer of the Corporation from and against any and all claims, judgments and liabilities to which such persons shall become subject by reason of his having heretofore or hereafter been a Director or officer of the Corporation, or by reason of any action alleged to have heretofore or hereafter taken or omitted to have been taken by him as such Director or officer, and shall reimburse each such person for all attorney's fees and other expenses reasonable incurred by him in connection with any such claim or liability, including power to defend such person from all suits or claims as provided for under the provisions of the Utah law, as amended; provided, however, that no such person shall be indemnified against, or be reimbursed for, any expense incurred in connection with any claim or liability arising out of his own gross negligence or willful misconduct. The rights accruing to any person under the foregoing provisions of this section shall not exclude any other right to which he may lawfully be entitled, nor shall anything herein contained restrict the right of the Corporation to indemnify or reimburse such person in any proper case, even though not specifically herein provided for. The Corporation, its directors, officers, employees and agents shall be fully protected in taking any action or making any payment, or in refusing to do so in reliance upon the advice of counsel.

7.2 **Other Indemnification.** The indemnification herein provided shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of members or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer or employee, and shall inure to the benefit of the heirs, executors and administrators of such person.

7.3 **Insurance.** The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer or employee of the Corporation or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against liability under the provisions of this section or of Section 7.1.

7.4 **Settlement by Corporation.** The right of any person to be indemnified shall be subject always to the right of the Corporation by its Board of Directors, in lieu of such indemnity, to settle any such claim, action, suit or proceeding at the expense of the Corporation by the payment of the amount of such settlement and costs and expenses incurred in connection therewith, including reasonable attorney's fees.

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**ARTICLE EIGHT
FEES, DUES AND ASSESSMENTS**

8.1 **Admission Without Fee.** Beneficial ownership, as recorded at Recorder's Office at Iron County, State of Utah, of a residential lot, without payment of an admission fee, shall establish the owner as a member of this Corporation. Notwithstanding the foregoing, initial capital contributions are due in connection with the acquisition of each Lot as provided hereunder and under the Declaration.

8.2 **Assessment.** As provided under the Declaration, each member has agreed to pay the Corporation, Annual Assessments, Special Assessments, Emergency Assessments and Individual Assessments. With all Assessments established and collected as provided in the Declaration. No member may exempt itself from liability for Assessments by abandonment of any Lot owned by such member or by the abandonment of the member's right to the use and enjoyment of the Common Area.

8.3 **Annual Budget and Assessment.** The Board of Directors shall prepare, or cause the preparation of, an annual budget for the Corporation, which shall provide, without limitation, for the maintenance of the Common Area and for the administration, management and operation of the Corporation. If Board fails to adopt an annual budget, the last adopted budget shall continue in effect. The Board of Directors shall fix the amount of the annual assessment ("Annual Assessment") against each Lot for each assessment period at least thirty (30) days in advance of the beginning of the period. Written notice of the Annual Assessments shall be sent to all members of the Corporation at least thirty (30) days in advance of the beginning any assessment period.

8.4 **Purpose of Assessments.** The Assessments levied by the Corporation shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents of the Community, and including, but not limited to:

(a) The improvement and maintenance, operation, care, services and facilities related to the use and enjoyment of the Common Area;

(b) The payment of any taxes on the Common Area (except to the extent that proportionate shares of the public charges and assessments on the Common Area may be levied against all Lots by the tax collecting authority so that the same is payable directly by the Owners thereof, in the same manner as real property taxes are assessed or assessable against the Lots);

(c) The payment of insurance premiums on the Common Area;

(d) The costs of repair, replacement and additions to the Common Area and improvements thereon;

(e) The cost of obtaining, planting and thereafter maintaining street trees or other common area landscaping throughout the Community if required by Cedar City, whether or not such street trees or landscaping are located in the Common Area if required or deemed necessary by the Declarant or Board of Directors.

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(f) The costs of utilities and other services which may be provided by the Corporation for the Community as may be approved from time to time by a majority of the members of the Corporation;

(g) The cost of labor, equipment, insurance, materials, management, legal and administrative fees incurred or expended in performing the duties under this Declaration or the Bylaws;

(h) The cost of maintenance, insurance and replacement of any playground equipment, trails, or lighting;

(i) Unless otherwise dedicated to Cedar City, the cost of maintaining, insuring and replacing the roads, parks, sidewalks of the Corporation;

(j) The cost of funding all reserves established by the Corporation; and

(k) Any other items properly chargeable as an expense of the Corporation.

8.5 **Special Assessments.** In addition to the Annual Assessments authorized in the Declaration, the Corporation may levy in any assessment year, a special assessment ("Special Assessment"), applicable for that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement located on the Common Area, including fixtures and personal property related thereto; provided that such assessment shall first be approved by two-thirds (2/3) of the votes of members of the Corporation other than the Declarant, voting in person or by proxy at a meeting duly called for such purpose and the written consent of Declarant until the Turnover Meeting and thereafter as long as Declarant owns at least one Lot.

8.6 **Special Notice and Quorum Requirements.**

(a) Written notice of any meetings of members of the Corporation called for the purpose of taking any action authorized under Sections 8.5 and 8.8 of this article shall be sent to all members not less than thirty (30) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence at the meeting of members or of proxies, entitled to cast sixty percent (60%) of all of the votes of the members, other than the Declarant, entitled to be cast at such a meeting shall be necessary and sufficient to constitute a quorum.

(b) If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

8.7 **Commencement and Due Date of Assessments.**

(a) **Commencement of Assessments.** Subject to Subsection (c) of this section, the full Annual Assessment or Emergency Assessment as to any Lot shall commence on the earlier of (i) the date the Lot is conveyed to any person or entity other than the Declarant or a Builder; or (ii) the date a Use and Occupancy Permit is issued by the proper authorities of Cedar City, Utah to the Declarant or a Builder.

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(b) **Due Dates.** The Annual Assessments shall be due and payable on a monthly basis on the first (1st) calendar day of each month, unless otherwise provided by resolution of the Board of Directors, and shall be delinquent if not paid within thirty (30) days after the due date. The due date of any Special Assessment, Emergency Assessment or other Assessment shall be fixed in the resolution authorizing the Assessment.

(c) **Commencement of Assessment for Replacement Reserves.** The portion of the Annual or Individual Assessments allocated for major maintenance and replacement reserves shall commence to accrue as provided under the Declaration.

8.8 **Emergency Assessments.** If the Annual Assessments levied at any time are, or will become, inadequate to meet all expenses incurred under the Declaration for any reason, including nonpayment of any Owner's Assessments on a current basis, the Board of Directors shall, as soon as practicable, determine the approximate amount of the inadequacy and adopt a resolution which establishes a supplemental budget and levies the additional assessment ("Emergency Assessment"). The resolution shall specify the reason for the Emergency Assessment. Any Emergency Assessment in the aggregate in any fiscal year which would exceed an amount equal to five percent (5%) of the budgeted expenses of the Corporation for the fiscal year may be levied only if approved by not less than a majority of the members other than the Declarant voting in person or by proxy, at a meeting duly called for such purpose and the written consent of Declarant until the Turnover Meeting and thereafter as long as Declarant owns at least one Lot.

8.9 **Individual Assessments.** Any expenses benefiting or attributable to fewer than all of the Lots may be assessed exclusively against the Lots affected or benefited as provided under the Declaration.

8.10 **Nonpayment of Assessments.** Any assessment or portion thereof not paid within thirty (30) days after the due date (which shall be established by resolution of the Board of Directors):

(a) Shall be delinquent and shall bear interest from the date of delinquency at the rate, established by resolution of the Board of Directors, not to exceed the maximum rate permitted by law, and

(b) Shall be subject to a late charge of Ten Dollars (\$10.00) per month until paid, or ten percent (10%) of the assessment, whichever is greater; and

(c) If paid by installments, the assessment may, in the discretion of the Board, be accelerated (including interest as provided for above) and the entire balance declared due and payable upon not less than ten (10) days' written notice to the Owner.

8.11 **Enforcement of Lien.** The Corporation may establish and enforce the lien for any Assessment, including Annual, Special, Individual or otherwise, pursuant to the provisions of the Declaration. The lien is imposed upon the Lot against which the Assessment is made. The lien may be established and enforced for damages, interest, costs of collection, late charges permitted by law, and attorneys' fees provided for in this Declaration or by law or awarded by a court for breach of any provision of this Declaration, the Bylaws or any rules and regulations of the Corporation.

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8.12 **Initial Capital Contribution.** At settlement for each Lot, an amount equal to two (2) months of the current monthly Assessment amount for that type of Lot shall be paid from each prospective member of the Corporation (other than the Declarant or a Builder), for the purpose of start-up expenses and operating contingencies. Such amount shall be in addition to any pro rata share of Assessments due and adjusted at settlement.

8.13 **Remedies.** When any member shall be in default in the payment of dues or assessments the Corporation shall have the right to exercise any of the remedies provided hereunder or under the Declaration in accordance with the terms thereof.

ARTICLE NINE ARCHITECTURAL REVIEW COMMITTEE

9.1 **Composition.** The initial Architectural Review Committee shall be comprised of Declarant or any persons or entities appointed by Declarant as it determines. After the Turnover Meeting described in Section 5.2, above, or at an earlier date if Declarant so elects, the Review Committee shall consist of no less than three (3) members and no more than (5) members. The Review Committee shall be comprised of a chairman and two or more members. This Committee may be the members of the Board of Directors, or a new Committee created by the Board of Directors. Architectural Review Committee Members will be appointed for a term of one (1) year unless lengthened or shortened by the Board of Directors at the time of appointment. There is no limit to the number of times an Architectural Review Committee Member may be reappointed.

9.2 **Duties.** It shall be the duty of the Architectural Review Committee to regulate the external design, appearance, location, and maintenance of the properties and of improvements thereon, to regulate such uses of property and enforce the Declaration on file in the office of the Recorder in Iron County, Utah, regarding the Canyon Ridge Subdivision.

9.3 **Procedures.** The Architectural Review Committee shall formulate general guidelines and procedures and submit them to the Board of Directors. The text of all proposed changes to the Architectural Guidelines will be included in the next annual meeting notification. The proposed changes to the guidelines shall be considered adopted policy of the Architectural Review Committee when approved by a majority vote of members eligible to cast a ballot. The adopted guidelines shall be filed with the county recorder's office and the Architectural Review Committee shall act in accordance with such guidelines.

ARTICLE TEN FISCAL YEAR

10.1 **Fiscal Year.** The fiscal year of the Corporation shall be from January 1st through December 31st of each year.

ARTICLE ELEVEN AMENDMENTS AND CONFLICTS

11.1 **Amendments.** Any proposed amendment to these Bylaws must be submitted in writing sixty (60) days prior to any meeting of the members of the Corporation. Such proposed amendments shall be voted on by the members of the Corporation at the next meeting of the members.

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11.2 **Effective Date.** A proposed amendment shall become effective when approved by a 51% majority of the members entitled to vote at that meeting either by ballot or by written proxy.

11.3 **Conflicts.** In the event of any conflict in the terms of these Bylaws and the provisions and restrictions of the Declaration, as amended from time to time, the terms of the Declaration shall govern.

ARTICLE TWELVE DEFINITIONS

12.1 **Capitalized Terms.** All capitalized terms not otherwise defined herein shall have the meanings set forth in the Declaration. For purposes of these Bylaws, the following terms apply:

(a) **"Declaration"** shall mean that Declaration of Conditions, Covenants and Restrictions for Canyon Ridge dated June 6, 2004 and recorded as Document No. 487260 in Book 937, Page 1577, in the Office of the Iron County Recorder's Office, as amended and supplemented from time to time.

(b) **"Residential lot"** shall mean a subdivided parcel, lot or plat of ground (exclusive of the Common Area) and designated by numeral on the Plat. "Lot" or "Lots" shall include both Townhouse Lots and Single Family Lots, as defined in the Declaration.

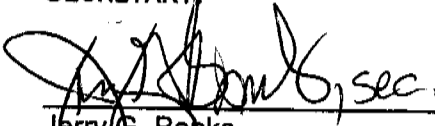
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CERTIFICATION

I hereby certify that I am the duly appointed and acting Secretary of the Canyon Ridge Homeowners Association Inc., a Utah nonprofit corporation, that the foregoing Bylaws constitute the Bylaws of said Corporation, as duly adopted by the Board of Directors effective on the 19th day of January 2005, pursuant to Utah statute, and that these Bylaws constitute the Bylaws of the Corporation and are now in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed these Bylaws this 9 day of February 2005, effective as of the 19th day of January 2005.

SECRETARY:



Jerry G. Banks

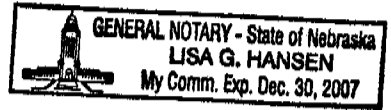
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STATE OF NEBRASKA

County of Douglas)
)ss:

The foregoing instrument was acknowledged before me on this 9 day of February
2005 by Gary A. Banks, Secretary, of NS Canyon Ridge, LLC.

Notary Public for Nebraska
My Commission Expires:



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EXHIBIT "A"

Known as Canyon Ridge PUD Phase I, lots 1 through 58, as reflected on the Plat recorded at the Iron County Recorders office, more particularly described as:

LEGAL DESCRIPTION:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 2, TOWNSHIP 36 SOUTH, RANGE 11 WEST, OF THE SALT LAKE BASE MERIDIAN; THENCE S00°04'33"E, ALONG THE SECTION LINE 1670.41 FEET; THENCE N90°00'00"W, 532.80 FEET TO THE POINT OF BEGINNING; THENCE S09°13'37"E, 156.68 FEET; THENCE S57°48'05"W, 230.09 FEET; THENCE S07°14'21"W, 736.84 FEET; THENCE N76°44'36"W, 563.80 FEET TO A NON-TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 1022.00 FEET, AND A CENTRAL ANGLE OF 11°47'13". RADIUS POINT BEARS N68°40'45"W. THENCE SOUTHWESTERLY ALONG SAID CURVE 210.25 FEET TO A POINT OF REVERSE CURVATURE HAVING A RADIUS OF 228.00 FEET AND A CENTRAL ANGLE OF 20°24'06"; THENCE SOUTHWESTERLY ALONG SAID CURVE 81.19 FEET TO A POINT OF COMPOUND CURVATURE HAVING A RADIUS OF 100.00 FEET AND A CENTRAL ANGLE OF 35°00'34"; THENCE SOUTHERLY ALONG SAID CURVE 61.10 FEET; THENCE S22°18'13"E, 13.12 FEET TO A CURVE TO THE LEFT HAVING A RADIUS OF 119.50 FEET AND A CENTRAL ANGLE OF 29°14'46"; THENCE SOUTHEASTERLY ALONG SAID CURVE 61.00 FEET TO A POINT OF REVERSE CURVATURE HAVING A RADIUS OF 73.00 FEET AND A CENTRAL ANGLE OF 00°26'37"; THENCE SOUTHEASTERLY ALONG SAID CURVE 0.57 FEET TO A POINT OF REVERSE CURVATURE HAVING A RADIUS OF 60.50 FEET AND A CENTRAL ANGLE OF 50°10'29"; THENCE EASTERLY ALONG SAID CURVE 52.98 FEET; THENCE N78°43'09"E, 54.44 FEET TO A POINT LOCATED ON THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 2; THENCE S00°08'24"E, ALONG SAID LINE 57.08 FEET; THENCE DEPARTING SAID LINE AND RUNNING S78°43'09"W, 16.89 FEET TO A CURVE TO THE LEFT HAVING A RADIUS OF 118.50 FEET AND A CENTRAL ANGLE OF 40°48'10"; THENCE SOUTHWESTERLY ALONG SAID CURVE 84.39 FEET TO A POINT OF REVERSE CURVATURE HAVING A RADIUS OF 79.00 FEET AND A CENTRAL ANGLE OF 56°44'48"; THENCE SOUTHWESTERLY ALONG SAID CURVE 78.24 FEET TO A POINT OF REVERSE CURVATURE HAVING A RADIUS OF 54.50 FEET AND A CENTRAL ANGLE OF 47°19'12"; THENCE WESTERLY ALONG SAID CURVE 45.01 FEET; THENCE S47°20'35"W, 146.40 FEET TO A CURVE TO THE RIGHT HAVING A RADIUS OF 236.00 FEET AND A CENTRAL ANGLE OF 24°11'38"; THENCE SOUTHWESTERLY ALONG SAID CURVE 99.65 FEET; THENCE N18°27'47"W 66.00 FEET; THENCE N05°43'26"E, 208.71 FEET; THENCE N11°34'04"E, 482.20 FEET; THENCE N03°33'53"E, 599.28 FEET; THENCE N08°20'07"W, 733.27 FEET; THENCE N58°02'59"E, 222.06 FEET; THENCE S39°54'28"E, 620.51 FEET; THENCE S75°18'43"E, 583.37 FEET TO THE POINT OF BEGINNING. CONTAINING 29.46 ACRES; AND

Canyon Ridge PUD Phase II, Lots 1 through 51, as reflected on the Plat recorded at the Iron County Recorders office; and

Canyon Ridge PUD Phase III, Lots 1 through 11, as reflected on the Plat recorded at the Iron County Recorders office.

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