

**FIRST AMENDMENT TO
 FIRST AMENDED AND RESTATED DECLARATION OF COVENANTS,
 CONDITIONS AND RESTRICTIONS FOR
 WATERSIDE TOWNHOMES, P.U.D.,
 A Planned Unit Development**

This First Amendment to the First Amended and Restated Declaration of Covenants, Conditions and Restrictions for Waterside Townhomes, P.U.D. ("First Amendment"), is made and entered into as of the 29th day of August, 2011, by WATERSIDE TOWNHOMES PUD HOMEOWNERS ASSOCIATION, INC. ("HOA"), pursuant to Article III Section 32(a) of the CC&Rs as defined below.

RECITALS:

A. Taylors Walk LLC as the "Original Declarant" under the First Amended and Restated Declaration of Covenants, Conditions and Restrictions for Waterside Townhomes, P.U.D., recorded the "Original CC&Rs", dated May 21, 2007, and recorded May 29, 2007, as Instrument Number 10114681 in the official records of Salt Lake County, Utah and then amended and restated the Original CC&Rs by amendment dated 2007 and recorded September 11, 2007 as Instrument Number 10218704 in Book 9513, Page 8767-8825 in the official records of Salt Lake County, Utah (the "First Amended and Restated CC&Rs"). The First Amended and Restated CC&Rs as amended by this First Amendment shall hereinafter be referred to as the "CC&Rs". The land subject to the CC&Rs is located in Salt Lake County, State of Utah and is more fully described on Exhibit "A" attached hereto.

B. The Original Declarant defaulted on its Construction Deed of Trust dated February 16, 2007, recorded on February 21, 2007, as Entry 10009828 at Book 9424 Page 7456 in the Salt Lake County Records and Blue Rock foreclosed on the Original Declarant's ownership of all undeveloped parcels in the Waterside Townhomes, P.U.D., on February 18, 2011, as evidenced by the Trustee's Deed recorded on February 22, 2011 at Book 9906 and Pages 6563-6564 in the Salt Lake County Records.

C. Pursuant to Section 37 of the CC&Rs, the Original Declarant's vested rights are automatically assigned to a foreclosing mortgagee.

D. Blue Rock as the foreclosing mortgagee has assigned all of its rights as Declarant to its affiliate BRC Waterside, LLC.

AGREEMENT:

NOW, THEREFORE, the Owners hereby amend the Declaration as follows:

1. **Definitions.** Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Declaration.

2. Amendment to Declaration Text. The Owners hereby amend the Declaration to include the following revised sections as if originally included in the Declaration:

2.1 Article III Section 7 is hereby deleted in its entirety and replaced with the following provision:

“7. Restriction on Leases. No Owner shall lease such Owner’s Unit to more than one (1) Family as defined in Article I, Section 22 of these CC&Rs. All leases and other rental agreements shall be in writing and shall provide that the terms of such lease or rental agreement are subject in all respects to the provisions of these CC&Rs, By-Laws, and the Rules and Regulations. Any breach of any of the foregoing by a tenant under a lease or rental agreement shall constitute a breach by the Owner of these CC&Rs and also a default under the lease or rental agreement. All leases and other rental agreements of Units must be in a form acceptable to the Management Committee. If any tenant breaches any provision contained in these CC&Rs, By-Laws, or the Rules and Regulations, the Owner shall immediately take such actions as may be necessary to correct such breach, including, but not limited to, the eviction of such tenant. The Management Committee shall have the authority to impose fines pursuant to Article III, Section 6(e) herein upon any Owner and/or any tenant who is in breach of these CC&Rs, By-Laws, or the Rules and Regulations. The Management Committee shall not unreasonably delay or withhold its approval of any lease or rental agreement.”

2.2 Article III Section 19(d) is hereby amended to include doorsteps, landings, porches, balconies, decks, and patios as area of personal responsibility for maintenance, repairs and replacement.

3. Survival of Remaining Terms of Declaration. Except as specifically amended herein, the Declaration and all of its terms and provisions remains in full force and effect.

4. Effective Date. This First Amendment shall be effective as of the date of recording in Salt Lake County, Utah, of an original of this First Amendment properly executed and acknowledged hereto.

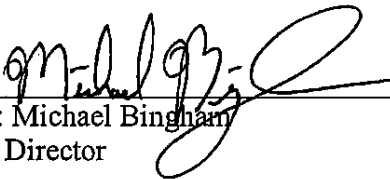
5. Consent of the Owners. This First Amendment is authorized and executed by the Management Committee pursuant to Article III Section 32(a). The Committee hereby certifies it has obtained the affirmative vote of at least sixty-seven percent (67%) of the Owners to amend the Declaration.

EXECUTED as of the date first set forth above.

WATERSIDE TOWNHOMES PUD HOMEOWNERS ASSOCIATION, INC.

MANAGEMENT COMMITTEE:

By: _____
Name: Nate Fotheringham
Title: Director

By: _____
Name: Michael Bingham
Title: Director

By: _____
Name: Thomas Henriod
Title: Director

STATE OF UTAH)
 :SS.
COUNTY OF SALT LAKE)


The foregoing instrument was acknowledged before me this ____ day of _____, 2011, by Nate Fotheringham and Thomas Henriod, each a Director of WATERSIDE TOWNHOMES PUD HOMEOWNERS ASSOCIATION, INC., a Utah corporation.

NOTARY PUBLIC

STATE OF UTAH)
 :SS.
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this 30th day of August, 2011, by Michael Bingham, a Director of WATERSIDE TOWNHOMES PUD HOMEOWNERS ASSOCIATION, INC., a Utah corporation.



_____
NOTARY PUBLIC

EXECUTED as of the date first set forth above.

WATERSIDE TOWNHOMES PUD HOMEOWNERS ASSOCIATION, INC.

MANAGEMENT COMMITTEE:

By: *Nate Fotheringham*
Name: Nate Fotheringham _____
Title: Director _____

By: _____
Name: Michael Bingham _____
Title: Director _____

By: *Thomas Henriod*
Name: Thomas Henriod _____
Title: Director _____

STATE OF UTAH _____)
:ss.
COUNTY OF SALT LAKE _____)

The foregoing instrument was acknowledged before me this 30 day of August, 2011, by Nate Fotheringham and Thomas Henriod, each a Director of WATERSIDE TOWNHOMES PUD HOMEOWNERS ASSOCIATION, INC., a Utah corporation.

Stephanie Garahana
NOTARY PUBLIC _____

STATE OF UTAH _____)
:ss.
COUNTY OF ~~UTAH~~ Salt Lake _____)



The foregoing instrument was acknowledged before me this 30 day of August, 2011, by Michael Bingham, a Director of WATERSIDE TOWNHOMES PUD HOMEOWNERS ASSOCIATION, INC., a Utah corporation.

Stephanie Garahana
NOTARY PUBLIC _____



EXHIBIT A
LEGAL DESCRIPTION

All of Town Home Unit Numbers 1-50 in Building Numbers 1-16 contained within WATERSIDE TOWNHOMES, P.U.D., a Planned Unit Development, as the same is identified in the Amended Record of Survey Map recorded in Salt Lake County, Utah as Entry No. 10514015 of the official records of the County Recorder of Salt Lake County, Utah (as said Record of Survey Map may have heretofore been amended or supplemented) and in the FIRST AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR WATERSIDE TOWNHOMES, P.U.D., a Planned Unit Development, recorded in Salt Lake County, Utah as Entry No. 10218704 in Book 9513 at Page 8767 of the official records of the County Recorder of Salt Lake County, Utah (as said Declaration may have heretofore been supplemented), together with an undivided percentage of ownership interest in the common areas and facilities.

A.P.N. 21-04-281-001 THRU 051