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AMENDMENTS TO THE ENABLING DECLARATION  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
OF  
WATCHWOOD PLANNED UNIT DEVELOPMENT

THESE AMENDMENTS TO THE ENABLING DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS are made and executed this 2nd  
day of March, 1979.

W I T N E S S E T H:

WHEREAS, there has heretofore been recorded with the  
office of the Salt Lake County Recorder an Enabling Declaration  
of Covenants, Conditions and Restrictions of Watchwood Planned  
Unit Development recorded on October 3, 1975 as entry No.  
2748454 in book 3988 at pages 393 et. seq., with respect to  
that certain parcel of real property situate in Salt Lake  
County, State of Utah, and more fully described on Exhibit "A",  
attached hereto and by this reference made a part hereof.

WHEREAS, by consent of all owners of lots and interests in  
the subject property, and all persons having liens and mort-  
gage interest in such property, all of which consents are  
attached hereto and recorded concurrently herewith, it is  
desired to amend portions of the subject Enabling Declaration,  
Covenants, Conditions and Restrictions of Watchwood Planned  
Unit Development.

NOW THEREFORE, the parties agree that the Enabling Decla-  
ration of Covenants, Conditions and Restrictions of Watchwood  
Planned Unit Development shall be amended as follows:

I. PARAGRAPH 7 OF ARTICLE C OF THE ENABLING DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS IS AMENDED TO READ  
AS FOLLOWS:

7. Service of Process: The person to receive service  
of process in the cases contemplated by the Act is

Kirby Kirkman  
2261 West 4220 South  
Salt Lake City, Utah

6700  
Mar 15 4 18 PM '79  
KATIE L. NIXON  
RECORDER  
SALT LAKE COUNTY,  
UTAH  
REC'D OF  
+ down  
8401

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II. PARAGRAPH 14 OF ARTICLE C OF THE ENABLING DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS IS AMENDED TO READ AS FOLLOWS:

14. Payment of Expenses: Each lot owner shall pay to the Management Committee his portion of the costs and expenses required and deemed necessary by the Management Committee in connection with water and sewer services to the lots in the Project and costs and expenses deemed necessary to manage, maintain and operate the common areas and facilities of the Project. The payments to be made hereunder shall include (in regular periodic payments, and not by special assessment) an adequate reserved fund for maintenance, repairs and replacement of all elements of the common areas and facilities that must be replaced on a periodic basis. The assessment may also include among other things the cost of management, taxes, special assessments, fire, casualty and public liability insurance premiums, common lighting, landscaping and the care of grounds, repairs, garbage collection, snow removal, wages, water and charges, legal and accounting fees, sewer charges, costs of operating all gas fired equipment and the cost of electricity, expenses and liabilities incurred by the Management Committee under or by reason of this Declaration, the payment of any deficit remaining from a previous period, the creation of a reasonable contingency or other reserve or surplus fund, as well as all other costs and expenses of any nature relating to this Project. Such payments shall be made upon the terms, at the time and in the manner provided without deduction of any off-sets or claims which the owner may have against the Committee, and if any owner shall fail to pay any installment within one (1) month from the time when the same becomes due, the owner shall pay interest thereon at the rate of 1% per month from the date when such installment shall become due to the date of the payment thereof.

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The Management Committee may, from time to time, up to the close of the year for which such cash requirements have been so fixed or determined, increase or diminish the amount previously fixed or determined for such year. The Committee may include in the cash requirements for any year, any liabilities or items of expense which accrued or became payable in the previous year or which might have been included in the cash requirements for a previous year, but were not included therein, and also any sums which the Management Committee may deem necessary or prudent to provide a reserve against liabilities or expenses then accrued or thereafter to accrue although not payable in that year. In any year in which there is an excess of assessments received over amounts actually used for the purposes described in this Declaration or otherwise required to be accumulated under provisions of this Declaration, such excess may, upon written consent of all of the members, be applied against and reduce the subsequent year's assessment or be refunded to the members. The preceding sentence shall automatically be repealed upon the revocation of Rev. Rul. 70-604, 1970-2, CB 9 promulgated by the Internal Revenue Service or upon a court of competent appellate jurisdiction declaring such Rev. Rul. invalid or upon amendment of the Internal Revenue Code or the Treasury Regulations thereunder obviating the requirement of a membership vote to apply such excess to the subsequent year's assessments or to refund same in order that such excess be excluded from gross income of the Association.

The pro-rata portion payable by the owner in and for each year or portion of year shall be that ratio, a sum within limits and on conditions hereinabove provided, calculated by multiplying to the aggregate amount of such cash requirements for such year or portion of year, by the owner's percentage of undivided interest in the common areas and facilities. All such assessments, together with any additional sums accruing under this Declaration,

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shall be payable monthly in advance, or in such payments and installments as shall be required by the Management Committee, and at such times as shall be provided by the Management Committee.

It is the express intention of this Declaration, and this Declaration shall be so construed, that the entire pro-rata assessments payable to the Management Committee herein shall be made only with respect to all lots upon which improvements have been made to the extent so as to allow occupancy of such units. Accordingly, notwithstanding any other provision of this Declaration, the Management Committee shall have discretionary powers to assess amounts less than the entire pro-rata assessments specified above with respect to any lot on which habitable improvements have not been completed on such lot.

The Management Committee shall have discretionary powers to prescribe the manner of maintaining the operation of the Project, and to determine the cash requirements of the Management Committee to be paid as aforesaid by the owners under this Declaration. Every such reasonable determination by the Committee within the bounds of this Declaration, shall be final and conclusive as to the owners, and any expenditures made by the Committee within the bounds of this Declaration shall be deemed, as against the owners, necessary and properly made for such purpose.

If any owner shall, at any time, let or sublet any lot and shall default for a period of one (1) month in payment of any management assessments, the Management Committee may, at its option, so long as such default shall continue, demand and receive from any tenant or subtenant of such owner occupying the lot, the rent due or becoming due up to the amount of such assessment due, together with all penalties provided herein. Such payment of rent to the Committee shall be sufficient payment

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and discharge of such tenant or subtenant as between such tenant or subtenant and such owner to the extent of the amount so paid.

Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the owner against whom the same are assessed at the time the assessment is made, and shall be collectible as such. Suit to recover a money judgment for unpaid common expenses may be maintained without foreclosing or waiving the lien securing the same. The amount of assessment, whether regular or special, assessed to the owner of any lot, plus interest at 1% per month and costs, including reasonable attorney's fees, shall become a lien upon such lot upon recordation of notice of assessment. Said lien for non-payment of common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

(a) Tax and special assessment liens on the lot in favor of any assessment authority, or special district, and

(b) Encumbrances on the owner's lot and such owner's interest in the common areas recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

A certificate executed and acknowledged by a majority of the Management Committee stating the indebtedness secured by the lien upon any lot in the Project hereunder shall be conclusive upon the Management Committee and the owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any owner or any encumbrancer or prospective encumbrancer of a lot upon request at a reasonable fee, not to exceed Ten and no/100 (\$10.00) Dollars. Unless the request for a certificate of indebtedness shall be complied with within ten (10) days, all unpaid common expenses which become due prior to the date of the making of

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such request shall be subordinate to the lien held by the person making the request. Any encumbrancer holding a lien on the lot may pay any unpaid common expenses payable with respect to such lot and upon such payment such encumbrancer shall have a lien on such lot for the amounts paid of the same ranks as the lien of his encumbrance.

Upon payment of a delinquent assessment concerning which such a certificate has been so recorded, or other satisfaction thereof the Management Committee shall cause to be recorded, in the same manner as the certificate of indebtedness, a further certificate stating the satisfaction and the release of the lien thereof. Such lien for non-payment of assessment may be enforced by sale by the Management Committee or by a bank or trust company or title insurance company authorized by the Management Committee, such sale to be conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law. In any foreclosure of sale, the owner shall be required to pay the costs and expenses of such proceedings and reasonable attorney's fees.

III. PARAGRAPH 15 OF ARTICLE C OF THE ENABLING DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS IS AMENDED AS FOLLOWS:

15. Mortgage Protection: Notwithstanding any other provisions herein to the contrary:

(a) Any "right of first refusal" which may be granted herein shall not impair the rights of a first mortgagee to:

(i) Foreclose or take title to a lot pursuant to the remedies provided in the mortgage, or

(ii) accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor,  
or,

(iii) interfere with a subsequent sale or lease of the lot so acquired by the mortgagee.

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(b) Any first mortgagee who obtains title to a lot pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such lots unpaid dues or charges which accrue prior to the acquisition of title to such lot by the mortgagee.

(c) Unless at least two-thirds (2/3) of the first mortgagees (based upon one vote for each first mortgage owned) or owners (other than the sponsor, developer or builder) of the individual lots in the project have given their prior written approval, the homeowners association or any corporation or trust established by the homeowners association shall not be entitled to:

(i) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any common areas or facilities owned, directly or indirectly, by the homeowners association or any corporation or trust established by the homeowners association, for the benefit of the lots in the project (the granting of easements for public utilities or for other public purposes consistent with the intended use of such common areas and facilities by the project shall not be deemed a transfer within the meaning of this clause);

(ii) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of lots, the exterior maintenance of lots, the maintenance of any common property party walks or common fences and driveways, or the unkeep of lawns and plantings in the project;

(iii) fail to maintain fire and extended coverage or insurable common areas and facilities on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost);

(iv) use hazard insurance proceeds for losses to any common areas and facilities for other than the repair, replacement or reconstruction of such common areas and facilities.

(d) First mortgagees of lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any common areas and facilities and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such common areas and facilities and first mortgagees making such payments shall be owed immediate reimbursement therefore from the homeowners association.

(e) No provision herein is intended, nor shall it be construed, to give any lot owner, or any other party, priority over any rights of the first mortgagee of a lot pursuant to its mortgage in the case of a distribution to such lot owner of insurance proceeds or condemnation awards for losses to or a taking of common areas and facilities.

IV. Except as expressly amended herein, the parties agree that all other provisions of the Enabling Declaration of Covenants, Conditions and Restrictions of Watchwood Planned Unit Development shall continue in full force and effect.

V. These amendments shall become effective upon recording with the Salt Lake County Recorder's Office.

DATED this 2nd day of <sup>March</sup>~~November~~, 1979.

WATCHWOOD PLANNED UNIT DEVELOPMENT  
HOMEOWNERS ASSOCIATION

BY Kirby M. Kirkman  
ITS Chairman

THE STATE OF UTAH )  
: ss,  
COUNTY OF SALT LAKE )

The foregoing instrument was acknowledged before me this 2nd day of March, 1979, by Kirby M. Kirkman the Chairman of Watchwood Planned Unit Development Homeowners Association.

WITNESS my hand and official seal.



Kristine K. Linn  
NOTARY PUBLIC  
Residing in:

My commission expires:  
Jan 03, 1983

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