

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
LIBERTY GROVE
A PLANNED UNIT DEVELOPMENT
February 12, 2001

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RANDALL A. COVINGTON
UTAH COUNTY RECORDER
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RECORDED FOR LIBERTY GROVE HOMEOWNERS

This is the SECOND AMENDMENT to the Declaration of Covenants, Conditions and Restrictions to the planned unit development (PUD) known as Liberty Grove located in Pleasant Grove, Utah. The PUD is described as shown in Exhibit A, consisting of three (3) plats for the development, attached hereto, and incorporated herein by this reference.

ARTICLE I - DEFINITIONS

The following definitions control in this Declaration. These terms, though defined, are generally not capitalized in the Declaration.

Section 1. Declaration means this instrument and any amendments.

Section 2. Plat or Map means the subdivision plat recorded herewith entitled "Liberty Grove," consisting of three (3) sheets, prepared and certified by Matthew B. Judd, a Utah Registered Land Surveyor or any replacements thereof or additions thereto.

Section 3. Property or Properties means that certain real property hereinbefore described, and such additions thereto as may hereafter be subjected to this Declaration.

Section 4. Association means Liberty Grove Owners Association, Inc., its successors and assigns.

Section 5. Common Area means that portion of property owned by the Association, shown on the plat as dedicated to the common use and enjoyment of the owners.

Section 6. Limited Common Area means that portion of property owned by the Association, shown in the plat as dedicated to the exclusive use and enjoyment of the owner of the lot to which such limited common area is adjacent and/or appurtenant. Limited common area is subject to rights of the Association set forth in this Declaration.

Section 7. Lot means a separately numbered and individually described plot of land shown on the plat designated for private ownership, but specifically excludes the common and limited common areas.

Section 8. Twin home means a single family dwelling with walls and roofs in common with other single family dwelling lots. Twin home includes fee simple title to the real property lying directly beneath the single family dwelling, within lot boundary lines.

Section 9. Owner means the entity, person, or group of persons owning fee simple title to any lot which is within the properties. Regardless of the number of parties participating in ownership of each

lot, the group of those parties shall be treated as one "owner."

Section 10. Member means every person or entity who holds membership in the Association. Every member is an owner, and every owner is a member.

Section 11. Trustees means the governing body of the Association.

Section 12. Mortgage includes "deed of trust" and Mortgagee includes "trust deed beneficiary" (creditors).

Section 13. Quorum means 60 percent of the owners (or 18), whether in person or by proxy.

ARTICLE II - PROPERTY RIGHTS

Section 1. Title to the Common Area. A fee simple title to the common area and limited common area has been conveyed to the Association, free and clear of all encumbrances and liens, subject to this Declaration, and easements and rights-of-way of record. In accepting the deed, the Association covenanted to fulfill all the terms of this Declaration, to maintain the common area in good repair and condition at all times, and to operate the common area at its own expense in accordance with high standards.

Section 2. Owners' Easements of Enjoyment. Every owner has a right and easement of use and enjoyment in and to the common area. This easement is appurtenant to and passes with the title to every lot, subject to:

- (a) The right of the Association to suspend the voting rights of a member for any period during which any assessment or portion thereof against his lot remains unpaid, and for a period of not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (b) The right of the Association to enter into agreements or leases which provide for use of the common areas and facilities for cash consideration;
- (c) The right of the Association with the approval of sixty-seven percent (67%) of owners, to sell, exchange, hypothecate, alienate, mortgage, encumber, dedicate, release or transfer all or part of the common area or any interest therein to any private individual, corporate entity, public agency, authority, or utility;
- (d) The right of the Association to grant easements for water, sewer, gas, telephone, electricity and drainage purposes;
- (e) The right of the Association to take such steps as are reasonably necessary or desirable to protect the common area against foreclosure;
- (f) The terms and conditions of this Declaration;
- (g) The right of the Association to adopt rules and regulations concerning use of the common area.

Section 3. Limited Common Area. A lot owner is entitled to the exclusive use of the limited common area adjacent and appurtenant thereto, if any, and to exclusive use of the parking area, if any, designated with his lot number on the plat. The Association, through its Trustees, may adopt rules and regulations concerning use of the limited common area.

Section 4. Delegation of Use. An owner is deemed to delegate his right of enjoyment to the common area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property. Non-residents shall have no such right of enjoyment.

Section 5. Rules. The Trustees shall have the authority to promulgate rules and regulations for the governance of the Property, and persons within the Property. These rules of the Association shall be compiled and copies shall be made available by the Trustees for inspection and copying.

Section 6. Lot. Each lot is owned in fee simple by the owner. However, an area within the surveyed lot boundaries but outside the originally constructed twin home walls shall be treated as limited common area for use purposes, and as exterior area for maintenance purposes. Any construction on a lot must conform to the location, size, and appearance of the originally constructed twin home.

ARTICLE III - MEMBERSHIP, VOTING RIGHTS, MEETINGS AND OFFICERS

Section 1. Membership. Every owner is a member of the Association. The term "owner" includes contract purchasers but does not include persons who hold an interest merely as security for the performance of an obligation unless and until title is acquired by foreclosure or similar proceedings. Membership is appurtenant to and may not be separated from lot ownership. Membership in the Association automatically transfers upon transfer of title by the record owner to another person or entity.

Section 2. Voting Rights. All members as defined in the Declaration are entitled to one vote for each lot owned. When more than one person holds an interest in any lot, the group of such persons shall be a member. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot. A vote cast at any association meeting by any of such co-owners, whether in person or by proxy, is conclusively presumed to be the vote attributable to the lot concerned unless written objection is made prior to that meeting, or verbal objection is made at that meeting, by another co-owner of the same lot. In the event an objection is made, the vote involved shall not be counted for any purpose except to determine whether a quorum exists.

Section 3. Meetings.

- (a) At least one meeting of the Association is to be held annually in January. Other meetings may be held as needed by the officers of the Association or by a petition signed by two-thirds of Association members. Any meeting requires reasonable prior notice to homeowners. The place of the meeting will be convenient to the Association members as determined by the Trustees. Proxy votes are acceptable and must be submitted to the Association secretary prior to the meeting. Any meeting that requires Association voting

requires the participation of a quorum of homeowners, either through attendance or proxy vote. Minutes of Association meetings will be distributed to all Association members within 30 days of the meeting.

- (b) Meetings shall be conducted according to Roberts Rules of Order and parliamentary procedures. A parliamentarian shall be appointed by the Trustees for all meetings.
- (c) Homeowners are responsible for knowing and understand Roberts Rules of Order and parliamentary procedures for the conducting and participation in meetings.

Section 4. Officers. The Board of Trustees comprise the Association officers including president, vice president, secretary and treasurer as follows:

- (a) The president shall be the chief executive officer of the Association and shall assume the general powers and duties that are usually associated with the officer of president, including but not restricted to (i) presiding at meetings of the Association and the Trustees, (ii) appointing committees as needed to conduct affairs of the Association, and (iii) acting for the Association as allowed by this Declaration.
- (b) The vice president shall assume the place of the president during the president's absence or inability to act and other duties as assigned by the president.
- (c) The secretary shall (i) keep minutes of Association and Trustee meetings, (ii) issue notices and other correspondence as directed by the officers, and (iii) prepare and distribute regular information to Association members as determined by the officers.
- (d) The treasurer shall (i) be responsible for all Association funds and for keeping a full and accurate accounting of receipts and disbursements as approved by the Trustees, (ii) collect assessments and deposit funds received by the Association, (iii) pay bills in a timely manner, (iv) prepare annual budgets and issue a written financial statement to owners at the annual meeting, and (v) be the principal advisor on long-range financial planning and insurance.

Section 5. Election of Officers. Officers will normally be elected at the annual meeting. At least 30 days prior to the meeting, the Trustees will appoint three members of the Association as a nominating committee to select and place before the membership a slate of candidates for the offices that need to be filled. Secret balloting, either in person or by proxy, will be conducted at the meeting. A candidate must receive a plurality of votes to be elected. Special elections may be conducted without a meeting as necessary by the Trustees using the principles of participation and secret ballot as contained in this Declaration.

Section 6. Term of Officers. The normal term for each officer in the Association is two years. No officer may serve more than two consecutive terms. In order to foster continuity of leadership, normally a new president and secretary will be elected one year and a vice president and treasurer the other year.

Section 7. Removing officers from office. At any meeting of Association members which has been duly called and a quorum is present, any officer may be removed by a majority vote and a successor elected. However, the individual slated for removal must be duly notified and invited to be heard prior to the vote of the membership.

Section 8. Power and duties of Trustees. The Trustees shall have the power and duties necessary to conduct all business for the Association, as guided and limited by this Declaration. Such duties include but are not limited to (a) arranging for care, upkeep and surveillance of the common areas and facilities; (b) collection of assessments and payment of bills; (c) long range planning for maintenance and upkeep; and (d) maintaining insurance coverage for common areas and facilities.

Section 9. Financial limits of Trustee Authority. The Trustees shall have the authority to make routine expenditures (e.g. insurance premiums, common area maintenance, etc.) and special expenditures up to \$500 per item. Unusual expenditures in excess of \$500 require a sixty-seven percent approval by the Association membership.

Section 10. Fidelity bond coverage. Any officer handling funds of the Association shall be covered by an appropriate fidelity bond. The Association will be named as the obligee and the bond will be written in an amount equal to at least 150% of the estimated annual operating expenses of the Association.

ARTICLE IV - FINANCES AND OPERATIONS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each owner and each subsequent owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, covenants and agrees to pay to the Association (a) annual assessments; (b) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided; (c) any other amount or assessment levied or charged by the Association or Trustees pursuant to this Declaration, and (d) interest, costs of collection and a reasonable attorney's fee, as hereinafter provided. All such amounts shall be a charge on the land and shall be a continuing lien upon the property against which each such person who was the owner of such property at the time when the assessment fell due. Successors-in-title shall not be personally liable for assessments delinquent at the time they took title unless that obligation is expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used for (a) the purpose of promoting the recreation, health, safety, and welfare of the residents of the properties and (b) the improvement and maintenance of properties, services, and facilities devoted to this purpose. The assessments must provide for but are not limited to, the payment of taxes on Association property and insurance maintained by the Association; the payment of the cost of repairing, replacing, maintaining and constructing or acquiring additions to the common and limited common areas; the payment of the cost of repairing, replacing, and maintaining the exterior of the twin homes; the payment of administrative expenses of the Association; insurance deductible amounts; the establishment of a reserve account for repair, maintenance and replacement of those common and limited common areas which must be replaced on a periodic basis; and other amounts required by this Declaration or that the Trustees shall determine to be necessary to meet the primary purposes of the Association. The assessments may provide, at the discretion of the Trustees, for the payment of other charges including, without limitation, maintenance, management, utilities, trash collection, sewer and water charges, information and counseling, recreational and referral services, transportation to facilitate access to social services and related services.

Section 3. Maximum Annual Assessment. As of January 1, 2000, the maximum annual assessment shall be Twelve Hundred Dollars (\$1,200.00) per lot. This amount shall be the basis of calculation for future maximum annual assessments. From and after the date above, the maximum annual assessment shall be increased each year not more than five percent (5%) above the maximum assessment for the previous year, without a vote of the membership. The Association may change the basis and maximum of the assessments fixed by this Section prospectively for any annual period provided that any such change shall have the assent of sixty-seven (67%) of the votes of members, voting in person or by proxy, at a meeting duly called for this purpose or through written voting.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments, the Association may levy in any assessment year a special assessment, applicable to that year only. Special assessments may only be levied to defray, in whole or in part, the cost of any construction, reconstruction, repair or replacement of common or limited common area structures and fixtures related thereto. Special assessments must have the assent of sixty-seven percent (67%) of the votes of the members authorized to vote, in person or by proxy, at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3. and 4 Above. Written notice of any meeting of members called for the purpose of taking any action authorized under Sections 3, 4 or 5 shall be sent to all members with reasonable notice in advance of said meeting. At the first meeting called, the presence at the meeting of members, or of proxies, entitled to cast sixty percent (60%) of all the votes shall constitute a quorum. If the quorum requirement is not met at such a meeting, another meeting may be called, with reasonable advance written notice, and the required quorum at any such subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment: Periodic Assessment. Both annual and special assessments must be fixed at a uniform rate for all lots. This method of determining the assessments, dues and charges may not be changed without the prior written approval of all first mortgagees. Annual, special and additional assessments may be collected on a monthly or quarterly basis, as the Trustees determine.

Section 7. Annual Assessments Due Dates. The Trustees shall send or cause to be sent, with reasonable notice, a written notice of the annual assessment to each owner subject thereto. Receipt of notice shall not be a prerequisite to validity of the assessment.

The assessment due dates shall be established by the Trustees. The Trustees may provide for the payment of annual and special assessments in equal installments throughout the assessment year.

The Trustees shall prepare a roster of the properties and the assessments applicable thereto at the same time that it shall fix the amount of the annual assessment, which roster shall be kept by the Treasurer of the Association, who shall record payments of assessments and shall allow inspection of the roster by any member at reasonable times.

The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessment on a specified lot has been paid. Such certificates, when properly issued, shall be conclusive evidence of the payment of any assessment or fractional part thereof which is therein shown to have been paid.

Section 8. Effect of Non-Payment of Assessment - Remedies of the Association. Regular monthly assessments are due at the first of each month, and any such assessments not paid by the fifteenth of the month will be assessed a minimum \$5 late fee or other fee determined by the Association not to exceed ten percent (10%) of the installment. Monthly assessments may be paid in advance, but there is no discount for such payments. Any assessment or installment thereof not paid within thirty (30) days after the due date therefrom shall be delinquent and shall bear interest from the due date at the rate of eighteen percent (18%) per annum (or such lesser rate as the Trustees shall determine appropriate) until paid.

The Trustees may, in the name of the Association, (a) bring an action at law against the owner personally obligated to pay any such delinquent assessment without waiving the lien of assessment, (b) foreclose the lien against the property in accordance with the laws of the State of Utah applicable to the foreclosure of mortgages, or in any other manner permitted by law, and/or (c) restrict, limit, or totally terminate any or all services performed by the Association in behalf of the delinquent member.

There shall be added to the amount of any delinquent assessment the costs and expenses of any action, sale or foreclosure, and a reasonable attorney's fee, together with an account for the reasonable rental for the lot from time of commencement of the foreclosure.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage held by an institutional lender if the mortgage was recorded prior to the date the assessment became due. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to foreclosure of a first mortgage of any proceeding in lieu thereof, shall extinguish the assessment lien as to payments which became due prior to such sale or transfer. No sale or transfer, however, shall relieve a lot or owner from personal liability for assessments coming due after he takes title or from the lien of such later assessments.

Section 10. Books, Records and Audit. The Association shall maintain current copies of the Declaration, Articles, Bylaws, Rules and other similar documents, as well as its own books, records and financial statements which shall all be available for inspection by lot owners and insurers as well as by holders, insurers and guarantors of first mortgages during normal business hours upon reasonable notice. Charges shall be made for copying, researching or extracting from such documents. A lot owner or holder, insurer or guarantor of a first mortgage may obtain an audit of Association records at its own expense so long as the results of the audit are provided to the Association.

ARTICLE V - INSURANCE

Section 1. Casualty Insurance on Insurable Common Area. The Trustees shall keep all insurable improvements and fixtures of the common area insured against loss or damage by fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the common area shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses which shall be included in the annual

assessments made by the Association.

In addition to casualty insurance on the Common Area, the Trustees shall obtain and continue in effect, on behalf of all owners, adequate blanket casualty and fire insurance in such form as the Trustees deem appropriate in an amount equal to the replacement value, without deduction for depreciation or coinsurance, of all the twin homes including the structural portions and other features and fixtures thereof; this coverage is the "all-in" type, as the term is commonly used by the insurance industry. Insurance premiums from any such blanket insurance coverage, and any other insurance premiums paid by the Association to be included in the regular annual assessments as levied by the Association. The insurance coverage with respect to the twin homes shall be written in the name of, and the proceeds thereof shall be payable to, the Association as trustee for the owners.

Section 2. Casualty Insurance on Twin Homes. Unless the Association shall elect to provide a blanket casualty policy, each owner shall be responsible to keep all attached improvements except divider fences and patio covers installed as part of the original structure insured against such losses or damages as the owner shall elect. Owner shall repair and replace any damage to the improvements for which insurance is to be carried.

Section 3. Replacement or Repair of Property. In the event of damage to or destruction of any part of the common area improvements, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a reconstruction assessment against all lot owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other common assessments made against such lot owner.

In the event that the Association is maintaining blanket casualty and fire insurance on the twin homes, the Association shall repair or replace the same to the extent of the insurance proceeds available.

In the event of damage or destruction by fire or other casualty to any portion of the development covered by insurance written in the name of the Association, the Trustees are empowered to and shall represent the members in any proceedings, negotiations, settlements or agreements. The Association is appointed attorney-in-fact of each owner for this purpose.

Section 4. Liability Insurance. The Trustees shall obtain a comprehensive policy of public liability insurance covering all of the common and limited common property for at least \$1,000,000.00 per occurrence for personal or bodily injury and property damage that results from the operation, maintenance or use of the common areas. Liability insurance policies obtained by the Association shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an owner because of negligent acts of the Association or other owners.

Section 5. Fidelity Insurance. The Trustees may elect to obtain fidelity coverage against dishonest acts on the part of managers, Trustees, officers, employees, volunteers, management agents or others responsible for handling funds held and collected for the benefit of the owners or members. In procuring fidelity insurance the Trustees shall seek a policy which shall (a) name the Association as obligee or beneficiary, plus (b) be written in an amount not less than the sum of (i) three months' operating expenses

and (ii) the maximum reserves of the Association which may be on deposit at any time, and (c) contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee."

Section 6. Annual review of Policies. All insurance policies shall be reviewed at least annually by the Trustees in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacements of the property which may be damaged or destroyed.

ARTICLE VI - ARCHITECTURAL CONTROL COMMITTEE

Section 1. Structure of Architectural Control Committee (ACC). The Architecture Control Committee is composed of three or more members of the Association appointed by the Trustees for a period normally not to exceed two years.

Section 2. Function of the ACC. The ACC oversees all changes to common areas, including improvements and beautification. No structure, building, fence, wall or addition, extension or expansion of any of the foregoing shall be commenced, erected or maintained upon the properties, nor shall any exterior addition, change or alternation to any lot or twin home be made until the plans and specifications showing the nature, kind, shape, height, materials, colors and location of the same have been submitted to and evaluated by the ACC and approved by the Trustees. Criteria for evaluation by the ACC will include harmony of external design, location in relation to surrounding structures, impact on neighboring units, topography, and consistency of use of common areas.

The ACC will also evaluate any plan or proposal to change the architectural design and exterior appearance of limited common areas including walls, fences, driveways, patios, patio covers, lawns, trees and shrubs. The main criteria for evaluation will be harmony of external design and impact on neighboring units.

Section 3. Procedure. Change request forms will be provided to owners by the ACC. The owners must submit detailed plans and specifications with the request form to the ACC. The ACC will meet as needed with the Trustees wherein plans and proposals will be considered for approval. The Trustees will inform the ACC and owner of the decision or status in writing within 30 days of the date of submission. Decisions by the Trustees may be appealed by owners by using the petition procedure outlined in Article III, Section 3.

ARTICLE VII - EXTERIOR MAINTENANCE

Section 1. Exterior Maintenance. The Association shall provide appropriate exterior maintenance as determined by the Trustees upon each original construction of the twin home, including but not limited to the following: paint, roofs, gutters, down spouts, surface drainage system, exterior building surfaces, window wells, and outside lights. In addition the Association shall provide maintenance to all common areas including but not limited to landscaping, sidewalks, mailboxes, curbs, streets and street lighting, and

fences. Maintenance by the Association in the limited common areas shall be limited to divider fences, driveways, and patio covers installed as part of the original structure. The cost of regular exterior maintenance shall be a common expense and shall be added to and become part of the regular annual assessment.

Section 2. Maintenance by Owner. Each owner must perform prompt maintenance and repair work within the owner's twin home which, if omitted, would affect the properties in its entirety or a part belonging to other owners. Each owner shall maintain (a) the interior of the twin home, including water, sewer, gas, sewer, telephone, air conditioning, sanitary installations, lighting and other accessories belonging to the twin home; (b) exterior windows and doors; (c) rear limited common areas (as shown on the recorded maps) except as designated in Section 1 above and any common area designated in writing to the owner including but not limited to patio, sprinkler system, owner-installed fence or patio covers, trees, and shrubs; and (d) any item required due to willful or negligent acts by the owner or guests. In the event an owner shall fail to perform this maintenance in a manner satisfactory to the Trustees, the Trustees shall have the right to have such maintenance performed. The cost of such maintenance shall be added to and become part of the assessment to which such lot is subject.

Section 3. Access at Reasonable Hours. For the purpose solely of performing the maintenance required by this article, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the owner, to enter upon any lot or limited common area at reasonable hours.

Section 4. Emergency Access. The owner shall grant the right of entry to Trustees or its duly authorized agents in case of emergency originating in or threatening any twin home, whether the owner is present or not.

ARTICLE VIII - USE RESTRICTIONS

Section 1. General Use Restrictions. All of the properties which are subject to this declaration are hereby restricted to residential dwellings and buildings. All buildings or structures erected on the properties shall be of quality construction and no buildings or structures shall be removed from other locations to the properties. No subsequent building or structure dissimilar to that initially constructed shall be moved onto any lot. No building, storage shed or structure of any kind, trailer, tent, camper, boat, shack, garage, barn, or other recreational vehicle shall be placed or used on any lot at any time without Trustee approval. Exceptions include the use of a standard residential real estate "For Sale" or "For Rent" sign and short-term use by owner-used recreational vehicles being prepared for travel.

Section 2. Signs: Commercial Activity. No advertising signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed, or permitted to remain on any lot or any portion of the properties. No commercial activities of any kind whatever shall be conducted in any building or on any portion of the properties. The foregoing restrictions shall not apply to the Association in furtherance of its powers and purposes set forth hereinafter.

Section 3. Quiet Enjoyment. No obnoxious or offensive activity shall be carried on upon any part of the Property nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the owners or which shall in any way increase the rate of insurance.

Section 4. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of said lots, except that dogs, cats or other household pets, two or less in total number, may be kept provided that they are not kept, bred or maintained for any commercial purpose. Notwithstanding the foregoing, no animals or fowl may be kept on the property which result in an annoyance or are obnoxious, by noise, smell or otherwise to lot owners. All pets must be kept on the lot or on a leash when in the common areas and owners must clean up after their pets. These provisions may be made more restrictive by rules of the Association.

Section 5. Use of Common Area. Except for the rights of ingress and egress, owners are hereby prohibited and restricted from using any of said common area, other than as permitted in this Declaration or as may be allowed by the Trustees. It is expressly acknowledged and agreed by all parties concerned that this restriction is for the mutual benefit of all owners of lots in the properties and is necessary for the protection of the interests of all said owners in and to the common area.

Section 6. Parking. No motor vehicle which is inoperable shall be allowed within the Properties, and any motor vehicle which remains parked over 72 hours shall be subject to removal by the Association, at the owner's expense. The Trustees may assign parking spaces for each twin home. Parking spaces within the Properties shall be used for parking of motor vehicles used by owners or guests for personal use and not for commercial use or non-resident parking. Recreational vehicles, boats, travel trailers and similar vehicles may not be parked within the Properties unless specifically approved by the Trustees. Overnight parking is allowed only in driveways and the designated area to the east of and behind Units 17 and 18. Daytime parking is limited to north and east sides of the streets. Owners must have access to their individual driveways. Owners are responsible for informing guests of parking policies, especially in regards to the accessibility of service vehicles.

Section 7. Fences and Hedges. No fences, hedges or walls shall be erected or maintained upon any property except such as are installed in accordance with Article VI.

Section 8. External Apparatus. No lot owner shall cause or permit anything (including, without limitation, awnings, canopies or shutters) to hang, be displayed or otherwise affixed to or placed on the exterior walls or roof or any part thereof, or on the outside of windows or doors, without the prior written consent of the Trustees in accordance with Article VI, Section 2. A reasonable display of flags and seasonal decorations are excluded from the approval requirement and are permitted.

Section 9. Exterior Television or Other Antennas. No exterior radio or other antennas, except one television satellite dish which shall not exceed three feet in height, per lot, shall be placed, allowed or maintained upon any lot or upon any structure or portion of the improvements situated and located upon the properties without prior written approval of the Trustees.

Section 10. Garbage Removal. All rubbish, trash and garbage shall be regularly removed from the lots, common and limited common areas and shall not be allowed to accumulate thereon. Garbage should be placed in proper containers and regularly removed at owner's expense.

Section 11. Interior Utilities. All utilities, fixtures and equipment installed within a lot, commencing at a point where the utility lines, pipes, wires, conduits or systems enter boundaries of a lot, shall be maintained and kept in repair by the owner thereof. An owner shall do no act nor any work that will impair any easement or hereditament nor do any act nor allow any condition to exist which will adversely affect the other lots or owners.

Section 12. Leases and Rental Agreements. Any lease or rental agreement shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, the Articles of Incorporation, Bylaws and Rules and Regulations of the Association and that any failure by lessee to comply with the terms of such documents shall be a default under the lease. Owners shall provide the Association with copies of all lease agreements at the time of execution, and shall provide the renters with a copy of this Declaration at the same time.

ARTICLE IX - EASEMENTS

Section 1. Encroachments. Each lot and the property included in the common and limited common areas shall be subject to an easement for encroachments created by construction, settling and overhangs, as designed or constructed by the original builder. A valid easement for said encroachments and for the maintenance of same, so long as it stands, shall and does exist. In the event the structure on a lot is partially or totally destroyed, and then rebuilt, the owners of the lots so affected agree that minor encroachments of parts of the adjacent lots or common or limited common areas due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

Section 2. Utilities. There is hereby created a blanket easement upon, across, over and under all of the properties for ingress, egress, limited to water, sewers, gas, telephone, cable television, and electricity. By virtue of this easement, it shall be expressly permissible for all public utilities serving the properties to lay, construct, renew, operate and maintain conduits, cables, pipes, mains, ducts, wires and other necessary equipment on the properties, provided that all such services shall be placed underground. Notwithstanding anything to the contrary contained in this section, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the properties except as approved by the Association. Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Association shall have the right to grant such easement on said property without conflicting with the terms hereof. All utilities that are installed in, upon, under or through the common areas of the properties shall be maintained under the direction of the Association.

Section 3. Police, Fire and Ambulance Service. An easement is hereby granted to all police, fire protection, ambulance services and all similar persons to enter upon the streets and common and limited common areas in the performance of their duties.

Section 4. Maintenance by Association. An easement is hereby granted to the Association, its officers, agents, employees and to any maintenance company selected by the Association to enter in or to cross over the common and limited common areas and any lot to perform the duties of maintenance and repair.

Section 5. Other Easements. The easements provided for in this Article IX shall in no way affect any other recorded easement.

ARTICLE X - GENERAL PROVISIONS

Section 1. Enforcement. The Association or any owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, or any rule of the Association, including but not limited to any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants. Failure of the Association or of any owner to enforce any covenant or restriction herein contained or any rule of the Association shall in no event be deemed a waiver of the right of the Association or any owner to do so thereafter. In the event action, with or without suit, is undertaken to enforce any provision hereof or any rule of the Association, the party against whom enforcement is sought shall pay to the Association or enforcing owner a reasonable attorney's fee. The Trustees may levy a fine or penalty not to exceed 10% of the amount of the maximum annual assessment against any owner who fails to refrain from violation of these covenants or a rule of the Association, after three (3) days written notice.

Section 2. Severability. All of said conditions, covenants and reservations contained in this Declaration shall be construed together, but if any one of said conditions, covenants, or reservations, or any part thereof, shall at any time be held invalid, or for any reason become unenforceable, no other condition, covenant, or reservation, or any part thereof, shall be thereby affected or impaired; and the Association and owners, their successors, heirs and assigns shall be bound by each article, section, subsection, paragraph, sentence, clause and phrase of this Declaration, irrespective of the invalidity or unenforceability of any other article, section, subsection, paragraph, sentence, clause or phrase.

Section 3. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns in perpetuity from the date this declaration is recorded.

Section 4. Amendment. The covenants, conditions and restrictions of this Declaration may be amended by an instrument signed by not less than sixty-seven percent (67%) of the owners. Any amendment must be properly recorded in the records of Utah County, Utah, to become effective.

Section 5. Notices. Any notice required to be sent under the provisions of this Declaration shall be deemed to have been properly sent when deposited with the U. S. Postal Service, postpaid, to the last

known address of the person who is entitled to receive it.

Section 6. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 7. Waivers. No provision contained in the Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

Section 8. Topical Headings. The topical headings contained in this Declaration are for convenience only and do not define, limit or construe the contents of the Declaration.

Section 9. Utah Law. These declarations shall be governed by Utah Law. If any portion of this document is found to be not in accordance with State or Federal Law, only that portion of the document shall be affected and not the document as a whole.

ARTICLE XI - ASSIGNMENT OF POWERS

Any and all rights and powers of the Association herein contained may be delegated, transferred or assigned.

IN WITNESS WHEREOF, the undersigned, being a Trustee herein, has hereunto set its hand and seal for this amendment this 12th day of February, 2001.

THE LIBERTY GROVE HOMEOWNERS ASSOCIATION

By: Dennis W. Wilson
Dennis W. Wilson, President

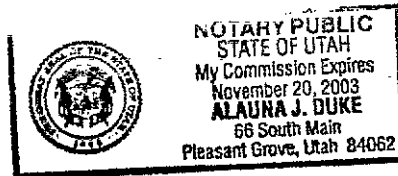
STATE OF UTAH
COUNTY OF UTAH

On this, 12th day of February, 2001, before me personally appeared Dennis W. Wilson, whose identity is personally known to me or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that he is a Trustee of the Liberty Grove Homeowners Association, and that the foregoing document was signed by him on behalf of that Association by proper authority and he acknowledged before me that the Association executed the document and the document was the act of the Association for its stated purpose.

NOTARY PUBLIC

Address:
My Commission Expires:

Alauna J. Duke
66 S. Main Pl. Grove, Ut.
Nov 20, 2003



LIBERTY GROVE HOMEOWNERS ASSOCIATION
Pleasant Grove, UT 84062

The following homeowners in the Liberty Grove Homeowners Association concur with Amendment 2 to the Declaration of Covenants, Conditions and Restrictions of Liberty Grove, A Planned Unit Development located in Pleasant Grove, Utah:

NAME	ADDRESS
Bryant & Marguerite Johnson	# 15
Gayle & Richard Rawson	# 3
Dean R. Beyeson	# 12
Max Garrett	# 9
Tom Larsen	# 4
Ethelene Evans	# 11
Doris Wilson	# 25
Judy Souder	# 2
John Goodman (Paw)	# 5
Garlee Aggard	# 18
Wm R. Sedloway	# 17
Nora Harper	
Suevely Johnston	# 1

LIBERTY GROVE HOMEOWNERS ASSOCIATION
Pleasant Grove, UT 84062

The following homeowners in the Liberty Grove Homeowners Association concur with Amendment 2 to the Declaration of Covenants, Conditions and Restrictions of Liberty Grove, A Planned Unit Development located in Pleasant Grove, Utah:

	NAME	ADDRESS
29	Grant Harrison	687 E 900 S
23	D. Sutherland	677 E 900 S
6	Thelma Quenton	876 So. 700 E
14	Angie Bellator	697 E 990 So
14	Audrey Andersons	691 E 990 So
22	Alma Wilson	679 E 900 S.
26	Lynita Whittingham (AKA)	641 E. 900 S.
9	John Spotts	692 E 900 S
29	Isla Clement	676 E 900 S
23	Inga Sutherland	644 E. 900 S
9	Eleanor Spotts	672 E. 900 S.
20	Dennis Nelson	685 E 900 S

EXHIBIT "A"

Units 1-10 of Phase I, Units 11-20 of Phase II, and Units 21-30 of Phase III, all in LIBERTY GROVE, a Planned Unit Development, Pleasant Grove, Utah, according to the official plat thereof, as recorded in the office of the Utah County.