

Prepared by & mail to: Mr. William P. Aycok, II
P. O. Box 21927, Greensboro, N. C. 27420

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11/18
NORTH CAROLINA
GUILFORD COUNTY

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
THE VILLAGE AT WINDSOR PARK

THIS DECLARATION, made on the date hereinafter set forth by ZAREMBA COMMUNITIES OF NORTH CAROLINA, INC., hereinafter referred to as "Declarant."

1 MISCELLANEOUS DOCUMENT 202761 4.00

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the County of Guilford, State of North Carolina, which is more particularly described as:

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All of that certain parcel of land shown on the plat entitled "Section 1, Map 1, The Village at Windsor Park," which appears of record in the Office of the Register of Deeds of Guilford County, North Carolina, in Plat Book 80, at Page 127.

NOW, THEREFORE, Declarant hereby declares that all of the property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I 1 PROBATE FEE

1.00

DEFINITIONS

SECTION 1. "Association" shall mean and refer to THE VILLAGE AT WINDSOR PARK ASSOCIATION, INC., its successors and assigns.

SECTION 2. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 3. "Properties" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

SECTION 4. "Common Area" shall mean all real property and interests in real property (including easements) owned by the Association for the common use and enjoyment of the Owners. The

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Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

TRACT 1: All that land designated "Common Area" as shown on the plat entitled "Section 1, Map 1, The Village at Windsor Park," which appears of record in the Office of the Register of Deeds of Guilford County, North Carolina, in Plat Book 80, at Page 127.

TRACT 2: Non-exclusive easements for the construction and maintenance of signs, landscaping, berms, buffers and screens, including the right of ingress, egress and regress over said easements more particularly described as follows:

Parcel 1: Beginning at an iron pin in the northern margin of West Friendly Avenue, which iron pin is located at the southeast corner of Lot 1, Section 1, of Windsor Park, as per plat thereof recorded in Plat Book 81, Page 6, Guilford County Registry; thence from said beginning point with the northern margin of West Friendly Avenue the following courses and distances: along a curve to the left, a chord bearing and distance, North $65^{\circ} 2' 30''$ West 103.34 feet; continuing along a curve to the left a chord bearing and distance, North $68^{\circ} 48' 58''$ West 114.04 feet to a point in the eastern margin of Seven Oaks Drive; thence with the eastern margin of Seven Oaks Drive, North $18^{\circ} 27' 42''$ East 40 feet to a point; thence South $66^{\circ} 13' 50''$ East 208.55 feet to a point in the eastern line of Lot 1; thence South $04^{\circ} 44' 02''$ West 33.00 feet to the point and place of Beginning.

Parcel 2: Beginning at an iron pin in the northern margin of West Friendly Avenue where it intersects with the western margin of Seven Oaks Drive, the southeast corner of Lot 26, Section 1, Windsor Park Subdivision, as per plat thereof recorded in Plat Book 81, Page 6, Guilford County Registry; thence from said beginning point with the northern margin of West Friendly Avenue the following courses and distances: along a curve to the left, a chord bearing and distance, North $74^{\circ} 10'$ West 35.47 feet to a point; continuing along a curve to the left, a chord bearing and distance, North $76^{\circ} 02' 18''$ West 90.0 feet to a point, the southwest corner of Lot 26; thence with the western line of Lot 26, North $09^{\circ} 34' 17''$ East 40 feet to a point; thence South $74^{\circ} 53' 00''$ East 131.55 feet to a point in the western margin of Seven Oaks Drive; thence with the western margin of said Drive, South $18^{\circ} 27' 42''$ West 38.50 feet to the point and place of Beginning.

SECTION 5. "Member" shall mean and refer to every person or entity who holds membership with voting rights in the Association.

SECTION 6. "Declarant" shall mean and refer to Zaremba Communities of North Carolina, Inc., its successors and assigns, if

such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

SECTION 7. "Lot" shall mean and refer to any plot of land shown upon the recorded subdivision map of the Properties, with the exception of Common Area and dedicated public streets.

ARTICLE II

PROPERTY RIGHTS

SECTION 1. OWNERS' EASEMENTS OF ENJOYMENT. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to permit the use of and to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and the right to the use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and, for a period not to exceed sixty (60) consecutive days for any infraction of its published rules and regulations;

(c) the right of the Association to grant easements and rights of way, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility (including any entity authorized by the City of Greensboro to supply cable television service) for such purposes and subject to such conditions as may be agreed to by the Board of Directors of the Association. No such dedication or transfer shall be effective unless an instrument signed by at least two-thirds (2/3) of each class of Members, agreeing to such dedication or transfer, has been recorded.

(d) the right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area, and specifically including the right to make permanent and temporary assignments of parking spaces and to establish regulations concerning the use thereof.

(e) the right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities thereon.

SECTION 2. DELEGATION OF USE. Any Owner may, in accordance with the Bylaws of the Association, delegate his right of enjoyment to the Common Area and facilities to the members of his

family, tenants or contract purchasers who reside on the Properties.

SECTION 3. LEASES OF LOTS. Any Lease Agreement between an Owner and a lessee for the lease of such Owner's Lot shall provide that the terms of the Lease shall be subject in all respects to the provisions of this Declaration of Covenants, Conditions and Restrictions, the Articles of Incorporation and Bylaws of the Association and that any failure by the lessee to comply with the terms of such document shall be a default under the terms of the Lease. All Leases of Lots shall be in writing. Other than the foregoing there is no restriction on the right of any Owner to lease his Lot.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

SECTION 1. Every Owner of a Lot which is subject to a lien for assessments shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

SECTION 2. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners other than the Declarant. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote or votes for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, provided, however, that the Class B membership shall be reinstated if after such conversion and before the time stated in subparagraph (b) below, additional lands are annexed to the Properties pursuant to the provisions of Article X, Section 4, herein, containing a sufficient number of Lots to give the Class B Member a total number of votes in excess of the Class A Members; or,

(b) on December 31, 198_.

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ARTICLE IV

COVENANT FOR MAINTENANCE AND ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner for any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay: (1) to the Association: (a) annual assessments or charges; (b) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided; and (2) to the appropriate governmental taxing authority: (a) a pro rata share of ad valorem taxes levied against the Common Area; and, (b) a pro rata share of assessments for public improvements to or for the benefit of the Common Area if the Association shall default in the payment of either or both for a period of six (6) months, all as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

SECTION 2. PURPOSE OF ASSESSMENTS.

(a) The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose and related to the exterior maintenance of Lots and of the dwellings situated upon Lots or for the use and enjoyment of the Common Area, including but not limited to, the costs of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Area, the maintenance of water and sewer mains in and upon the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws, the payment of charges for garbage collection service for the Properties, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

(b) All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Property, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles of Incorporation and the By-Laws of the Association. As monies for any assessment are paid unto the Association

by any Lot Owner, the same may be commingled with monies paid to the Association by the other Lot Owners. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Lot. When a Lot Owner shall cease to be a member of the Association by reason of his divestment of ownership of his Lot, by whatever means, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, or which may have been paid to the Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Properties.

SECTION 3. MAXIMUM ANNUAL ASSESSMENT. Until December 31 of the year of the conveyance of the first Lot to an Owner, the maximum annual assessment shall be _____ DOLLARS (\$ _____) per Lot per year.

(a) The maximum annual assessment for the calendar year immediately following the year in which conveyance of the first Lot to an Owner is made and for each calendar year thereafter shall be established by the Board of Directors and may be increased by the Board of Directors without approval by the membership by an amount not to exceed ten percent (10%) of the maximum annual assessment of the previous year.

(b) The maximum annual assessment for the calendar year immediately following the year in which conveyance of the first Lot to an Owner is made and for each calendar year thereafter may be increased without limit by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum, subject to the provisions of Section 6 of this Article.

SECTION 4. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment for the purpose of defraying in whole or in part the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

SECTION 5. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) 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. RATE OF ANNUAL ASSESSMENT.

(a) With the exceptions set forth in subsection (b) of this Article IV, Section 6, and set forth in subsection (b) of Article V, Section 4, both annual and special assessments must be fixed at a uniform rate. The Declarant has considered that the dwellings erected on different Lots to some degree vary in external building materials, but that the degree of this difference is not significant and the interest of all Owners in having effective exterior maintenance provided to all dwellings on Lots dictates a uniform assessment rate for all Lots.

(b) The annual assessment for any Lot owned by Declarant and unoccupied as a residence shall be an amount not less than twenty-five per cent (25%) of the regular assessment for all other Lots.

SECTION 7. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS; DUE DATES. The annual assessments provided for herein shall be collected on a monthly basis and shall commence as to all Lots on the first day of the first month following the conveyance of the Common Area shown on the recorded plat on which such Lot is located. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year after conveyance of such Lot.

At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall fix the amount of the annual assessment to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

SECTION 8. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the highest rate allowed by law. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien created herein against the property in the same

manner as prescribed by the laws of the State of North Carolina for the foreclosures of Deeds of Trust, and interest, costs and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of his Lot; nor shall damage to or destruction of any improvement on any Lot by fire or other casualty result in abatement or diminution of the assessments provided for herein.

SECTION 9. EFFECT OF DEFAULT IN PAYMENT OF AD VALOREM TAXES OR ASSESSMENTS FOR PUBLIC IMPROVEMENTS BY ASSOCIATION. Upon default by the Association in the payment to the governmental authority entitled thereto of any ad valorem taxes levied against the Common Area or assessments for public improvements to the Common Area, which default shall continue for a period of six (6) months, each Owner of a Lot in The Village at Windsor Park shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or assessments in an amount determined by dividing the total taxes and/or assessments due the governmental authority by the total number of Lots in the development. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Lot of the then Owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law or may elect to foreclose the lien against the Lot of the Owner.

SECTION 10. SUBORDINATION OF THE LIEN TO MORTGAGES. The liens provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding section. However, the sale or transfer of any Lot which is subject to any such first mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to the payment thereof which become due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust. In the event of the acquisition of title to a Lot by foreclosure or any proceeding in lieu of foreclosure, any assessment or assessments as to which the parties so acquiring title shall not be liable shall be absorbed and paid by all Lot Owners as a part of the common expense, although nothing herein contained shall be construed as releasing the party liable for such delinquent assessment from the payment thereof or the enforcement of collection of such payment by means other than foreclosure.

SECTION 11. EXEMPT PROPERTY. All property dedicated to, and accepted by, a local public authority and all properties owned by

a charitable or nonprofit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

SECTION 12. WORKING CAPITAL FUND. In order to insure that the Association will have sufficient monies available to meet operational needs during the initial months of the Property's existence, the Association has established a Working Capital Fund. At the time of the closing of the first sale of each Lot, the purchaser thereof shall pay into such Fund an amount equal to two-twelfths (2/12ths) of the current annual assessment established by the Association. No such payments made into the Working Capital Fund shall be considered advance or current payment of regular assessments. All monies paid into the Working Capital Fund shall be held and administered by the Association in accordance with the terms of this Declaration and the By-Laws.

ARTICLE V

ARCHITECTURAL CONTROL

SECTION 1. THE ARCHITECTURAL CONTROL COMMITTEE. An Architectural Control Committee consisting of three (3) or more persons shall be appointed by the Class B Member. At such time as the Class B membership expires, the members of such Committee shall be appointed by the Board of Directors of the Association.

SECTION 2. PURPOSE. The Architectural Control Committee shall regulate the external design, appearance, use, location and maintenance of the Properties and of improvements thereon in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography.

SECTION 3. CONDITIONS. No improvements, alterations, repairs, change of paint colors, excavations, changes in grade, paving, installation of other impervious materials, or other work which in any way alters the exterior of any Lot or the improvements located thereon from its natural or improved state existing on the date such Lot was first conveyed in fee by the Declarant to an Owner shall be made or done without the prior written approval of the Architectural Control Committee. No building, fence, wall, residence or other structure shall be commenced, erected, maintained or improved, altered, removed, made or done without the prior written approval of the Architectural Control Committee. No Owner may engage in planting and landscaping activities on his or her Lot, including, without limitation, the planting of trees, bushes, shrubs, flowers and other ornamental vegetation, the sowing of grass and the installation of "natural areas" without the prior written approval of the Architectural Control Committee. Any such permitted activities and installations shall be done in a good and workmanlike manner and shall be maintained as set forth

in Article VI below. No living tree of a size of 6 calipers or over shall be cut without the prior written consent of the Architectural Control Committee.

SECTION 4. PROCEDURES.

a) Any person desiring to make any improvement, alteration or change requiring approval as described in Section 3 above shall submit the plans and specifications therefor, showing the nature, kind, shape, height, materials and location thereof to the Architectural Control Committee which shall evaluate such plans and specifications in light of the purpose of this Article as set forth in Section 2 above. In the event the Committee fails to approve, modify or disapprove in writing an application within thirty (30) days after plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been complied with fully. The applicant may appeal an adverse Architectural Control Committee decision to the Board of Directors of the Association which may reverse or modify such decision by a two-thirds (2/3) vote of the Directors.

b) As a condition to the granting of approval of any request made under this Article, the Architectural Control Committee may require that the Owner requesting such change be liable for any cost of maintaining or repairing the approved project. If such condition is imposed, the Owner shall evidence his consent thereto by a written document in recordable form satisfactory to the Architectural Control Committee. Thereafter, the Owner, and any subsequent Owner of the Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree that any cost of maintenance and repair of such improvement shall be a part of the annual assessment or charge set forth in Article IV, Section 1, and subject to the lien rights described in said Article IV.

ARTICLE VI

EXTERIOR MAINTENANCE

SECTION 1. COMMON AREAS AND EXTERIOR OF DWELLINGS.

(a) In addition to maintenance upon the Common Area, the Association shall provide: (i) exterior maintenance upon each dwelling on each Lot which is subject to assessments hereunder, as follows: Paint, repair, replace and care of roofs, gutters, downspouts, exterior building surfaces and other exterior improvements, including driveways and walks, patios, wooden decks and any part thereof, including railings, supports and steps; and (ii) maintenance and care of grass, lawns, trees, bushes and shrubs that are part of the Lot in its improved state existing on the date the Lot was first conveyed in fee to an Owner of Declarant. Such exterior maintenance on Lots shall not include: Any vegetation (including grass, trees, bushes and shrubs) not a part

of the Lot in its improved state when first conveyed in fee to an Owner by Declarant; glass surfaces; window and door screens; and subsurface leakage into basement areas and crawl spaces. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right to unobstructed access over and upon each Lot at all reasonable times to perform maintenance as provided in this Article.

(b) In the event that the need for maintenance, repair or replacement is caused through the willful or negligent act of the Owner, his family, guests or invitees, or is caused by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircrafts, vehicles and smoke, as the foregoing are defined and explained in North Carolina Standard Fire and Extended Coverage insurance policies, the cost of such maintenance, replacement or repairs shall be added to and become a part of the assessment to which such Lot is subject.

SECTION 2. LOTS.

(a) Each Lot Owner shall be responsible for the repair, maintenance and upkeep of the following items located on his Lot: any and all vegetation not a part of the Lot in its improved state existing on the date the Lot was first conveyed in fee to an Owner by Declarant; glass surfaces; window and door screens; basement and crawl space areas; any exterior alterations approved by the Architectural Control Committee pursuant to the provisions of Article V hereof; provided, however, the external appearance of such repairs, maintenance and upkeep shall be subject to the regulation and control of the Board of Directors and its Architectural Control Committee as provided in this Declaration.

(b) Should a Lot Owner fail to discharge his repair, maintenance or upkeep responsibilities in a reasonable and prudent manner to a standard harmonious with that of other Lots in The Village at Windsor Park, then the Association shall have the right to cause such repair, maintenance and upkeep to be performed and to charge the cost thereof as a part of and in addition to the regular assessment attributable to the Lot and provided for in this Declaration. Should a Lot Owner fail to pay any charge billed in accordance with this subparagraph (b) within fifteen (15) days of such billing, then the Association shall have the right to claim a lien against the Lot and to foreclose such lien, all as provided for in Article IV of this Declaration.

ARTICLE VII

USE RESTRICTIONS

SECTION 1. LAND USE AND BUILDING TYPE. No Lot shall be used except for single-family residential purposes, except for temporary uses thereof by Declarant for Declarant's sales office and model dwelling.

SECTION 2. DWELLING SPECIFICATIONS. No dwelling shall be permitted having a ground area of the main structure, exclusive of one-story open porches, of less than one thousand (1,000) square feet.

SECTION 3. NUISANCE. No noxious or offensive activity shall be conducted upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

SECTION 4. ANIMALS. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and further provided that they are kept and maintained in compliance with (i) all laws and ordinances of the City of Greensboro relating thereto; and (ii) such rules and regulations pertaining thereto as the Board of Directors may adopt from time to time.

SECTION 5. OUTSIDE ANTENNAS. No outside radio or television antennas shall be erected on any Lot or dwelling within the Properties unless and until permission for the same has been granted by the Board of Directors of the Association or its Architectural Control Committee.

SECTION 6. BOATS, TRAILERS AND CERTAIN MOTOR VEHICLES. No boats, buses, trailers, campers or recreational vehicles shall be parked on any Lot or on the Common Area.

SECTION 7. SIGNS. No sign shall be placed or displayed upon the Common Area without the prior written consent of the Board of Directors or the Architectural Control Committee. Signs designating street numbers and Owners or occupants of dwellings shall be subject to the approval of the Board of Directors or the Architectural Control Committee. No other signs shall be placed or displayed on a Lot except one (1) "For Sale" or "For Rent" sign which shall not exceed three (3) feet by three (3) feet in size. Anything to the contrary herein notwithstanding, so long as there shall be a Class B Member, Declarant shall be permitted to place and display such signs on the Common Area and on Lots as it deems appropriate as a part of its sales and marketing efforts.

ARTICLE VIII

EASEMENTS

SECTION 1. UTILITIES. Easements for installation and maintenance of utilities (including cable television service) and drainage facilities are reserved as shown or described on the recorded plat. Within these easements no structures, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water

through drainage channels in the easements. An easement is hereby established for the benefit of the City of Greensboro over all Common Areas as may be reasonably necessary for the setting, removal and reading of water meters, the maintenance and replacement of water, sewer and drainage facilities, for affording police protection, and for the fighting of fires and collection of garbage. The Association shall have the power and authority to grant and establish upon, over and across the Common Area such additional easements as are necessary or desirable for the providing of service or utilities to the Common Area or Lots.

SECTION 2. UNINTENTIONAL ENCROACHMENTS. In the event that any improvements on a Lot shall encroach upon any Common Area or upon any other Lot as a result of the initial improvements constructed by Declarant or for any reason not caused by the purposeful or negligent act of the Owner or agents of such Owner, then an easement appurtenant to such Lot shall exist for the continuance of such encroachment upon the Common Area or other Lot for so long as such encroachment shall naturally exist; and, in the event that any portion of the Common Area shall encroach upon any Lot, then an easement shall exist for the continuance of such encroachment of the Common Area into any such Lot for so long as such encroachment shall naturally exist.

ARTICLE IX

RIGHTS RESERVED UNTO INSTITUTIONAL LENDERS

SECTION 1. ENTITIES CONSTITUTING INSTITUTIONAL LENDERS. "Institutional Lender" as the term is used herein shall mean and refer to banks, savings and loan associations, insurance companies or other firms or entities customarily affording loans secured by first liens on residences.

SECTION 2. OBLIGATION OF ASSOCIATION TO INSTITUTIONAL LENDERS. So long as any Institutional Lender shall hold any first lien upon any Lot, or shall be the Owner of any Lot, such Institutional Lender shall have the following rights:

(a) To inspect the books and records of the Association during normal business hours and to be furnished with at least one (1) copy of the annual financial statement and report of the Association prepared by an independent accountant designated by the Board of Directors of the Association, such financial statement or report to be furnished by April 15 of each calendar year.

(b) To be given notice by the Association of the call of any meeting of the membership to be held for the purpose of considering any proposed amendment to this Declaration of Covenants, Conditions and Restrictions or the Articles of Incorporation or Bylaws of the Association or of any proposed abandonment or termination of the Association or the effectuation of any decision to terminate professional management of the Association and assume self-management by the Association.

(c) To be given notice of any delinquency in the payment of any assessment or charge (which delinquency remains uncured for a period of sixty (60) days) by any Owner of any Lot encumbered by a mortgage held by the Institutional Lender, such notice to be given in writing and to be sent to the principal office of such Institutional Lender, or to the place which it may designate in writing.

(d) To be given notice of any condemnation loss or casualty loss which affects a material portion of the Common Area.

(e) To have the right to approve of any alienation, release, transfer, hypothecation or other encumbrance of the Common Area, other than those specific rights vested in the Association under Article II hereof.

(f) To be notified of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

SECTION 3. REQUIREMENTS OF INSTITUTIONAL LENDER. Whenever any Institutional Lender desires to avail itself of the provisions of this Article, it shall furnish written notice thereof to the Association by CERTIFIED MAIL at the address shown in the Articles of Incorporation identifying the Lot or Lots upon which any such Institutional Lender holds any first lien or identifying any Lot or Lots owned by such Institutional Lender and such notice shall designate the place to which notices, reports or information are to be given by the Association to such Institutional Lender.

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 the Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall have the right to request that law enforcement, public safety and animal control officers come on the Properties to facilitate the enforcement of the laws, codes and ordinances of any governmental authority.

SECTION 2. SEVERABILITY. Invalidation of any one of the covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

SECTION 3. AMENDMENT. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods

of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. No amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements, as herein provided, or affect any lien for the payment thereof established herein. Any amendment must be properly recorded.

SECTION 4. ANNEXATION.

(a) Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of Members.

(b) Additional land within the area described in the metes and bounds description attached hereto as SCHEDULE A and incorporated herein by reference may be annexed by the Declarant without the consent of Members within five (5) years of the date of this instrument.

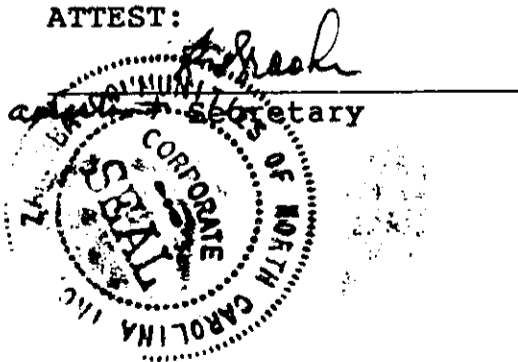
SECTION 5. FHA/VA APPROVAL. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: dedication of Common Area and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be executed by its duly authorized officers and its corporate seal to be hereunto affixed, this the 15th day of February, 1986.

ZAREMBA COMMUNITIES OF NORTH
CAROLINA, INC.

BY: Thomas J. Zolick
President

ATTEST:



STATE OF NORTH CAROLINA

COUNTY OF GUILFORD

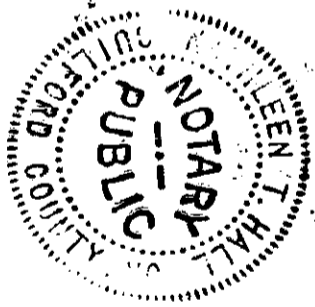
I, Kathleen T. Hall, a Notary Public, do hereby certify that R.E. Brooks personally appeared before me this day and acknowledged that he is the Asst. Secretary of ZAREMBA COMMUNITIES OF NORTH CAROLINA, INC., a corporation, and that by authority duly given, and as the act of the corporation, the foregoing instrument was signed in its name by its Asst President, sealed with its corporate seal, and attested by him as its Asst Secretary.

WITNESS my hand and official seal this 28th day of July, 1986.

Kathleen T. Hall
NOTARY PUBLIC

My Commission Expires:

April 7, 1991



SOUTHEASTERN SAVINGS & LOAN COMPANY, as holder of a promissory note secured by a deed of trust on the property described in this Declaration of Covenants, Conditions and Restrictions, said deed of trust being recorded in Book 3475, Page 1602, Guilford County Registry, and TFM, INC., as Trustee under said deed of trust, join in the execution hereof for the purpose of subjecting the aforesaid deed of trust to the terms and provisions of this Declaration of Covenants, Conditions and Restrictions.

SOUTHEASTERN SAVINGS & LOAN COMPANY

BY: Ellen R. Mason
Sr. Vice President

ATTEST:

Robert A. Dault
Secretary



TFM, INC., Trustee

BY: Robert A. Dault
Vice President

ATTEST:

Janet S. Huggins
Asst. Secretary

(CORPORATE SEAL)



STATE OF NORTH CAROLINA

COUNTY OF Guilford

I, Carol C. Meacham, a Notary Public, do hereby certify that Robert A. Smith Jr. personally appeared before me this day and acknowledged that he is the Asst. Secretary of SOUTHEASTERN SAVINGS & LOAN COMPANY, a savings and loan association, and that by authority duly given and as the act of the association, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal, and attested by him as its Asst. Secretary.

WITNESS my hand and official seal this the 27th day of August, 1986.

Carol C. Meacham
NOTARY PUBLIC
202761

My Commission Expires: CAROL C. MEACHAM
NOTARY PUBLIC
GUILFORD COUNTY, N. C.
My Commission Expires 1-14-90

RECORDED
KAY F. PATSEAVOURAS
REGISTER OF DEEDS
GUILFORD COUNTY, NC
SEP 12 9 45 AM '86

STATE OF NORTH CAROLINA

COUNTY OF Guilford

I, Carol C. Meacham, a Notary Public, do hereby certify that Jane S. Higgins personally appeared before me this day and acknowledged that she is the Asst. Secretary of TFM, INC., a corporation, as Trustee, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by her as its Asst. Secretary.

WITNESS my hand and official seal this the 27th day of August, 1986.

Carol C. Meacham
NOTARY PUBLIC

My Commission Expires: CAROL C. MEACHAM
NOTARY PUBLIC
GUILFORD COUNTY, N. C.
My Commission Expires 1-14-90

North Carolina - Guilford County
The certificate of Carol C. Meacham
A Notary (Notaries) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time shown herein.
KAY F. PASTSEAVOURAS, REGISTER OF DEEDS
Heleen B. Duncan
DEPUTY, REGISTER OF DEEDS

SCHEDULE A

All of that certain parcel of land shown on the plat entitled "Section 1, Map 2, The Village at Windsor Park," which appears of record in the Office of the Register of Deeds of Guilford County, North Carolina, in Plat Book 80, at Page 128.

BK3529PG0808