

COLUMBIA PLACE HOMEOWNERS ASSOCIATION

304 Columbia Place East
Chapel Hill, NC 27516

February 4, 1999

Dear Columbia Place Homeowners

As you have undoubtedly noticed we have built two additional Columbia Place twin townhomes outside of the entrance to Columbia Place over the last few months. We have extended the curb and gutters, sidewalk and utilities to be consistent with Columbia Place and have built homes identical to those within the original community. We are proud of the way the new homes accent the entrance as opposed to detract from it as was the case with the rental housing that previously existed.

We believe it would be in the best interest of the homeowners association and the community in general to annex the two new buildings into the association at this time. There seem to be several benefits with no drawbacks. First, they are the newest units and therefore will need maintenance further out in the future than the homes that were built during the earlier stages of the development. Second, the more units you have to spread costs over, the lower the per unit cost. This includes most services that the association will encounter, everything from tax return preparation to liability insurance on the common areas. Third and most importantly, it is in the best interest of the association to be able to exert the control provided for in the covenants over the new homes. Being at the entrance to Columbia Place, the association has an interest in maintaining the architectural continuity by way of the approval process afforded in the covenants. It would be detrimental to all the homeowners if those homes were able to make additions or modifications to the homes without architectural review to make sure they are harmonious with the other Columbia Place units. In addition, it is in the best interest of the association to consistently maintain the landscaping, provide similar full replacement value insurance, and prohibit things that are deemed undesirable by the covenants such as large satellite dishes, livestock and excessive cars.

We have drawn up an addendum to the covenants and conditions allowing for the annexation of the new twin townhomes. Please sign and place the signature page back in the manila envelope. If you would leave them on your front porch we will pick them up in the morning. I would be happy to answer any questions or concerns.

Sincerely,
Eric B. Chupp

Prepared by and return to:
Beemer, Savery & Hadler, P.A., P.O. Drawer 3150,
Chapel Hill, N.C., 27515.

NORTH CAROLINA
ORANGE COUNTY

AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COLUMBIA PLACE

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR COLUMBIA PLACE, made and entered into this the ___ day of October, 1998, by CAPKOV VENTURES, INC., a North Carolina corporation (successor in interest to Capkov Weatherhill. Point Corp., by merger), hererinafter "Capkov" and all of the record owners of Lots in Columbia Place, their heirs and assigns, hereinafter "CP Lot Owners".

WITNESSETH:

Whereas, Capkov, as Declarant, caused to be executed a Declaration of Covenants, Conditions and Restrictions for Columbia Place (hereinafter "Declaration"), recorded in Book 1316, Page 418, and amended in Book 1337, Page S34, Orange County Registry, containing certain restrictions for all 31 lots as shown on Plat book 73, Page 2, Orange County Registry, to which plat reference is hereby made.

AND WHEREAS, Capkov, no longer has a controlling ownership interest Lots at Columbia Place;

AND WHEREAS, Capkov, wishes for the CP Lot owners to subject an adjacent parcel to Columbia Place, containing approximately .5 acres, which parcel Capkov recently purchased for the purpose of developing townhouses of the same nature and character of those existing in Columbia Place, said property being described as Lot 1 and Lot 2 according to the plat and survey entitled "Property of Amy Abernethy" recorded in Plat book 81, Page 117, Orange County Registry, to the Declaration and for Capkov and the future owners of the two Lots to be full members of the Columbia Place Homeowners Association, Inc. subject to all of the privileges and obligations of those living within the Columbia Place, in order to protect the value, desirability and attractiveness of the real property and the development and improvements thereon;

AND WHEREAS, the CP Lot Owners desire that Capkov and the future owners of Lot 1 and Lot 2, per Plat Book 81, Page 117, Orange County Registry, be bound and subjected to the terms and conditions of the Declaration and for said Lot owners to be Class A members of the Columbia Homeowners Association, Inc.

AND WHEREAS, in order to subject Capkov and the future owners of Lot 1 and Lot 2, per Plat Book 81, Page 117, Orange County Registry, to the Declaration and for Capkov and the future owners of Lot 1 and Lot 2 to be Class A members of the Columbia Place Homeowners Association, Inc., an amendment to the Declaration must be approved by seventy-five percent (75%) of the Columbia Place Lot Owners, as specified in Section 3, ARTICLE TWELVE, of the Declaration;

AND WHEREAS, Capkov and the CP Lot Owners wish to amend the Declaration deleting Sections 3 (a); 3(b); 3(c) 3(d) and Section 4, ARTICLE TWELVE of the Declaration, the deleted sections all relating to certain Federal national Mortgage Association Guidelines typically in regards to FHA/VA loans which

are deemed cumbersome and not in the interest of Lot ownership, and further to approve that Capkov and the future owners of Lot 1 and Lot 2, per Plat Book 81, Page 117 shall be bound and subjected to the Declaration and be Class A members of the Columbia Place Homeowners' Association.

NOW, THEREFORE, in consideration of the premises and for other good and sufficient consideration, the receipt of which is hereby acknowledged, Capkov hereby submits Lot 1 and Lot 2, per plat Book 81, Page 117, Orange County Registry, and the future Owners of Lots 1 and Lot 2 to the Declaration and to be bound to the conditions and restrictions contained therein, and the CP Lot Owners hereby accept Capkov and the future owner of Lot 1 and Lot 2 to be bound by the Declaration and to be Class A members of the Columbia Place Homeowners' Association; and further Capkov and the CP Lot Owners hereby amend ARTICLE TWELVE, Section 3, by deleting Sections 3(a); 3(b) 3(c); 3(d); and Section 4 in its entirety and further amends the Declaration as follows:

1. The property described as an approximately .5 acre parcel and BEING all of Lot 1 and Lot 2 according to the plat and survey entitled "Property of Amy Abernethy" recorded in Plat book 81, Page 117, Orange County Registry, shall be held, sold, and conveyed subject to the DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR COLUMBIA PLACE recorded in Book 1316, Page 418, Orange County Registry and amended in Book 1337, Page 534, Orange County Registry.

2. Capkov and the future Lot Owners of Lot 1 and Lot 2 according to the plat and survey entitled "Property of Amy Abernethy" recorded in Plat book 81, Page 117, Orange County Registry, shall be Class A members of the Columbia Place Homeowners' Association, Inc. subject to all rights, privileges and obligations as any owner of a lot in the Columbia Place Subdivision.

IN WITNESS WHEREOF, the undersigned, Capkov Ventures, Inc. and the Lot Owners of Columbia Place Subdivision, have caused this instrument to be executed in its corporate name or individual name, on the day and year first above written.
Capkov Ventures, Inc.,

By:
Scott J. Kovens,
vice-President
Attest:
Eric B. Chupp,
Secretary

corporate seal