

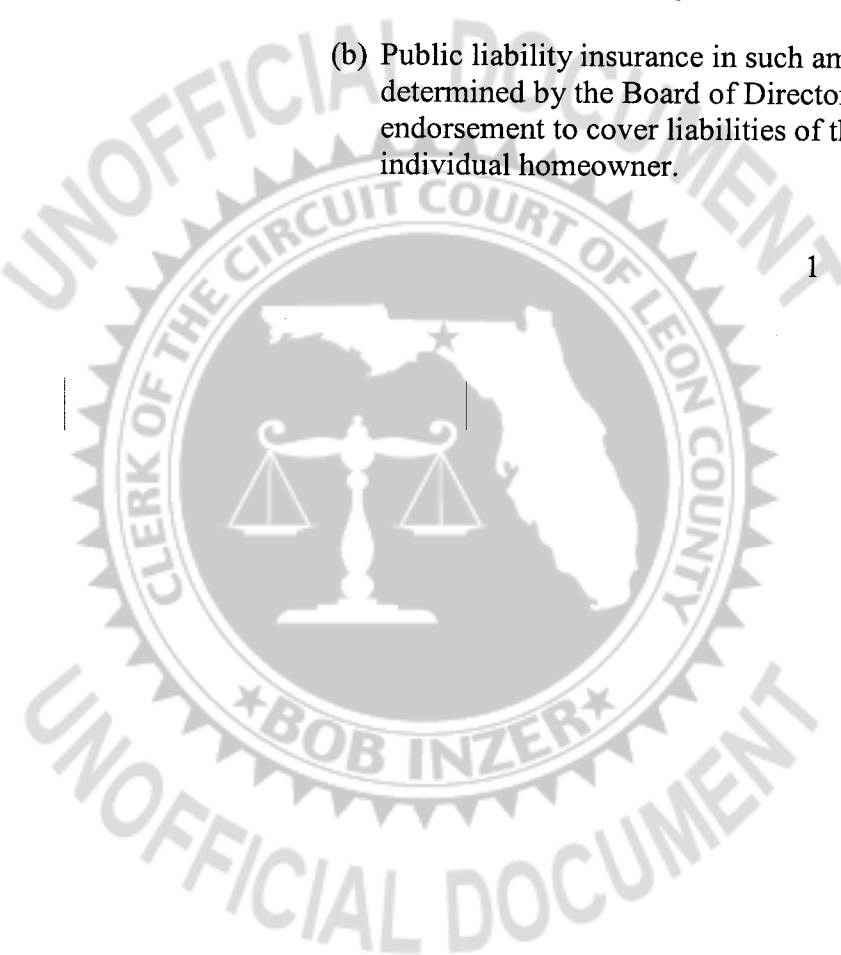
AMENDMENTS TO THE BYLAWS OF
THE VILLAS HOMEOWNERS' ASSOCIATION, INC.,
A CORPORATION NOT-FOR-PROFIT

Villas Homeowners' Association, Inc., a Florida corporation (hereafter referred to as "Association") and pursuant to Section 43 of the Declaration of Restrictive Covenants of Villas Unit II (hereafter referred to as "Declarations") recorded in O.R. book 935, Page 1773, as amended from time to time, of the Public Records of Leon County, Florida, hereby amends the Declarations and any amendment, declaration, additions or instruments affecting the Declarations as follows (deletions are stricken, additions are underlined):

Amendments Adopted:

Section 34 of the Declaration is hereby amended and restated in its entirety as follows:

34. Insurance. All insurance policies upon the ~~property, other than title insurance~~ common areas, including the pool, shall be purchased by the Association. The named insured shall be the Association individually and as agent for the homeowners without naming them individually and as agent for their mortgagees. Provisions shall be made for the issuance of mortgagee endorsements and memoranda of insurance to each homeowner's mortgagee. ~~Such policy or policies shall provide that all payments by the insurer for losses shall be made to the Insurance Trustee, hereinafter designated, and all such policies and endorsements relating thereto shall be deposited with said Trustee.~~ Nothing contained herein shall be deemed to prohibit or in any way prevent homeowners from obtaining, at their own expense, insurance covering their personal property and to cover their personal liability and living expense or to obtain other such insurance as may be available to them so long as the same in no way affects the coverage obtained by the Association. Such insurance as is obtained by the Association shall include the following coverages:
- (a) All buildings and improvements on the common areas and all personal property located on the common areas and owned by the Association shall be insured in an amount equal to the maximum insurable replacement value excluding foundation and excavation cost as is determined annually by the Board of Directors of the Association. Such coverage shall afford protection against loss or damage by fire and other hazards covered by fire insurance and a standard extended coverage endorsement together with such other risks as are customarily insured against with respect to buildings similar to the buildings located upon the property.
 - (b) Public liability insurance in such amounts and with such coverage as shall be determined by the Board of Directors of the Association with cross liability endorsement to cover liabilities of the respective homeowners as a group to an individual homeowner.



- (c) Such workmen's compensation insurance as is required by law.
- (d) Such other insurance as the Board of Directors of the Association shall determine to be desirable.

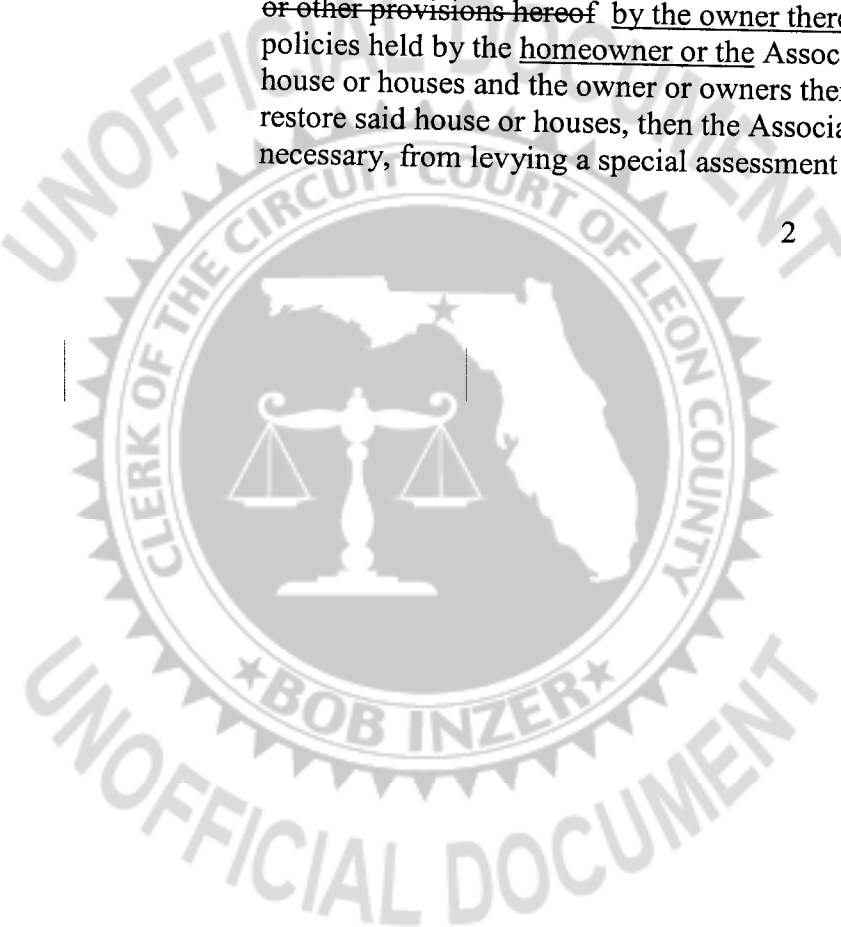
All premiums payable for insurance policies purchased by the Association shall be paid by the Association as a common expense. The Association is hereby irrevocably appointed Agent for each homeowner to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of all claims.

All homeowners shall keep their houses insured against loss or damages by fire, hurricane and wind, and such other hazards in form and amounts, and for such periods, appropriate to insure the maximum insurable replacement value of the houses and as may be required by the Association, and to pay promptly when due all premiums on such insurance. All insurance shall be carried by companies approved by the Association and shall have attached thereto loss payable clauses in favor of, and in a form acceptable to the Association. In the event of loss, the homeowner shall give immediate notice to the Association, and the Association may make proof of loss if not promptly made by the homeowner. The homeowner shall apply the insurance proceeds to the restoration or repair of the homeowner's house. If any homeowner fails to keep his/her house insured as provided herein, the Association shall purchase an insurance policy on such house from its account, and the premiums therefore shall be assessed against the non-paying homeowner and shall become a lien upon said house to be paid in accordance with the terms and conditions to be set by the Association, and in the event of default of said terms and conditions, said lien shall be subject to foreclosure by the Association. In the event of any such foreclosure, the Association shall be entitled to recover all legal costs including a reasonable attorney's fee from the homeowner.

Section 36 of the Declaration is hereby amended and restated in its entirety as follows:

36. Reconstruction or Repair of Common Areas After Casualty Loss. If any part of the ~~property~~ Common Areas shall be damaged by casualty, the following provisions shall apply:

- (a) Damaged or destroyed ~~common elements~~ portions of the Common Areas shall be repaired or replaced unless the Association is dissolved and terminated according to law or under the terms hereof.
- (b) Any damage or destruction to houses and limited common elements shall be repaired or reconstructed ~~unless these Restrictive Covenants are terminated in accordance with law or other provisions hereof~~ by the owner thereof. In the event the proceeds of insurance policies held by the homeowner or the Association are insufficient to rebuild or repair a house or houses and the owner or owners thereof do not have adequate funds to rebuild or restore said house or houses, then the Association may use funds from its account, or if necessary, from levying a special assessment on the owner or owners thereof, or on all



homeowners, to restore or rebuild said house or houses and the cost of restoration or rebuilding shall become a lien upon said house or houses to be paid in accordance with the terms and conditions to be set by the Association, and in the event of default of said terms and conditions, said lien shall be subject to foreclosure by the Association. In the event of any such foreclosure, the Association shall be entitled to recover all legal costs including a reasonable attorney's fee from the homeowner.

- (c) Any repair, restoration, or reconstruction must be substantially in accordance with the plans and specifications of the original building or as the building was last constructed or according to plans and specifications approved by the Board of Directors of the Association, which approval shall not be unreasonably withheld.

Adoption Date:

These amendments were adopted on the 22nd day of February, 2007.

Submission Date:

These amendments were submitted to Leon County on the 16th day of March, 2007.

Adoption Method:

These amendments were adopted by the members. The number of votes cast for the amendments was sufficient for approval.

Signatures:

Margaret Lawson
Signature of Board Member

President
Title

March 16, 2007
Date

James L. Strange
Signature of Board Member

Secretary
Title

March 16, 2007
Date

LEON COUNTY, FLORIDA

Sworn to and subscribed before me on the 16 day of March, 2007.

The signatory is either known by me or presented F.I.D/L (James) as I.D.

Notary's Signature Barbara A. King Print Name BARBARA A. KING

Commission Expires 2/5/2010 Seal:

