

Tax Parcel No. See Attached Exhibit A

Prepared by and Return to:
The Malmberg Firm, LLC
30 The Green
Dover, DE 19901

BY-LAWS
OF
DEEP BRANCH WOODS HOMEOWNERS ASSOCIATION, INC.

ARTICLE 1

Name and Location

The name of the corporation is **DEEP BRANCH WOODS HOMEOWNERS ASSOCIATION, INC.**, hereinafter referred to as the "Association". The registered office of the corporation is located at 30 The Green, Dover, DE 19901, and the registered agent is The Malmberg Firm, LLC. The corporation may also have offices at such other places both within and without the State of Delaware as the Executive Board may from time to time determine or the business of the corporation may require.

ARTICLE II

Definitions

Unless the context denotes otherwise, the following terms are defined as follows:

Section 1. The term "Association" shall mean and refer to **DEEP BRANCH WOODS HOMEOWNERS ASSOCIATION, INC.**, its successors and assigns.

Section 2. The term "Declarant" shall mean and refer to Deep Branch Creek, LLC, and its successors and assigns.

Section 3. The term "Declaration" shall mean and refer to the Declaration of Covenants, Restrictions, Easements and Establishment of Homeowners Association for Deep Branch Woods dated August 12, 2016, recorded in the Office of the Recorder of the Deeds in and for Sussex County, Delaware in Deed Book 4582, Page 82, and any amendments which may be made thereto.

Section 5. The term "developer" shall mean and include the Declarant and any other person, firm or corporation engaged in developing the property.

Section 6. The term "directors" and "Executive Board" shall mean and refer to the directors of the corporation as legally constituted and as more particularly described herein.

Section 7. The term "lot" shall mean and refer to any subdivided portion of the real property that is subject to the Declaration, but shall not include the common areas.

Section 8. The term "members" shall mean and refer to any owner of a lot, who, by virtue of such ownership, is automatically a member.

Section 9. The term "owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot comprising a part of the property, but, notwithstanding any applicable theory of mortgage interest, shall not mean or refer to any person or entity who holds such interest merely as security for the performance of any obligation including a mortgagee, unless and until such person or entity has acquired fee simple title pursuant to foreclosure or any proceeding in lieu of foreclosure,

Section 10. The term "property" or "properties" shall mean and refer to all real property that is subject to the Declaration.

ARTICLE III

Membership

Section 1. Every owner of a lot in the Deep Branch Woods subdivision shall be a member of the Association, provided, however, that any such person or entity which holds a lien or security interest merely as a performance for an obligation of a lot owner shall not be a member unless and until such person or entity has succeeded to such owner's interest by enforcement of such lien or security. Membership shall be appurtenant to and may not be separated from the ownership of any lot.

Section 2. There shall be one (1) class of voting membership. Each membership shall be entitled to one (1) vote for each lot. When more than one person holds an interest in any lot, the vote attributable to such lot shall be cast as a majority of the owners thereof shall agree, or in the absence of such agreement, shall not be cast. In no event shall more than one (1) vote be cast with respect to any lot.

Section 3. The Executive Board may suspend any person from membership in the Association during any period of time when such person is in default of any of his obligations under the Declaration or these By-Laws (including, without limitation, the failure to pay any annual or special assessment), provided that such default has continued uncured for a period of ten (10) days after written notice thereof to such member.

Section 4. Declarant shall have a controlling interest in the Association and shall, in effect, conduct the affairs of the Association during the Development Period set forth in the Declaration.

ARTICLE IV

Executive Board — Selection —Term of Office

Section 1. The affairs of the corporation shall be managed by an Executive Board.

There shall be five (5) directors, and their terms shall be staggered. At the organizational meeting two directors shall be elected for one (1) year, two for two (2) years and one for three (3) years.

Section 2. On the expiration of the staggered terms of each of the initial Executive Board, each director shall be elected for a term of three (3) years at the annual meeting of the Association.

Section 3. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. No director shall receive compensation for any service he may render to the Association; however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so taken shall have the same effect as though taken at a meeting.

Section 6. Within sixty (60) days of the date on which Declarant relinquishes and transfers its interest in the Association to the Association, a special meeting of the members shall be called for the purpose of electing officers and directors and otherwise organizing the Association.

ARTICLE V

Meetings of Directors

Section 1. Regular or special meetings of the directors shall be held at such times and at such places as may be fixed from time to time by resolution of the Board. At least two (2) weeks' notice shall be given of all regular and special meetings of the Board.

Section 2. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board.

ARTICLE VI

Nomination and Election of Directors

Nomination for election to the Executive Board shall be made at the annual meeting of the Association. A nominating committee appointed by the Executive Board may make nominations. Election to the Executive Board shall be by a majority of the votes cast by members of the Association present in person or proxy at the annual meeting.

ARTICLE VII

Powers and Duties of the Executive Board

Section 1. The Executive Board shall have power to:

- (a) adopt and publish rules and regulations governing the use of the common area and the personal conduct of the members and their guests thereon and to establish penalties for the infraction thereof;
- (b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Certificate of Incorporation or the Declaration;
- (b) declare the office of a member of the Executive Board to be vacant in the event such member shall be absent from three (3) consecutive regular or special meetings of the Executive Board; and
- (d) employ a manager, an independent contractor, or other employees as they deem necessary, and to prescribe their duties.

Section 2. It shall be the duty of the Executive Board to:

- (a) cause to be kept a complete record of all of its acts and corporate affairs;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration and any subsequent amendment thereto to fix the amount of the annual assessment and special assessments;
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person a certificate stating whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, it shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the common areas to be maintained; and
- (h) perform such other acts and duties as are necessary and proper.

ARTICLE VIII

Committees

The Executive Board shall appoint such committees as deemed appropriate in carrying out the provisions of the Declaration.

ARTICLE IX

Meetings of Members

Section 1. The annual meeting of the members shall be held annually on such day as the Executive Board or President shall select.

Section 2. Special meetings of the members may be called at any time by the President or by the Executive Board, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of the notice, postage paid, at least fifteen (15) days before the meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by the member to the Association for the purpose of notice. The notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. The presence at the meeting of the members entitled to vote, either in person or by proxy, of sixty percent (60%) of the votes of the entire membership shall constitute a quorum for any action, except as otherwise provided in the Certificate of Incorporation, the Declaration or these By - Laws. If however, a quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting and at such successor meeting the quorum shall be on half (1/2) the required quorum at the preceding meeting.

Section 5. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE X

Officers and Their Duties

Section 1. The officers of this Association shall be a President, Vice President, Secretary and Treasurer and other officers as the Board may, from time to time, by resolution create.

Section 2. The election of officers shall take place at the first meeting of the Executive Board following each annual meeting of the members.

Section 3. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. The Board may elect other officers as the affairs of the Association may require, each of whom shall hold office for a period, have the authority, and perform any duties as the Board may, from time to time, determine.

Section 5. Any officers may be removed from office with cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. The resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to the vacancy shall serve for the remainder of the term of the officer he replaces,

Section 7. The offices of Secretary and Treasurer may be held by the same person, No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. The duties of the officers are as follows:

(a) The President shall preside at all meetings of the Executive Board; shall see that orders and resolutions of the Board are carried out, and shall sign all leases, mortgages, deeds and other written documents.

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge any other duties as may be required of him by the Board.

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring the seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform any other duties as required by the Board.

(d) The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse funds as directed by resolution of the Executive Board; shall sign all checks and promissory notes of the Association, keep proper books of account; following the Development Period, cause an annual audit or review of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the members.

(e) The Executive Board may delegate one or more of the foregoing duties to a manager for the Association selected by the Executive Board, pursuant to Article

VII.

ARTICLE XI

Assessments

Section 1. Each owner of a lot in the Deep Branch Woods subdivision by acceptance of a deed therefore, or ownership thereof, whether or not it shall be so expressed in such deed or otherwise be expressed as a condition of ownership, is deemed to covenant and agree to pay to the Association annual and special assessments to be established and collected 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 property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, for the collection thereof, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. A personal obligation for delinquent assessments shall not pass to the owner's successor in title (other than as a lien on the land), unless expressly assumed by the successor in title.

Section 2. Regular assessments of a general nature shall be levied at least annually by the Association and shall be used exclusively to promote the health, safety and welfare of the owners of the properties, and, in particular, for the improvement and maintenance of the common area, for the payment of taxes thereon, for liability insurance and for such other expenses as may be reasonable and proper.

Section 3. No funds received by the Association or its directors from assessments condemnation awards or insurance proceeds shall belong to the Association or directors as its or their property, but all such funds and money shall be received, held, managed, applied and disbursed by the Association and its directors strictly as an agent of and for the owners. The Association and its directors shall be authorized (but not required) to take all possible steps to protect funds coming into its or their possession from taxation at the local, state and federal level.

Section 4. Except as otherwise provided herein, all assessments shall be levied equally against each lot which is subject to assessment pursuant to Section 1 of this Article. There shall be exempted from the assessments, charges and liens created herein all properties, including, but not limited to, the common area and streets which are dedicated and accepted by any governmental authority and devoted to public use.

Section 5. The Executive Board shall fix the annual regular assessment in an amount so that the annual regular assessment to the fullest extent possible shall be sufficient to meet the estimated or projected cost of maintaining and paying taxes on the common area and otherwise carrying out the responsibilities of the Executive Board. Both regular and special assessments shall be fixed at a uniform rate for all lots which are subject to such assessment. Assessments may be collected on a monthly quarterly, semi-annual or annual basis, as the directors determine.

Section 6. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve per cent (12%) per annum, and the Association shall have the right to call in writing for the immediate payment of all sums past due and all

assessments scheduled to become due during the remainder of the fiscal year. The Association may bring an action at law against the owner personally obligated to pay the same or execute on the lien against his lot, and, in addition, any rents, or other income rights, with respect to such lot shall be deemed assigned to the Association as security, subject, however to such rights as may be then vested in the first mortgage of such lot, if any. No owner may waive or otherwise escaped liability for the assessments provided for herein by nonuse of the common areas.

Section 7. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage placed upon the property subject to the assessment. Sale or transfer of any lot shall not affect the assessment lien; however, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 8. The Association shall cause to have prepared and maintained a roster of all properties subject to the above assessments which shall be kept in the office of the Association and shall be open to inspection by any owner. Said roster shall show thereon the amount of the assessment due on each lot and the date that payment has been received.

Section 9. The Executive Board shall prepare an annual budget, a copy of which shall be mailed or delivered to each lot owner or posted in a common area in a place designated for notices of general interest. No assessment shall be made under or for such budget until after it has been so mailed, delivered or posted for a period of at least thirty (30) days. In the event that forty percent (40%) or more of the lot owners present the directors with a written petition to call a special meeting of lot owners to consider the budget, such meeting shall be promptly called and may be called on as few as ten (10) days' notice. The Executive Board shall not regard the budget as final until after the said meeting. Notice of any changes in the budget made as a result of said meeting or for any other reason and at any other time shall be mailed or delivered to the lot owners, or posted as aforesaid. A true and accurate copy of the current budget, and true and accurate books of account showing all receipts and disbursements, shall be maintained by the directors at all times, and shall be open to inspection at reasonable times and upon reasonable advance request by any and all lot owners and all first mortgagees of lots.

Section 10. To the extent that any expenses or charges are specifically intended to benefit one or more, but not all, lots in the subdivision, the Executive Board may, but shall not be required to, levy an assessment for such expense or charge only against those lots benefitted by such charge or expense.

ARTICLE XII

Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Certificate of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable

cost.

ARTICLE XIII

Corporate Seal

The Executive Board shall provide a corporate seal which shall have inscribed thereon the name of the corporation.

ARTICLE XIV

Amendments

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Certificate of Incorporation and these By-Laws, the Certificate shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

IN WITNESS WHEREOF, the undersigned President of DEEP BRANCH WOODS HOMEOWNERS ASSOCIATION, INC. has hereunto set his Hand and Seal this 22nd day of May, 2019.

Witness:

Melvin K. Clarke

Constantine F. Malmberg, III,
President/Declarant

STATE OF DE)
) SS.
Kent COUNTY)

BE IT REMEMBERED that on this 22nd day of May, 2019, personally appeared Constantine F. Malmberg, III, the President of Deep Branch Woods Homeowners Association, Inc., a Delaware corporation, party to this Instrument known to me personally to be such, and acknowledged this Instrument to be his act and deed and the act and deed of said corporation, and that he as such, President being authorized to do so, executed the foregoing instrument for the purposes therein contained on behalf of the corporation.

GIVEN under my hand and seal of office the day and year aforesaid.



Sarah A. Shaner
NOTARY PUBLIC

EXHIBIT "A"
TAX PARCEL NUMBERS

DEEP BRANCH WOODS COMMON AREAS A-I & WETLAND AREAS	<u>2-35 7.00 148.00</u>
DEEP BRANCH WOODS SUBD STREETS	<u>2-35 7.00 149.00</u>
DEEP BRANCH WOODS LOT 1	<u>2-35 7.00 302.00</u>
DEEP BRANCH WOODS LOT 2	<u>2-35 7.00 303.00</u>
DEEP BRANCH WOODS LOT 3	<u>2-35 7.00 304.00</u>
DEEP BRANCH WOODS LOT 4	<u>2-35 7.00 305.00</u>
DEEP BRANCH WOODS LOT 5	<u>2-35 7.00 306.00</u>
DEEP BRANCH WOODS LOT 6	<u>2-35 7.00 307.00</u>
DEEP BRANCH WOODS LOT 7	<u>2-35 7.00 308.00</u>
DEEP BRANCH WOODS LOT 8	<u>2-35 7.00 309.00</u>
DEEP BRANCH WOODS LOT 9	<u>2-35 7.00 310.00</u>
DEEP BRANCH WOODS LOT 10	<u>2-35 7.00 311.00</u>
DEEP BRANCH WOODS LOT 11	<u>2-35 7.00 312.00</u>
DEEP BRANCH WOODS LOT 12	<u>2-35 7.00 313.00</u>
DEEP BRANCH WOODS LOT 13	<u>2-35 7.00 314.00</u>
DEEP BRANCH WOODS LOT 14	<u>2-35 7.00 315.00</u>
DEEP BRANCH WOODS LOT 15	<u>2-35 7.00 316.00</u>
DEEP BRANCH WOODS LOT 16	<u>2-35 7.00 317.00</u>
DEEP BRANCH WOODS LOT 17	<u>2-35 7.00 318.00</u>
DEEP BRANCH WOODS LOT 18	<u>2-35 7.00 319.00</u>
DEEP BRANCH WOODS LOT 19	<u>2-35 7.00 320.00</u>
DEEP BRANCH WOODS LOT 20	<u>2-35 7.00 321.00</u>
DEEP BRANCH WOODS LOT 21	<u>2-35 7.00 322.00</u>
DEEP BRANCH WOODS LOT 22	<u>2-35 7.00 323.00</u>
DEEP BRANCH WOODS LOT 23	<u>2-35 7.00 324.00</u>
DEEP BRANCH WOOD LOT 24	<u>2-35 7.00 325.00</u>
DEEP BRANCH RD LOT 25	<u>2-35 7.00 326.00</u>
DEEP BRANCH WOODS LOT 26	<u>2-35 7.00 327.00</u>