

May 2002

**BYLAWS
OF
WOOD CREEK PHASE ONE HOMEOWNER'S ASSOCIATION, INC.**

ARTICLE I

NAME AND LOCATION

The name of the Corporation is Wood Creek Phase One Homeowner's Association, Inc., hereinafter referred to as the "Association". The principal office of the Corporation shall be located at Executive Club Drive, Delmar Maryland 21875, but meetings of members and directors may be held at such place or places within the State of Maryland as may be designated by the Board of Directors.

ARTICLE II

DEFINITION

Section 2.1. "Association" shall mean and refer to Wood Creek Phase One Homeowner's Association, Inc., its successors and assigns.

Section 2.2. "Properties" shall mean and refer to the Phase of development in the Wood Creek Golf Community subdivision located in Delmar, Wicomico County, Maryland, described in the Declaration of Covenants, Conditions, and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 2.3. "Common Area" shall mean all real property owned by or dedicated to the Association for the common use and enjoyment of the Owners in accordance with the Declaration.

Section 2.4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 2.5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 2.6. "Declarant" shall mean and refer to Acorn Land, LLC, or its successors and assigns, if such successors or assigns should acquire more than five undeveloped lots from the Declarant for the purpose of development.

Section 2.7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of Land Records for Anne Arundel County, Maryland.

Section 2.8. "Member" shall mean and refer to those parties entitled to membership as provided in the Declaration.

ARTICLE III MEETINGS OF MEMBERS

Section 3.1. Annual Meeting. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular meeting of the members shall be held on the same day of the same month of each year thereafter, at a place and time determined by the Board of Directors, which shall be noticed to all members. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 3.2. Special Meetings. Special meetings of the members may be called at any time by the President of the Association, or the Board of Directors, or upon written request of members who are entitled to vote one-fourth (1/4) of all the votes of the Class A membership, or the Class B member.

Section 3.3. Notice of Meetings. Written notice of each meeting of the members shall be given by or at the discretion of the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such 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 such member to the Association for the purpose of notice. Such 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 3.4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-half (1/2) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 3.5. Proxies. 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. Any proxy shall be revocable, and shall automatically cease upon conveyance by the member of his

Section 3.6. Assessments. Meetings to raise assessments shall be governed by the Declaration.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION AND TERM OF OFFICE

Section 4.1. Number. The affairs of this Association shall be managed by a Board of three (3) or more directors (but always an odd number), who need not be members of the Association, so long as they are approved by the Declarant. While there is a Class B membership, the Board may consist of only one or two directors.

Section 4.2. Term of Office. At the first annual meeting of the members after the cessation of the Class B membership, the members shall elect three (3) directors for a term of one year and at each annual meeting thereafter the members shall elect three (3) directors for a like term.

Section 4.3. Removal. Any director may be removed from the Board, with or without cause, by a vote of 60% 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 4.4. Compensation. 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 4.5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting that they could take at a meeting by obtaining the unanimous written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 4.6. Telephone Meetings. The directors may participate in board meetings by telephone conference or speakerphone.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 5.1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting.

The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 5.2. Election. Election to the Board of Directors shall be by written ballot. At each election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 6.1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least every six (6) months without the necessity of notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 6.2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than two (2) days' notice to each director.

Section 6.3. Quorum. A majority of the 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 the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1. Powers. The Board of Directors shall have power to:

7.1.1 adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

7.1.2 suspend the voting rights and right to use the Common Area and the

recreational facilities of a member during any period of time in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed 60 days for any infraction of the Association's rules and regulations;

7.1.3 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 Articles of Incorporation, or the Declaration;

7.1.4 declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

7.1.5 employ a manager, independent contractors, and such other employees as they deem necessary, and to prescribe their duties.

Section 7.2 Duties. It shall be the duty of the Board of Directors to:

7.2.1 cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

7.2.2 supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

7.2.3 as more fully provided in the Declaration to:

7.2.3.1 fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period (however, if a new annual assessment is not fixed by the Board for any reason, then the prior annual assessment shall repeat without further action being necessary);

7.2.3.2 send written notice of assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period (but failure to send written notice shall not void the assessment repeating from the prior year);

7.2.3.3 foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at-law against the Owner personally obligated to pay the same;

7.2.4 issue, or cause an appropriate officer to issue, upon demand by any person, a

certificate setting forth whether or not any assessment has been paid. The Board may make a reasonable charge for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

7.2.5 procure and maintain adequate liability and hazard insurance on property owned or used by or dedicated to the Association;

7.2.6 cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

7.2.7 cause the Common Area to be maintained and insured.

Section 7.3. No director shall have personal liability for any actions taken on behalf of the Association unless done so recklessly and in bad faith.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 8.1. Enumeration of Offices. The officers of this Association shall be a president and vice-president (who shall at all times be members of the Board of Directors), and a secretary and a treasurer (who do not necessarily have to be members of the Board of Directors, and who may be paid some compensation for their service), and such other officers as the Board may from time to time by resolution create.

Section 8.2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 8.3. Term. 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 be removed, or otherwise become disqualified to serve.

Section 8.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 8.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such 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 8.6. Vacancies. A vacancy in any office may be filled by appointment by the

Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 8.7. Multiple Offices. 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 8.4 of this Article.

Section 8.8. Duties. The duties of the officers are as follows:

PRESIDENT

8.8.1 The president shall preside at all meetings of the Board of Directors and of the members; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

VICE PRESIDENT

8.8.2 The vice-president shall assist the president, and may act in the absence of the president, as appropriate.

SECRETARY

8.8.3 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 said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the names of all members of the Association together with their addresses, and shall perform such other duties as required by the board.

TREASURER

8.8.4 The treasurer shall receive and deposit in appropriate bank accounts all funds of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; create an annual audit of the Association-books which may 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 annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

Section 9. The Association shall appoint an Architectural Review Committee, as provided in the declaration, and a Nominating Committee, as provided in these By-Laws. In

addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X BOOKS and RECORDS

Section 10. The books, records, and papers of the Association shall at all times be subject to inspection by any member during reasonable business hours. The Declaration, the Articles 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 XI ASSESSMENTS

Section 11. As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments, which assessments are hereby declared to be secured by a continuing lien upon the property against which the assessment is made. Any assessments that are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate of eighteen percent (18%) per annum or as dictated by law, whichever is less, plus attorneys fees, and the Association may enforce the lien for all assessments, interest and fees pursuant to the Maryland Contract Lien Act of the Real Property Article, or bring an action at law against the Owner personally obligated to pay the same or sue in equity to foreclose the lien against the property, together with all interest, costs and all attorney's fees, which shall be added to the amount of such assessment and secured thereby. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

Section 11.1. The minimum annual assessment shall be Four Hundred Eighty Dollars (\$480.00), or such additional sum as shall be established by the Association from time to time, due on January 1 of each year commencing upon the first sale of each lot from the Declarant to an Owner, prorated to the date of settlement in the first year.

ARTICLE XII CORPORATE SEAL

Section 12. The Association shall have a seal in circular form having within its

circumference the name of the Homeowner's Association, followed by the word "Inc."

ARTICLE XIII
AMENDMENTS

13.1 These By-Laws may be amended at a regular or special meeting of the members by a vote of a majority of the members of the Association, except that the Federal Housing Administration or the Veterans Administration may have the right to veto amendments while any Class B memberships remain.

13.2 In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV
MISCELLANEOUS

Section 14. The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year.

IN WITNESS WHEREOF, the undersigned representative of the Declarant has adopted these Bylaws for the Association this 30 day of May, 2002.

ATTEST:

ACORN LAND LLC

Angela S. Becker

By: [Signature] (Seal)
Michael J. Thomasson, Member

STATE OF MARYLAND, Anne Arundel COUNTY, TO WIT:

I HEREBY CERTIFY that on this 17th day of June, 2002, before me, a Notary Public of the State of Maryland, personally appeared Michael J. Thomasson, known to me to be the person authorized to sign on behalf of Acorn Land LLC, and acknowledged to me that he executed the same as an authorized member for the purposes set forth.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Angela S. Becker
Notary Public

My Commission expires: July 14, 2002

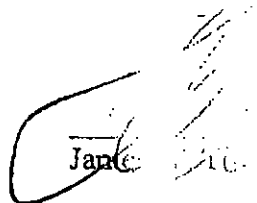


Common Area, dissolution and amendment of these Articles

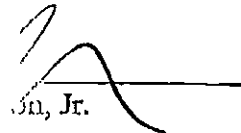
IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Maryland, the undersigned have executed the Articles of Incorporation this 30 day of May, 2002.



Michael J. Thomasson




James M. [unclear]



[unclear], Jr.

CONSENT OF RESIDENT AGENT

I hereby consent to act as resident agent in Maryland for the entity named in the attached instrument.



Signature of Michael J. Thomasson

CERTIFICATION

I, the undersigned do hereby certify:

I am the duly elected and acting secretary of Wood Creek Phase One Homeowner's Association, Inc., a Maryland corporation.

The foregoing Bylaws constitute the original Bylaws of said Association as duly adopted by the Declarant on the 30 day of May, 2002.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 30 day of May, 2002.



Michael J. Thomasson, Secretary