

BY-LAWS

OF

LONGMEADOW HOMEOWNERS ASSOCIATION

SECTION 1. NAME -- The name of this Association shall be "Longmeadow Homeowners Association" (hereinafter "Association").

SECTION 2. MEMBERS -- The members of the Association shall be the owners of lots in Longmeadow as more particularly set forth in the Maintenance Declaration, as aforesaid, or their heirs, executors, administrators, successors or assigns, transferees, devisees, or grantees of the owners of said lots in Longmeadow and Longmeadow, LLC, shall continue to be a member hereof so long as it is the owner of any lot or lots in said Longmeadow. All the records owners shall be entitled to one (1) vote for each lot in which they hold a fee interest.

SECTION 3. BUSINESS -- The nature of the Association's business and the objects or purposes for which the Association is formed and its business is to be transacted, promoted or carried on are as follows:

1. To provide for such services as are required and deemed essential to the good order and condition of Longmeadow in order to implement and to be in accordance with a Maintenance Declaration of Longmeadow, LLC, dated August 24, 1998 recorded in the Office of the Recorder of Deeds in and for New Castle County, State of Delaware in Deed Book 2507, Page 114.

2. To do other things necessary and desirable in the judgment of the Board of Directors of the Corporation for the best interests of the property owners in Longmeadow, and the owners of the lot or lots herein bound by membership to the Corporation.

3. Notwithstanding the provisions of paragraphs 1 and 2 above, the Association shall comply with any and all requirements of HUD/VA, DSHA, the State of Delaware, New Castle County, and/or the Town of Middletown; and shall be consistent with the Certificate of Incorporation.

SECTION 4. -- NUMBER OF DIRECTORS, TERM AND ELECTION. The Association shall elect FIVE (5) directors. Directors shall be elected at the annual meeting of the Association. Directors shall serve one year terms.

SECTION 5. -- REMOVAL. Any director or directors may be removed either for or without cause at any time by the affirmative vote of the holders of a majority of all the shares of stock outstanding and entitled to vote, at a special meeting of the

stockholders called for the purpose and the vacancies thus created may be filled, at the meeting held for the purpose of removal, by the affirmative vote of a majority in interest of the stockholders entitled to vote.

SECTION 6. -- ANNUAL MEETINGS. Annual meetings of the Association for the election of directors and for such other business shall be held. At each annual meeting, the Association shall elect a Board of Directors and may transact such other business as shall be stated in the notice of the meeting.

SECTION 7. -- OTHER MEETINGS. Meetings of the Association for any purpose other than the election of directors may be held at such time and place as shall be stated in the notice of the meeting.

SECTION 8. -- QUORUM. The presence, in person or by proxy, of homeowners holding the majority of the lots of Longmeadow entitled to vote shall constitute a quorum at all meetings of the Association.

SECTION 9. -- NOTICE OF MEETINGS. Written notice, stating the place, date and time of the meeting, and the general nature of the business to be considered, shall be given to each Association member entitled to vote thereat at his or her address as it appears on the records of the Association, not less than ten or more than fifty days before the date of the meeting.

SECTION 10. -- BUSINESS TRANSACTED. No business other than that stated in the notice shall be transacted at any meeting without the unanimous consent of all the stockholders entitled to vote thereat.

SECTION 11. -- OFFICERS. The Directors may appoint officers, including a President, a Treasurer, and a Secretary who shall hold their offices for such terms and shall exercise such power and perform such duties as shall be determined from time to time by the Board of Directors. More than two offices may be held by the same person.

SECTION 12. -- OTHER OFFICERS AND AGENTS. The Board of Directors may appoint such officers and agents as it may deem advisable, who shall hold their offices for such terms and shall exercise such power and perform such duties as shall be determined from time to time by the Board of Directors.

SECTION 13. -- AMENDMENTS. With the exception of the provisions of Section 3 above, these By-Laws may be altered and repealed and By-Laws may be made at any annual meeting of the stockholders or at any special meeting thereof if notice thereof is contained in the notice of such special meeting by the affirmative vote of a majority of the Association members entitled to vote



thereat, or by the regular meeting of the Board of Directors, at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors, if notice thereof is contained in the notice of such special meeting. HUD/VA has the right to veto amendments if there is a Class B membership.

SECTION 14. -- DUES. The members of this Association may be required to pay an annual maintenance charge or assessment to be paid to the Association for the purpose of providing a general fund to enable the Association to perform the duties herein set forth.

The amount of such assessment shall be fixed annually by the Board of Directors, and shall be charged or assessed in equal proportions against each lot regardless of size.

The assessment shall be made at the determination of the Board of Directors, and thereafter, each assessment shall be made for each subsequent year as determined by the Board of Directors. Each yearly assessment shall be due and payable on or before thirty (30) days after it has been fixed or levied. It shall be the duty of the Board of Directors to notify all owners of the fee simple title to the property above described, whose addresses are listed with the Association, within thirty (30) days after said assessment has been fixed and levied giving the amount of the charge or assessment for said year, when due and the amount due on each lot or parcel of land owned by each such owner. Failure of the Board of Directors to levy the assessment or charge for any one (1) year shall not affect the right of said Association to levy the assessment or charge for any subsequent year.

The assessment shall become a lien or encumbrance on said real estate as soon as it is due and payable as above set forth. In the event of failure of any of the owners to pay the assessment when due, then such assessment shall bear interest at the rate of ten percent (10%) per annum from the date when due until paid.

Thirty (30) days after the date any yearly assessment has been fixed and levied, the assessment, if not paid, shall become delinquent, and, payment of both principal and interest may be enforced as a lien on said real estate in any proceedings in any court of the State of Delaware, having jurisdiction of suit for the enforcement of such liens.

The Board of Directors shall collect all charges or assessments herein provided for, and shall pay all expenses in connection therewith and all other expenses incident to the conduct of the business of said Association; provided, however, that the Association shall at no time expend more money within any one (1) year than the total amount of the charge or assessment for that particular year or any surplus which it may have on hand from previous charges or assessments.

SECTION 15. -- OTHER RULES AND REGULATIONS. The Association shall have the right to make such reasonable rules and regulations and provide such means and employ such agents as will enable it to adequately and properly carry out the provisions of

the Declaration, subject to the limitations hereinbefore and hereinafter set forth.

SECTION 16. -- EXISTENCE. The Association is to have perpetual existence.

SECTION 17. -- LIMITATIONS. The private property of the members shall not be subject to the payment of debts of the Association to any extent, whatsoever, except as provided in Section 14.