

AMENDED AND RESTATED BY-LAWS
OF
FOUNDATION FOR AFFORDABLE RENTAL HOUSING HOLDINGS INC.
(f/k/a FARH-Lamplighter Affordable Housing, Inc.)
(A Delaware Non-Stock, Non-Profit Corporation)

ARTICLE I

DESCRIPTION

The name of the corporation is "**Foundation for Affordable Rental Housing Holdings Inc.**" (the "Corporation"). The Corporation has been organized pursuant to the Delaware General Corporation Law as a non-stock, non-profit corporation.

ARTICLE II

MEMBERSHIP

Section 1. *Membership.* The only members of the Corporation shall be the persons who, at the time of determination, are directors of the Corporation. Any person who accepts election as a director shall automatically, and without any further action or writing, become and remain a member for as long as he/she remains a director and cease to be a member at the time he/she ceases to be a director. Notwithstanding the foregoing, all of the directors may simultaneously resign as members of the Corporation and admit an organization that is exempt from U.S. federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, as the sole member of the Corporation. Thereafter, no additional member shall be admitted without the consent of such sole member.

Section 2. *Annual Meetings.* The annual meeting of the members for the purpose of electing directors and transacting such other business for which a vote of members is required by law or these By-Laws shall be held on such date and at such time and place as shall be fixed by the board of directors, *provided* that, at any time the Corporation has a sole member, such member shall determine the date, time and place of each annual meeting (unless it chooses to act in writing pursuant to Section 9 of this Article II in lieu of conducting an annual meeting).

Section 3. *Special Meetings.* Special meetings of the members, for any purpose or purposes, may be called by the President, the board of directors or at least ten percent (10%) of the

members. Each special meeting shall be held on such date and at such time and place as shall be fixed by the person or group calling the meeting, *provided* that, at any time the Corporation has a sole member, such member shall determine the date, time and place of each special meeting (unless it chooses to act in writing pursuant to Section 9 of this Article II in lieu of conducting such special meeting).

Section 4. *Notice of Meetings.* Notice stating the date, time, place and purpose of any annual or special meeting of the members shall be given no less than ten (10) nor more than fifty (50) days before the date of the meeting, either electronically, personally or by first-class mail, to each member of record entitled to vote at the meeting. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the date, time and place are announced at the meeting at which the adjournment is taken, and, at the adjourned meeting, only such business is transacted as might have been transacted at the original meeting. Notice of any meeting of the members may be waived, in a manner consistent with the Delaware General Corporation Law.

Section 5. *Quorum.* The members entitled to cast a majority of the votes at a meeting shall constitute a quorum for the transaction of business at such meeting.

Section 6. *Manner of Acting.* Unless otherwise required by law or these By-Laws, any action required to be taken by the members shall be authorized by a majority of the members present at the meeting of the members when the action is taken.

Section 7. *Number of Votes.* Each member shall be permitted to cast one vote on all matters on which he, she or it may vote.

Section 8. *Record Dates; Proxies.* The record date for determining members eligible to vote at any meeting of members shall be the close of business on the day prior to the sending of notice to members or, if all members waive notice, the date of such meeting. Each member entitled to vote at a meeting of members may authorize another person or persons to act for such member by proxy. A member may revoke any proxy that is not irrevocable under the Delaware General Corporation Law by filing with the Secretary either an instrument in writing revoking the proxy or another duly executed proxy bearing a later date.

Section 9. *Action Without a Meeting.* Any action required to be taken at a meeting of members, or any action that may be taken at a meeting of members, may be taken without a meeting by unanimous written consent (including by way of electronic message) in accordance with, and to the extent permitted by, the Delaware General Corporation Law. A description of any action so taken and the written consents thereto shall be filed with the minutes of the proceedings of the members.

ARTICLE III

PURPOSES

Section 1. *Specific Purposes:* The purposes for which the Corporation has been formed and will operate are as set out in its Certificate of Incorporation.

Section 2. *General Powers:* Subject to the purposes referred to in Section 1 of this Article III, the Corporation will have the following general powers:

(a) To establish and maintain an office or offices, to engage staff, to arrange for the provision of goods and to engage professional management, administrative and other services to be provided by individuals and entities, all in furtherance of the Corporation's purposes and the activities incidental thereto;

(b) To solicit and to receive contributions, grants and other assistance and support from public and private sources for the furtherance of the Corporation's purposes; and

(c) To lawfully do everything necessary, suitable or proper for the attainment of any of the Corporation's purposes, and to have, enjoy and exercise any and all rights, powers, privileges and exemptions that are now or may hereafter be conferred upon a non-stock not-for-profit corporation by the Delaware General Corporation Law.

Section 3. *Limitations:* The Corporation has not been formed for pecuniary profit or financial gain. No part of the net earnings of the Corporation will be distributable to or inure to the benefit of any director, officer, employee or other individual, except that the Corporation will be authorized to pay reasonable compensation for services rendered and to make other payments in furtherance of its purposes. No substantial part of the activities of the Corporation will be the carrying out of propaganda or otherwise attempting to influence legislation, and the Corporation will not participate or intervene in (including the publishing or distribution of statements regarding) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these By-Laws, the Corporation will not carry on any activity not permitted to be carried on: (i) by an organization exempt from federal income tax under Section 501(c)(3) of the Code, or (ii) by a corporation contributions to which are deductible under Section 170(c)(2), Section 2055(a)(2), or Section 2522(a)(2) of the Code.

Section 4. *Dissolution:* Upon the dissolution, final liquidation or winding up of the Corporation, the assets of the Corporation will, after paying or making provision for the payment of all of the liabilities of the Corporation, be distributed: (i) in a manner permitted to be distributed by organizations qualified as exempt organizations under Section 501(c)(3) of the Code, and (ii) in accordance with the purposes of the Corporation.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. *General Powers:* The activities and affairs of the Corporation will be managed by the board of directors, which will be known and is referred to in these By-Laws as the "board of directors" or "board"; the board of directors will have control of the funds, securities and other property of the Corporation.

Section 2. *Number:* There may be no fewer than three (3) directors, the number to be fixed from time to time by the members of the Corporation.

Section 3. *Election and Term of Office:* The directors will be elected at each annual meeting of the members. Each director will hold office until the next annual meeting of the members (or until his or her successor has been duly elected and qualified), or until his or her prior death, resignation or removal as provided in these By-Laws.

Section 4. *Quorum:* At all meetings of the board of directors, a quorum will consist of a majority of the entire board.

Section 5. *Newly Created Director Positions and Vacancies:* Newly created director positions resulting from an increase in the size of the entire board and vacancies in the board resulting from death, resignation, or removal of any director may be filled at any annual meeting of the board of directors or, if that purpose is stated in the notice of the meeting, at any other meeting of the board, by a vote of a majority of the directors then in office even if no quorum is present. Any director elected to fill a vacancy resulting from resignation, death, or removal of a director will be elected to hold office for the unexpired term of his or her predecessor.

Section 6. *Meetings:* The board of directors will hold an annual meeting for the election of directors and officers, and for any other proper business on such date and at such place as may be fixed by the board. Notice of the annual meeting of the board must be given to each director by mailing, emailing or delivering personally the notice to him or her not less than ten (10) nor more than sixty (60) days prior to such meeting at the last address furnished by him or her to the Corporation. Regular meetings may be held at such time and place as the board may determine. Notice, if any, of regular meetings must be given in the manner determined by the board, *provided* that, if an amendment to the Corporation's Certificate of Incorporation or By-Laws is to be considered at any meeting, then notice of such meeting stating the purposes therefor shall be required. The board will also hold a special meeting whenever such a meeting is called: (i) by the President, or (ii) by the Secretary upon the written demand of the members or a majority of the directors then in office. Special meetings of the board will be held at such time and place as may be fixed by whichever of the President or the Secretary (upon demand as described above) called the

meeting. Notice of special meeting must be given to each director by emailing or delivering personally to him or her at least 24 hours prior to the meeting, or by mailing the notice to him or her at least seven (7) days prior to the meeting at the last address furnished by him or her to the Corporation. Notice of special meetings must state the purpose(s) for which the meeting is being called. Any meeting of the board of directors at which all the members are present in person, or of which notice has been given in accordance with these By-Laws or has been duly waived by all absentees before or after the meeting, will be valid for all purposes provided a quorum be present. At all meetings of the board, each director will be entitled to one vote. That vote must be made in person rather than by proxy. The vote of a majority of the board present at the time of a vote, if a quorum is present at the time, will be the act of the board except as required by Section 8 of this Article IV.

Section 7. *Resignation:* Any director may resign at any time by written notice delivered in person or sent by mail to the President, the Secretary or the board. Any such resignation will take effect at the time specified in the notice or, if not so specified, then immediately upon delivery. Unless specifically requested, acceptance of any such resignation will not be necessary for its effectiveness.

Section 8. *Removal:* Except as provided by law, any director may be removed from office at any time, with cause, by the vote of two-thirds (2/3) of the members.

Section 9. *Compensation:* The board of directors may provide for reimbursement of the expenses of directors, and such compensation, if any, as is deemed appropriate.

Section 10. *Unanimous Consent of Directors in Lieu of Meeting:* Any action required or permitted to be taken at any meeting of the board of directors or any committee may be taken without a meeting if all of the members of the board or committee, as the case may be, consent to the adoption of a resolution authorizing such action in writing(s) or by electronic transmission(s). The resolution and the related writing(s) or electronic transmission(s) granting consent by the members of the board or committee must be filed with the minutes of the proceedings of the board or committee. Such filing shall be in paper form if the minutes are maintained in paper form, and shall be in electronic form if the minutes are maintained in electronic form.

Section 11. *Telephonic Attendance of Meetings:* Members of the board of directors or any committee may participate in a meeting of the board or committee, as the case may be, by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another; such participation in a meeting will constitute presence in person at such meeting.

Section 12. *Committees of the Board:* Except as otherwise provided in the By-Laws, the board of directors may by resolution of the majority of the entire board designate from

among its members an executive committee and other standing and ad hoc committees, each of which shall consist of two (2) or more directors who shall serve at the pleasure of the board. Each such committee will have such power and authority, and be subject to such restrictions, as may be determined by the board of directors, except that no such committee shall have the power to recommend to the members any action that requires their approval (other than the election and removal of directors). Each committee will maintain minutes of its proceedings and report to the board of directors as required by the board. For each committee, a quorum will consist of a majority of the persons then serving on that committee.

ARTICLE V

OFFICERS

Section 1. *Election:* The officers of the Corporation will be a President, one or more Vice Presidents, a Secretary and a Treasurer, and may also include a Chairman (or Chairwoman, as appropriate). The officers will be elected by the board of directors at its annual meeting and will hold office until the next annual meeting (or until their respective successors have been duly elected and qualified), or until their prior death, resignation or removal as provided in these By-Laws. The board of directors may elect one or more additional officers and one or more assistants to any of the officers or additional officers, who will serve for such terms and, subject to these By-Laws, have such duties, powers and privileges as may be prescribed by the board. Officers, including assistant officers, need not be directors. One person may hold two or more offices at the same time, except that the President and the Secretary may not be the same person. The following are hereby appointed officers of the Company, Joseph E. Thomas, III , President, Robert Barolak, Vice President, Curtis Pollock, Vice President and Treasurer and Allison Berman, Vice President and Secretary. The officers shall serve at the pleasure of the board of directors.

Section 2. *Vacancies:* Vacancies occurring in any office may be filled by the board of directors at any time.

Section 3. *Resignation:* Any officer may resign at any time by written notice delivered in person or sent by mail to the President, the Secretary or the board of directors. Any such resignation will take effect at the time specified in the notice or, if not so specified, then immediately upon delivery. Unless specifically requested, acceptance of any such resignation will not be necessary for its effectiveness.

Section 4. *Removal:* Any officer may be removed at any time, with or without cause, by the board of directors.

Section 5. *President:* The President will be the chief executive officer and (subject to Section 11 of this Article V) the chief operating officer of the Corporation and, subject to

the control of the board of directors, will oversee the general management of the business and affairs of the Corporation. The President shall keep the board of directors fully informed of the activities of the Corporation. In the absence of the Chairman (or Chairwoman) or in the event of the Chairman's (or Chairwoman's) death or inability to act, the President will have the powers and authority of, and be subject to the restrictions upon, the Chairman (or Chairwoman). The President may sign, execute and deliver, in the name and on behalf of the Corporation, all contracts, deeds, mortgages, bonds, certificates and other instruments authorized from time to time by the board of directors, except in circumstances which such signing, execution and delivery is expressly delegated by the board or by these By-Laws to some other officer or agent of the Corporation or except as otherwise provided by law. The President will be empowered to affix the seal, if any, of the Corporation to any instrument requiring it. In general, the President will perform all the duties incident to the office of president, chief executive officer and chief operating officer, and such other duties, not inconsistent with these By-Laws, as may be assigned to him or her by the board of directors from time to time.

Section 6. *Chairman (or Chairwoman):* The Chairman (or Chairwoman), if one is elected, will preside at all meetings of the members and the board of directors, and will also perform such other duties, not inconsistent with these By-Laws, as may be assigned by the board of directors or the President from time to time.

Section 7. *Vice President:* In the absence of the President or in the event of the President's death or inability to act, the Vice President (or if there be more than one, the Vice Presidents in the order designated at the time of their election or, in the absence of any such designation, in the order of their seniority in office) will perform the duties of the President and, when so acting, will have the powers and authority of, and be subject to the restrictions upon, the President. The Vice President (or Vice Presidents) will also perform such other duties, not inconsistent with these By-Laws, as may be assigned by the board of directors or the President from time to time.

Section 8. *Secretary:* The Secretary will keep the minutes of the meetings of the board of directors. The Secretary will attend to the giving and serving of all notices of the Corporation. He or she will be empowered to affix the seal of the Corporation to any instrument requiring such seal. In the absence of all Vice Presidents or in the event of the death or inability to act of all of them, the Secretary will perform the duties of the Vice President and, when so acting, will have the powers and authority of, and be subject to the restrictions upon, the Vice President. In general, the Secretary, subject to the control of the board of directors and the President, will perform all the duties incident to the office of secretary. The Secretary will also perform such other duties, not inconsistent with these By-Laws, as may be assigned by the board of directors or the President from time to time.

Section 9. *Treasurer:* The Treasurer will have the care and custody of, and be responsible for, the funds and assets of the Corporation, will receive, and give receipts for, moneys

due and payable to the Corporation from any source whatsoever, and will deposit all moneys in the name of the Corporation in such depositories as may be selected in accordance with these By-Laws. The Treasurer will have the general charge and custody of, and be responsible for, the keeping of correct and complete books and records of account of the Corporation, and may disburse and supervise the investment of the funds of the Corporation as ordered or authorized by the board of directors or by the President. The Treasurer will render a financial report to the board of directors at least annually. In general, the Treasurer, subject to the control of the board of directors and the President, will have charge of the funds and assets of the Corporation and will perform all the duties incident to the office of treasurer. He or she will also be empowered to affix the seal of the Corporation to any instrument requiring it. The Treasurer will also perform such other duties, not inconsistent with these By-Laws, as may be assigned by the board of directors or the President from time to time.

Section 10. *Assistant Secretaries and Assistant Treasurers:* In the absence of the Secretary or the Treasurer, respectively, or in the event of his or her death or inability to act, the Assistant Secretary or Assistant Treasurer, respectively, if there be one (or if there more than one, the Assistant Secretaries or Assistant Treasurers, respectively, in the order designated at the time of their election or, in the absence of any such designation, in the order of their seniority in office), will perform the duties of the Secretary or the Treasurer respectively and, when so acting, will have the powers and authority of, and be subject to the restrictions upon, the Secretary or the Treasurer, as the case may be. In general, each Assistant Secretary and Assistant Treasurer, subject to the control of the board of directors, the President and the Secretary or Treasurer as the case may be, will perform all the duties incident to his or her office and will also perform such other duties as may be assigned from time to time by the board of directors, the President or the Secretary or Treasurer, as the case may be.

Section 11. *Executive Director:* The board of directors may from time to time appoint or employ an Executive Director whose duties and functions shall be those prescribed by the board of directors, provided that any such delegation of authority to the Executive Director shall not operate to relieve the board of directors or any individual directors of any responsibility imposed upon it or him by law. The Executive Director, if one is appointed, shall be the chief operating officer of the Corporation, and shall, subject to the control of the board of directors, generally supervise, direct and control the day-to-day management of the business and affairs of the Corporation. The Executive Director shall attend meetings of the board of directors, and the request of the board, and shall make periodic reports to the board of directors. The board of directors shall, from time to time, determine the reasonable compensation to be paid, if any, to the Executive Director, subject to Section 3 of Article III and Article VII of these By-Laws, and the duties to be performed by the Executive Director. The Executive Director is authorized to employ, with the approval of the board of directors, a staff responsible to assist with the duties of the Executive Director.

Section 12. *Other Agents and Employees:* The board of directors may from time to time appoint such agents and employees as it shall deem necessary, each of whom shall hold office during the pleasure of the board of directors, and shall have such authority, perform such duties and receive such reasonable compensation, subject to Section 3 of Article III and Article VII of these By-Laws, if any, as the board of directors may from time to time determine.

Section 13. *Compensation:* Subject to Section 3 of Article III and Article VII of these By-Laws, a majority of the entire board of directors will fix the compensation, if any, including fees and reimbursement of expenses of officers and assistant officers for services on behalf of the Corporation in those capacities.

Section 14. *Bonds and Other Security:* If required by the board of directors, any officer or assistant officer of the Corporation must give a bond or other security for the faithful performance of his or her duties, in the amount and with such surety or sureties as the board may direct.

Section 15. *Advisory Committees:* The board of directors may appoint from time to time any number of persons as advisors of the Corporation to act either singly or as a committee or committees, which may also be referred to as a board or boards . Each such advisor shall hold office for a period determined by the board of directors, and shall have only such authority or obligations as the board of directors may from time to time determine. Any advisor may be removed by the board with or without cause. No advisor of the Corporation shall receive, directly or indirectly, any salary, compensation or emolument therefrom for any service rendered to the Corporation by such advisor, except that the board of directors may authorize reimbursement of expenditures reasonably incurred on behalf of activities for the benefit of the Corporation.

ARTICLE VI

INDEMNIFICATION

Section 1.

(a) *Indemnification:* The Corporation shall indemnify to the fullest extent now or hereafter provided for or permitted by law each person involved in, or made or threatened to be made a party to, any action, suit, claim or proceeding, arbitration, alternative dispute resolution mechanism, investigation, administrative or legislative hearing or any other actual, threatened, pending or completed proceeding, whether civil or criminal, or whether formal or informal, and including an action by or in the right of the Corporation or any other corporation, or any partnership, joint venture, trust, employee benefit plan or other enterprise, whether profit or non-profit (any such entity, other than the Corporation, being hereinafter referred to as an "Enterprise"), and including appeals therein

(any such process being hereinafter referred to as a "Proceeding"), by reason of the fact that such person, such person's testator or intestate (i) is or was a director or officer of the Corporation, or (ii) while serving as a director or officer of the Corporation, is or was serving, at the request of the Corporation, as a director, officer, or in any other capacity, any other Enterprise, against any and all judgments, fines, penalties, amounts paid in settlement, and expenses, including attorneys' fees, actually and reasonably incurred as a result of or in connection with any Proceeding, or any appeal therein, except as provided in Section 1(b) of this Article VI. The Corporation shall have the power to purchase and maintain, at its cost and expense, insurance on behalf of itself and of such persons to the fullest extent permitted by applicable law, whether or not the Corporation would have the legal power to directly indemnify such person against such liability.

(b) *Limitation on Indemnification:* No indemnification shall be made to or on behalf of any such person if a judgment or other final adjudication adverse to such person establishes that such person's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that such person personally gained in fact a financial profit or other advantage to which such person was not legally entitled. In addition, no indemnification shall be made with respect to any Proceeding initiated by any such person against the Corporation, or a director or officer of the Corporation, other than to enforce the terms of this Article VI, unless such Proceeding was authorized by the board of directors. Further, no indemnification shall be made with respect to any settlement or compromise of any Proceeding unless and until the Corporation has consented to such settlement or compromise.

(c) *Notice of Proceeding:* Written notice of any Proceeding for which indemnification may be sought by any person shall be given to the Corporation as soon as practicable. The Corporation shall then be permitted to participate in the defense of any such proceeding or, unless conflicts of interest or position exist between such person and the Corporation in the conduct of such defense, to assume such defense. In the event that the Corporation assumes the defense of any such Proceeding, legal counsel selected by the Corporation shall be acceptable to such person. After such an assumption, the Corporation shall not be liable to such person for any legal or other expenses subsequently incurred unless such expenses have been expressly authorized by the Corporation. In the event that the Corporation participates in the defense of any such Proceeding, such person may select counsel to represent such person in regard to such a Proceeding; however, such person shall cooperate in good faith with any request that common counsel be utilized by the parties to any Proceeding who are similarly situated, unless to do so would be inappropriate due to actual or potential differing interests between or among such parties.

(d) *Presumption Regarding Indemnification:* In making any

determination regarding any person's entitlement to indemnification hereunder, it shall be presumed that such person is entitled to indemnification, and the Corporation shall have the burden of proving the contrary.

Section 2. *Rights Not Exclusive:* The rights to indemnification and advancement of expenses granted by or pursuant to this Article VI (i) shall not limit or exclude, but shall be in addition to, any other rights which may be granted by or pursuant to any statute, corporate charter, by-law, resolution of shareholders or directors or agreement; (ii) shall be deemed to constitute contractual obligations of the Corporation to any director or officer who serves in a capacity referred to in Section 1.(a) of this Article VI at any time while this Article VI is in effect; (iii) shall continue to exist after the repeal or modification of this Article VI with respect to events occurring prior thereto; and (iv) shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the estate, spouse, heirs, executors, administrators or assigns of such person. It is the intent of this Article VI to require the Corporation to indemnify the persons referred to herein for the aforementioned judgments, fines, penalties, amounts paid in settlement, and expenses, including attorney's fees, in each and every circumstance in which such indemnification could lawfully be permitted by express provisions of by-laws, and the indemnification required by this Article VI shall not be limited by the absence of an express recital of such circumstances.

ARTICLE VII

CONFLICTS OF INTEREST

Section 1. *Purpose:* This Article VII constitutes the conflict of interest policy of the Corporation. The purpose of this Article VI is to protect the interest of the Corporation when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director or officer of the Corporation or might result in a possible "excess benefit transaction" within the meaning of Section 4958 of the Internal Revenue Code of 1986, as amended. This Article VII is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. *Definitions:* For the purpose of this Article VII:

"Compensation" shall include direct and indirect remuneration as well as gifts or favors that are not insubstantial.

"Disqualified Person" has the meaning set forth in Section 4958(f)(1) of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The term refers to, among others, any director or officer of the Corporation, any other person with substantial influence over the Corporation (such as a substantial donor), or any person related to

any of them.

“Financial Interest” shall mean any one of the following, which a person may have, directly or indirectly, through business, investment, or family (including by virtue of being a Disqualified Person):

- a) A non-*de minimis* ownership or investment interest in any entity with which the Corporation or any of its affiliates has a transaction or arrangement;
- b) A Compensation arrangement with the Corporation or any of its affiliates, or with any entity or individual with which the Corporation or any of its affiliates has a transaction or arrangement; or
- c) A potential non-*de minimis* ownership or investment interest in, or Compensation arrangement with, any entity or individual with which the Corporation or any of its affiliates is negotiating a transaction or arrangement.

A Financial Interest is not necessarily a conflict of interest. Under Section 3 of this Article VII, a person who has a Financial Interest may have a conflict of interest only if the board of directors or a committee of the board of directors decides that a conflict of interest exists, or if such person acknowledges that a conflict of interest exists.

“Interested Person” shall mean any of the following who has a direct or indirect Financial Interest: a director, officer or key employee; a person related to any of such individuals by way of business, investment or family; or a Disqualified Person.

Section 3. *Procedures:*

(a) *Duty to Disclose.* In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and all related material facts, or acknowledge the existence of a conflict of interest, to the directors considering the proposed transaction or arrangement.

(b) *Determining Whether a Conflict of Interest Exists.* After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, he/she shall leave the meeting while the determination of a conflict of interest or potential excess benefit transaction is discussed and voted upon by the board of directors or a committee of the board of directors. The remaining members of the board of directors or such committee shall determine whether a conflict of interest exists or whether the matter under consideration may be characterized as an excess benefit transaction.

(c) *Procedures for Addressing the Conflict of Interest.*

(i) An Interested Person may make a presentation at a meeting of the board of directors or a committee of the board of directors, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest and shall not in any way attempt to influence improperly the deliberation of or voting on the matter giving rise to such possible conflict.

(ii) The President or the chairperson of the committee of the board of directors shall, if appropriate, appoint one or more directors who are not Interested Persons to investigate alternatives to the proposed transaction or arrangement.

(iii) After exercising due diligence, the board of directors or committee of the board of directors shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest or an excess benefit transaction.

(iv) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the board of directors or committee of the board of directors shall determine by a majority vote of the remaining members of the board of directors or such committee who do not have a conflict of interest whether the transaction or arrangement is in the Corporation's best interest, is for its own benefit, is fair and reasonable and does not constitute an excess benefit transaction. The board of directors or such committee shall, in conformity with the above determination, determine whether to enter into the transaction or arrangement.

(d) *Violations of the Conflicts of Interest Policy.*

(i) If the board of directors or a committee of the board of directors has reasonable cause to believe a director or officer has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford him/her an opportunity to explain the alleged failure to disclose.

(ii) If, after hearing the person's response and after making further investigation as warranted by the circumstances, the board of directors or such committee determines the person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. *Records of Proceedings:* The minutes of the board of directors and

all committees of the board of directors shall contain (a) the names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the board of directors' or committee of the board of directors' determination whether a conflict of interest in fact existed; and (b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. *Compensation:* A director who receives Compensation, directly or indirectly, from the Corporation for services or any member of such director's family is precluded from voting on or participating in any board of directors or committee deliberation of matters pertaining to such director's Compensation, but is not prohibited from providing information to the board of directors or any committee regarding Compensation.

Section 6. *Annual Statements:* Each director and officer shall annually sign a statement affirming, or affirm orally at the annual meeting of the board of directors, that he/she:

- a) Has received a copy of these Bylaws, including this Article VII;
- b) Has read and understands this Article VII;
- c) Has agreed to comply with the provisions of this Article VII; and
- d) Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

In addition, each director, at the time of his/her initial election or appointment to the board of directors and annually thereafter, shall submit to the President and the Secretary a written statement identifying, to the best of such director's knowledge, (x) any entity of which such director is an officer, director, director, member, owner (other than by virtue of holding a *de minimis* equity interest) or employee and with which the Corporation has a relationship and (y) any direct or indirect Financial Interest of such director with respect to any transaction in which the Corporation is a participant.

Section 7. *Periodic Reviews:* To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects: (a) whether Compensation arrangements and benefits are reasonable, based on competent survey information (where available), and the result of arm's

length bargaining; and (b) whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in private inurement, impermissible private benefits, or an excess benefit transaction.

Section 8. *Use of Outside Experts:* When conducting the periodic reviews as provided for in Section 7 of this Article VII, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the board of directors of its responsibility for ensuring that periodic reviews are conducted.

ARTICLE VIII

INSTRUMENTS, SAFE DEPOSIT BOXES AND PROPERTY OF THE CORPORATION

Section 1. *Instruments:* Except as otherwise required by law or by these By-Laws, checks, drafts, orders for payment of money, negotiable instruments and other instruments may be signed, executed and delivered, in the name and on behalf of the Corporation, by such officer or officers (including assistant officers) of the Corporation as the board of directors may from time to time designate. That authority may be general or confined to specific instances, as the board may determine. For the purpose of deposit and for the purpose of collection for the account of the Corporation, checks, drafts, orders for the payment of money, negotiable instruments and other instruments that are payable to the order of the Corporation may be endorsed, assigned and delivered by any officer or agent of the Corporation.

Section 2. *Safe Deposit Boxes:* Any officer or officers (including assistant officers) as may be designated from time to time by the board of directors will have access to any safe of the Corporation in the vault of any safe deposit company.

Section 3. *Assets and Property:* Any officer or officers (including assistant officers) as may be designated from time to time by the board of directors will have the power to control and direct the disposition of any assets or property of the Corporation deposited in the custody of any trust company, bank or other custodian.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Corporation will be as is determined by the board of directors.

ARTICLE X

SEAL

The board of directors may adopt a corporate seal of and for the Corporation, which seal will be circular in form and have inscribed on it the name of the Corporation.

ARTICLE XI

BOOKS AND RECORDS

The books and records of the Corporation will be kept in such manner as the board of directors or the officers may direct.

ARTICLE XII

PARLIAMENTARY PROCEDURE

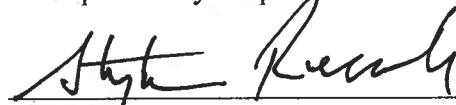
All procedural questions not governed by the Certificate of Incorporation or these By-Laws or by the provisions of law will be governed by Sturgis's Standard Code of Parliamentary Procedure.

ARTICLE XIII

AMENDMENTS

The Certificate of Incorporation may be amended by the affirmative vote of a majority of the directors then in office at any annual or regular meeting or any special meeting called for that purpose, *provided* that no amendment to the Certificate of Incorporation shall be enacted without the consent of the members. These Bylaws may be altered, amended or repealed by the members on the recommendation of the board of directors.

These Amended and Restated By-Laws were duly adopted by the directors of the Corporation, and by the former sole member of the Corporation, Foundation for Affordable Rental Housing, Inc., as of April 24, 2014 and are intended to amend and restate in their entirety all By-Laws previously adopted.


Secretary