

BY-LAWS

of

LIND-RIC HOUSING CO., INC.

Organized Pursuant to the Private
Housing Finance Law

ARTICLE I

DECLARATION OF PURPOSES

SECTION 1. This corporation is organized under and pursuant to the Limited-Profit Housing Companies Law of the State of New York and with the approval of the Housing and Development Administration of the City of New York, as provided by law.

The object of the corporation is to construct and operate adequate, safe and sanitary housing accommodations for persons of low income, in accordance with cooperative principles, subject to the provisions and limitations of the Limited-Profit Housing Companies Law and the Rules and Regulations promulgated by the Housing and Development Administration of the City of New York.

ARTICLE II

SHAREHOLDERS MEETINGS

SECTION 1. Annual Meetings. The annual meeting of the shareholders of the corporation for the election of Directors and for the transaction of other business of the corporation shall be held at the office of the corporation in the City of New York, the County of The Bronx, State of New York, or at such other place in the State of New York as may be designated in the notice of meeting during the month of October at a

time and place to be fixed by the Board of Directors. Written notice of the annual meeting shall be mailed to each shareholder entitled to vote at such address as appears on the share book not less than 10 nor more than 40 days prior to the date of the meeting; but any meeting at which all shareholders shall be present, or at which all shareholders not present have waived notice in writing, shall be deemed held on due notice.

Such written notice of the annual meeting shall contain a statement of the purpose or purposes for which the meeting is called.

SECTION 2. The Administrator of the Housing and Development Administration of the City of New York or his duly authorized representative shall be notified in writing of and shall have the right to attend all meetings of the shareholders of the Company.

SECTION 3. Special Meetings. Special meetings of the shareholders for any purpose or purposes may be called at any time by the President, and shall be called by the President or Secretary at the request in writing of a majority of the Board of Directors or at the request in writing of 25% of the shareholders who shall require the Secretary or other officer of the corporation to give notice of such meetings. Written notice of such meeting setting forth the time and place of the holding of such meeting and the purpose or purposes thereof, shall be mailed to each shareholder entitled to vote at such address as appears on the share book not less than 10 nor more than 40 days prior to the date of the meeting, but any meeting at which all shareholders shall be present, or at which all shareholders not present have waived notice in writing, shall be deemed held on due notice.

SECTION 4. Quorum. Presence in person or by proxy of a majority of the holders of the outstanding shares entitled to vote, as hereinafter

specified, shall be necessary to constitute a quorum, but a lesser number may adjourn from time to time without notice other than an announcement at the meeting in which the requisite number of shareholders shall not be present.

SECTION 5. Voting. At all meetings of the shareholders, all questions the manner of deciding which is not specifically regulated by statute or by these By-Laws shall be determined by a vote of the majority of the shareholders present at the meeting. Each shareholder shall be entitled to one vote for any and all purposes regardless of the number of shares held by such holder. All voting, other than for directors, shall be vive voce except as otherwise prescribed by statute or these By-Laws.

SECTION 6. Order of Business. At all meetings of the shareholders the following order of business shall be observed so far as consistent with the purposes of the meeting:

1. Calling the roll of persons entitled to vote.
2. Proof of notice of meeting.
3. Reports, respectively, of President, Treasurer and Secretary.
4. Reports of committees, if any.
5. Election of directors.
6. Transaction of such other business as may properly come before the meeting.

ARTICLE III

DIRECTORS

SECTION 1. Number and Term of Office and Qualifications.

The number of directors shall be nine, three of whom shall be designated

Class I directors, three of whom shall be designated Class II directors and three of whom shall be designated Class III directors. Except as otherwise provided by law, all directors shall be shareholders. Nine directors shall be elected at the meeting at which these By-Laws are adopted; the three receiving the highest number of votes shall be designated Class I directors and shall serve for three years; the three receiving the next highest number of votes shall be designated Class II directors and shall serve for two years; the three receiving the lowest number of votes shall be designated Class III directors and shall serve until the next annual meeting. At each subsequent annual meeting of shareholders, three directors shall be elected for a term of three years to replace the directors whose terms are expiring in that year. Each director shall serve as such director, until his successor has been elected and has qualified, or until his resignation or removal from office. A director may be removed from office by majority vote of the stockholders at a special meeting for that purpose held in accordance with the provisions of Article II, Section 2 of these By-Laws.

SECTION 2. Vacancies. Any vacancy occurring in the Board of Directors by reason death, resignation, removal or otherwise of any director elected by the shareholders, or by reason of any increase in the number of members constituting the full Board of Directors, may be filled for the unexpired term by a majority vote of the remaining directors unless such remaining directors are not sufficient to constitute a quorum, in which case a special meeting of shareholders shall be called and such number of directors shall be elected as may be necessary to constitute the full membership of the Board.

SECTION 3. Meetings. Meetings of the Board of Directors may be held at any time upon call of the President, the Vice President, or

any two members of the Board. Such meetings shall be held at the office of the corporation except as otherwise determined and fixed from time to time by the Board of Directors.

SECTION 4. Notice of Meetings and Waiver of Notice. Notice of each meeting of the Board, stating the time, place and objects thereof shall be given by mailing at least forty-eight hours before such meeting, or by telegraphing at least twenty-four hours before such meeting, a copy of such notice addressed to each director at his last known post office address. Notice may be waived in writing by any director. Any meeting at which all of the directors are present, or of which those directors who are absent have waived notice in writing, may be validly held without notice. The Housing and Development Administration of the City of New York shall be notified in writing of and shall have the right to attend all meetings of the Directors of the Company.

SECTION 5. Quorum. A majority of the Board of Directors shall constitute a quorum, and a majority of the members in attendance at any meeting of the Board shall, in the presence of a quorum, decide its action; a minority of the Board present at any meeting may, in the absence of a quorum, adjourn to a later date but may not transact any other business.

SECTION 6. Executive Committee. The Board may appoint from among its members an Executive Committee, consisting of not less at any time than three directors. Any vacancy occurring in the Executive Committee shall be filled by the Board of Directors. The Executive Committee shall exercise such powers and perform such duties as the Board of Directors from time to time shall prescribe. The Executive Committee may fix its own rules of procedure, but in every case the presence of a majority shall be necessary to constitute a quorum, and a majority of the members in

attendance at any meeting of the Executive Committee, shall, in the presence of a quorum, decide its action; a minority of the Executive Committee present at any meeting may, in the absence of a quorum, adjourn to a later date but may not transact any other business. The Executive Committee shall keep a record of all its proceedings and shall report the same to the Board of Directors.

SECTION 7. Committees. The Board of Directors may, from time to time appoint from its members other Committees with such powers and duties as it shall determine.

SECTION 8. Duties and Powers. The Board of Directors shall have entire charge of the property, interests, business and transactions of the corporation, and may adopt such rules and regulations for the conduct of its meetings and management of the corporation as it may deem proper, not inconsistent with law or these By-Laws. The Board of Directors may delegate to the officers of the corporation such powers and authority and assign to them such duties as the Board may deem necessary, proper or appropriate to the effective prosecution of the corporation's business.

SECTION 9. Indemnification. Any person made a party to any action, suit or proceeding in the right of the Corporation by reason of the fact that he, his testator or intestate, is or was a director of the corporation may be indemnified against the reasonable expenses including attorneys' fees actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal thereon, except in relation to matters as to which such director is adjudged to have breached his duty to the corporation.

ARTICLE IV

OFFICERS

SECTION 1. Election. The Board of Directors at its first meeting after the election of directors in each year shall elect from its number a President and shall also elect a Vice-President, a Secretary and a Treasurer. It may elect an Assistant Secretary and an Assistant Treasurer, and such other officers as in its discretion the needs of the corporation may from time to time require.

SECTION 2. Term of Office. All officers of the corporation shall be appointed to hold their respective offices during the pleasure of the Board of Directors, and any vacancy occurring in the office of the President, Vice-President, Treasurer or Secretary or any other office shall be filled by the Board of Directors.

SECTION 3. President. The President shall preside at all meetings of the Board of Directors, and shall act as chairman at and call to order, all meetings of the shareholders. Subject to the supervision and direction of the Board of Directors, the President shall have the general management of the affairs of the corporation and perform all the duties incidental to his office.

SECTION 4. Vice-President. The Vice-President shall, in the absence, disability or incapacity of the President, have the powers and perform the duties of the President, and those which the Board of Directors may assign to him from time to time.

SECTION 5. Secretary. The Secretary shall keep the minutes of the meetings of the directors and shareholders; shall attend to the serving of notices of the meetings of the directors and shareholders; shall affix

the seal of the corporation to such certificates, documents and papers as may require it, except that from time to time the Board of Directors may direct such seal to be affixed by any other officer or officers; shall have charge of the share certificate book and of such other books and papers as the Board of Directors may direct; shall attend to such correspondence as may be assigned to him, and shall perform all the other duties incidental to his office and those which the Board of Directors may from time to time designate.

SECTION 6. Treasurer. The Treasurer shall be the chief financial officer of the corporation and shall have the care and custody of all the funds and securities of the corporation and shall deposit the same in the name of the corporation in such bank or banks as the directors may designate subject to the approval of the Housing and Development Administration of the City of New York. He may be required by the Board of Directors to give such bonds as it shall determine for the faithful performance of his duties.

SECTION 7. Assistant Secretary and Assistant Treasurer. The Assistant Secretary and the Assistant Treasurer shall, respectively, in the absence, disability or incapacity of the officer to whom he is an assistant, have the powers and perform the duties of such officer, and shall perform such other duties as may be assigned to them from time to time by the Board of Directors. They may be required by the Board of Directors to give such bonds as it shall determine, for the faithful performance of their duties.

SECTION 8. Other Officers. Other officers shall perform such duties and have such powers as may be assigned to them from time to time by the Board of Directors.

SECTION 9. The Treasurer may at the same time hold the office of Secretary or Assistant Secretary but no other office in the corporation.

ARTICLE V

OPERATION OF THE PROJECT AS A COOPERATIVE

Subject to the provisions of statute, the corporation will operate the project which it will develop in the City of New York, State of New York, as a cooperative and, in accordance therewith, shall pay, or allow, as and when determined by the Board of Directors, and approved by the Housing and Development Administration of the City of New York after the payment of obligations, expenses, taxes and assessments, and the establishment of suitable reserves, a rebate or rebates of carrying charges or rentals to each tenant cooperator in proportion to the carrying charge or rental payments made by him during the period in respect of which such rent rebate or rebates are allowed or paid. The monthly carrying charges and/or rentals paid by the tenant cooperators shall be deemed to be payment on account of their annual carrying charges or rental obligation, which shall be finally determined by the Board of Directors in the light of each year's operating experience, subject, however, in all respects, to the approval of the Housing and Development Administration of the City of New York.

ARTICLE VI
SIGNATURE OF INSTRUMENTS

Checks, notes, drafts and orders for the payment of money and obligations of the corporation, and all contracts, mortgages, deeds and other instruments, except as otherwise in these By-Laws provided, shall be signed by such officer, officers, individual or individuals as the Board of Directors may from time to time designate.

ARTICLE VII
CAPITAL SHARES

SECTION 1. Certificates. Share certificates shall be numbered and issued in consecutive order, shall be signed by the President or the Vice-President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, and sealed with the seal of the corporation; and in appropriate books of record shall be entered the name of the persons owning the shares represented by each certificate, the number of shares and the date of issue. All certificates exchanged and returned to the corporation shall be marked "Cancelled", with the date of cancellation by the President, Vice-President, the Secretary or the Treasurer, and shall be filed among the corporate records of the corporation.

SECTION 2. Transfers. Shares represented by any certificate shall be transferable only as an entirety on the books of the corporation by the holder in person or by attorney, upon surrender of the certificate for such shares.

SECTION 3. Restrictions on Transfers.

A. No shareholder shall have the right or power to pledge, sell, alienate or otherwise dispose of any share or shares of the capital shares of the corporation without first offering said share or shares for sale to the corporation for a sum not exceeding the par value of said shares or the cost to such shareholder, which sum shall include any assessments or contributions paid by the shareholder on account of his ownership including any amounts credited to him for payments made for amortization of the mortgage and for creation of a reasonable reserve fund, without the prior written consent of the Housing and Development Administration of the City of New York, or such other board or agency which may succeed to its function as supervising agency under the Private Housing Finance Law.

B. Such offer shall be made in writing, signed by such shareholder, and sent by mail to the corporation in a postpaid wrapper to the post office address of the corporation, at its principal place of business, and such offer shall remain good for acceptance by the corporation or a person designated by the corporation for a period of ninety days from the date of mailing such notice. Such offer shall constitute the corporation an agent for the sale of the shares to the corporation or to such person as may be designated by the corporation.

C. If the corporation, or person designated by it, within the said ninety day period shall indicate that it, or the person designated by it, desires to purchase said shares and shall give notice thereof in writing to the retiring shareholder, the latter shall be bound, within thirty days thereafter to transfer such shares and surrender his occupancy

agreement to the corporation or the person designated by the corporation, upon payment and receipt of the price herein provided.

D. In the event that the corporation or the person designated by the corporation shall not purchase said share or shares of the corporation within said ninety day period, then and in such event only, the shareholder shall have the right or power to pledge, sell, alienate or otherwise dispose of said share or shares to any person acceptable to the corporation and to the Housing and Development Administration of the City of New York, provided such person shall, upon the transfer of said shares, enter into an occupancy agreement with the corporation for the premises formerly occupied by the retiring shareholder for a term and upon the same terms and conditions contained in the occupancy agreement between the shareholder and the corporation; the corporation will not, however, unreasonably withhold its acceptance of any person to whom the shareholder proposes to sell such shares as aforesaid.

In the event that the shareholder does not sell his share to any person within six months after his right to do so has accrued, then and in such event he must again notify the corporation of his intent to transfer his shares and he shall again be bound by the provisions of Paragraphs A, B, C and D of this Article VII, Section 3.

E. If in any case the retiring shareholder, after becoming bound to sell, convey or transfer his shares to the corporation or such other person as may be designated by the corporation defaults in transferring said shares, the corporation or such other person as may be designated by the corporation shall, after notice to and approval by the Housing and Development Administration of the City of New York, hold the purchase money

in trust for the retiring shareholder, or his executors, administrators or assigns and shall substitute the name of the purchaser upon the books of the company in place of the name of the retiring shareholder. After the name of the purchaser has been entered on the books of the corporation in the exercise of the aforesaid powers, the validity of the proceedings shall not be questioned by any person and the corporation or such other person as may be designated by the corporation shall be deemed and taken to be the owner of such shares.

F. In the event that the shareholder shall have defaulted in the payment of any obligation arising under his occupancy agreement with the corporation or shall, apart from said occupancy agreement, become indebted to the corporation, or in the event of the termination of the occupancy agreement or the recovery of possession of the apartment by the corporation under any of the provisions of the occupancy agreement, or in the event of the violation by the shareholder of any provisions of Article VII, Section 3 of these By-Laws, the shareholder shall forthwith surrender to the corporation the certificate representing the shares of the corporation owned by the shareholder and upon the failure or refusal of the shareholder so to surrender said shares, the same shall, after notice to and approval by the Housing and Development Administration of the City of New York, be automatically cancelled and rendered null and void and the corporation may issue a new certificate or certificates in their place and stead and such new certificates shall represent the same shares as were represented by the original certificate or certificates so surrendered or by such new certificate or certificates may be sold by the corporation at public or private sale, without notice, and the proceeds applied toward all indebtedness

of the shareholder, and the corporation shall remit any balance after payment of the expenses of sale to the shareholder, who shall remain liable for any deficiency.

G. No shareholder shall have the right or power to pledge or otherwise encumber any share or shares of the corporation which may have been issued by the corporation except for the purpose of securing a loan to purchase said shares, provided approval for such pledge to the lender is first secured from the Board of Directors of the corporation.

H. The provisions of this Article VII shall be binding upon any executor, administrator or other legal representative and successors and assigns of every shareholder. Any person, other than a surviving spouse, acquiring through will or descent, or by conveyance to take effect at death, any share or shares of the corporation shall be bound to offer the same for sale and transfer to the corporation upon the terms hereinabove set forth in this Article VII, Section 3 of the By-Laws.

I. The share certificates shall bear a legend to the effect that the right to pledge, encumber, sell, alienate or otherwise dispose of the share or shares represented by such certificate is restricted as provided in this Article VII, Sections 2 and 3.

SECTION 4. The corporation shall be entitled to treat the holder of record of any share or shares of the corporation as the holder in fact thereof, and shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person whether or not it shall have express or other notice thereof, except as expressly provided by the laws of the State of New York.

SECTION 5. The corporation shall have a lien upon the shares of any shareholder and upon all moneys due and owing by the corporation to any shareholder for any and all debts owed to the corporation by such shareholder. The Board of Directors may refuse to approve a transfer of any shares upon which the corporation has such a lien.

SECTION 6. As used in this Article the words "shares" and "share certificates" shall include any interest in the corporation, and the word "shareholders" shall include the owner or holder of any such interest.

ARTICLE VIII

Amendments

These By-Laws may be amended, repealed or altered, in whole or in part, by a vote of a majority of the shareholders of the corporation attending in person or by proxy any duly called annual or special meeting of the shareholders at which a quorum is present. A description of any proposed amendment shall accompany the notice of annual or special meeting at which such proposed amendment is to be voted upon. The Board of Directors shall not alter or repeal By-Laws adopted by the shareholders of the corporation, but may adopt additional By-Laws, in harmony therewith, which may be amended or altered by the shareholders at the next annual meeting or at a special meeting of the shareholders called for this purpose. Amendments hereunder shall require the consent of the supervising agency of the corporation.

ARTICLE IX

SEAL

The seal of the corporation shall be circular in form and shall bear the name of the corporation, the words "Corporate Seal", the year of incorporation and the words "New York" as follows: