

BY-LAWS
of
VILLAGE VIEW HOUSING CORPORATION
Organized Pursuant to the
Private Housing Finance Law

ARTICLE I

Declaration of Purposes

Section 1. This corporation is organized under and pursuant to the Private Housing Finance Law of the State of New York, and with the approval of the Housing and Redevelopment Board 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 with incomes within the limits prescribed by law, in accordance with cooperative principles.

ARTICLE II

Stockholders Meetings

Section 1. Annual Meetings. The annual meeting of the stockholders of the corporation for the election of Directors for the ensuing year 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, on a Monday through Wednesday evening during the second or third week of November, which date shall not be a legal holiday, as the Board of Directors shall fix each year.

Section 2. Special Meetings. Special meetings of the stockholders 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 stockholders 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 object thereof, shall be mailed to each stockholder entitled to vote at such address as appears on the stock book not less than 10 nor more than 40 days prior to the date of the meeting; but any meeting at which all stockholders shall be present, or at which all stockholders not present have waived notice in writing, notice as above specified shall not be required.

Section 3. The Housing and Redevelopment Board of the City of New York shall be notified in writing of and shall have the right to designate a representative to attend all meetings of the stockholders of the corporation.

Section 4. Quorum. Presence in person or by proxy of stockholders entitled to cast thirty percent of the votes entitled to be cast at meetings of stockholders shall be necessary to constitute a quorum, but a lesser number may adjourn the meeting.

Section 5. A. Voting. At all annual or specially called meetings of the stockholders, each stockholder shall be entitled to one vote for any and all purposes regardless of the number of shares held by such stockholder. Each stockholder shall be entitled to his vote either in person, by means of a proxy or by means of an absentee ballot. With respect to proxy voting, only a stockholder shall be entitled to vote the proxy of another stockholder and no stockholder shall vote the proxy of more than one such other stockholder. The procedures for proxy voting and absentee balloting shall, subject to these By-Laws, be determined by the Board of Directors. All questions the manner of deciding which is not specifically regulated by statute or these By-Laws shall be determined by a vote of the majority of the stockholders whose votes shall be cast at the meeting.

Section 6. Order of Business. At all meetings of the stockholders 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 15 and shall serve for terms of 3 years. The election and the terms of the Directors shall be so arranged that one-third of the Board of Directors is elected each year at the annual meeting of stockholders. Once elected, the Directors shall serve until their successors shall be elected and qualify. Directors need not stockholders.

Section 2. Vacancies. Any vacancy occurring in the Board of Directors by reason of death, resignation, removal or otherwise, shall be filled by a majority vote of the remaining Directors for that portion of the unexpired term which precedes the next annual meeting of the stockholders. At such next annual meeting of the stockholders the then remaining portion of the unexpired term shall be filled by a vote of the stockholders. If at any time there are such number of vacancies that the remaining Directors are not sufficient to constitute a quorum, a special

meeting of the stockholders shall be called for the purpose of electing such number of Directors 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 in the City of New York 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, stating the time, place and objects thereof shall be given by mailing at least 48 hours before such meeting or by telegraphing at least 24 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 may be validly held without notice, at which every Director shall be present, or if those Directors who are absent shall waive notice.

The Housing and Redevelopment Board of the City of New York shall be notified in writing of and shall have the right to designate a representative to attend all meetings of the Board of Directors.

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

Section 7. 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.

Section 8. Officers and Directors of the corporation shall not receive any salaries or other compensation for their services as officers and Directors.

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, an Executive 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, Executive Vice President, Secretary or Treasurer, 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 a chairman at, and call to order, all meetings of the stockholders. Subject to the supervision and direction of the Board of Directors and the Executive Committee, 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 and Executive 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 each of them from time to time.

Section 5. Secretary. The Secretary shall keep the minutes of the meetings of the Directors and stockholders; shall attend to the serving of notices of the meetings of the Directors and stockholders; 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 stock certificates 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 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. 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 him 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 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 applicable laws, the corporation will operate the project which it will develop in the Borough of Manhattan, City of New York, as a cooperative and, in accordance therewith, may upon approval of the Housing and Redevelopment Board of

the City of New York, pay or allow, as and when determined by the Board of Directors, after the payment of obligations, expenses, taxes and assessments, or after making suitable provision therefor, a rebate or rebates of carrying charges and/or rent to each tenant cooperator in proportion to the carrying charges or rental payments made by him during the period in respect of which such carrying charge or rent rebate or rebates are allowed or paid. The monthly 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 Redevelopment Board 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 Stock

Section 1. Certificates. Certificates of stock shall be numbered and issued in consecutive order, shall be signed by the President or the Vice President or the Executive 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 person owning the shares represented by each certificate, the number of such shares and the date of issue. All certificates exchanged and returned to the corporation shall be marked "Canceled", with the date of cancellation, by the President, the Vice President, the Executive 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 stockholder shall have the right or power to pledge, sell, alienate or otherwise dispose of any share or shares of the capital stock of the corporation without first offering said share or shares of stock for sale to the corporation for a sum not exceeding the par value of said shares or the cost to such stockholder without the prior written consent of the Housing and Redevelopment Board 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. Said limitation on the sale price shall also apply to a pledge, sale, alienation or other disposition by the stockholder to a person or persons other than the corporation, which sale is

likewise prohibited without the prior consent of the corporation and said Housing and Redevelopment Board.

B. Such offer shall be in writing, signed by such stockholder, 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 of stock to the corporation or to such person who 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 of stock and shall give notice thereof in writing to the retiring stockholder, the latter shall be bound, within thirty days thereafter to transfer such shares 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 capital stock of the corporation within said ninety-day period, then and in such event only the stockholder shall have the right or power to pledge, sell or otherwise dispose of said share or shares of the capital stock of the corporation to any person acceptable to the corporation, provided such person shall, upon the transfer of said shares, enter into a lease and/or occupancy agreement with the corporation for the premises formerly occupied by the retiring stockholder for a term and upon the same terms and conditions contained in the lease and/or occupancy agreement between the stockholder and the corporation, except that the specified annual rental to be paid by such person shall be an amount equal to the stockholder's proportionate share of the cash requirements of the corporation under the lease and/or occupancy agreement; the corporation will not, however, unreasonably withhold its acceptance of any person to whom the stockholder proposes to sell such shares as aforesaid. The corporation agrees to enter into a new lease and/or occupancy agreement with any such person upon the terms and conditions aforesaid and to cause to transfer to the name of such person on the books of the corporation the shares of capital stock of the corporation owned by the stockholder and so sold to such person, for a sum not exceeding the par value of the shares or cost to the stockholder desiring to sell (except as provided in subsection A hereof), provided the said transferee satisfies all legal requirements for occupancy and the said transfer is approved by the Housing and Development Board of the City of New York.

In the event: the stockholder does not sell his stock 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 Section 3 of Article VII.

E. If in any case the retiring stockholder, after becoming bound to sell, convey, or transfer his share to the corporation (or such other person as may be designated by this corporation), defaults in transferring said shares, the corporation (or such other person as may be designated by the corporation) shall, subject, however, in all respects to the approval of the Housing and Development Board of the City of New York, hold the purchase money in trust for the retiring stockholder, or his executors, administrators or assigns and shall substitute the

name of the purchaser upon the books of the corporation in place of the name of the retiring stockholder. 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 persons and the corporation (or such other person or corporation as may be designated by this corporation) shall be deemed and taken to be the owner of such shares.

F. In the event that the stockholder shall have defaulted in the payment of any obligation arising under his lease and/or occupancy agreement with the corporation or shall, apart from said lease and/or occupancy agreement, become indebted to the corporation, or in the event of the termination of the lease and/or occupancy agreement or the recovery of possession of the apartment by the lessor under any of the provisions of the lease and/or occupancy agreement, or in the event of the violation by the stockholder of any provisions of Section 3 or Article VII of these By-Laws, the stockholder shall forthwith surrender to the corporation the certificate representing the shares of capital stock the corporation owned by the stockholder and upon the failure or refusal of the stockholder so to surrender said shares of stock, the same shall be automatically canceled and rendered null and void and the corporation may issue a new certificate or certificates in their place and stead and such new certificate or certificates shall represent the same shares as were represented by the original certificate or certificates. The stock represented by the 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 stockholder, and the corporation shall remit any balance after payment of the expenses of sale, to the stockholder.

G. No stockholder 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 at the time of the issuance of its stock, without the prior written consent of the corporation and said Housing and Redevelopment Board of the City of New York. In the event of such pledging or other encumbrance of said stock, without the prior written consent of the corporation and said Housing and Redevelopment Board of the City of New York, the corporation shall, in the discretion of its Board of Directors, have all of the rights described in Paragraph F of section 3 of this Article VII.

H. The provisions of this Article VII shall be binding upon any executor, administrator, or other legal representative of every stockholder, in case of the sale or pledging of any share or shares of stock by such executors, administrators or other legal representatives of any stockholder. Any person acquiring through Will, or descent, or by conveyance to take effect at death, any share or shares of the capital stock 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 Section 3 of Article VII of the By-Laws.

I. The certificates of stock shall bear a legend to the effect that the certificate shall not be transferable or assignable and that no rights shall be obtained in or to the shares represented thereby unless the terms, covenants, conditions and provisions of Sections 2 and 3 of this Article VII have been fulfilled.

J. Anything herein to the contrary notwithstanding, a stockholder shall have the right or power to pledge his share or shares of capital stock of the corporation for the purpose

of securing a loan to purchase his capital stock, provided approval for such pledge to the lender is first secured from the Board of Directors of the corporation.

ARTICLE VIII

Contracts

No contract or other transaction between this corporation and any other corporation shall be affected by virtue of the fact that the Directors of this corporation are directors or officers of another corporation interested in such contract, and no contract or other transaction of this corporation with any other association or corporation shall be affected by the fact that any Director of this corporation is connected with such other association or corporation, and each and every person who may become a Director of this corporation is hereby relieved from any liability that might otherwise exist for contracting with this corporation for the benefit of another association or corporation in which he is a director or officer; provided, however, that the relationship of such Director and the interest of such other association or corporation shall be disclosed in writing to the Board of Directors of this corporation and spread upon the minutes of a meeting of said Board of Directors prior to the entering into of such contract or other transaction; and provided further, that the provisions of this Article shall apply only to such Directors of the corporation who are also directors of Fund for Urban Improvement, Inc., or its subsidiaries or affiliates.

ARTICLE VIII-A

Indemnification of Officers and Directors

Subject to conditions and qualifications set forth in the Business Corporation Law of the State of New York, the corporation may indemnify any person, made a party to an action by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he, his testator or intestate, is or was a director or officer of the corporation, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, or in connection with an appeal therein, except in relation to matters as to which such director or officer is adjudged to have breached his duty to the corporation, as such duty is defined in Section 717 of the Business Corporation Law. Subject to the conditions and qualifications set forth in the Business Corporation Law of the State of New York, the corporation may also indemnify any person, made, or threatened to be made a party to an action or proceeding other than one by or in the right of the corporation to procure a judgment in its favor, whether civil or criminal, including an action by or in the right of any other corporation, domestic or foreign, which he served in any capacity at the request of the corporation by reason of the fact, that he, his testator or intestate was a director or officer of the corporation or served it in any capacity against judgments, fines, amounts paid in settlement, and reasonable expenses, including attorneys' fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such director or officer acted, in good faith, for a purpose which he reasonably believed to be in the best interests of the corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his conduct was unlawful.

ARTICLE IX

Amendments

These By-Laws may be amended, repealed or altered, in whole or in part, by a vote of a majority of the stockholders of the corporation attending in person or by proxy any duly called annual or special meeting of the stockholders at which a quorum is present. A description of any proposed amendment shall accompany the notice of any 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 stockholders of the corporation, but may adopt additional By-Laws, in harmony therewith, which may be amended or altered by the stockholders at the next annual meeting or at a special meeting of the stockholders called for this purpose.

ARTICLE X

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:
