

**FIRST AMENDED AND RESTATED BYLAWS OF**  
**ANN ARBOR HOUSING DEVELOPMENT CORPORATION**

ARTICLE I  
CORPORATION

Section 1. Name. The name of the corporation is Ann Arbor Housing Development Corporation (the "Corporation").

Section 2. Places of Business. The principal office of the Corporation shall be at such place within the State of Michigan (the "State") as the Corporation's Board of Directors may determine from time to time, and the Corporation may have such other places of business as the Board of Directors may determine from time to time.

Section 3. Purposes. The Corporation is formed and shall be operated exclusively for charitable, religious, educational and scientific purposes, including, but not limited to, the following:

- (a) to relieve a shortage of decent, safe and sanitary housing for persons of low income, including families and elderly, handicapped or disabled persons, in the City of Ann Arbor, Michigan and other Michigan communities and to promote and advance decent, safe and sanitary housing for said persons by, among other things, financing housing projects approved by the Member that are usable for public housing purposes or other charitable purposes not inconsistent herewith;
- (b) to engage in or assist in the development, financing or operation, and carrying out or assisting in carrying out such low-income housing project(s) (including assistance by borrowing and lending funds), and function within the meaning of Section 3(6) of the United States Housing Act of 1937, as amended (the "Housing Act"), as an instrumentality of the Member; and
- (c) to remain continuously organized and operated exclusively as a nonprofit corporation for the above-stated purposes.

Section 4. Powers. In furtherance and not in limitation of the general powers conferred by the laws of the State, and the purposes set forth in these Bylaws and in the Articles of Incorporation, it is expressly provided that the Corporation shall have the following powers:

- (a) To enter into, make and perform contracts of every sort and kind with any person, firm, association, corporation, municipality, body politic, housing authority, county, state, or with the federal government or any agency or instrumentality thereof;
- (b) to issue bonds or other obligations of the Corporation, and to contract indebtedness without limit as to amount for any of the purposes of the Corporation and to secure the same to the extent necessary by mortgage, deed or deeds of trust, or pledge or lien on any or all of the real or personal property, or both, or right, title and interest therein, of the Corporation;
- (c) to advance or lend money to any person, firm, association, corporation, municipality, body politic, housing authority, county or state in such manner and upon such terms as is deemed expedient;

(d) to acquire, own, hold, sell, negotiate, assign, deal in, exchange, transfer, mortgage, pledge or otherwise dispose of mortgages, notes, evidences of indebtedness, and all other securities or choses in action issued or created by any person, firm, association, corporation, municipality, body politic, housing commission, county, state, or with the federal government or any agency or instrumentality thereof;

(e) to acquire by lease, purchase, lease back, mortgage, deed of trust or otherwise, real estate or any interest therein from others, to construct, rehabilitate, or otherwise acquire and equip buildings and structures, which may be utilized for low-income and elderly housing and other civic purposes authorized by law;

(f) to sell, lease, sublease or otherwise make available to any person, firm, association, corporation, municipality, body politic, housing authority, county or state any real estate or interest therein acquired by the Corporation;

(g) to do everything necessary, proper, convenient or incident to effect any or all of the purposes for which the Corporation is organized;

(h) without limiting the generality of the foregoing, this Corporation shall have all the powers, privileges, rights, and immunities necessary or convenient for carrying out the purposes for which this Corporation is formed, and the Board hereby claims for this Corporation all the benefits, privileges, rights and powers created, given, extended or conferred, now or hereafter, by the provisions of all applicable laws of the State pertaining to nonprofit corporations and any additions or amendments thereto; and

(i) notwithstanding any other provision of these Bylaws, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by a public housing agency or instrumentality within the meaning of the Housing Act and the regulations promulgated thereunder as they now exist or as they may hereafter be amended.

#### Section 5. Restriction on Activities.

(a) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, its Member, directors, officers, contributors, founders or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these Bylaws or the Articles of Incorporation.

(b) No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation (except that, if the Corporation so elects, it may make such expenditures in conformity with Section 501(h) of the Internal Revenue Code of 1986, as amended (the "Code")), and the Corporation shall not participate in or intervene in (including publishing or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office. Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on: (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code (or the corresponding provision of any future United States Internal Revenue Law), or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code (or the corresponding provisions of any future United States Internal Revenue Law).

(c) The Corporation shall not make any grant or other distribution to any organization that is not exempt under Section 501(c)(3) of the Code (or the corresponding provision of any future United States Internal Revenue Law).

(d) The Corporation shall not be controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the Corporation.

## ARTICLE II MEMBERSHIP

Section 1. Member. The Ann Arbor Housing Commission shall be the sole member of the Corporation (the "Member").

Section 2. Approval of Corporate Actions. The following powers are reserved to the Member of the Corporation and the exercise of which requires the approval of the Member:

- (a) To determine the philosophy, purpose and mission of the Corporation;
- (b) To amend, alter, modify or repeal the Articles of Incorporation or the Bylaws;
- (c) To fix the size of the Board of Directors;
- (d) To elect and remove, with or without cause, members of the Board of Directors;
- (e) To require a certified audit of corporate funds at any time and to appoint the fiscal auditor of the Corporation annually;
- (f) To acquire, purchase, sell, lease, transfer or encumber, construct or undertake the demolition of buildings owned by the Corporation or in which the Corporation has or will have equitable or legal title;
- (g) To terminate, merge, consolidate, affiliate, divide or separate programs from the Corporation and/or to merge, consolidate or affiliate the Corporation or any of its programs with any other corporation, organization or program;
- (h) To dissolve the Corporation and to determine the distribution of the Corporation's assets upon dissolution in conformity with the Articles of Incorporation, these Bylaws, the Code, and applicable State law;
- (i) To approve any borrowing or other financial obligation that cannot be funded through the capital or operating budgets of the Corporation;
- (j) To grant prior approval to any increment or addition to the capital debt and/or to renegotiate, modify or otherwise change the existing capital debt obligations of the Corporation; and
- (k) To determine the distribution and allocation of major gifts and bequests and to determine the distribution of the proceeds of the sale of land and buildings of the Corporation.

## ARTICLE III BOARD OF DIRECTORS

Section 1. Number. The business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors comprised of a minimum of three (3) directors and a maximum of seven (7) directors (the "Board"), as shall be fixed from time to time by the Member. The Member may elect its own Member board members to the Board of Directors. The Board shall exercise all of

the powers of the Corporation except such as are by law, the Articles of Incorporation, or these Bylaws conferred upon or reserved to the Member, or its lawful successors or assigns. The Board shall have the power to make and adopt such rules and regulations not inconsistent with law, the Articles of Incorporation, or these Bylaws, as it may deem advisable for the management of the business and affairs of the Corporation.

Section 2. Election, Resignation, and Removal. Each year, the Member shall elect directors to the Board to replace any director whose tenure is then expiring. Directors (other than those elected to fill vacancies in accordance with Section III(3)) shall hold office (a) for three years, (b) until his or her successor is duly elected and qualified, or (c) until his or her resignation or removal. A director may resign at any time by written notice to the Member. The resignation is effective on its receipt by the Member or at a subsequent time as set forth in the notice of resignation. Unless otherwise provided in the Articles of Incorporation or by applicable law, any director may be removed, with or without cause, by the Member at any time. Members of the Board shall be eligible for re-election.

Section 3. Vacancies. Vacancies on the Board occurring by reason of death, resignation, removal, increase in the number of directors, or otherwise shall be filled by the Member. Each person so elected shall be a director for the unexpired term of the director being replaced. A vacancy that will occur at a specific date, by reason of a resignation effective at a later date or otherwise, may be filled before the vacancy occurs, but the newly elected director may not take office until the vacancy becomes effective.

Section 4. Director Compensation. Directors shall receive no salary for their services, except that any director of the Corporation that performs legal services for the Corporation may receive reasonable compensation for such services rendered. Otherwise, no director shall receive compensation for service to the Corporation in any other capacity, nor shall any close relative of a director receive compensation for serving the Corporation. The term "close relative" as used in this Section shall mean any brother or sister of any director, the forebears and descendants of a director or any such brother or sister, and any spouse of a director or of any aforesaid person.

Section 5. Property Interest of Directors. No director of the Corporation shall have any right, title or interest in or to any property or assets of the Corporation, either prior to or at the time of any liquidation or dissolution of the Corporation. All properties and assets of the Corporation shall at the time of any liquidation or dissolution be distributed in accordance with the Articles of Incorporation of the Corporation.

Section 6. Non-Liability for Debts. The private property of the directors shall be exempt from execution or other liability for any debts of the Corporation, and no director shall be liable or responsible for any debts or liabilities of the Corporation.

Section 7. Regular Annual Meeting. The regular annual meeting of the Board shall be held at such date and hour in the month of May and at such place in the City of Ann Arbor, Michigan as shall be determined by the Board and designated in a notice of the meeting. If no location is designated, the regular annual meeting shall be held at the principal office of the Corporation, for the purpose of electing officers, passing upon reports of the previous fiscal year, and transacting such other business as may be properly brought before the meeting. Failure to hold the annual meeting at the time designated shall not work a forfeiture or dissolution of the Corporation, and in the event of such failure, the annual meeting shall be held within a reasonable time thereafter.

Section 8. Regular and Special Meetings. Regular meetings of the Board may be held at such times and places as the directors may from time to time determine at a prior meeting or as shall be directed or approved by the vote or written consent of all of the directors. Special meetings of the Board may be called by the President or by any director, and the Secretary-Treasurer shall cause notice of such meeting to be given as hereinafter provided. The President or the director calling the meeting shall fix the time and place for the holding of the meeting, which location must be in the State but need not be in the City of Ann Arbor, Michigan.

Section 9. Notice of Directors' Meeting; Waiver of Notice.

(a) *Notice.* Written notice of the time, place and purpose of any meeting of the Board shall be delivered to each director not less than three days prior to the date of the meeting, either personally or by mail or sent via electronic mail, by or at the direction of the Secretary-Treasurer. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his address as it appears on the records of the Corporation, with postage thereon prepaid.

(b) *Waiver of Notice.* Any director may waive in writing any notice of a meeting required to be given by these Bylaws. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting by such director, except in case a director shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

Section 10. Action Without a Meeting. Any action required or permitted to be taken under authorization voted at a meeting of the Board or a committee thereof may be taken without a meeting if, before or after the action, all members of the Board then in office, or of the committee, consent to the action in writing or by electronic transmission. The written consents shall be filed with the minutes of the proceedings of the Board or committee. Such consent has the same effect as a vote of the Board or committee for all purposes.

Section 11. Quorum. A majority of the members of the Board then in office shall constitute a quorum. If less than a majority of the directors is present at a meeting, a majority of the directors present may adjourn the meeting, and the Secretary-Treasurer shall notify any absent directors of the time and place of such adjourned meeting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board, unless a larger vote is required by the laws of the State, these Bylaws, or the Articles of Incorporation. A member of the Board may participate in a meeting by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another. Participation in a meeting in this manner constitutes presence in person at the meeting.

Section 12. Powers of the Board of Directors. The Board shall have charge, control and management of the business, property, personnel, affairs and funds of the Corporation and shall have the power and authority to do and perform all acts and functions permitted by Section 501(c)(3) of the Code and not inconsistent with these Bylaws, the Articles of Incorporation or the laws of the State. In addition to and not in limitation of all powers, express or implied, now or hereafter conferred upon boards of directors of nonprofit corporations, and in addition to the powers mentioned in and implied from Section I(3), but subject to the approval of the Member when required by Section II(2), the Board shall have the power (a) to borrow or raise money for corporate purposes, (b) to issue bonds, notes, debentures, or other obligations of the Corporation, (c) to secure such obligations to the extent necessary by mortgage or other lien upon any and all of the property of the Corporation, whether at

the time owned or thereafter acquired, and (d) to guarantee the debt of any affiliated or subsidiary corporation or other entity, whenever the same shall be in the best interests of the Corporation and in furtherance of its purposes. Notwithstanding the foregoing, the Board shall only issue obligations of the Corporation upon approval of the Member given not more than 60 days prior and not less than 14 days to the date of a proposed issue, and if any substantive changes with respect to a proposed issue are made, such changes must also be approved by the Member prior to the date of such proposed issue.

#### ARTICLE IV OFFICERS

Section 1. Number. The officers of the Corporation shall be a President, Vice President, Secretary-Treasurer and such other officers as may be determined by the Board from time to time to perform such duties as may be designated by the Board. The President and the Vice President shall be members of the Board, but none of the other officers need be members of the Board unless otherwise required by applicable law.

Section 2. Election and Term of Office. Each year, the Board shall elect officers at the regular annual meeting of the Board. If the election of officers is not conducted at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until the next regular annual meeting of the Board or until his or her successor shall have been elected.

Section 3. Removal of Officers and Agents by Directors. Any officer or agent elected or appointed by the Board may be removed, with or without cause, by a majority of the directors then in office at any regular or special meeting of the Board.

Section 4. Vacancies. In the event of the death, resignation, removal, or other inability to serve of any officer, the Board shall elect a successor who shall serve until the expiration of the normal term of the officer being replaced or until his or her successor shall be elected.

Section 5. Authority. All officers, employees, and agents of the Corporation shall have the authority to conduct and manage the business and affairs of the Corporation that may be designated to them by the Board and by these Bylaws.

Section 6. President. The President:

- (a) Shall be the principal executive officer of the Corporation, shall supervise and control all of the business and affairs of the Corporation, and unless otherwise determined by the Board, shall preside at all meetings of the Board;
- (b) May sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board to be executed on behalf of the Corporation, except in cases in which the signing and execution thereof shall be expressly delegated by the Board, or by these Bylaws, to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and
- (c) Shall in general perform all duties incident to the office of the president and such other duties as may be prescribed by the Board from time to time.

Section 7. Vice President. In the absence of the President or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him or her by the Board.

Section 8. Secretary-Treasurer. The Secretary-Treasurer shall:

- (a) Keep the minutes of the meetings of the Member and the Board in one or more books provided for that purpose;
- (b) See that all notices are duly given in accordance with these Bylaws or as required by law;
- (c) Be custodian of the corporate records and have general charge of the books of the Corporation;
- (d) Keep a register of the names and mailing addresses of all directors and officers;
- (e) Keep on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Corporation containing all amendments thereto (which copies shall always be open to the inspection of the Member and any director), and at the expense of the Corporation, forward a copy of the Bylaws and of all amendments thereto to each director;
- (f) Have charge and custody of and be responsible for all funds of the Corporation;
- (g) Be responsible for the receipt of and the issuance of receipts for all monies due and payable to the Corporation and for the deposit of all such monies in the name of the Corporation in such bank or banks, trust companies or other depositories, as shall be selected in accordance with the provisions of these Bylaws; and
- (h) In general, perform all the duties incident to the office of Secretary and the office of Treasurer, and such other duties as from time to time may be assigned to him or her by the Board.

Section 9. Officer Compensation. Officers shall receive no salary for their services, except that any officer of the Corporation that performs legal services for the Corporation may receive reasonable compensation for such services rendered. Otherwise, no officer shall receive compensation for service to the Corporation in any other capacity, nor shall any close relative of an officer receive compensation for serving the Corporation. The term "close relative" as used in this Section shall mean any brother or sister of any officer, the forebears and descendants of an officer or any such brother or sister, and any spouse of an officer or of any aforesaid person.

## ARTICLE V GENERAL PROVISIONS

Section 1. Waiver of Notice. Whenever any notice is required to be given under the provisions of the laws of the State relating to nonprofit corporations or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 2. Contracts. Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers, agent or agents, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. All checks, drafts or other orders for payment of money, and all notes, bonds or other evidences or indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, employee or employees of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Secretary-Treasurer and countersigned by the President or Vice President of the Corporation.

Section 4. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such bank or banks, trust companies or other depositories as the Board may select.

Section 5. Fiscal Year. The fiscal year of the Corporation shall mean a twelve-month period commencing July 1<sup>st</sup> of each year and ending on June 30th of the following year.

Section 6. Gifts. The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or any special purpose of the Corporation.

Section 7. Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and committees having any of the authority of the Board, and shall keep at the registered or principal office a record giving the names and addresses of the directors and officers. All books and records of the Corporation may be inspected by the Member, its agents or attorneys at any time.

Section 8. Audits. The Corporation shall cause a financial accounting or an audits, if required by a funder of all its books and records to be performed by a firm of independent certified public accountants at least biennially or as requested by the Member from time to time. Copies of the audits shall be provided to the Member for its review.

#### ARTICLE VI AMENDMENTS

Upon prior approval of the Member, these Bylaws may be altered, amended or repealed, and new Bylaws may be adopted, by the affirmative vote of two-thirds of the directors present at any regular or special meeting of the Board, provided a quorum, as provided in these Bylaws, be present and the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal, or such requirement shall have been duly waived by all directors. If any such modification renders the Articles of Incorporation of the Corporation inconsistent with these Bylaws, as amended, the Articles of Incorporation shall promptly be amended to be consistent.

[CERTIFICATION APPEARS ON THE FOLLOWING PAGE]



**CERTIFICATION**

I, \_\_\_\_\_, the duly elected Secretary-Treasurer of Ann Arbor Housing Development Corporation, a Michigan nonprofit corporation, do hereby certify that the foregoing First Amended and Restated Bylaws of Ann Arbor Housing Development Corporation were duly adopted by the Corporation's Board of Directors and approved by its members as of this \_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Secretary-Treasurer

**CONSENT AND RATIFICATION OF FIRST AMENDED AND RESTATED BYLAWS OF  
ANN ARBOR HOUSING DEVELOPMENT CORPORATION**

The undersigned, each being a director and member of the Ann Arbor Housing Development Corporation, a Michigan nonprofit corporation, hereby consent to and ratify the First Amended and Restated Bylaws of the Corporation as presented and attached to this ratification in order that they be inserted into the Corporation's minute books as approved and made a record of the Corporation.

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_