

BYLAWS OF
ANN ARBOR AFFORDABLE HOUSING CORPORATION

ARTICLE I
CORPORATION

Section 1. Name. The name of the corporation is Ann Arbor Affordable Housing 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 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.

Section 3. Meetings.

(a) Place Of Meeting. Meetings of the Member shall be held at the principal office or place of business of the Corporation, or at such other suitable place convenient to the Member as may be designated by the Member, not less than annually. A special meeting of Member may be called by the board of directors or by written petition of members.

(b) Waiver Of Notice Of Meetings. The Member may, either before or after any meeting, waive any notice required to be given by law or under these Bylaws; and whenever the Member takes any action and consents to holding a meeting, it shall be valid for all purposes without call or notice, and any action may be taken at such meeting.

(c) Voting. The Member of the Corporation shall have the maximum voting and other rights, authority, powers, and privileges afforded members under applicable state law, including the right to vote by proxy.

(d) Quorum. The presence of an authorized representative of the Member, in person or by proxy, or by the use of communications equipment, shall constitute a quorum for all purposes.

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 up to seven (7) directors (the “Board”), as shall be fixed from time to time by the Member. 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 Article III Section 3) shall hold office (a) for five 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 e-mail or 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 Article I Section 3, but subject to the approval of the Member when required by Article II Section 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 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 and shall be removed at the request of HUD 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 of each year and ending on June 30 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 audits 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.

ARTICLE VII **HUD REQUIRED PROVISIONS**

The Corporation shall adhere to the following additional provisions:

Notwithstanding any clause or provision in the Articles of Incorporation and Bylaws of Ann Arbor Affordable Housing Corporation (for purposes of this Article VII, the “Borrower”) to the contrary and so long as the United States Department of Housing and Urban Development or a successor or assign of HUD is the insurer or holder of a loan to Borrower (“the HUD-insured Loan”) secured by the mortgage on Lurie Terrace -FHA project number: 044-11484 in the City of Ann Arbor, County of Washtenaw, and State of Michigan (the “Project”) the following provisions shall apply: The provisions of this Article VII shall be in effect only for so long as the Project is subject to a mortgage loan which is insured or held by the Secretary of Housing and Urban Development (“HUD”), after which this Article VII shall automatically terminate.

Section 1. If any of the provisions of these Bylaws or the Borrower’s other organizational documents conflict with the terms of the HUD-insured Note (the “Note”), the Regulatory Agreement executed between the Borrower and HUD (the “Regulatory Agreement”), or the Security Instrument (as defined in the Regulatory Agreement) securing the Note (collectively, the “HUD Loan Documents”), the provisions of the HUD Loan Documents shall control.

Section 2. No provision required by HUD to be inserted into the organizational documents may be amended without HUD’s prior written approval. Additionally, if there is a conflict between any HUD-required provisions inserted into these Bylaws and any other provision of these Bylaws, the terms of the HUD-required provisions will govern; and if there is a conflict between any of the provisions in the Articles of Incorporation and any HUD-required provisions of these Bylaws, the HUD-required provisions will govern.

Section 3. Unless otherwise approved in writing by HUD, the Borrower’s business and purpose shall consist solely of the acquisition, ownership, operation and maintenance of the Project and activities incidental thereto. The Borrower shall not engage in any other business or activity. The Project shall be the sole asset of the Borrower, which shall not own any other real estate other than the Project.

Section 4. None of the following will have any force or effect without the prior written consent of HUD:

- (a) Any amendment that modifies the term of the Borrower’s existence;
- (b) Any amendment that triggers application of the HUD previous participation certification requirements (as set forth in Form HUD-2530, Previous Participation Certification, or 24 C.F.R. § 200.210 et seq.);
- (c) Any amendment that in any way affects the HUD Loan Documents;
- (d) Any amendment that would authorize any stockholder, member, manager, owner, officer, or director, other than the one previously authorized by HUD, to bind the Borrower for all matters concerning the Project which require HUD’s consent or approval;
- (e) Any change that is subject to the HUD Transfer of Physical Assets requirements contained in Chapter 13 of HUD Handbook 4350.1 REV-1; or
- (f) Any change in a guarantor of any obligation to HUD (including those obligations arising from violations of the Regulatory Agreement).

Section 5. The Borrower is authorized to execute the Note and the Security Instrument in order to secure a loan to be insured by HUD (the “HUD-Insured Loan”); to execute the Regulatory Agreement and other documents required by HUD in connection with the HUD-Insured Loan; and to comply with the requirements of HUD’s mortgage insurance program.

Section 6. Any incoming stockholder or member of the Borrower, as applicable, must as a condition of receiving an interest in the Borrower agree to be bound by the HUD Loan Documents and all other documents required in connection with the HUD-Insured Loan to the same extent and on the same terms as the other stockholders or members.

Section 7. Upon any dissolution, no title or right to possession and control of the Project, and no right to collect the rents from the Project, shall pass to any person or entity that is not bound by the Regulatory Agreement in a manner satisfactory to HUD.

Section 8. The key principals of the Borrower identified in the Regulatory Agreement are liable in their individual capacities to HUD to the extent set forth in the Regulatory Agreement.

Section 9. The Borrower shall not voluntarily be dissolved or converted to another form of entity without the prior written approval of HUD.

Section 10. The Borrower has designated Jennifer Hall as its official representative for all matters concerning the Project that require HUD consent or approval. The signature of this representative will bind the Borrower in all such matters. The Borrower may from time to time appoint a new representative to perform this function, but within three (3) business days of doing so, will provide HUD with written notification of the name, address, and telephone number of the new representative. When any person other than the person identified herein has full or partial authority with respect to management of the Project, the Borrower will promptly provide HUD with the name of that person and the nature of that person’s management authority.

Section 11. Notwithstanding any provision in these Bylaws or any other organizational document of the Borrower to the contrary, any obligation of the Borrower to provide indemnification under these Bylaws shall be limited to (i) amounts mandated by state law, if any, (ii) coverage afforded under any liability insurance carried by the Borrower and (iii) available “surplus cash” of the Borrower as defined in the Regulatory Agreement. Until funds from a permitted source for payment of indemnification costs are available for payment, the Borrower shall not (a) pay funds to any members, partners, officers and directors, or (b) pay the deductible on an indemnification policy for any members, partners, officers and directors.

Section 12. Neither the Borrower, nor its stockholders, members, partners, officers, or directors, shall, without HUD’s prior written approval, grant a security interest in any of the Borrower’s or the Project’s assets.

[CERTIFICATION APPEARS ON THE FOLLOWING PAGE]

CERTIFICATION

I, Jennifer Hall, the duly elected Secretary-Treasurer of the Ann Arbor Affordable Housing Corporation, a Michigan nonprofit corporation, do hereby certify that the foregoing Bylaws of the Ann Arbor Affordable Housing Corporation were duly adopted by the Corporation's Board of Directors and approved by its members as of this 28th day of July, 2020.

By: 
Jennifer Hall

Its: Secretary-Treasurer