BYLAWS
OF
BAY AREA HOUSING CORPORATION

A California Nonprofit Public Benefit Corporation

ARTICLE I. NAME.

The name of this corporation shall be Bay Area Housing Corporation.

ARTICLE II. OFFICE.

Section 1. Principal Office. The principal office for the transaction of the business of the corporation ("principal office") shall be fixed by the Board of Directors. The Directors may from time to time change the location of the principal office.

Section 2. Other Offices. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

ARTICLE III. OBJECTIVES AND PURPOSES.

Section 1. Specific Purpose. This corporation is organized and operated exclusively for charitable, scientific, literary, educational, and religious purposes within the meaning of Internal Revenue Code section 501(c)(3). The specific purpose of this corporation is to develop housing for people with developmental disabilities. This corporation is guided by the principles and values of Housing Choices Coalition, a California public benefit corporation exempt from income tax under Internal Revenue Code section 501(c)(3).

Section 2. Limitation on Activities. The foregoing notwithstanding, this corporation shall carry on only activities permitted to be carried on (a) by a corporation exempt from federal tax under section 501(c)(3) of the Internal Revenue Code or (b) by a corporation's contributions which are deductible under sections 170(c)(2)(B), 2055(a)(2) or 2522(a)(2) of the Internal Revenue Code.

ARTICLE IV. NONPARTISAN ACTIVITIES.

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the public and charitable purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or the publication or dissemination of materials with the purpose of attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of or in opposition to any candidate for public office or for or against any cause or measure being submitted to the people for a vote.

The corporation shall not, except in an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above.

ARTICLE V. DEDICATION OF ASSETS.

The properties and assets of this corporation are irrevocably dedicated to public and charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of or be distributed to any Director or Officer of this corporation or to any other private person or individual (except that the corporation shall be authorized and empowered to reimburse expenses incurred on behalf of the corporation). Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for public and charitable purposes, which has established its tax exempt status under Internal Revenue Code section 501(c)(3), and which serves people with developmental disabilities.

ARTICLE VI. MEMBERSHIP.

Section 1. Members. The corporation shall have no Members. Any action which would otherwise require approval by a majority of all Members or approval by the Members shall require only approval of the Board. All rights which would otherwise vest in the Members shall vest in the Directors.

Section 2. Associates. Nothing in this Article shall be construed as limiting the right of the corporation to refer to persons associated with it as "Members" even though such persons are not Members, and no such reference shall constitute anyone a Member within the meaning of section 5056 of the California Nonprofit Corporation Law. The corporation may confer by amendment of its Articles or of these Bylaws some or all of the rights of a Member, as set forth in the California Nonprofit Corporation Law, upon any person or persons who do not have the right to vote for the election of Directors or on a disposition of substantially all of the assets of the corporation or on a merger or on a dissolution or on changes to the corporation's Articles or Bylaws, but no such person shall be a Member within the meaning of said section 5056.

ARTICLE VII. DIRECTORS.

Section 1. Powers. Subject to limitations of the Articles and these Bylaws, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the investments and activities of the corporation to any person or persons, including but not limited to professional investment counselors, advisors or managers, management companies, or committees however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

(a) To select, remove and advise Officers, agents, and employees of the corporation, prescribe powers and duties for them as may not be inconsistent with law, the Articles, or these Bylaws, fix their compensation, and require from them security for faithful service.

(b) To conduct, manage, and control the affairs and activities of the corporation and to make such rules and regulations therefor not inconsistent with law, the Articles, or these Bylaws, as they may deem best.

(c) To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.

(d) To accept on behalf of the corporation any bequest, devise, gift, grant or otherwise. All property, whether real, personal or mixed, accepted by the corporation by bequest, devise, gift, grant or otherwise, shall be held by the corporation or disposed of by it on such terms and conditions, not inconsistent with the Articles or these Bylaws, solely as the Board of Directors shall determine.

(e) To carry on a business at a profit and apply any profit that result from the business activity to any activity in which it may lawfully engage.

(f) To establish such committees, including an executive committee and an advisory committee, as it may deem appropriate.

Section 2. Number of Directors. The authorized number of Directors shall be not less than three (3) and not more than five (5), with the exact number to be fixed within these limits by the Board of Directors, until changed by a Bylaw duly adopted by approval of the Board of Directors.

Section 3. Election and Term of Office. Directors shall be elected at each annual meeting of the Board. Each Director shall serve for a term of one year until the next annual meeting of the Board, and until a successor has been elected and qualified. A Director may succeed himself or herself in office but may not serve more than six (6) consecutive one-year terms. The term of office shall begin immediately after election.

If any Director fails to attend three consecutive regular meetings of the Board of Directors, that Director shall automatically be dropped from the Board, but any absence which the Board concludes is due to illness or other justifiable cause, in the discretion of the Board, shall not be taken into account.

Section 4. Vacancies. Subject to the provisions of section 5226 of the California Nonprofit Public Benefit Law, any Director may resign effective upon giving written notice to the Chairperson of the Board, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective.

Vacancies in the Board shall be filled in the same manner as the Director(s) whose office is vacant was selected, provided that vacancies to be filled by election by Directors may be filled by a majority of the remaining Directors, even if less than a quorum, or by a sole remaining Director. Each Director so selected shall hold office until the expiration of the term of the replaced Director and until a successor has been selected and qualified.

A vacancy or vacancies in the Board may be deemed to exist in case of the death, resignation, or removal of any Director, or if the authorized number of Directors is increased.

The Board may declare vacant the office of a Director who has (a) been declared of unsound mind by a final order of court, (b) convicted of a felony, (c) been found by a final order or judgment of any court to have breached any duty arising under Article 3 of the California Nonprofit Public Benefit Corporation Law, or (d) missed more than three successive regularly scheduled Board meetings.

No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

Section 5. Place of Meeting. Meetings of the Board shall be held at any place within or without the State of California as designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the corporation.

Section 6. Annual Meetings. The Board shall hold an annual meeting for the purpose of organization, election of Directors and Officers, and the transaction of other business. Annual meetings of the Board shall be held on a day and at a place designated by the Board of Directors. Notice of this meeting shall be given in the same manner as special meetings of the Board.

Section 7. Other Regular Meetings. Other regular meetings of the Board may be held without call or notice on such dates and at such times as may be fixed by the Board.

Section 8. Special Meetings. Special meetings of the Board for any purpose or purposes may be called at any time by the Chairperson of the Board or by any two Directors.

Special meetings of the Board shall be held upon 5 days' notice by first class mail or 48 hours' notice given personally or by telephone, telegraph, telex, or other similar means of communication. Any such notice shall be addressed or delivered to each Director at such Director's address as it is shown upon the records of the corporation or as may have been given to the corporation by the Director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the Directors are regularly held.

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient. The

notice need not specify the purpose of the meeting nor the place if the meeting is to be held at the principal office of the corporation.

Section 9. Quorum. A majority of the authorized number of Directors constitutes a quorum of the Board for the transaction of business, except to adjourn as provided in Section 12 of this Article. Unless a greater number is required by law, the Articles or these Bylaws, every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board. Notwithstanding the above: (i) disqualified persons shall not be counted toward the quorum requirement for any action of the Board involving an excess benefit transaction, as such terms are defined in section 4958 of the Internal Revenue Code; (ii) interested directors shall not be counted toward the quorum requirement for any action of the Board involving a self-dealing transaction, as such terms are defined in section 5233 of the California Nonprofit Public Benefit Corporation Law; and (iii) a meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 10. Participation in Meetings by Conference Telephone. Directors may participate in a meeting through use of conference telephone or similar communications equipment, so long as all persons participating in such meeting can hear one another, and all such Directors shall be deemed to be present in person at the meeting.

Section 11. Waiver of Notice. Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 12. Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 13. Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such action by written consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

Section 14. Rights of Inspection. Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation of which such person is a Director.

Section 15. Removal. A Director may be removed from office, for cause, by the vote of a majority of the Directors.

Section 16. Committees. The Board may appoint one or more committees, each consisting of two or more Directors, and delegate to such committees any of the authority of the Board except with respect to:

(a) The approval of any action for which the California Nonprofit Public Benefit Corporation Law also requires approval of the members, if any, or approval of a majority of all members, if any;

(b) The filling of vacancies on the Board or in any committee;

(c) The fixing of compensation of the Directors for serving on the Board or on any committee;

(d) The amendment or repeal of Bylaws or the adoption of new Bylaws;

(e) The amendment or repeal of any resolution of the Board that, by its express terms, is not so amendable or repealable;

(f) The appointment of other committees of the Board or the members thereof;

(g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be selected; or

(h) The approval of any self-dealing transaction, as such transactions are defined in section 5233(a) of the California Nonprofit Public Benefit Corporation Law.

Any such committee must be created, and the members thereof appointed, by resolution adopted by a majority of the authorized number of Directors then in office, provided a quorum is present, and any such committee may be designated an Executive Committee or by such other name as the Board shall specify. The Board may appoint, in the same manner, alternate members of any committee who may replace any absent member at any meeting of the committee. The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of this Article applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.

Section 17. Fees and Compensation. Directors and members of committees may receive such compensation, if any, for their services and such reimbursement for expenses, as may be fixed or determined by the Board.

Section 18. Restriction Regarding Interested Directors. Notwithstanding any other provisions of these Bylaws, not more than 49 percent of the persons serving on the Board may be interested persons. For purposes of this Section, "interested persons," means either:

(a) Any person currently being compensated by the corporation for services rendered to it within the previous 12 months, whether as a full- or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or

(b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any person described in subparagraph (a) of this section.

However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 19. Self-Dealing. The corporation shall not engage in any transaction in which a Director has a material financial interest unless all of the following occurs:

(a) The corporation enters into the transaction for its own benefit;

(b) The transaction is fair and reasonable as to the corporation at the time it enters into the transaction;

(c) Before consummating the transaction or any part thereof, the Board authorizes the transaction in good faith by a vote of a majority of Directors then in office (without counting the vote of the interested Director) and with knowledge of the material facts concerning the transaction and the Director's interest in the transaction; and

(d) Before approving the transaction or any part thereof, the Board considers and in good faith determines after reasonable investigation under the circumstances that the corporation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.

Section 20. Non-Liability of Directors: The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

ARTICLE VIII. OFFICERS.

Section 1. Officers. The Officers of the corporation shall be a Chairperson of the Board, a CEO/President, a Secretary, and a Chief Financial Officer. The corporation may also have, at the discretion of the Board, one or more Vice Chairpersons of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other Officers as may be elected or appointed in accordance with the provisions of Section 3 of this Article. Any number of offices may be held by the same person except as provided in the Articles or in these Bylaws and except that neither the Secretary nor the Chief Financial Officer may serve concurrently as the

CEO/President or Chairperson of the Board. Officers other than the Chairperson of the Board need not be members of the Board of Directors.

Section 2. Election. The Officers of the corporation, except such Officers as may be elected or appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen annually by, and shall serve at the pleasure of, the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected or appointed.

Section 3. Subordinate Officers. The Board may elect, and may empower the Chairperson of the Board to appoint, such other Officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

Section 4. Removal and Resignation. Any Officer may be removed, either with or without cause, by the Board at any time or, except in the case of an Officer chosen by the Board, by any Officer upon whom such power of removal may be conferred by the Board. Any such removal shall be without prejudice to the rights, if any, of the Officer under any contract of employment of the Officer.

Any Officer may resign at any time by giving written notice to the corporation, but without prejudice to the rights, if any, of the corporation under any contract to which the Officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

Section 6. Chairperson of the Board. The Chairperson of the Board shall, if present, preside at all meetings of the Board and exercise and perform such other powers and duties as may be from time to time assigned by the Board.

Section 7. Vice Chairpersons of the Board. In the absence or disability of the Chairperson of the Board, the Vice Chairpersons of the Board, if any be appointed, in order of their rank as fixed by the Board or, if not ranked, the Vice Chairperson of the Board designated by the Board, shall perform all the duties of the Chairperson of the Board and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chairperson of the Board. The Vice Chairpersons of the Board shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board.

Section 8. CEO/President. The CEO/President shall not be an officer of the Board but is an officer of the Corporation. The CEO/President shall be the executive officer of the Corporation, and subject to the supervision of the Board, shall have general management duties of the activities

of the corporation, including programs, expenditures, and the hiring and firing of all staff, in accordance with the policies and budgetary limitations established by the Board. The CEO/President also shall peroform such other duties as the Board shall prescribe. The CEO/President shall be selected by the Board and shall serve at the pleasure of the Board subject to such person's rights, if any, under a contract of employment. The CEO/President shall not be a voting member of the Board, but shall be entitled to attend all meetings of the Board and committees thereof, except at such times as the Board may be discussing the performance or compensation of the CEO/President.

Section 9. Vice Presidents. In the absence or disability of the CEO/President, the Vice Presidents, if any be appointed, in order of their rank as fixed by the Board or, if not ranked, the Vice President designated by the Board, shall perform all the duties of the CEO/President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the CEO/President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board.

Section 10. Secretary. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a Book of Minutes of all meetings of the Board and its committees, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Board and committee meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of California the original or a copy of the corporation's Articles and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and any committees thereof required by these Bylaws or by law to be given, shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board.

Section 11. Chief Financial Officer. The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation. The books of account shall at all times be open to inspection by any Director.

The Chief Financial Officer shall deposit or cause to be deposited all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board. The Chief Financial Officer shall disburse or cause to be disbursed the funds of the corporation as may be ordered by the Board, shall render to the Chairperson of the Board and the Directors, whenever they request it, an account of all transactions as Chief Financial Officer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board.

ARTICLE IX. OTHER PROVISIONS.

Section 1. Endorsement of Documents; Contracts. Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in

writing and any assignment or endorsement thereof executed or entered into between the corporation and any other person, when signed by the Chairperson of the Board, any Vice Chairperson of the Board, the CEO/President or any Vice President and by the Secretary, any Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer of the corporation, shall be valid and binding on the corporation in the absence of actual knowledge on the part of the other person that the signing Officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board and, unless so authorized by the Board, no Officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

Section 2. Representation of Shares of Other Corporations. The Chairperson of the Board or any other Officer or Officers authorized by the Board or the Chairperson of the Board is authorized to vote, represent, and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted may be exercised either by any such Officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by said Officer.

Section 3. Annual Report. The Board shall cause an annual report to be sent to the members and directors within 120 days after the end of the corporation's fiscal year. That report shall contain the following information, in appropriate detail:

(a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;

(b) The principal changes in assets and liabilities, including trust funds;

(c) The corporation's revenue or receipts, both unrestricted and restricted to particular purposes;

(d) The corporation's expenses or disbursements for both general and restricted purposes;

(e) Any information required by the next Section of these Bylaws; and

(f) An independent accountants' report or, if none, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the corporation's books and records.

This requirement of an annual report shall not apply if the corporation receives less than $25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors and to any member who requests it in writing.

Section 4. Annual Statement of Certain Transactions and Indemnifications. As part of the annual report to all members, or as a separate document if no annual report is issued, the corporation shall, within 120 days after the end of the corporation's fiscal year, annually prepare and mail or deliver to each member and furnish to each director a statement of any transaction or indemnification of the following kind:

(a) Any transaction (i) in which the corporation, or its parent or subsidiary, was a party, (ii) in which an "interested person" had a direct or indirect material financial interest, and (iii) which involved more than $50,000 or was one of several transactions with the same interested person involving, in the aggregate, more than $50,000. For this purpose, an "interested person" is either:

(1) Any director or officer of the corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or

(2) Any holder of more than 10 percent of the voting power of the corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

(b) Any indemnifications or advances aggregating more than $10,000 paid during the fiscal year to any officer or director of the corporation under these Bylaws , unless the indemnification has already been approved by the members under section 5238(e)(2) of the California Nonprofit Public Benefit Corporation Law.

Section 5. Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

Section 6. Amendments. These Bylaws may be amended or repealed by the approval of a majority of the Board.

ARTICLE X. INDEMNIFICATION.

Section 1. Definitions. For the purposes of this Article, "agent" means any person who is or was a Director, Officer, employee, or other agent of the corporation, or is or was serving at the request of the corporation as a Director, Officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, Officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification under this Article.

Section 2. Indemnification in Actions by Third Parties. The corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought under section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust), by reason of the fact that such person is or was an agent of the corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. Indemnification in Actions by or in the Right of the Corporation. The corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the corporation, or brought under section 5233 of the California Nonprofit Public Benefit Corporation Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interest of the corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section:

(a) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(b) In respect of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) In respect of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

Section 4. Indemnification Against Expenses. To the extent that an agent of the corporation has been successful on the merits in defense of any proceeding referred to in Sections 2 or 3 of this Article, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 5. Limitations on Indemnification. Except as provided in Section 4 of this Article, any indemnification under this Article shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 2 and 3 of this Article, by:

(a) A majority vote of a quorum consisting of Directors who are not parties to such proceeding;

(b) Approval of the members, if any, in accordance with section 5034 of the California Nonprofit Public Benefit Corporation Law, with the persons to be indemnified not being entitled to vote thereon; or

(c) The court in which such proceeding is or was pending upon application made by the corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the corporation.

Section 6. Advancing of Expenses. Expenses incurred in defending any proceeding may be advanced by the corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article. The provisions of subdivision (a) of section 5236 of the California Nonprofit Public Benefit Corporation Law do not apply to advances made pursuant to this subdivision.

Section 7. Consistency with California Law. No provision made by the corporation to indemnify its or its subsidiary's Directors or Officers for the defense of any proceeding, whether contained in the articles, bylaws, a resolution of members, if any, or Directors, an agreement or otherwise, shall be valid unless consistent with section 5238 of the California Nonprofit Public Benefit Corporation Law. Nothing contained in this Article or in section 5238 of the California Nonprofit Public Benefit Corporation Law, shall affect any right to indemnification to which persons other than such Directors and Officers may be entitled by contract or otherwise.

Section 8. Prohibition of Indemnification. No indemnification or advance shall be made under this Article, except as provided in Section 4 or Section 5(c) of this Article, in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the articles, bylaws, a resolution of the members, if any, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 9. Liability Insurance. The corporation shall have power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this Article; provided, however, that the corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of section 5233 of the California Nonprofit Public Benefit Corporation Law.

Section 10. Inapplicability of this Article. This Article does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent as defined in Section 1 of this Article of the corporation. The corporation shall have power to indemnify such trustee, investment manager or other fiduciary to the extent permitted by subdivision (f) of section 207 of the California Nonprofit Public Benefit Corporation Law.

ARTICLE XI. EMERGENCY PROVISIONS.

During any emergency resulting from an attack on the United States or on a locality in which the corporation conducts its activities or customarily holds meetings of its Board, or during any nuclear or atomic disaster, or during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board or of the Executive Committee, if any, cannot readily be convened for action, a meeting of the Board or of said committee may be called by any Officer or Director. Such notice need be given only to such of the Directors or members of the committee, as the case may be, as it may be feasible to reach at the time, and by such means as may be feasible at the time including, without limitation, publication or radio.

The Director or Directors in attendance at the meeting of the Board, and the member or members of the Executive Committee, if any, in attendance at the meeting of the committee, shall constitute a quorum. If no one is in attendance at the meeting, the Officers or other persons designated on a list approved by the Board before the emergency, all in such order of priority and subject to such conditions and for such period of time (not longer than reasonably necessary after the termination of the emergency) as may be provided in the resolution approving the list, shall, to the extent required to provide a quorum at any meeting of the Board or of the Executive Committee, be deemed Directors or members of the committee, as the case may be, for such meeting.

The Board, either before or during any such emergency, may provide, and from time to time modify, lines of succession in the event that during such emergency any or all Officers or agents of the corporation shall for any reason be rendered incapable of discharging their duties. The Board, either before or during any such emergency, may, effective in the emergency, change the principal office or designate several alternative offices or authorize the Officers so to do.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of Bay Area Housing Corporation; and

2. That the foregoing Bylaws, comprising 14 pages, constitute the Bylaws of said corporation as duly adopted at a meeting of the Directors on May 16, 2003.

IN WITNESS WHEREOF, I have hereunto subscribed my name this May 16, 2003 2003.

John Kirby, Secretary

BYLAWS

OF

BAY AREA HOUSING CORPORATION

History of Action Taken Related to Bylaws	Date
Bylaws Adopted at Organizational Meeting of Board.	May 16, 2003
Amend Article VII, Sect. 2	June 21, 2004
Amend Article VII, Sect. 9	August 6, 2004

AMENDMENT of BYLAWS
OF
BAY AREA HOUSING CORPORATION

ARTICLE VII. DIRECTORS.

Section 2. Number of Directors. The authorized number of Directors shall be not less than three (3) and not more than seven (7), with the exact number to be fixed within these limits by the Board of Directors, until changed by a Bylaw duly adopted by approval of the Board of Directors.

Amended at Board of Directors meeting June 21, 2004.

Section 9. Quorum. A majority of the seated Board of Directors constitutes a quorum of the Board for the transaction of business, except to adjourn as provided in Section 12 of this Article. Unless a greater number is requir4ed bylaw, the Articles or these Bylaws, every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board. Notwithstanding the above: (i) disqualified persons shall not be counted toward the quorum requirement for any action of the Board involving an excess of benefit transaction, as such terms are defined in section 4958 of the Internal Revenue Code; (ii) interested directors shall not be counted toward the quorum requirement for any action of the Board involving a self-dealing transaction, as such terms are defined in section 5233 of the California Nonprofit Public Benefit Corporation Law; and (iii) a meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Amended at Board of Directors meeting August 6, 2004.