

LOVELAND HOUSING DEVELOPMENT CORPORATION

ARTICLE I

MEMBERS AND DIRECTORS

Section 1. Number of Election and Term of Office of Directors:

A Board of eight (8) directors shall be chosen by the Board of Directors of the Loveland Housing Development Corporation Board. Such shall constitute the membership of the Corporation and will not consist of any Housing Authority of the City of Loveland Commissioners. Except for the initial staggered terms of the directors as provided by the Articles of Incorporation and amendments thereto, the term of office of said directors shall be five (5) years, or until their successors have been elected and installed in office.

Directors may reapply for additional terms at the expiration of their current terms.

The business and affairs of the corporation shall be managed by its Board of Directors. The Directors, in all cases, shall act as a Board, and they may adopt such rules and regulations for the conduct of their meetings and the management of the corporation, as they deem proper, not inconsistent with these Bylaws and the laws of the State of Colorado.

Section 2. Vacancies:

Vacancies in the Board of Directors shall be filled by the members of the Loveland Housing Development Corporation at any regular or special meeting, at which time a director will be chosen to fill the unexpired term.

Newly created directorships resulting from an increase in the number of directors and vacancies occurring in the Board for any reason may be filled by a vote of a majority of the directors then in office, although less than a quorum exists. A director elected to fill a vacancy caused by resignation, death or removal shall be elected to hold office for the unexpired term of his predecessor.

Section 3. Annual Meetings:

The annual meeting of the member-directors of this Corporation shall be held at its principal office in Loveland, Larimer County, Colorado, or at any other place designated in the notice of such meeting, at 7:00 p.m. on the fourth Wednesday of January of each year, beginning with 1973.

Section 4. Regular Meetings and Special Meetings:

Regular meetings of the Board of Directors shall be held on the fourth Wednesday of each month following the annual meeting, at the principal office of the Corporation in the City of Loveland, Colorado, immediately after the conclusion of the annual meeting, or at such other place and/or time, as shall be designated in a notice thereof, and on the fourth Wednesday of each month thereafter. Special meetings of the Board of Directors may be called at any time by the Chairman or Vice-Chairman or by the majority of members of the Board of Directors provided at least 24-hours notice is given to each member in writing, by phone or orally, of such meeting. A majority (4 or more) of the Directors shall constitute a quorum at any Board of Directors meeting.

Section 5. Notice:

Notice of any meeting shall be made orally or in writing and may be delivered by mail, telephone or person-to-person.

Section 6. Adjournment:

If a quorum is not present at any meeting, the directors present may adjourn to such future time and place as may be agreed upon by them, and notice of such adjournment shall be delivered to the directors not present; but, if a quorum is present, they may adjourn from day to day as they see fit, and no notice of such adjournment need be given.

Section 7. Manner of Voting:

The voting on all questions coming before the Corporation shall be by voice vote, unless roll call or secret ballot is requested. Members may also designate orally or in writing a proxy to register their vote. An oral proxy will be confirmed in writing within thirty days of the granting of that proxy.

Section 8. Order of business:

The order of business at the annual meeting of the member-directors, and so far as

possible at all other meetings of the member-directors, shall be essentially as follows:

1. Approval of the minutes of previous meetings of the member-directors.
2. Correspondence and Statements.
3. Old business
4. New Business
5. Other Staff or Directors Reports.
6. Adjournment.

Section 9. Resignation:

A director may resign at anytime by giving written notice to the Board, the chairperson or the secretary of the corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board or such officer, and the acceptance of the resignation shall not be necessary to make it effective.

Section 10. Compensation:

No compensation shall be paid to directors, as such, for their services, but by resolution of the Board, a fixed sum and expenses for actual attendance at each regular or special meeting of the Board may be authorized. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

Section 11. Presumption of Assent:

A director of the corporation who is present at a meeting of the directors at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he/she shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 12. Executive and Other Committees:

The Board, by resolution, may designate from among its member, and executive committee and other committees, each consisting of one or more directors. Each such committee shall serve at the pleasure of the Board.

ARTICLE II

Section 1. Enumeration:

The officers of the Corporation shall consist of a Chairman, a Vice-Chairman, and a Secretary/Treasurer, and such other officers as shall from time to time be chosen and appointed by the Board of Directors.

Section 2. Chairman:

The Chairman, when present, shall preside at all meetings of the Corporation. Except as otherwise authorized by resolution of the Corporation, the Chairman shall sign all contracts which have a value in excess of \$10,000 per year as well as all deeds and other instruments which would add an additional financial responsibility to the Corporation which is not supported by the approved annual budget. By resolution, specific to the instance, the Board of Directors may authorize the signing of any deeds, contracts or other instruments by another officer or director without amending these Bylaws. At each meeting, the Chairman shall submit such recommendations and information as he/she may consider proper concerning the business affairs and policies of the Corporation.

Section 3. Vice Chairman:

The Vice Chairman, when present, shall perform the duties of the Chairman in the absence or incapacity of the chairman; and in case of the resignation or death of the Chairman, the Vice Chairman shall perform such duties as are imposed on the Chairman until such time as the Corporation shall select a new Chairman.

Section 4. Secretary/Treasurer:

The Secretary/Treasurer shall be charged with the management of the housing projects of the Corporation. The Secretary/Treasurer shall keep the records of the Corporation, shall act as Secretary/Treasurer of the meetings of the Corporation and

record all votes, and shall keep a record of the proceedings of the Corporation in a journal of proceedings to be kept for such purposes, and shall keep in safe custody the seal of the Corporation and shall have power to affix such seal to all contracts and instruments authorized to be executed by the Corporation.

The Secretary/Treasurer shall have the care and custody of all funds of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks as the Corporation may select. The Secretary/Treasurer shall sign all orders and checks for the payment of money and shall pay out and disburse such monies under the direction of the Corporation, all such orders and checks shall be countersigned by the Chairman or his/her designee. The Secretary/Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Corporation, at each regular meeting (or more often when requested), an account of these transactions and also of the financial condition of the Corporation. The Secretary/Treasurer shall give such bond for the faithful performance of his/her duties as the Corporation may designate.

The compensation of the Secretary/Treasurer shall be determined by the Corporation, provided that a temporary appointee selected from among the directors of the Corporation shall serve without compensation (other than the payment of necessary expenses).

Section 5. Additional Duties:

The officers of the Corporation shall perform such other duties and functions as may from time to time be required by the Corporation or the bylaws or rules and regulations of the Corporation.

Section 6. Election or Appointment of Officers:

The Chairman, Vice Chairman and Secretary/Treasurer shall be elected at the annual meeting of the Corporation from among the Directors of the Corporation, and shall hold office for one year or until their successors are elected.

Section 7. Termination:

The termination of a Director shall occur only after a vote of the Board of Directors Loveland Housing Development Corporation, and for the following reasons:

1. More than three consecutive unexcused absences from the monthly meetings.

2. Any acts or omissions considered detrimental to the integrity of the Authority or Corporation as determined by the membership of the Authority.

Prior to termination of any Director, a written statement of the reasons for the termination shall be issued to the Director detailing the reasons for the termination and giving said individual the right to protest the termination to the Board of Directors of the Loveland Housing Development Corporation.

Section 8. Removal:

Any officer or agent elected or appointed by the directors may be removed by the directors at any time.

Section 9. Vacancies:

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the directors for the unexpired portion of the term.

Section 10. Contracts:

The directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

ARTICLE III

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The corporation shall indemnify each of its directors or officers or former directors or officers or any person who may have served at its request as a director or officer of another corporation in which it owns shares of capital stock or of which it is a creditor against all costs, expenses and amounts of liability therefor, including counsel fees, and the amount of any judgement, actually and reasonably counsel fees, and the amount of any judgement, actually and reasonably incurred by or imposed upon him/her in connection with or resulting from the defense of any action, suit or proceeding, civil or criminal (including appeals), in which he/she is made a party or in which he/she may be or become involved by reason of being or having been such director or securities laws and matters as to which he/she shall be adjudged in such action, suit or proceeding to be liable for fraud, negligence or misconduct in the performance of duty to the corporation of which he/she is a director or officer. In the event of a settlement before or connection with such matters covered by the settlement as to

which the corporation is advised by counsel that the person to be indemnified did not commit such a breach of duty. A conviction or judgement (whether based on plea of guilty or nolo contendere or its equivalent, or after trial) in a criminal action, suit or proceeding shall not be deemed an adjudication of liability for negligence of misconduct or officer acted in good faith in what he/she considered to be the belief that the action was illegal. The foregoing right of indemnification shall insure to the benefit of the heirs, executors, administrators and personal representatives of each such director or officer and shall be in addition to all other rights to which such director or officer may be entitled as matter of law.

ARTICLE IV

SEAL

The corporate seal of this Corporation shall be a circular seal with the name of the Corporation around the border, and the word "Seal" in the center.

ARTICLE V

BUSINESS YEAR

The business year of the Corporation shall begin on the first day of July of each year and shall end on the thirtieth day of June in each year.

ARTICLE VI

WAIVER OF NOTICE

Any member-director may waive, orally or in writing, any notice of meetings required to be given by these Bylaws.

ARTICLE VII

AMENDMENTS

A quorum of the Board of Directors present and voting shall be required to amend any provision of these Bylaws.

ARTICLE VIII

DISSOLUTION

Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provisions for the payment of all liabilities of the corporation, dispose of all remaining assets of the corporation exclusively for the purposes of the corporation, and shall pay over to Housing Authority of the City of Loveland, which shall at the time, qualify as an exempt organization or an organization exempt under Section 501 (c)(3) of the Internal Revenue Code of 1954, or the corresponding provision of any future United States Internal Revenue Law, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Court appropriate in the county in which the principal office of the corporation is there located, exclusively for such purposes or to such organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE IX

EARNINGS

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, Board of Directors, Officers 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 of the corporation. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles, 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 Internal Revenue code of 1954 (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 Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Law).

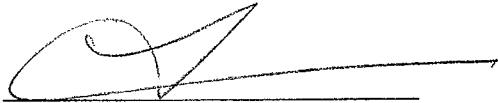
CERTIFICATE

The undersigned hereby certifies that he/she is the duly elected, qualified, acting and hereunto authorized Secretary/Treasurer of the aforesaid Corporation, and that the foregoing and annexed Bylaws constitute a true and complete copy of Bylaws of said Corporation presently in full force and effect.

IN WITNESS WHEREOF, the undersigned has signed this Certificate and affixed thereto the seal of the said Corporation.

Date of Revision:

6-25-03

A handwritten signature in black ink, consisting of a large, stylized initial 'L' followed by a horizontal line extending to the right.

Attest:

Secretary/Treasurer of the
Loveland Housing Development Corporation

(SEAL)