

BY-LAWS OF
ST. JOSEPH'S VILLA HOUSING CORP. II

Amended and Restated February 15, 2005

ARTICLE I – CORPORATE SEAL

The corporate seal of the corporation shall be circular and shall have inscribed thereon, within and around the circumference, the following: "St. Joseph's Villa Housing Corp. II." In the center shall be the word "SEAL."

ARTICLE II – FISCAL YEAR

The fiscal year of the corporation shall be determined in the discretion of the Board of Directors, but in the absence of any such determination, it shall be a fiscal year beginning July 1 and terminating June 30.

ARTICLE III – DIRECTORS

Section 1. General Powers – The business and affairs of the corporation shall be managed by the Board of Directors, subject to any requirements of the member of the corporation, i.e., St. Joseph's Villa.

Section 2. Number, Term and Qualification – The number of directors of the corporation shall be not less than three (3) nor more than fifteen (15). Each director shall hold office for the term for which he is elected and until his successor is elected and qualified. Directors need not be residents of the State of Virginia.

Section 3. Election of Directors – Except as provided in Sections 4 and 5 of this Article, the directors shall be elected by the member of the corporation, i.e., St. Joseph's Villa, at the annual meeting for a term of three (3) years. PROVIDED, HOWEVER, that the directors elected at the first annual meeting in 1990, shall be divided into three classes, and one third of the directors elected at said meeting shall be elected for one year, one third of the directors elected at said meeting shall be elected for two years, and one third of the directors elected at said meeting shall be elected for three years. Upon expiration of the respective terms of the directors, their successors shall be elected for a term of three years each so that one third of the directors of the corporation shall be elected annually.

Section 4. Removal – Any director may be removed at a meeting called expressly for that purpose, with or without cause, by the member of the corporation. If any director is so removed, a new director may be elected at the same meeting.

Section 5. Vacancies – Any vacancy occurring in the Board of Directors, including a vacancy resulting from an increase shall be filled by the member of the corporation.

Section 6. Compensation – Directors shall receive no compensation for their services as such.

Section 7. Absenteeism – Any board member who does not attend three (3) consecutive board meetings without prior notification to the Chairperson or the Secretary of the corporation shall be considered to have resigned. After two (2) consecutive such absences from board meetings, a member shall be notified by the Secretary that an additional such absence shall be considered a resignation.

ARTICLE IV – DIRECTORS' MEETINGS

Section 1. Regular Meetings – Regular meetings of the Board of Directors shall be held at least quarterly, including immediately following each annual meeting of the member to elect officers and carry on such other business as may properly come before such meeting, and also immediately following any special meeting of the member to carry on such business as may properly come before such special meeting. Meetings of the Board of Directors shall be held at such place as may be provided in the notice of the meeting.

Section 2. Special Meetings – Special meetings of the Board of Directors may be called by any officer of the corporation or by any three (3) members of the Board of Directors.

Section 3. Notice – Notice of meetings of the Board of Directors stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called shall be mailed to each director at least three (3) days, faxed at least two (2) days,

or e-mailed (if delivery by e-mail has been consented to by the directors to whom such notice is given) at least two (2) days, prior to the date of the meeting.

Section 4. Quorum – The lesser of (i) a majority of the number of directors fixed herein or (ii) five (5) directors shall constitute a quorum at a meeting of the Board of Directors. If a quorum is present, the affirmative vote of a majority of the directors present at the meeting shall be the act of the Board of Directors.

Section 5. Presiding Officer – At all meetings of the Board of Directors, the Chairman or in his or her absence, the President or Vice President, or in their absence, a person elected by the directors present, shall preside.

Section 6. Action by Directors Without a Meeting – Any action required to be taken at a meeting of the directors, or any action which may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing, setting forth the action so to be taken, shall be signed before such action by all of the directors. Such consent shall have the same force and effect as a unanimous vote.

Section 7. Waiver of Notice – Notwithstanding any other provision of these by-laws, whenever notice of any meeting for any purpose is required to be given to any director of any meeting for any purpose under provisions of Virginia law or these by-laws, a waiver thereof in writing signed by the director entitled to said notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

A director who attends a meeting shall be deemed to have had timely and proper notice of the meeting unless he attends for the express purpose of objecting to the transactions of any business because the meeting is not lawfully called or convened.

ARTICLE V – DIRECTORS' COMMITTEES

Section 1. Executive Committee – The Board of Directors, by a resolution adopted by a majority of all the directors, may designate three or more directors to constitute an Executive Committee which committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors except to approve an amendment to the Articles of Incorporation or plan of merger or consolidation, a sale, lease, exchange, mortgage, pledge or other dispositions of all or substantially all the property and assets of the corporation, the voluntary dissolution of the corporation or revocation of voluntary dissolution proceedings.

Section 2. Other Committees – Other committees with limited authority may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present.

ARTICLE VI – OFFICERS

Section 1. Election, Removal and Duties – The Board of Directors, promptly after its election in each year, shall elect a chairman, a president (who shall be a director), a secretary, and a treasurer, and may elect one or more vice presidents or such other officers as it may deem proper. Any officer may hold more than one office except that

the same person shall not be both president and secretary. All officers shall serve for a term of one year and until their respective successors are elected, provided, however, that any officer may be removed with or without cause at any time whenever the Board of Directors in its absolute discretion shall consider that the best interests of the corporation would be served thereby by the vote of a majority of all the directors. Vacancies among the officers shall be filled by the directors. The officers of the corporation shall have such duties as generally pertain to their respective offices as well as such powers and duties as may be delegated to them from time to time by the Board of Directors. Officers may be nominated and elected for successive terms, or may be nominated and elected to a new office.

Section 2. Bonds – The Board of Directors may require that any or all officers, agents and employees of the corporation give bond to the corporation, with sufficient sureties, conditioned on the faithful performance of the duties of their respective offices or position, and comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE VII – CERTIFICATE

Section 1. Form – The member of the corporation shall be entitled to a certificate, in such form as may be approved by the Board of Directors, signed by the president or a vice president and by the secretary, an assistant secretary, the treasurer or an assistant treasurer.

ARTICLE VIII – AMENDMENTS

Section 1. New By-Laws and Alterations – These by-laws may be amended or repealed and new by-laws may be made by the Board of Directors at a regular or special meeting. However, by-laws made by the Board of Directors may be repealed or changed, and new by-laws made, by the member (St. Joseph's Villa) and the member may prescribe that any by-law made by it shall not be altered, amended, or repealed by the directors.

Section 2. Legislative Amendment – In the event that any portion of these by-laws is subsequently rendered invalid by act of the General Assembly of Virginia those portions hereof which are not affected by such legislation shall remain in full force and effect until and unless altered or repealed in accordance with the terms hereof.

ARTICLE IX – CONFLICTS OF INTEREST

Each director shall be required to disclose in writing any personal, professional, business, family or community activity, association or connection with any activity of the corporation, or with the principals, beneficiaries, or individuals, including other directors, or entities involved or to be involved in such activity which is to be presented for consideration and action by the corporation.

The writing required hereby shall contain the descriptive statement specifically stating whether or not the proposed activity could result in any pecuniary benefit to the Board member, any family member, business or professional associate, or any governmental or non-profit agency or community entity by whom the director is

employed or with whom the director is associated. Said writing shall be mailed to the chairman of this corporation.

Any interest or potential conflict of interest as described herein which arises after consideration of the activity by the Board of Directors or a committee thereof also is subject to immediate disclosure by any director as provided herein.

Failure to disclose a matter prior to consideration by the corporation, or if such a matter for disclosure arises thereafter, failure to disclose immediately at that time shall be grounds for rescission of any commitment to fund any activity which contains any relationship or connection to a director as described herein which should have been disclosed. Rescission can be determined by a majority vote at any duly constituted Board meeting, provided the affected director has had notice thereof.

ARTICLE X – CONTRACTS

The Board of Directors, except as these by-laws otherwise provide, may authorize any officer or agent 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 a specific instance; provided, however, that any indebtedness or expenditure, by contract or otherwise, in excess of \$15,000 shall require the prior approval of the Board of Trustees of St. Joseph's Villa; and unless so authorized by the Board of Directors or the Board of Trustees of St. Joseph's Villa, as appropriate, no officer, agent, or employee shall have any powers or authority to bind the corporation by a contract or engagement, or to pledge its credit, or render it liable pecuniarily for any purpose or to any amount.