

**BYLAWS
OF
SDHC Building Opportunities, Inc.,
a California Nonprofit Public Benefit Corporation**

ARTICLE I

NAME

Section 1.01 **Name**. The name of this corporation is SDHC Building Opportunities, Inc., a California nonprofit public benefit corporation (the “Corporation”).

ARTICLE II

OFFICES

Section 2.01 **Principal Office**. The Corporation’s principal office for the transaction of affairs and activities of the Corporation shall be fixed and located at such place within the City of San Diego as the Board of Directors (“Board”) shall determine. The Board is granted full power and authority to change the principal office from one location to another within the City of San Diego.

Section 2.02 **Other Offices**. Branch of subordinate offices may be established at any place or places by the Board at any time within the State of California.

ARTICLE III

PURPOSE

Section 3.01 **Purpose**. The Corporation is organized under the California Nonprofit Public Benefit Law for public and/or charitable purposes, and its specific purpose is to improve the quality of life of low and moderate income residents of the City of San Diego and County of San Diego. The Corporation and all of its businesses and other activities are to be operated and conducted in the promotion of its charitable purposes as specified in its Articles of Incorporation, and in the conduct of its affairs the management shall at all times be mindful of these charitable purposes. In the event that any provision of this Section 3.01 is inconsistent with any provision of the Articles of Incorporation, the provisions of the Articles of Incorporation of the Corporation shall prevail and be controlling.

ARTICLE IV

NO MEMBERSHIP

Section 4.01 **No Members**. The Corporation shall have no members. Any action which would otherwise by law require approval by a majority of all members or approved by the members

shall require only approval of the Board. All rights which would otherwise by law vest in members shall vest in the Board.

ARTICLE V

DIRECTORS

Section 5.01 Powers.

(a) General Corporate Powers. Subject to the limitations set forth in the Articles of Incorporation 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 activities of the Corporation to any person(s), a management company, or committee 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.

(b) Board's Ultimate Authority. No assignment, referral or delegation of the authority by the Board or anyone else shall preclude the Board from exercising the authority required to meet its responsibility for the conduct of the activities of the Corporation and the Board shall retain the right to rescind any such delegation.

Section 5.02 Number, Selection and Term of Directors.

(a) The number of directors shall be three (3) until changed by an amendment to these Bylaws.

(b) The directors of the Board shall be appointed by the President and Chief Executive Officer of the San Diego Housing Commission, or his or her designee.

(c) Each director shall assume office immediately upon being appointed pursuant to Section 5.02(b), above. Each director shall serve on the Board until such time as such person dies, resigns or the President and Chief Executive Officer of the San Diego Housing Commission, or his or her designee, appoints a replacement director. The successors to each director shall assume office immediately upon being appointed pursuant to Section 5.02(b), above.

Section 5.03 Resignation. Any director may resign at any time by giving written notice of such resignation to the Board and the President and Chief Executive Officer of the San Diego Housing Commission, unless there would be no director left in charge of the corporation's affairs upon resignation by such director, in which case such director must first give notice to the Attorney General for the State of California of the intended resignation pursuant to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law. Such resignation shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.04 Vacancies.

(a) Events Causing Vacancy. A vacancy or vacancies on the Board shall be deemed to exist in the case of the death, resignation or removal of any director or if the authorized number of directors is increased.

(b) Filling Vacancies. Vacancies on the Board shall be filled in the same manner as the director whose office is vacant was selected, i.e., a replacement director shall be appointed by the President and Chief Executive Officer of the San Diego Housing Commission, or his or her designee. Each director so appointed shall hold office until such time as such person dies, resigns or the President and Chief Executive Officer of the San Diego Housing Commission, or his or her designee, appoints a replacement director.

Section 5.05 Meetings. The Board shall hold meetings as and when determined by the board upon written notice given to all directors and when and if required by the California Nonprofit Public Benefit Corporation Law for the purpose of organization, selection of officers, and the transaction of other business.

Section 5.06 Place of Meetings. Meetings of the Board may be held at the principal office of the Corporation or at any other place within or without the State of California which has been designated in the notice of the meeting.

Section 5.07 Conduct of Meetings. The meetings shall be governed as the directors shall agree; in the absence of such agreement, Robert's Rules of Order, as may be amended from time to time, shall govern the meetings insofar as such rules are not inconsistent with or in conflict with these Bylaws, the Articles of Incorporation, or the law.

Section 5.08 Quorum. A majority of the directors then in office shall constitute a quorum. 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 is an act of the Board. 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 directors then in office.

Section 5.09 Participation in Meetings by Conference Telephone. Directors may participate in meetings of the Board through use of conference telephone or similar communications equipment.

Section 5.10 Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though it had been conducted at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to hold the meeting or an approval of the minutes thereof. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting the lack of notice.

Section 5.11 Action Without a 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 shall have the same force and effect as a unanimous vote of the Board. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 5.12 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.

Section 5.13 Fees and Compensation. Directors shall not receive any compensation for their services as directors, however, the Board may approve the reimbursement of a director's actual and necessary expenses incurred in the conduct of the Corporation's business.

Section 5.14 Freedom from Liability. No director of this Corporation shall be personally liable for the debts, liabilities or obligations of the Corporation.

Section 5.15 Insurance. The Corporation may carry liability insurance with respect to the conduct of the Corporation's business by the directors.

ARTICLE VI

STANDARDS OF CONDUCT AND CONFLICTS OF INTEREST

Section 6.01 Standard of Conduct. Pursuant to Section 5231 of the California Nonprofit Public Benefit Corporation Law, a director shall perform the duties of a director, including duties as a member of any committee of the Board upon which the director may serve, in good faith, in a manner such director believes to be in the best interest of the Corporation and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances. In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) One or more officers or employees of the Corporation whom the director believes to be reliable and competent in the matters presented;

(b) Counsel, independent accountants or other persons as to matters which the director believes to be within such person's professional or expert competence; or

(c) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as, in any such case, the director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 6.02 Self-Dealing Transactions. Pursuant to Section 5233 of the California Nonprofit Corporation Law, the Corporation shall not be a party to a transaction in which one or more of its directors has a material financial interest (“Interested Director”) unless:

(a) The Attorney General, or the court in an action in which the Attorney General is an indispensable party, has approved the transaction before or after it was consummated; or

(b) Prior to entering into the transaction, after full disclosure to the Board of all material facts regarding the proposed transaction and the Interested Director’s interest, and after investigation and report to the Board as to alternative arrangements for the proposed transaction, if any, the Board in good faith and by a vote of a majority of the directors then in office (without including the vote of the Interested Director):

(1) Resolves and finds that (i) the transaction is in the Corporation’s best interest and for the Corporation’s own benefit; (ii) the transaction is fair and reasonable as to the Corporation; and (iii) after reasonable investigation under the circumstances as to the alternatives, the Corporation could not have obtained a more advantageous arrangement with reasonable efforts under the circumstances; and

(2) Approves the entire transaction. In the event that it is not reasonably practical to obtain approval of the Board prior to entering into such transaction, the Corporation may enter into such transaction if, prior to entering into said transaction, a committee or person authorized by the Board approves the transaction in a manner consistent with the procedure set forth in this section and the Board, after determining in good faith that the Corporation entered into the transaction for its own benefit and that the transaction was fair and reasonable as to the Corporation at the time it was entered into, ratifies the transaction at its next meeting by a vote of the majority of the directors then in office, without counting the vote of the Interested Director. In light of the forgoing limitations, all directors shall fill out an annual questionnaire dealing with this subject matter.

Section 6.03 Conflict of Interest Policy. The purpose of this conflict of interest policy is to protect the interests of the Corporation when the Corporation is contemplating entering into a transaction or arrangement that might benefit the private interest of an employee, officer or director of the Corporation or might result in a possible excess benefit transaction (i.e., a transaction that benefits a third party) as defined in Section 4958 of the Internal Revenue Code. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations. This policy is further intended to supplement but not replace any conflict of interest policy enacted by the Corporation in compliance with state and/or local law, as approved the City of San Diego.

(a) Definitions.

(1) “Interested Person” means any director, officer or member of a committee of the Board who has a direct or indirect Financial Interest, as defined below.

(2) “Financial Interest”. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

(A) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;

(B) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or

(C) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A Financial Interest is not necessarily a conflict of interest. Under Section (b)(1), a person who has a Financial Interest may have a conflict of interest only if the Board or appropriate committee decides that a conflict of interest exists.

(b) Procedures.

(1) Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the directors and members of the committees with Board delegated powers considering the proposed transaction or arrangement.

(2) Determining Whether a Conflict of Interest Exists. After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, she/he shall leave the Board or committee meeting, as the case may be, while the determination of a conflict of interest is discussed and voted upon. The remaining directors or committee members shall decide if a conflict of interest exists.

(3) Procedures for Addressing the Conflict of Interest.

(A) An Interested Person may make a presentation at the Board or committee meeting, but after the presentation, she/he shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(B) The chairperson of the Board or committee with Board delegated powers shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(C) After exercising due diligence, the Board or committee with Board delegated powers shall determine whether the Corporation can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(D) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee with Board delegated powers shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefits, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

(4) Violations of the Conflicts of Interest Policy.

(A) If the Board or committee with Board delegated powers has reasonable cause to believe an Interested Person has failed to disclose actual or possible conflicts of interests, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

(B) If, after hearing the Interested Person's response and after making further investigation as warranted by the circumstances, the Board or committee determines the Interested Person has failed to disclose an actual or possible conflict of interest, it shall take appropriate and corrective action.

(c) Records of Proceedings. The minutes of the meetings of the Board and all committees with Board delegated powers at which any conflict of interest was discussed, shall contain:

(1) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board or committee's decision as to whether a conflict of interest in fact existed.

(2) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

(d) Annual Statements. Each director, officer and member of a Committee shall annually sign a statement which affirms that such person:

(1) Has received a copy of this Conflicts of Interest Policy;

(2) Has read and understand this policy;

(3) Has agreed to comply with this policy; and

(4) Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

(e) Periodic Reviews. To ensure the Corporation operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax exempt status, periodic reviews shall be conducted. The periodic review shall, at a minimum, include the following subjects:

(1) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

(2) Whether partnerships, joint ventures and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investments or payments for goods and services, further charitable purposes and do not result in private inurement, impermissible private benefit or in an excess benefit transaction.

(3) When conducting the periodic reviews as provided in this Section 6.03(e), the Corporation may, but is not obligated to use outside experts. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Section 6.04 California Nonprofit Integrity Act. The Board shall cause the Corporation to comply at all times with the applicable provisions of the California Nonprofit Integrity Act of 2004 (California Government Code Section 12585 et seq.). If any provision of these Bylaws is in conflict with the provisions of the California Nonprofit Integrity Act of 2004, the California Nonprofit Integrity Act of 2004 shall control.

Section 6.05 Financial Reporting to the San Diego Housing Commission. The Corporation shall provide financial reports to the San Diego Housing Commission annually, which financial reports shall contain information comparable to the information contained in IRS Form 990. The San Diego Housing Commission shall have the right to audit the Corporation at the discretion of the President and CEO of the San Diego Housing Commission.

ARTICLE VII

OFFICERS

Section 7.01 Officers. Any officers of the Corporation shall be chosen by the Board, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

Section 7.02 Compensation. The officers of the Corporation may receive the salaries and other compensation that are fixed from time to time by the Board, and no officer shall be prevented from receiving that salary and compensation by reason of the fact that he or she is also a director of the Corporation.

ARTICLE VIII

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

Section 8.01 Indemnification.

(a) The Corporation shall indemnify, defend and hold harmless to the maximum extent permitted by law, each Agent (as defined below) who is or was a party or is threatened to be made a party to or is or was involved (as a party, witness, or otherwise) in or to any proceeding (as defined below), whether or not by or in the right of the Corporation, by reason of the fact that such person is or was an Agent of the Corporation, whether the basis of the proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director or officer. Further, pursuant to provisions in the Corporation's Articles of Incorporation, the Corporation may provide such indemnification and hold harmless in excess of that expressly permitted by Section 317 of the California Corporations Code for any Agent to the fullest extent permitted by applicable law, as such law exists from time to time. The Corporation may, at its option, indemnify, defend and hold harmless each employee or other agent of the Corporation (each an "Other Agent") to the same extent described above with respect to an Agent, or to any lesser extent.

(b) To the fullest extent permitted by law, the indemnification and hold harmless provided herein shall include, but is not limited to, expenses (including attorneys' fees), levies, costs, judgments, liability, loss, amounts paid in settlement, penalties and fines, which were incurred or paid in connection with, related to or arising from any proceeding; and, in the manner provided by law, any such expenses with respect to an Other Agent may, at the option of the Corporation, and any such expenses with respect to an Agent shall be paid by the Corporation in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the Agent to repay such amount if it shall be determined ultimately that the Agent or Other Agent is not entitled to be indemnified.

(c) The indemnification provided herein shall not be deemed to limit the right of the Corporation to indemnify any person to the fullest extent permitted by law, nor shall it be deemed exclusive of any other rights to which any Agent seeking indemnification from the Corporation may be entitled under any agreement, bylaws, vote of disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office. For purposes of this Article, "proceeding" shall mean any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative; and "Agent" shall mean a person, or a person who is the legal representative of a person, who is or was a director or officer of the Corporation or Other Agent.

(d) The Corporation may, to the full extent permitted by law, purchase and maintain insurance on behalf of any Agent or Other Agent against any liability asserted against or incurred by the Agent or Other Agent in such capacity or arising out of the Agent's or Other Agent's

status as such whether or not the Corporation would have the power to indemnify the Agent or Other Agent against such liability under the provisions of applicable law.

Section 8.02 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 VIII; provided, however, 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.

ARTICLE IX

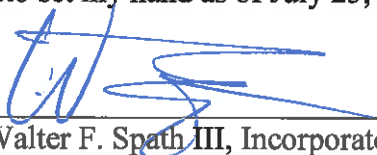
AMENDMENTS

Section 9.01 Amendments. New Bylaws may be adopted or these Bylaws may be amended or repealed by the majority vote of the then existing Board at any meeting or by written consent of a majority of the then existing Board.

CERTIFICATION OF BYLAWS

THIS IS TO CERTIFY, that (i) I am the incorporator of SDHC Building Opportunities, Inc., a California nonprofit public benefit corporation, and (ii) I adopted the foregoing Bylaws for the Corporation as the incorporator of the Corporation as of July 23, 2017.

IN WITNESS WHEREOF, I have hereto set my hand as of July 23, 2017.



Walter F. Spath III, Incorporator