

BY-LAWS

OF

ST. JAMES TOWERS, INC.

Organized Pursuant to the Limited-Profit Housing Companies Law

ARTICLE I

DECLARATION OF PURPOSES

SECTION 1. This corporation is organized under and pursuant to the Limited-Profit Housing Companies Law of the State of New York and with the approval of the Housing and Redevelopment Board of the City of New York and the Commissioner of Housing and Community Renewal of the State of New York.

The object of the corporation is to construct and operate adequate, safe and sanitary housing accommodations for persons of low income, in accordance with cooperative principles.

ARTICLE II

STOCKHOLDERS MEETINGS

SECTION 1. Annual Meetings. The annual meeting of the stockholders of the corporation for the election of Directors and for the transaction of other business of the corporation shall be held at the office of the corporation in the Borough of Brooklyn, State of New York, or such other place as may be designated in the notice of meeting, on the 25th day of September if not a legal Holiday; and if a legal holiday, then on the next secular day following. Written notice of the annual meetings shall be mailed to each stockholder entitled to vote at such address as appears on the stock book not less than ten (10) nor more than forty (40) days prior to the date of the meeting; but any meeting at which all stockholders shall be present, or at which all stockholders not present have waived notice in writing, shall be deemed held on due notice.

SECTION 2. Special Meetings. Special meetings of the stockholders for any purpose or purposes may be called at any time by the President and shall be called by the President or Secretary at the request in writing of a

majority of the Board of Directors or at the request in writing of 25% of the stockholders who shall require the Secretary or other officer of the corporation to give notice of such meetings. Written notice of such meeting, setting forth the time and place of the holding of such meeting and the object thereof, shall be mailed to each stockholder entitled to vote at such address as appears on the stock book not less than ten (10) nor more than forty (40) days prior to the date of the meeting; but any meeting at which all stockholders shall be present, or at which all stockholders not present have waived notice in writing, shall be deemed held on due notice.

SECTION 3. The Director of Project Services of the Housing and Redevelopment Board of the City of New York or his duly authorized deputy shall be notified in writing of and shall have the right to attend all meetings of the stockholders of the company.

SECTION 4. Quorum. Presence in person or by proxy of a majority of the holders of the outstanding stock entitled to vote shall be necessary to constitute a quorum, but a lesser number may adjourn from time to time without notice other than an announcement at the meeting in which the requisite number of stockholders shall not be present.

SECTION 5. Voting. At all meetings of the stockholders, all questions the manner of deciding which is not specifically regulated by statute or these by-laws shall be determined by a vote of the majority of the stockholders present at the meeting. Each stockholder shall be entitled to one vote for any and all purposes regardless of the number of shares held by such holder. All voting shall be viva voce except as otherwise prescribed by statute or these by-laws.

SECTION 6. Order of Business. At all meetings of the stockholders the following order of business shall be observed so far as consistent with the purposes of the meeting:

1. Calling the roll of persons entitled to vote.
2. Proof of notice of meeting.
3. Reports, respectively, of President, Treasurer and Secretary.
4. Reports of committees, if any.
5. Election of directors.
6. Transaction of such other business as may properly come before meeting.

ARTICLE III

DIRECTORS

See Amendments
Attached 1/24/65
1/25/65 and
12/5/88

SECTION 1. Number and Term of Office and Qualifications. The number of directors shall be three. Directors need not be stockholders. The directors shall be elected at the annual meeting of the stockholders in each year. Directors shall serve for one year and until their successors are duly elected and shall qualify.

SECTION 2. Vacancies. Any vacancy occurring in the Board of Directors by reason of death, resignation, removal or otherwise of any director, or by reason of any increase in the number of members, constituting the full Board of Directors, may be filled for the unexpired term by a majority vote of the remaining directors unless such remaining directors are not sufficient to constitute a quorum, in which case a special meeting of stockholders shall be called and such number of directors shall be elected as may be necessary to constitute the full membership of the Board.

SECTION 3. Meetings. Meetings of the Board of Directors may be held at any time upon call of the President or any two members of the Board. Such meetings shall be held at the office of the corporation except as otherwise determined and fixed from time to time by the Board of Directors.

SECTION 4. Notice of Meetings and Waiver of Notice. Notice of each meeting, stating the time, place and objects thereof shall be given by mailing at least forty-eight hours before such meeting, or by telegraphing at least twenty-four hours before such meeting, a copy of such notice addressed to each director at his last known post office address. Notice may be waived in writing by any director. Any meeting at which every director is present, or of which those directors who are absent have waived notice, may be validly held without notice.

The Director of Project Services of the Housing and Redevelopment Board of the City of New York or his duly authorized deputy shall be notified in writing of and shall have the right to attend all meetings of the board of directors.

SECTION 5. Quorum. A majority of the Board of Directors shall constitute a quorum, and a majority of the members in attendance at any meeting of the Board shall, in the presence of a quorum, decide its action; a minority of the Board present at any meeting may, in the absence of a quorum, adjourn to a later date but may not transact any other business.

SECTION 6. Committees. The Board of Directors may, from time to time, appoint from among its members committees with such powers and duties as it shall determine.

SECTION 7. Duties and Powers. The Board of Directors shall have entire charge of the property, interests, business and transactions of the corporation, and may adopt such rules and regulations for the conduct of its meetings and management of the corporation as it may deem proper, not inconsistent with law or these By-Laws. The Board of Directors may delegate to the officers of the corporation such powers and authority and assign to them such duties as the Board may deem necessary, proper or appropriate to the effective prosecution of the corporation's business.

ARTICLE IV.

OFFICERS

SECTION 1. Election. The Board of Directors at its first meeting after the election of directors in each year shall elect from its number a President and shall also elect a Vice-President, a Secretary and Treasurer. It may elect an Assistant Secretary and an Assistant Treasurer, and such other officers as in its discretion the needs of the corporation may from time to time require,

SECTION 2. Term of Office. All officers of the corporation shall be appointed to hold their respective offices during the pleasure of the Board of Directors, and any vacancy occurring in the office of the President, Vice-President, Treasurer or Secretary or any other office shall be filled by the Board of Directors.

SECTION 3. President. The President shall preside at all meetings of the Board of Directors, and shall act as chairman at and call to order, all meetings of the stockholders. Subject to the supervision and direction of the Board of Directors, the President shall have the general management of the affairs of the corporation and perform all the duties incidental to his office.

SECTION 4. Vice-President. The Vice-President shall, in the absence, disability or incapacity of the President, have the powers and perform the duties of the President, and those which the Board of Directors may assign to him from time to time.

SECTION 5. Secretary. The Secretary shall keep the minutes of the meetings of the directors and stockholders; shall attend to the serving of notices of the meetings of the directors and stockholders; shall affix the seal of the corporation to such certificates, documents and papers as may require it, except that from time to time the Board of Directors may direct such seal to be affixed by any other officer or officers; shall have charge of the stock certificate book and of such other books and papers as the Board of Directors may direct; shall attend to such correspondence as may be assigned to him, and shall perform all the other duties incidental to his office and those which the Board of Directors may from time to time designate.

SECTION 6. Treasurer. The Treasurer shall be the chief financial officer of the corporation and shall have the care and custody of all the funds and securities of the corporation and shall deposit the same in the name of the corporation in such bank or banks as the directors may designate. He may be required by the Board of Directors to give such bonds as it shall determine for the faithful performance of his duties.

SECTION 7. Assistant Secretary and Assistant Treasurer. The Assistant Secretary and the Assistant Treasurer shall, respectively, in the absence, disability or incapacity of the officer to whom he is an assistant, have the powers and perform the duties of such officer, and shall perform such other duties as may be assigned to them from time to time by the Board of Directors. They may

be required by the Board of Directors to give such bonds as it shall determine, for the faithful performance of their duties.

SECTION 8. Other officers. Other officers shall perform such duties and have such powers as may be assigned to them from time to time by the Board of Directors.

SECTION 9. The Treasurer may at the same time hold the office of Secretary or Assistant Secretary but no other office in the corporation.

ARTICLE V

OPERATION OF THE PROJECT AS A COOPERATIVE

Subject to the provisions of statute, the corporation will operate the project which it will develop in the Borough of Brooklyn, City and State of New York, as a cooperative and, in accordance therewith, may pay, or allow, as and when determined by the Board of Directors, with the approval of the Housing and Redevelopment Board of the City of New York, after the payment of obligations, expenses, taxes and assessments, or after making suitable provision therefor, a rebate or rebates of rent to each tenant cooperator in proportion to the rental payments made by him during the period in respect of which such rent rebate or rebates are allowed or paid. The monthly rentals paid by the tenant cooperators shall be deemed to be payment on account of their annual rental obligation, which shall be finally determined by the Board of Directors in the light of each year's operating experience, subject, however, in all respects, to the approval of the Housing and Redevelopment Board of the City of New York.

ARTICLE VI

SIGNATURE OF INSTRUMENTS

Checks, notes, drafts and orders for the payment of money and obligations of the corporation, and all contracts, mortgages, deeds and other instruments, except as otherwise in these By-Laws provided, shall be signed by such officer, officers, individual or individuals as the Board of Directors may from time to time designate.

ARTICLE VII
CAPITAL STOCK

SECTION 1. Certificates. Certificates of stock shall be numbered and issued in consecutive order, shall be signed by the President or the Vice-President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, and sealed with the seal of the corporation; and in appropriate books of record shall be entered the name of the person owning the shares represented by each certificate, the number of such shares and the date of issue. All certificates exchanged and returned to the corporation shall be marked "Cancelled", with the date of cancellation by the President, a Vice-President, the Secretary or the Treasurer, and shall be filed among the corporate records of the corporation.

SECTION 2. Transfers. Shares represented by any certificate shall be transferable only as an entirety on the books of the corporation by the holder in person or by attorney, upon surrender of the certificate for such shares.

SECTION 3. Restrictions on Transfers.

A. No share or shares of the capital stock shall be sold, pledged, encumbered or otherwise disposed of without the prior written consent of the Housing and Redevelopment Board of the City of New York.

B. (1) In the event that the consent of the Housing and Redevelopment Board of the City of New York has been obtained, no share or shares of the capital stock shall be sold, pledged, encumbered or otherwise disposed of unless such share or shares are first offered for sale to the corporation for the aggregate sum which the stockholder paid for such share or shares.

(2) Such offer shall be made in writing, signed by such stockholder, and sent by mail to the corporation in a postpaid wrapper to the post office address of the corporation, at its principal place of business, and such offer shall remain good for acceptance by the corporation or a person designated by the corporation for a period of ninety days from the date of mailing such notice. Such offer shall constitute the corporation an agent for the sale of the shares of stock to the corporation or to such person who may be designated by the corporation.

(3) If the corporation, or person designated by it, within the said ninety-day period, shall indicate that it, or the person designated by it, desires to purchase said shares of stock and shall give notice thereof in writing to the retiring stockholder, the latter shall be bound, within thirty (30) days thereafter to transfer such shares to the corporation or the person designated by the corporation, upon payment and receipt of the price herein provided.

(4) In the event that the corporation or the person designated by the corporation shall not purchase said share or shares of capital stock of the corporation within said ninety-day period, then and in such event only, the stockholder shall have the right or power to pledge, sell or otherwise dispose of said share or shares of the capital stock of the corporation to any person acceptable to the corporation, and to the Housing and Redevelopment Board of the City of New York, provided such person shall, upon the transfer of said shares, enter into a lease with the corporation for the premises formerly occupied by the retiring stockholder for a term and upon the same terms and conditions contained in the lease between the stockholder and the corporation, the corporation will not, however, unreasonably withhold its acceptance of any person to whom the stockholder proposes to sell such shares as aforesaid.

In the event that the stockholder does not sell his stock to any person within six months after his right to do so has accrued, then and in such event, he must again notify the corporation of his intent to transfer his shares and he shall again be bound by the provisions of this Paragraph B of Section 3 of Article VII.

(5) If in any case the retiring stockholder, after becoming bound to sell, convey or transfer his shares to the corporation (or such other person as may be designated by this corporation), defaults in transferring said shares, the corporation (or such other person as may be designated by the corporation) shall, after notice to and approval by the Housing and Redevelopment Board of the City of New York hold the purchase money in trust for the retiring stockholder, or his executors, administrators or assigns and shall substitute the name of the

purchaser upon the books of the corporation in place of the name of the retiring stockholder. After the name of the purchaser has been entered on the books of the corporation in the exercise of the aforesaid powers, the validity of the proceedings shall not be questioned by any person and the corporation (or such other person or corporation as may be designated by this corporation) shall be deemed and taken to be the owner of such shares.

(6) In the event that the stockholder shall have defaulted in the payment of any obligation arising under his lease with the corporation or shall, apart from said lease, become indebted to the corporation, or in the event of the termination of the lease or the recovery of possession of the apartment by the lessor under any of the provisions of the lease, or in the event of the violation by the stockholder of any provisions of Section 3 of Article VII of these By-Laws, the stockholder shall forthwith surrender to the corporation the certificate representing the shares of capital stock of the corporation owned by the stockholder and upon the failure or refusal of the stockholder so to surrender said shares of stock, the same shall, after notice to and approval by the Housing and Redevelopment Board of the City of New York, be automatically cancelled and rendered null and void and the corporation may issue a new certificate or certificates in their place and stead and such new certificate or certificates shall represent the same shares as were represented by the original certificate or certificates. The stock represented by the certificate or certificates so surrendered or by such new certificate or certificates may be sold by the corporation at public or private sale without notice, and the proceeds applied toward all indebtedness of the stockholder, and the corporation shall remit any balance, after payment of the expenses of sale, to the stockholder.

(7) The provisions of this Article VII shall be binding upon the executor, administrator or other legal representatives and successors and assigns of any stockholder. Any person acquiring by will, descent or by conveyance

to take effect at death, any share or shares of the corporation shall be bound to offer the same for sale and transfer to the corporation upon the terms hereinabove set forth in this Section 3 of Article VII of the By-Laws.

(8) The certificates of stock shall bear a legend to the effect that the right to pledge, encumber, sell, alienate or otherwise dispose of the share or shares represented by such certificate is restricted as provided in Section 2 and 3 of this Article VII.

SECTION 4. The corporation shall be entitled to treat the holder of record of any share or shares of the corporation as the holder in fact thereof, and shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person whether or not it shall have express or other notice thereof, except as expressly provided by the Laws of the State of New York.

SECTION 5. The corporation shall have a lien upon the shares of stock of any stockholder and upon all moneys due and owing by the corporation to any stockholder for any and all debts owed to the corporation by such stockholder. The Directors may refuse to approve a transfer of any shares upon which the corporation has such a lien.

SECTION 6. As used in this Article, the words "shares of stock" shall include any interest in the corporation, and the word "stockholders" shall include the owner or holder of any such interest.

[New SECTION 7.

[see Amendment attached
12/9/91

ARTICLE VIII

AMENDMENTS

These By-Laws may be amended, repealed or altered, in whole or in part, by vote of a majority of the stockholders of the corporation at any duly called annual or special meeting of the stockholders, subject to approval thereof by the Housing and Redevelopment Board of the City of New York. The Board of Directors shall not alter or repeal any By-Laws adopted by the stockholders of the corporation, but may adopt additional By-Laws, in harmony therewith, which may

be amended or altered by the stockholders at any annual meeting or at a special meeting of the stockholders called for that purpose, subject to approval of the Housing and Redevelopment Board of the City of New York.

ARTICLE IX

SEAL

The seal of the corporation shall be circular in form and shall bear the name of the corporation, the words "Corporate Seal", the year of incorporation and the words "New York".

ARTICLE X

SPECIAL TRANSFER OF CAPITAL STOCK

Any provision of these by-laws to the contrary notwithstanding, a stockholder who is one of the faculty, staff, students, employees, doctors, nurses, interns or other personnel of any college, university, educational institution, hospital, medical research institute or other entity approved by the Housing and Redevelopment Board of the City of New York (herein called "Institution") shall have the right to transfer his shares of stock in the corporation to another of the faculty, staff, students, employees, doctors, nurses, interns or other personnel of the same Institution, at an amount not to exceed the aggregate sum which the transferor paid for said stock, without first offering such shares for sale to the corporation provided that the transferee meets all of the uniform income and occupancy requirements of the corporation and of the Housing and Redevelopment Board of the City of New York and the transferee, upon the transfer of said shares, enters into a lease with the corporation for the premises formerly occupied by the transferor for a term and upon the same terms and conditions as contained in the lease between the transferor and the corporation and provided that the transferor notifies the corporation in writing of the proposed transfer at least thirty (30) days prior thereto and furnishes such information concerning the transferee as may be required by the corporation or by the Housing and Redevelopment Board of the City of New York. The certificate of stock owned by a stockholder qualifying hereunder shall bear the legend that the shares of stock may be transferred in accordance with the provisions of this Article X.

CERTIFICATION

I, ETHEL S. UNDERWOOD, SECRETARY OF ST. JAMES TOWERS, INC., DO HEREBY CERTIFY THAT AT A SPECIAL MEETING OF STOCKHOLDERS OF ST. JAMES TOWERS, INC., HELD ON JANUARY 28, 1965 AT WHICH A QUORUM WAS PRESENT, THE FOLLOWING AMENDMENT TO THE CERTIFICATE OF INCORPORATION AND BY-LAWS WAS PASSED BY A VOTE OF THE MAJORITY OF ALL OUTSTANDING SHARES ENTITLED TO VOTE THEREON:

VII of Certificate of Incorporation to read "the number of directors of the company shall be nine (9), all of whom shall be elected by the stockholders of the company.

Article III, Section 1 of the By-Laws "Number and term of Office and Qualification. The number of directors shall be nine. Directors must be stockholders. The directors shall be elected at the annual meeting of the stockholders in each year. Directors shall serve for one year until their successors are duly elected and shall qualify except that any directors elected at a Special Meeting of Stockholders shall serve up to the next annual meeting of stockholders and until their successors are duly elected and shall qualify."

Dated: Flushing, New York
February 8, 1965



ETHEL S. UNDERWOOD, Secretary

CERTIFICATE OF RESOLUTION

I, LEROY HOWELL, Secretary of St. James Tower, Inc. (the "Corporation"), a corporation organized and existing under the Laws of the State of New York, do hereby certify that at the annual meeting of the shareholders of the Corporation duly noticed and held on the 5th day of December, 1988, at which a quorum was present and acting throughout, the amendments to Section 1 of Article III of the By-Laws of the Corporation set forth in bold print hereinbelow were adopted by a vote of the majority of all the outstanding shares entitled to vote thereon and that said amendments are not in conflict with any provisions in the Certificate of Incorporation of the Corporation and are in accordance with the provisions of its By-Laws:

RESOLVED, that Article III, Section 1 of the By-Laws of the Corporation be amended to add the language set forth in bold hereinbelow, so as to read as follows:

SECTION 1. Number and Term of Office and Qualifications. The number of directors shall be nine (9). A director must both be a stockholder of St. James Towers, Inc. and actually reside in an apartment at 21 St. James Place, Brooklyn, New York. No person shall be eligible for election as a Director unless such person meets these eligibility criteria. Any Director who ceases to meet these eligibility criteria shall resign forthwith. There shall be three (3) classes of directors with three (3) directors in each class. The term of office of the first class (Class I) shall expire at the first annual meeting of the stockholders held after the election of the first classified board. The term of office of the second class (Class II) shall expire at the second annual meeting of the

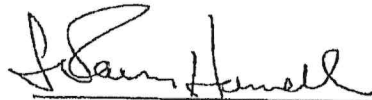
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MARCH 27, 1989

stockholders held after the election of the first classified board. The term of office of the third class (Class III) shall expire at the third annual meeting of the stockholders held after the election of the first classified Board of Directors. At each annual meeting after the election of the first classified board, directors shall be elected for a term of three (3) years to replace those whose terms shall expire. Each director shall serve as such director until his successor has been elected and has qualified.

BE IT FURTHER RESOLVED, that the aforesaid amendment to the By-Laws shall take effect immediately.

IN WITNESS WHEREOF, I have hereunto set my name and the seal of the Corporation the 27th day of March, 1989.



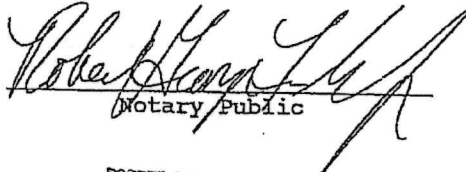
LEROY HOWELL, Secretary



STATE OF NEW YORK)
) ss.:
COUNTY OF KINGS)

On the 27th day of March, 1989, before me personally appeared LEROY HOWELL, to me known, who being by me duly sworn did depose and say:

That he resides at 21 St. James Place, Brooklyn, New York; that he is the Secretary of the corporation described in the above certificate; that as such officer he is familiar with the minute books and seal of such corporation and knows of his knowledge that the foregoing certificate is in all respects true; that the resolution therein recited was adopted by the Board of Directors of the corporation and is now in full force and effect.


Notary Public

ROBERT GEORGE FRENCK JR.
Notary Public, State of New York
No. 81-4824416
Qualified in New York County
Commission Expires August 31, 1990

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MARCH 27, 1989



DEPARTMENT OF HOUSING PRESERVATION
AND DEVELOPMENT

ABRAHAM BIDERMAN, Commissioner

Division of Housing Supervision
150 WILLIAM STREET, NEW YORK, N.Y. 10038

KENNETH K. LOWENSTEIN, Deputy Commissioner
ROBERT J. KLEHAMMER, Assistant Commissioner

September 18, 1989

Mr. Robert G. Fisher, Jr.
Schechter, Brucker & Pavane, P.C.
Attorneys-At-Law
350 Fifth Avenue, Suite 4510
New York, NY 10118

Re: St. James Towers, Inc.
By-Laws Amendment

Dear Mr. Fisher:

HPD has reviewed the proposed amendment to the By-Laws of St. James Towers, Inc. providing that a member of the Board of Directors must be both a stockholder and actually reside in the building. It also provides that no person may run for the Board without meeting this standard.

Please be advised that HPD approves the amendment. However, I am still concerned that this standard will be used to deter stockholders from running for the Board. For instance, who will make the determination that someone does not actually reside in the building. I suggest that the By-Laws be further amended to require that a finding of non-residency be made by a court or administrative agency of competent jurisdiction.

If you have any questions please call me.

Yours truly,

Robert J. Klehammer
Assistant Commissioner

RJK:dh

cc: C. Jordan

CERTIFICATE OF RESOLUTION

I, LEROY HOWELL, Secretary of St. James Towers, Inc., a corporation organized and existing under the Private Housing Finance Law of the State of New York, do hereby certify that at a special meeting of the directors of said corporation duly held on the 9th day of December, 1991, at which a quorum was present and acting throughout, the following resolution was duly adopted and is now in full force and effect and that said resolution is not in conflict with any provisions in the Certificate of Incorporation of said corporation and is an amendment to the provisions of its by-laws:

RESOLVED, that Article VII of the by-laws of this corporation be amended by adding a new "SECTION 7" to read as follows:

SECTION 7. Resale and Purchase Price of Shares.

A. Notwithstanding anything to the contrary contained in these by-laws, a retiring stockholder may sell his shares at a price not to exceed the consideration he paid for such shares plus any capital assessments and voluntary capital contributions approved by the supervising agency and paid by the retiring stockholder to the corporation, to the extent not already included in the consideration paid for such shares, plus a proportionate share of the actual aggregate amortization of the first mortgage on the project paid by the retiring stockholder from the date of the retiring stockholder's purchase of his shares to the date of transfer.

B. The price to be paid by an incoming stockholder for the purchase of shares in the corporation shall be the consideration paid for their purchase by the retiring stockholder last owning the shares, plus any capital assessments and voluntary capital contributions approved by the supervising agency and paid by such retiring stockholder to the corporation, to the extent not already included in the consideration paid for such shares, plus a proportionate share of the actual aggregate amortization of the first mortgage on the project from the inception of the corporation to the date of such incoming stockholder's purchase of the shares.

C. The proportion to determine the amount of amortization applicable to the shares being sold or purchased is defined as the ratio that the number of the capital shares being transferred bears to the total number issued and outstanding capital shares of the corporation except that if the retiring

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stockholder is a "transferring stockholder" as defined in paragraph E of this Section 7, then the proportion to determine the amount of amortization shall be calculated separately for each apartment occupied by the retiring stockholder at the project operated by the corporation and then totalled. The proportion for each such apartment is defined as the ratio that the number of the capital shares allocated to each such apartment bears to the total number of issued and outstanding capital shares of the corporation on the date of transfer.

D. The resale price shall not involve any funds of the corporation, which will only act as an agent between the retiring stockholder and the incoming stockholder. No payment shall be made to the retiring stockholder until the Buyer's payment has been received and collected. Notwithstanding the foregoing, the resale price may involve funds of the housing company if the retiring stockholder is a "transferring stockholder" described in paragraph E of this Section 7.

E. A "transferring stockholder" is a retiring stockholder who has resided in more than one apartment in the project operated by the corporation continuously to the date of transfer. For purposes of paragraph A of this Section 7, the "date of the retiring stockholder's purchase of his shares" shall be the date of purchase of the shares allocated to the first of the apartments in which such retiring stockholder has continuously resided.

AND IT IS FURTHER RESOLVED, that this amendment shall take effect immediately upon approval of the corporation's supervisory agency.

IN WITNESS WHEREOF, I have hereunto set my name and the seal of this corporation on the 9th day of December, 1991.

By: 

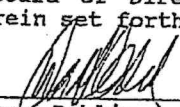
Leroy Howell, Secretary

ACKNOWLEDGMENT

STATE OF NEW YORK)
) ss.:
COUNTY OF KINGS)

On the 9th day of December, 1991 before me personally appeared Leroy Howell, to me known, who being by me duly sworn did depose and say:

That he resides at 21 St. James Place, Brooklyn, New York, that he is the secretary of the corporation described in the above certificate; that as such officer he keeps the minute books and seal of such corporation and knows of his own knowledge that the foregoing certificate is in all respects true; that the resolution therein recited was adopted by the Board of Directors of said corporation in the manner and form therein set forth and is now in full force and effect.


Notary Public

DAVID H. OSTWALD
Notary Public, State of New York
No. 31-475512
Qualified in New York County
Commission Expires June 30, 1993

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NOVEMBER 12, 1991



DEPARTMENT OF HOUSING PRESERVATION
AND DEVELOPMENT

FELICE MICHETTI, Commissioner

Division of Housing Supervision
150 WILLIAM STREET, NEW YORK, N.Y. 10038

ROBERT J. KLEHAMMER, Assistant Commissioner

JAN 21

January 16, 1992

Schechter, Brucker & Pavane, P.C.
350 Fifth Avenue
Empire State Building
Suite 4510
New York, NY 10118

Attention: Robert G. Fisher, Jr.


Re: St. James Towers, Inc.
Amendment to By-Laws

Dear Mr. Fisher:

I am responding to your letter, dated December 16, 1991, which submitted for HPD's approval an amendment to the By-Laws of St. James Towers authorizing a change in the resale price of its stock pursuant to Section 31-a of the Private Housing Finance Law.

Please be advised that the amendment is approved.

Sincerely,


Robert J. Klehammer
Assistant Commissioner

RJK/dh

cc: Claudio Jordan
Judith Rivera
Mildred White
Claire Moise
Earl Trompeter