

STAUNTON HOUSING CORPORATION

Regular Meeting

June 16, 2026

Commencing after the Staunton Redevelopment and Housing Authority Meeting

100 Elizabeth Miller Gardens

Staunton, Virginia

AGENDA

I. Call to Order and Determination of Quorum

II. Approval of Minutes – May 19, 2026 Meeting (Action)

III. SHC Financial Reports (Action)

A. March 2026 Financial Reports

IV. Development Pipeline Overview

A. 2408 Hickory Street Acquisition and Project Update

B. Dunsmore Project Update

C. 958 Anderson Street Project Update

V. New Business

A. Review of SHC Articles of Incorporation and Bylaws

Discussion regarding the current governing documents of the Staunton Housing Corporation and potential future amendments to ensure alignment with the Corporation's mission, development activities, governance structure, and operational needs.

VI. Adjournment

Minutes of the SHC Board Meeting

Regular Meeting

Board of Directors

Staunton Housing Corporation

May 19, 2026 | 1:00 p.m.
100 Elizabeth Miller Gardens
Staunton, Virginia

I. Call to Order and Determination of a Quorum

The Regular Meeting of the Board of Directors of the Staunton Housing Corporation (SHC) was called to order by President Nicholas Hurston on May 19, 2026, at 100 Elizabeth Miller Gardens, Staunton, Virginia. President Hurston presided.

Upon roll call, the following Directors were present:

- Mr. Nicholas Hurston, President
- Mr. Tracy Toyne, Director
- Ms. Suzi Armstrong, Director
- Mr. Jonathan Mason, Director
- Mr. Chris Okay, Treasurer
- Mr. Tyler Gallimore, Director
- Ms. Sheba Lane, Director

A quorum was established.

II. Approval of Minutes – April 28, 2026

The minutes of the April 28, 2026 Regular Meeting were presented for approval.

Director Mason made a motion to approve the minutes as presented. The motion was seconded by Director Armstrong.

AYES: Hurston, Toyne, Armstrong, Mason, Okay, Gallimore, Lane

NAYS: None

The motion carried unanimously.

III. SHC Financial Reports – February 2026

Mr. Allen presented the February 2026 SHC financial reports for review and approval.

Following discussion, President Hurston made a motion to approve the February 2026 financial reports. The motion was seconded by Director Toye.

AYES: Hurston, Toye, Armstrong, Mason, Okay, Gallimore, Lane

NAYS: None

The motion carried unanimously.

IV. Development Pipeline Overview

A. 2408 Hickory Street Acquisition and Project Update

Mr. Velez reported that the Staunton Housing Corporation (SHC) successfully completed the acquisition of the property located at 2408 Hickory Street.

Mr. Velez advised the Board that the project will now transition into the predevelopment phase, including initial planning, evaluation, and coordination activities associated with the future redevelopment of the property.

Mr. Velez further advised the Board that SHC anticipates working with Virginia Housing regarding potential predevelopment assessment assistance and grant opportunities associated with the project.

Discussion included continued planning for the proposed housing configuration and Project-Based Voucher utilization associated with the project.

No action was taken by the Board.

B. Dunsmore Project Update

Mr. Velez reported that Virginia Community Development Corporation (VCDC) advised SHC that the Dunsmore Project ranked within Tier 1 during the Low-Income Housing Tax Credit (LIHTC) application review process.

Mr. Velez explained that, while final approval remains subject to action by the Virginia Housing Board of Commissioners, VCDC indicated that Virginia Housing has historically funded the full Tier 1 pool through future credit allocations in prior funding rounds.

Mr. Velez further advised the Board that the next phase of the process includes a public comment and challenge period for submitted applications, followed by a Virginia Housing Board meeting anticipated in early June and final funding announcements expected in mid-June.

Mr. Velez additionally reported that SHC has begun coordinating procurement and selection efforts related to the environmental review process for the project.

Discussion included the significance of the project's Tier 1 ranking and the positive outlook for the Dunsmore Project moving forward.

No action was taken by the Board.

C. Project Status Update – 958 Anderson Street

Mr. Velez reported that the 958 Anderson Street cottage housing project is substantially complete, with the remaining work consisting primarily of utility connections.

Mr. Velez advised the Board that both the electrical and water utility providers have been contacted and that SHC is currently awaiting installation and final connection of utility services.

Discussion included the anticipated completion of the project following final utility installation.

No action was taken by the Board.

V. Adjournment

There being no further business, President Hurston made a motion to adjourn the meeting. The motion was seconded by Treasurer Okay.

AYES: Hurston, Toye, Armstrong, Mason, Okay, Gallimore, Lane

NAYS: None

The motion carried unanimously. The meeting adjourned at 1:30 p.m.

President

Secretary

Staunton Housing Corp (corpfund)

Balance Sheet

Period = Mar 2026

		Current Balance
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS	
1100-00-000	CASH	
1110-00-000	Unrestricted Cash	
1111-11-000	Cash Operating AUB	182,809.21
1111-30-000	Cash Operating CDs	672,522.09
1111-99-000	Total Unrestricted Cash	855,331.30
1119-00-000	TOTAL CASH	855,331.30
1300-00-000	TOTAL CURRENT ASSETS	855,331.30
1400-00-000	NONCURRENT ASSETS:	
1400-01-000	FIXED ASSETS	
1400-05-000	Land	46,330.00
1400-06-000	Buildings	76,351.00
1400-08-000	Furniture and Equipment-Admin.	9,028.93
1405-01-000	Accum Depreciation-Buildings	-1,608.78
1405-03-000	Accum Depreciation-Furn & Equip Admin	-9,028.93
1420-00-000	TOTAL FIXED ASSETS	121,072.22
1499-00-000	TOTAL NONCURRENT ASSETS	121,072.22
1999-00-000	TOTAL ASSETS	976,403.52
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	
2100-00-000	CURRENT LIABILITIES:	
2111-00-000	A/P Vendors and Contractors	155.60
2145-00-000	Interprogram-Due To	16,647.00
2299-00-000	TOTAL CURRENT LIABILITIES	16,802.60
2499-00-000	TOTAL LIABILITIES	16,802.60
2800-00-000	EQUITY	
2809-00-000	RETAINED EARNINGS:	
2809-02-000	Retained Earnings-Unrestricted Net Assets	959,600.92
2809-99-000	TOTAL RETAINED EARNINGS:	959,600.92
2899-00-000	TOTAL EQUITY	959,600.92
2999-00-000	TOTAL LIABILITIES AND EQUITY	976,403.52

Staunton Housing Corp (corpfund)

Income Statement

Period = Mar 2026

		March	Year to Date
2999-99-999	Revenue & Expenses		
3000-00-000	INCOME		
3600-00-000	OTHER INCOME		
3610-00-000	Investment Income - Unrestricted	3.08	8.80
3650-00-000	Miscellaneous Other Income	0.00	5,000.00
3699-00-000	TOTAL OTHER INCOME	3.08	5,008.80
3999-00-000	TOTAL INCOME	3.08	5,008.80
4000-00-000	EXPENSES		
4100-00-000	ADMINISTRATIVE EXPENSES		
4130-00-000	Legal Expense		
4130-04-000	General Legal Expense	6,484.00	14,584.75
4131-00-000	Total Legal Expense	6,484.00	14,584.75
4139-00-000	Other Admin Expenses		
4140-00-000	Staff Training	0.00	15.00
4170-00-000	Accounting Fees	0.00	1,056.25
4189-00-000	Total Other Admin Expenses	0.00	1,071.25
4190-00-000	Miscellaneous Admin Expenses		
4190-04-000	Office Supplies	1.00	4.00
4190-08-000	Postage	0.00	6.66
4190-18-000	Admin Contracts	5,755.00	30,281.78
4190-21-000	Sponsorships	0.00	750.00
4190-22-000	Other Misc Admin Expenses	0.00	164.62
4191-00-000	Total Miscellaneous Admin Expenses	5,756.00	31,207.06
4199-00-000	TOTAL ADMINISTRATIVE EXPENSES	12,240.00	46,863.06
4200-00-000	TENANT SERVICES		
4240-01-000	Food Pantry	976.12	2,404.01
4240-03-000	Eviction Prevention	0.00	1,000.00
4299-00-000	TOTAL TENANT SERVICES EXPENSES	976.12	3,404.01
5000-00-000	NON-OPERATING ITEMS		
5210-00-000	Operating Transfers OUT	0.00	1,150.00
5999-00-000	TOTAL NON-OPERATING ITEMS	0.00	1,150.00
8000-00-000	TOTAL EXPENSES	13,216.12	51,417.07
9000-00-000	NET INCOME	-13,213.04	-46,408.27

**ARTICLES OF INCORPORATION
OF
STAUNTON HOUSING CORP.**

(As Amended through December 2, 2025)

The undersigned hereby forms a non-stock corporation under the provisions of Chapter 10 of Title 13.1 of the Code of Virginia and to that end sets forth the following:

ARTICLE I

NAME

The name of the corporation is "STAUNTON HOUSING CORP." (the "Corporation").

ARTICLE II

MEMBERS

The Corporation shall have no members.

ARTICLE III

PURPOSES AND POWERS

A. Purposes

The Corporation is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended ("Code"), or any corresponding section of any subsequent federal tax law, or for such of said purposes as the Board of Directors of the Corporation may from time to time deem most appropriate. (Each reference to the Code means such section of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any subsequent federal tax law.)

The Corporation's primary purposes (within the foregoing limitations) shall be to operate exclusively for the purpose of supporting the low-income housing program of the Staunton Redevelopment and Housing Authority (the "Authority"), including but not limited to authority to construct, develop, acquire, renovate, manage and operate safe and sanitary dwelling accommodations for persons of ~~low income, qualified housing for mentally or physically disabled~~

persons low, moderate, and middle income, housing for persons with disabilities and housing for elderly persons, and to further the economic development of communities, including the elimination of conditions of blight and deterioration and the promotion and assistance of economic and housing opportunities for ~~low income persons, the elderly and/or the disabled~~ persons of low, moderate, and middle income, the elderly and/or persons with disabilities in such communities. To that end, the Corporation shall be considered and operate as a supporting organization under Section 509(a)(1) of the Code.

B. Powers

To carry out and fulfill the foregoing purposes, the Corporation shall enjoy the following powers:

1. To construct, rehabilitate, purchase, acquire, own, operate, lease and sell single-family, multi-family and other housing projects in ~~the City of Staunton and nearby counties~~ the Shenandoah Valley region of Virginia, including but not limited to the City of Staunton, Augusta County, and surrounding jurisdictions;
2. To provide assistance to financially eligible families and individuals who cannot pay necessary down payments and to make rehabilitated homes available to families and individuals who might not ordinarily qualify for mortgages;
3. To purchase or otherwise acquire, construct, operate, maintain, improve, lease as lessee, invest in, hold, use, lease as lessor, encumber, sell, exchange, transfer, and dispose of real or personal property of any description or interest therein in furtherance of the purposes of the Corporation;
4. To borrow money, and issue, sell and pledge its notes, bonds and other evidences of indebtedness, and secure any of its obligations by mortgage, pledge or deed of trust on all or any of its property, and guarantee or secure obligations of any person in the furtherance of the purposes of the Corporation;
5. To enter into any kind of activity, and to make, perform and carry out contracts of any kind necessary to, in connection with or incidental to, the accomplishment of the non-profit purposes of the Corporation;
6. To receive and accept property, whether real or personal or mixed, by way of gift, bequest or devise, from any person or entity (including any municipal corporation or political subdivision) to be administered only in accordance with the purposes of the Corporation;
7. To operate and manage its housing developments or projects by, among other actions, establishing regulations for tenant selection and reasonable rentals and sales prices for any unit of such development or project and to exercise all powers expressly conferred or reasonably inferred under any laws which may hereafter be enacted in relation to the

purchase or improvement of housing for low-income individuals, the disabled or the elderly; and

8. To conduct any other lawful affairs, not required to be stated specifically in these Articles, for which corporations may be incorporated pursuant to the Virginia Non-stock Corporation Act as amended from time to time, but only to the extent not inconsistent with the provisions of Section 501(c)(3) of the Code.

ARTICLE IV

TAX EXEMPT OPERATION

The Corporation shall not be operated for profit and shall conduct its activities so as to qualify for exemption from taxation under Section 501(c)(3) of the Code, and shall not have any powers that would not be permitted to a tax-exempt organization qualified under the foregoing section, notwithstanding any other provisions of these Articles of Incorporation or any inherent powers resulting from incorporation under the laws of the Commonwealth of Virginia. No part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as and to the extent permitted by the provisions of the Code or similar statutes, for organizations exempt from federal income taxes pursuant to Section 501(c)(3) of the Code or similar statutes), and the Corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.

No part of the net earnings of the Corporation shall inure to the benefit of any incorporator, director or officer of the Corporation, or any private individual; provided, however, that reasonable compensation may be paid for goods provided or services rendered to or for the Corporation, and payments and distributions may be made in furtherance of the purposes set forth in these Articles.

Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under Section 501(c)(3) of the Code (or the corresponding provision of any future federal tax code) or (b) by an organization, contributions to which are deductible under Section 170(c)(2) of the Code (or the corresponding provision of any future federal tax code).

Upon the dissolution of the Corporation and the winding up of its affairs, the assets of the Corporation shall be distributed exclusively, to the extent permitted by Code of Virginia and by the Code, to the Authority. If, upon the dissolution of the Corporation and the winding up of its affairs, the Authority no longer exists or if provisions of the Code of Virginia or of the Code prohibit the distribution of the Corporation's assets to the Authority or if distribution of the assets of the Corporation to the Authority would terminate the Corporation's tax-exempt status, the assets of the Corporation shall be distributed exclusively to one or more organizations selected by the directors of the Corporation, each of which complies with the provisions of Section 170(c)(2) and Section 501(c)(3) of the Code when distributions are to be made to it. Any such assets not so disposed of shall be disposed of by the Circuit Court of the City of Staunton, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and

operated exclusively for exempt purposes. No director or officer of the Corporation, or any person having a personal or private interest in the activities of the Corporation, shall be entitled to share in the distribution of any of the Corporation's assets on dissolution of the Corporation.

ARTICLE V

REGISTERED OFFICE AND AGENT

The post office address of the initial registered office shall be P.O. Box 108, Staunton, VA 24402-0108, and the street address of the initial registered office shall be 25 N. Central Avenue, Staunton, VA 24401. The initial registered agent shall be B. E. Brannock, who is a resident of the Commonwealth of Virginia and a member of the Virginia State Bar, and whose business address is the same as the address of the initial registered office.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of the Corporation shall be managed by a Board of Directors consisting only of the same individuals that serve on the Board of Commissioners of the Authority. The initial Directors, who shall be the same individuals that serve on the Board of Commissioners of the Authority on the date of the Corporation's organizational meeting, shall be elected by the incorporator at such organizational meeting. Directors shall not be elected to fixed terms, but rather each director shall hold office until his or her membership on the Authority's Board of Commissioners terminates (regardless of the reason for termination), at which time the remaining members of the Board of Directors of the Corporation shall fill the vacant seat by electing thereto the successor Commissioner appointed to the Authority by the City Council. During any period that one or more Commissioners of the Authority declines to serve as a director of the Corporation, the size of the Board of Directors shall be reduced by the number of directors whose positions are vacant.

The authority and duties of the directors, the time and place of their meetings, and such other provisions with respect to them as are not inconsistent with the express provisions of these Articles shall be as specified in the Bylaws of the Corporation.

ARTICLE VII

LIABILITY AND INDEMNIFICATION

To the fullest extent allowed by the Virginia Non-stock Corporation Act, as in effect from time to time, the Corporation shall indemnify against liability, and advance reasonable expenses to,

any person who was, is or is threatened to be named a defendant or respondent in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal, because such person is or was a director or officer of the Corporation, or is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, employee, benefit plan, or other enterprise. The Corporation may (but shall not be required to) indemnify, and advance reasonable expenses to, any officer, employee, or agent of the Corporation who is not a director to the same extent as if he were a director. Such non-liability of the directors and the officers as provided hereinabove shall be in addition to any other rights appertaining to a limitation on or elimination of liability to which the directors and/or officers of the Corporation may be entitled under any law, agreement or otherwise, including, but not limited to, Virginia Code Sections 13.1-870, 13.1-870.1 and 13.1-870.2.

ARTICLE VIII

AMENDING ARTICLES OF INCORPORATION

The Corporation reserves the right to amend, change, or repeal any provision contained in these Articles of Incorporation or to merge or consolidate this Corporation with any other non-profit corporation in the manner now or hereafter prescribed by law, provided, however, that any such action shall be calculated exclusively to carry out the objects and purposes for which the Corporation is formed and comply with the applicable provisions of the Code governing Section 501(c)(3) organizations, and all rights herein conferred or granted shall be subject to this reservation.

AMENDMENT HISTORY

Original Articles of Incorporation: Executed August 20, 2009, by B. E. Brannock, Incorporator.

Articles of Amendment (December 2, 2025): Article III, Section A (Purposes) amended to reflect the Corporation's status as a supporting organization under Section 509(a)(1) of the Code (revised from Section 509(a)(3)). Adopted unanimously by the Board of Directors on December 2, 2025. Executed by Nicholas Hurston, President.

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation as of this 20th day of August, 2009.

B. E. Brannock, Incorporator

**BY LAWS
OF
STAUNTON HOUSING CORP.**

(Proposed Amendments — Shown as Tracked Changes for Board Consideration)

**ARTICLE I
NAME AND MAIN OFFICE**

1. Name. The name of this Corporation shall be Staunton Housing Corp. (“Corporation”).

2. Office. The principal office of the Corporation shall be located in the offices of the Staunton Redevelopment and Housing Authority (the “Authority”), Staunton, Virginia, or at such place as from time to time may be fixed by majority vote by the Board of Directors.

**ARTICLE II
MEMBERS**

The Corporation shall have no members. All voting power shall be vested in the Board of Directors.

**ARTICLE III
PURPOSES AND OBJECTIVES**

1. Purposes. The Corporation is organized exclusively for charitable purposes, and it is intended that the Corporation qualify as an exempt organization under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended (“Code”).

Without limiting the generality of the foregoing, the principal purposes of the Corporation shall be to construct, develop, acquire, renovate, manage and operate, in ~~the City of Staunton, and Augusta County, Virginia~~ the Shenandoah Valley region of Virginia, including but not limited to

the City of Staunton, Augusta County, and surrounding jurisdictions, safe and sanitary dwelling accommodations for persons of low ~~income, moderate, and middle income~~, qualified housing for mentally or physically disabled persons housing for persons with disabilities and ~~qualified~~ housing for elderly persons, and to further the economic development of such ~~community~~communities, including the elimination of conditions of blight and deterioration and the promotion and assistance of economic and housing opportunities for ~~low income persons~~persons of low, moderate, and middle income, the elderly and/or ~~the disabled~~persons with disabilities in such ~~community~~communities.

2. Implemental of Purposes. The purposes and objectives of the Corporation may be accomplished by all appropriate means determined by the Board of Directors which are determined to be within the parameters required by law for the Corporation to become and remain qualified as a tax-exempt entity under Section 501(c)(3) of the Code, or corresponding provisions of any subsequent federal law, and which are not inconsistent with the Articles of Incorporation, these By Laws, or applicable law.

ARTICLE IV DIRECTORS

1. General Powers. The property, affairs and business of the Corporation shall be managed under the direction of its Board of Directors duly constituted as provided herein. Except as otherwise expressly provided by law, the Articles of Incorporation or these By Laws, all of the powers of the Corporation shall be exercised by or under the authority of said Board of Directors.

2. Qualifications and Composition of Board of Directors. The Board of Directors shall consist only of the same individuals that serve on the Board of Commissioners of the Authority. Directors shall not be elected to fixed terms, but rather each Director shall hold office until his or

her membership on the Authority's Board of Commissioners terminates (regardless of the reason for termination), and the remaining members of the Board of Directors of the Corporation shall thereafter fill the vacant seat by electing thereto the successor Commissioner appointed to the Authority by the City Council of the City of Staunton, Virginia.

3. Removal, Resignation, and Vacancies. Inasmuch as Directors shall only be elected to their office when appointed to the Authority by the Staunton City Council, Directors may not be removed, with or without cause, by the Board of Directors. Directors, however, shall be automatically removed if they are removed as Commissioners of the Authority by the Staunton City Council. Removal as a Director shall also cause the forfeiture of such Director's positions as an Officer, if any.

A Director may resign at any time by delivering written notice to the Board of Directors, the President or the Secretary-Treasurer of the Corporation. The resignation is effective when delivered unless it specifies a later effective date. If a later effective date is specified, the Board of Directors may fill the pending vacancy with the successor appointed to the Authority by Staunton City Council before the effective date, so long as it is provided that the successor does not take office until the effective date of his or her predecessor's resignation.

During any period that one or more Commissioners of the Authority declines to serve as a Director of the Corporation, the size of the Board of Directors shall be reduced by the number of Directors whose positions are vacant.

4. Annual Board Meeting. The Annual Meeting of the Board of Directors shall be held each year during the month of January. The failure to hold an Annual Meeting at the time stated in or fixed in accordance with these By Laws does not affect the validity of any corporate action which is otherwise valid.

5. Regular Board Meetings. Regular meetings of the Board of Directors shall be held at places within or without the Commonwealth of Virginia and shall be held monthly, or upon call of the Executive Vice President/Chief Executive Officer or a majority of the Directors.

6. Special Board Meetings. Other meetings of the Board of Directors shall be held at places within or without the Commonwealth of Virginia, upon call of the President or a majority of the Directors.

7. Notice. The Secretary-Treasurer or Officer performing the Secretary-Treasurer's duties shall give not less than three (3) days' notice by letter, facsimile transmission, telephone, electronic mail ("e-mail") or in person of any meeting of the Board of Directors proposed to be held at a time other than when the Authority is scheduled to meet; otherwise, notice of meetings of the Board of Directors shall accompany whatever notice is given for the Commissioners' meeting. Meetings may be held at any time without notice if all of the Directors are present, or if those not present waive notice in writing either before or after the meeting. The notice of meetings of the Board need not state the purpose of the meeting unless the meeting is a special meeting. Members of the Board of Directors or any committee designated thereby may participate in a meeting of the Board or such committee by means of a conference telephone, real time video or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

8. Quorum and Voting. A majority of members of the Board of Directors holding office at the time of any given meeting shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. A Director who is present at a meeting of the Directors or of a committee is deemed to have consented to the meeting and the action taken unless he or she objects at the beginning of the meeting, or promptly upon his or her arrival, to holding the meeting

or to transacting specified business, or unless he or she votes against or abstains from the actions taken. Each Director shall be entitled to one vote on all matters. Less than a quorum may adjourn any meeting.

9. Manner of Acting. The act of majority of the Directors present at a meeting at which a quorum is present will be the act of the Board of Directors, unless the act of a greater number is required by law or by these By Laws.

10. Action by Directors or Committee Without Meeting. Any action required to be taken at a meeting of the Board, or which may properly be taken at a meeting of the Board or of a committee, may be taken pursuant to Section 13.1-865 of the Code of Virginia, as amended, by the Directors or by a committee without a meeting if it is taken by all Directors or all of the members of the committee, as the case may be, and is evidenced by one or more identical written consents stating the action taken signed by each Director or committee members, as the case may be, either before or after the action taken. The action so taken is effective when the consent is signed by the last Director or committee member, as the case may be, unless the consent states a different effective date in addition to stating the date of execution by each Director or committee member, as the case may be.

11. Compensation. Directors shall serve without compensation. The foregoing shall not prevent the Board of Directors from reimbursing any Director for expenses actually, necessarily and reasonably incurred in the performance of the Director's duties as such.

12. Director Conflicts of Interests. Because of the Corporation's relationship to the Authority, the State and Local Government Conflict of Interest Act, Va. Code §§ 2.1-639.1 to 2.1-639.24, as it shall from time to time be amended and/or reenacted (the "Conflict of Interest Act"), is

adopted as the standard by which the Corporation, its directors, officers and employees shall be governed. The Conflict of Interest Act also being applicable to the Authority.

ARTICLE V
OFFICERS

1. Officers. The Officers of the Corporation shall consist of a President, an Executive Vice President/Chief Executive Officer, a Vice President, and a Secretary-Treasurer. The President, Vice President and Secretary-Treasurer shall be elected from among the members of the Board of Directors then serving, and the office of the Executive Vice President/Chief Executive Officer shall be filled by the Executive Director of the Authority. Other Officers, including assistant and subordinate officers, may from time to time be elected by the Board of Directors from among the members of the Board of Directors then serving, or, if such Officer would be an assistant or subordinate to the Executive Vice President/Chief Executive Officer, from among the employees of the Authority. The same individual may not simultaneously act as more than one Officer.

2. Election of Officers. All Officers (other than the Executive Vice President/Chief Executive Officer) shall be elected annually by the Board of Directors at the Annual Meeting. All Officers (other than the Executive Vice President/Chief Executive Officer) shall hold office for one (1) year, until the next Annual Meeting of the Board of Directors and until their respective successors are elected and take office. Officers may succeed themselves in office, if duly re-elected by the Board of Directors.

3. Removal, Resignation, and Vacancies. Any Officer of the Corporation (other than the Executive Vice President/Chief Executive Officer) may be summarily removed, with or

without cause, at any time, by a resolution passed by affirmative vote of a majority of all of the Directors or as provided under Article IV, Paragraph 3 of these By Laws.

An Officer may resign as such at any time by delivering notice to the Board of Directors, the President or the Secretary-Treasurer of the Corporation. A resignation is deemed effective when delivered, unless a later effective date is specified in the resignation. If a resignation is made effective at a later date and the Corporation accepts the future effective date, it may fill the pending vacancy before the effective date if the successor does not take office until the effective date.

The Board of Directors shall fill any vacancy in an office (other than a vacancy in the office of the Executive Vice President/Chief Executive Officer), and such term of office shall expire at the next Annual Meeting.

4. Duties. The Officers of the Corporation shall have such duties as (a) generally pertain to their respective offices, (b) are prescribed by law, (c) are hereinbelow provided and/or (d) from time to time may be conferred by the Board of Directors.

5. Duties of the President. The President shall preside at all meetings of the Board of Directors. The President shall provide that all orders, policies and resolutions of the Board of Directors are executed, and shall report to the Board of Directors concerning the affairs of the Corporation. Except as otherwise provided by resolution duly adopted at any meeting of the Board of Directors, the President shall sign for the Corporation all deeds, leases, contracts for services and other agreements and instruments which have been approved by the Board of Directors. The President shall be a voting member ex officio of all committees. The President shall appoint all committees and committee chairpersons and shall perform other duties as required by the Board of Directors.

6. Duties of the Vice President. The Vice President shall perform such duties as may be authorized by the President or the Board of Directors, including acting as liaisons to all committees. In the absence of the President or in the event of the President's inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all powers of any be subject to all the restrictions upon the President.

7. Duties of the Executive Vice President/Chief Executive Officer. The Executive Vice President/Chief Executive Officer shall have duties as stated in Article VI.

8. Secretary-Treasurer. The Secretary-Treasurer shall record all proceedings of meetings of the Board of Directors, and of the committees when required. The Secretary-Treasurer shall provide for all notices required to be given by the Corporation; shall have custody of all deeds, lease, contracts, and the like; shall have charge of the records of the Corporation relating to its organization and management as a corporation; shall see that all reports, statements and other documents required by law (except tax returns) are properly filed; and shall generally have the duties and powers assigned thereto by the Board of Directors or the President, under whose supervision the Secretary-Treasurer shall be.

The Secretary-Treasurer, in conjunction with the Executive Vice President/Chief Executive Officer, shall supervise the finances of the Corporation. The Secretary-Treasurer shall maintain adequate financial accounts and records in accordance with generally accepted accounting practices consistently applied; prepare appropriate operating budgets and financial statements; report on the financial status of the Corporation; prepare and file all tax returns required by law; and perform all duties incident to the office of Secretary-Treasurer and such other duties assigned to the Secretary-Treasurer by the Board of Directors or the President. The Secretary-Treasurer shall take proper vouchers for disbursements, may sign all checks and demands for

money for the Corporation, and shall render to the President and to the Board of Directors, at its regular meetings or when the Board of Directors requires, an account of all his or her transactions as Secretary-Treasurer and of the financial condition of the Corporation.

9. Compensation. Officers shall not be entitled to compensation for their services as such. The foregoing shall not prevent the Board of Directors from reimbursing any Officer for expenses actually, necessarily and reasonably incurred in the performance of the Officer's duties.

ARTICLE VI

EXECUTIVE VICE PRESIDENT/CHIEF EXECUTIVE OFFICER

1. Executive Vice President/Chief Executive Officer. The Board of Directors shall appoint an Executive Vice President/Chief Executive Officer who shall, subject to the direction of the Board of Directors, have primary responsibility for the day-to-day operation and administration of the Corporation and for the implementation of all policy and other decisions made by the Board of Directors and the Officers thereof. The Executive Vice President/Chief Executive Officer shall be the Executive Director of the Authority, and his or her term of office shall be coterminous with his or her terms as Executive Director of the Authority. The Executive Vice President/Chief Executive Officer shall be entitled to attend all meetings of the Board of Directors, but may be excused from such attendance by request of the presiding Officer, and shall not be entitled to vote. The Executive Vice President/Chief Executive Officer is expressly permitted to serve simultaneously as the Executive Vice President, Chief Executive Officer or Executive Director of any parent, subsidiary, or other corporation or entity affiliated with the Corporation.

2. Appointment and Removal. Executive Vice President/Chief Executive Officer shall be appointed and removed in accordance with the following procedure:

A. Appointment. If the Executive Vice President/Chief Executive Officer's position is or becomes vacant for any reason, the Board shall appoint as successor Executive Vice President/Chief Executive Officer the person chosen by the Authority as the new Executive Director of the Authority.

B. Removal. The Executive Vice President/Chief Executive Officer shall be removed from office only if (a) the Authority's Commissioners remove its Executive Director, as such, or (b) the Executive Director of the Authority resigns as such without also resigning from his or her office in the Corporation, in either of which events the removal of such Officer of the Corporation from office shall be automatic and effective upon the same notice and terms as the Authority's Commissioners shall have determined or accepted.

ARTICLE VII COMMITTEES

1. Committees. The President shall establish, appoint and empower committees, and establish the mission or charge of each such committee. All such committees shall have authority to act for the Board of Directors to the extent the Board of Directors so directs. All such committees shall be appointed by the President, shall be composed of at least two (2) members of the Board of Directors, shall be governed by the provisions of Section 13.1-869 of the Code of Virginia, as amended. The members and chairpersons of all committees shall be appointed by the President for a one (1) year term or until their successors are appointed, but shall be subject to removal at any time by the President.

Each committee shall keep written minutes of its meetings and, unless a chairperson shall have been appointed by the President, shall elect a chairperson who shall report to the President and the Board of Directors.

No committee shall (i) fill vacancies on the Board of Directors or any of its committees, (ii) amend the Articles of Incorporation, (iii) adopt, amend or repeal these By Laws, (iv) approve a plan of merger or consolidation, (v) otherwise take any action required to be taken solely by the Directors, or (vi) overturn or invalidate any action of the Board of Directors.

2. Meetings. Except as otherwise expressly provided in this Article, regular and special meetings of any committee established pursuant to this Article shall be called and held subject to the same requirements with respect to time, place and notice as are specified in these By Laws for regular and special meetings of the Board of Directors.

3. Quorum and Manner of Acting. A majority of the members of any committee serving at the time of any meeting thereof shall constitute a quorum for the transaction of business at such meeting. The action of a majority of those members present at a committee meeting at which a quorum is present shall constitute the act of the committee.

4. Resignation and Vacancies. Any member of a committee may resign at any time by giving written notice to the Board of Directors, the President or the Secretary-Treasurer of the Corporation. Any vacancy occurring in a committee resulting from any cause whatsoever may be filled by the President.

5. Standards of Conduct and Conflicts of Interest. The members of all committees and subcommittees shall at all times comply with all requirements relating to standards of conduct and conflicts of interest applicable to the Board.

ARTICLE VIII

PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No Director, Officer, employee, member of a committee, or any person connected with the Corporation or any other private individual shall receive at any time of the net earnings or pecuniary profit from the operations of the Corporation, provided that this provision shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Corporation in effecting any of its purposes as shall be fixed by the Board of Directors; and no such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Corporation. All such persons shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation, after all debts have been satisfied, then remaining in the hands of the Board of Directors shall be distributed, transferred, conveyed, delivered and paid over, in such amounts as the Board of Directors may determine or as may be determined by a Court of competent jurisdiction upon application of the Board of Directors, to some other charitable organization or organizations qualified as an exempt organization under Section 501(c)(3) of the Code or the corresponding provision of any future federal tax code, selected by the Board of Directors then serving, and organized and operated for purposes similar to those of the Corporation; provided that no transfer shall be made in violation of any donor-imposed restrictions related thereto.

ARTICLE IX

GENERAL PROVISIONS

1. Corporate Seal. The Corporation may adopt a corporate seal, which shall consist of a flat-faced circular die, of which there may be any number of counterparts, on which there shall be engraved the word “Seal” and the name of the Corporation.

2. Fiscal Year. The fiscal year of the Corporation shall commence on January 1 and end on December 31 of each year.

3. Corporate Property. All property received by the Corporation, whether by devise or otherwise, shall be used exclusively to promote, carry on, and further the activities, objectives, and purposes set forth in the Articles of Incorporation and these By Laws.

4. Amendment of the By Laws. Subject to the Articles of Incorporation and applicable Virginia law, these By Laws may be altered, amended, or repealed, or new By Laws may be adopted, by the Board of Directors upon the affirmative vote of two-thirds (2/3) of the Directors present at a meeting at which a quorum is present. Any proposed alteration, amendment, or repeal, or proposed new By Laws, shall be submitted in writing at a regular or special meeting of the Board of Directors. Written notice must be given to all members of the Board of Directors not less than seven (7) days prior to the meeting at which the vote is to be taken.

5. Dissolution. The Corporation may be dissolved by a two-thirds (2/3) majority vote of the Board of Directors. Upon dissolution, the assets of the Corporation remaining after paying or making provision for the payment of any and all liabilities of the Corporation shall be paid and delivered to the Authority, if lawful, or else to another charitable organization or organizations qualified as an exempt organization under Section 501(c)(3) of the Code or similar statutes, and organized and operated for purposes similar to those of the Corporation; provided that no transfer shall be made in violation of any donor-imposed restrictions related thereto.

Any such assets not so disposed of shall be disposed of by the Circuit Court for the City of Staunton, exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for one or more exempt purposes or for a public purpose.

6. Examination of Books. The Board of Directors shall, subject to federal law and the laws of the State of Virginia, have power to determine from time to time whether and to what extent and under what conditions and limitations the accounts and books of the Corporation, or any of them, shall be open for inspection; provided that any Director shall have access to the books and records at any time.

7. Checks, Notes and Drafts. Except as may be otherwise expressly provided in a resolution duly adopted by the Board of Directors, checks, notes, drafts and other orders for the payment of money shall be signed as follows:

A. All checks shall be signed by either (i) the Executive Vice President/Chief Executive Officer and one other member of the Board of Directors or (ii) two members of the Board of Directors.

B. In all cases and under any circumstances, the Board of Directors shall have the right and power to designate special signatories on any instrument or document, including checks and drafts, as may be deemed desirable by it.

8. Gifts. The Board of Directors may accept (or reject) on behalf of the Corporation any contribution, gift, bequest or devise for its general purposes, or for any special purpose consistent with the purposes set forth in the Articles of Incorporation and these By Laws. The Board of Directors may also make, on behalf of the Corporation, any contribution or gift consistent with the purposes set forth in the Articles of Incorporation or these By Laws.

9. Indemnification. Subject to applicable laws, the Corporation shall indemnify and hold harmless any and all persons who may serve or have served at any time as Directors or Officers or committee members of this Corporation, or who at the request of the Directors may

serve or at any time have served as directors or officers or committee members of another corporation, and their respective heirs, administrators, successors and assigns (collectively, “Indemnitees”), against any and all expenses (including but not limited to amounts paid upon judgments, counsel fees and amounts paid in settlement, before or after suit is commenced), actually and necessarily incurred by such Indemnitees in connection with the defense or settlement of any complaint, action, suit or proceeding in which they, or any of them, are made parties or a party of which may be asserted against them or any of them by reason of their being or having been Directors or Officers or committee members of this Corporation, or of such other corporation, except in relation to matters as to which any such Indemnitee shall be adjudged in any action, suit or proceeding to be liable for his own willful misconduct or knowing violation of criminal law in the performance of his duty. Such indemnification shall be in addition to any other rights to which the Indemnitees may be entitled under any law, agreement, vote of the Board of Directors or otherwise. Notwithstanding the foregoing, the Corporation shall not be required to indemnify hereunder for any portion of such expenses for which payment is received by or on behalf of the Indemnitee pursuant to any policy of insurance. The Corporation shall purchase and maintain at its sole expense such insurance as its Board of Directors may deem reasonable against all liabilities or losses it may sustain as consequences of the indemnification provided for herein. The Board of Directors may, at any time, expand this Section and indemnify such persons to the full extent provided by the laws of Virginia.

10. Annual Audit. The books of the Corporation shall be audited annually by a certified public accountant approved by the Board of Directors, and a certified report of the audit shall be produced and circulated to the members of the Board of Directors, together with a management letter advising of improvements recommended in procedures, if any.

11. Bonding. Appropriate fidelity bond coverage shall be maintained with respect to officers and employees having access to the funds or other assets of the Corporation.

Adopted this 21st day of May, 2024, by the Board of Directors of Staunton Housing Corp.

President

Secretary-Treasurer

PROPOSED AMENDMENT

The foregoing tracked changes to Article III, Section 1 (Purposes) are proposed for adoption by the Board of Directors pursuant to Article IX, Section 4, to conform these By Laws to the Corporation’s Articles of Incorporation as amended. The amendments (i) extend the served population to persons of low, moderate, and middle income; (ii) update the description of housing for persons with disabilities; and (iii) establish the Corporation’s service area as the Shenandoah Valley region of Virginia.

Adopted this _____ day of _____, 20____, by the affirmative vote of two-thirds (2/3) of the Directors present at a meeting at which a quorum was present.

President

Secretary-Treasurer