

**BY-LAWS
OF
NEW YORK CITY RESIDENTIAL MORTGAGE
INSURANCE CORPORATION
(Amended December 1, 2010)**

ARTICLE I - THE CORPORATION

Section 1. Name of Corporation. The name of the Corporation shall be the New York City Residential Mortgage Insurance Corporation (the "Corporation").

Section 2. Description. The Corporation is a subsidiary corporation of the New York City Housing Development Corporation and is a public benefit corporation of the State of New York, created by and having the powers and functions set forth in Section 654-d of the New York City Housing Development Corporation Act, as amended (such Section hereinafter referred to as the "Act").

Section 3. Membership. The membership of the Corporation shall consist of such Members as shall be selected and hold office as provided in the Act.

Section 4. Seal of Corporation. The Seal of the Corporation shall be in the form of a circle and shall bear the name of the Corporation and the year of its creation.

Section 5. Office of Corporation. The principal office of the Corporation shall be in the offices of the New York City Housing Development Corporation, or in such other place in the City of New York as the Members may from time to time designate by resolution.

Section 6. Fiscal Year. The fiscal year of the Corporation shall commence and conclude on the same dates as the fiscal year of New York City Housing Development Corporation or upon such other dates as may be designated in a resolution adopted at a regular or special meeting of the Corporation.

ARTICLE II - OFFICERS

Section 1. Officers. The officers of the Corporation shall be a Chairperson, a Vice-Chairperson, a President, an Executive Vice President, one or more Vice Presidents, a Chief Financial Officer, a General Counsel, a Chief Credit Officer, a Secretary and one or more Assistant Secretaries, and such other officers as may from time to time be appointed by the Members of the Corporation upon the recommendation of the President. Except for the Chairperson, Vice Chairperson and President, and as otherwise specifically provided in these By-Laws, each officer of the Corporation shall be an employee of the Corporation or otherwise authorized to serve the Corporation pursuant to the provisions of Section 12 or Section 13 of Article II of these By-Laws. Each officer shall have the powers conferred upon the office by these By-Laws and shall have such duties as may be established by these By-Laws or as may from time to time be delegated or assigned by the Members of the Corporation or the President. A vacancy in any office shall be filled in the manner prescribed for appointment to such office.

Section 2. Chairperson. The Chairperson shall preside at all meetings of the

Corporation and shall have such other powers and duties as are prescribed by law or in these By-Laws or as the Members may from time to time determine. At each meeting the Chairperson shall submit such recommendations and information as the Chairperson may consider proper concerning the business, duties and affairs of the Corporation.

Section 3. Vice-Chairperson. The Vice-Chairperson shall be elected or appointed from among the Members other than the Chairperson, and shall hold office until such Vice-Chairperson's successor is elected and qualified. The Vice-Chairperson shall preside over all meetings of the Corporation in the absence of the Chairperson and shall perform the duties of the Chairperson in the event the office of Chairperson is vacant or in the event the Chairperson is unable to perform such duties by reason of absence or incapacitation, except as otherwise prohibited by law.

Section 4. President. The President of the New York City Housing Development Corporation shall be the President of the Corporation. The President shall be the chief executive officer of the Corporation and, subject to any guidelines, directives and delegations of power established by the Members of the Corporation, shall have overall responsibility for conducting the Corporation's affairs and business, including setting policy directives for the Corporation, and in addition shall perform all the duties incident to such position and office. The President shall have the power to delegate authority and assign duties to employees of the Corporation. Except as otherwise provided in these By-Laws, the President shall have the power to appoint an employee to serve as an acting officer of the Corporation by reason of a vacancy in an office or in the absence or incapacitation of an officer. The President shall have such other powers and duties pertaining to this office as are prescribed by law or in these By-Laws or as may be assigned to such office from time to time by the Members of the Corporation. Except as otherwise delegated by the President or provided by resolution of the Members of the Corporation, the President shall execute all contracts and documents on behalf of the Corporation and shall make final certification for payment of all duly authenticated and authorized items of expenditure for payment from any corporate funds from whatever source derived.

Section 5. Executive Vice President. The Executive Vice President shall be the chief operating officer of the Corporation and, subject to any guidelines, directives and delegations of power established by the President or the Members of the Corporation, shall have responsibility for the management of the Corporation's affairs and business and shall supervise the activities of the Corporation, including initiating, planning and carrying out the programs, projects and other activities of the Corporation pursuant to the Act and advising the President with respect thereto and in addition shall perform all duties incident to such position and office. The Executive Vice President shall act on behalf of the President during the President's absence or incapacitation or if the office of President is vacant.

Section 6. Vice Presidents. The Vice Presidents shall assist the President and the Executive Vice President as directed and each shall perform such duties and exercise such powers as from time to time may be assigned or delegated to each by the Members of the Corporation, the President or the Executive Vice President.

Section 7. Chief Financial Officer. Unless otherwise provided by resolution of the Members, the Chief Financial Officer of the New York City Housing Development Corporation or, if such position is vacant, the Executive Vice President of Capital Markets of the New York City Housing Development Corporation, shall serve as Chief Financial Officer of the Corporation. The Chief Financial Officer shall have the power and duties customarily incident to the office, including responsibility for the investment of the Corporation's funds, maintenance of the Corporation's system of books and accounts, preparation of periodic financial statements, and certification of items of expenditure for payment. In addition, such officer shall perform such other duties as from time to time may be delegated or assigned by the Members of the Corporation, the Chairperson, the President or the Executive Vice President.

Section 8. General Counsel and Deputy General Counsel. Unless otherwise provided by resolution of the Members, the General Counsel of the New York City Housing Development Corporation shall serve as General Counsel of the Corporation. The General Counsel shall be the chief legal officer of the Corporation and, in connection therewith, shall establish and promulgate legal directives with respect to corporate activities, advise the officers and Members of the Corporation as to legal matters relating to the administration, operations and financing of the Corporation and as to the laws governing initiation, planning, financing and development of the programs of the Corporation. The General Counsel shall pass on such matters as the Corporation shall require and render opinions on such matters relating to the Corporation as may be requested by the Chairperson, Members or officers of the Corporation. The General Counsel shall be an authorized officer of the Corporation for the purposes of any program heretofore or hereafter undertaken by the Corporation, except where specifically otherwise provided by resolution of the Corporation. The General Counsel shall perform such other services incident to this position and office and shall undertake such other duties as from time to time shall be delegated or assigned by the Members of the Corporation, the Chairperson, the President or the Executive Vice President. The Deputy General Counsel of the New York City Housing Development Corporation shall have and exercise the foregoing powers and duties under the supervision of General Counsel. In the absence or incapacitation of the General Counsel of the New York City Housing Development Corporation or in the event the office of such General Counsel of the New York City Housing Development Corporation is vacant, the Deputy General Counsel of the New York City Housing Development Corporation may exercise the powers and duties of the General Counsel of the Corporation.

Section 9. Chief Credit Officer. The Chief Credit Officer shall work with the President and Executive Vice President to establish underwriting criteria and to ensure that an end-to-end risk monitoring process is in effect. In addition, the Chief Credit Officer shall perform such other services incident to this position and office and shall undertake such other duties as from time to time shall be delegated or assigned by the Members of the Corporation, the Chairperson, the President or the Executive Vice President.

Section 10. Secretary and Assistant Secretary. Unless otherwise provided by resolution of the Members, the Secretary of the New York City Housing Development Corporation shall serve as Secretary of the Corporation and each Assistant Secretary of the New York City Housing Development Corporation shall serve as an Assistant Secretary of the

Corporation. The Secretary shall issue notices of all meetings of the Members as required by law and by these By-Laws. The Secretary shall keep the records of the Corporation and shall be custodian of all books, documents and papers filed with the Corporation, of the minute books of the Corporation and of its official seal. The Secretary shall attend all meetings of the Corporation and record all votes and keep a record of the proceedings of the Corporation in proper books provided for such purpose and shall perform all duties incident to the office of the Secretary. The Secretary shall have power to affix the corporate seal to and to attest to all contracts, documents or other instruments to be executed by the Corporation and to attest to the same as required by law, and may cause copies to be made of all minutes and other records and documents of the Corporation and may give certificates under the official seal of the Corporation to the effect that such copies are true copies, and all persons dealing with the Corporation may rely upon such certificates.

An Assistant Secretary may be designated by the Secretary, or by the Chairperson, the President or the Executive Vice President to act as Secretary in absence or incapacitation of the Secretary or in the event the office of Secretary is vacant.

Section 11. Officers Holding Two or More Offices. Any two or more offices may be held by the same person, except as otherwise provided by law, and provided further that the Chairperson, President or Executive Vice President may not simultaneously hold the office of, or act as, Chief Financial Officer or Secretary. No officer shall execute or verify any instrument in more than one capacity if such instrument be required by law or otherwise to be executed or verified by any two or more officers.

Section 12. Appointment, Removal and Acting for Officer. Each officer, other than the Chairperson and the President, shall be appointed by a resolution of the Members of the Corporation. All officers of the Corporation, other than the Chairperson and the President, shall hold office at the pleasure of the Corporation and may be removed, either with or without cause, at any time by resolution of the Corporation. Any person appointed to fill the aforementioned offices or any vacancies in such offices shall have such term as the Corporation may fix in such resolution. Any employee, who is authorized to act in the absence or incapacitation of an officer, or by reason of an officer vacancy, shall have and exercise all such powers and duties granted or delegated to such office for so long as such employee is authorized to act in such capacity.

Section 13. Personnel. The Corporation may from time to time employ such personnel as it may deem necessary to exercise its powers, duties and functions as prescribed by law. The selection and compensation of such personnel shall be determined by the Corporation subject to applicable law. The Corporation may utilize any personnel offered by the New York City Housing Development Corporation to assist in the operation of the Corporation, and such personnel shall be deemed employees of the Corporation for purposes of these By-Laws.

Section 14. Execution of Mortgage Insurance Documents or Related Documents. The President, the Executive Vice President, each Vice President, the Chief Financial Officer, the General Counsel, and the Chief Credit Officer are authorized to execute documents required in connection with or to effectuate the insuring of a mortgage loan on behalf of the Corporation

and may delegate that authority to any employee of the Corporation with the approval of the President or Executive Vice President.

ARTICLE III

Section 1. Annual Meeting. The Annual Meeting of the Corporation shall be held on the second (2nd) Tuesday of March of each year, or on such earlier or later date in each calendar year as may be designated in the notice or waiver of notice of such meeting.

Section 2. Other Meetings. Other meetings of the Corporation may be called by the Chairperson or the President, and shall be called by the President upon the written request of any one of the Members.

Section 3. Notice. Notice specifying the time and place of each annual meeting of the Corporation shall be given by mail to each Member at least five calendar days prior to the meeting date or, in the case of a special meeting of the Corporation, shall be given in a manner reasonably designed to achieve such notice at least twenty-four hours prior to such meeting. Except as otherwise provided in Article IV, relating to the amendment of these By-Laws, any and all matters may be considered and acted upon at any meeting of the Corporation at which a quorum is present, whether or not such matters were specified in the notice of meeting. Notices by mail shall be deemed to have been given when mailed to each Member at the appropriate address appearing on the records of the Corporation.

Section 4. Waiver of Notice. Failure to give notice of any meeting of the Corporation may be waived in writing by a Member. Notice of an adjourned meeting need not be given to any Member present at the time of the adjournment.

Section 5. Quorum and Voting. At all meetings of the Corporation the presence of five Members shall constitute a quorum and be necessary for the transaction of any business or the taking of any corporate action. A majority of the Members present at any meeting, whether or not constituting a quorum, may adjourn the meeting to another time and place or until a quorum shall be present. The Chairperson may vote on any matter being considered by the Members. The transaction of any business or the taking of any corporate action at a meeting of the Members shall require an affirmative vote of no less than five Members present at such meeting.

Section 6. Participation in Meeting by Telephone. Notwithstanding anything elsewhere contained in these By-Laws and to the extent permitted by applicable law, any one or more Members may participate in a meeting of the Corporation by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear and respond to each other at the same time. Participation by such means shall constitute presence in person at a meeting of the Corporation.

Section 7. Approval of Resolutions Without Meeting. To the extent permitted by law, resolutions which the Chairperson or President desire to be considered by the Members of

the Corporation without holding a meeting thereon may be delivered in person or mailed to the business or home address of each Member and upon the written approval of such resolutions by five or more of the Members, the same shall become effective as if introduced and passed at a meeting of the Members duly called and held.

ARTICLE IV - AMENDMENT OF BY-LAWS

Section 1. The By-Laws may be suspended, altered, amended or repealed at any meeting of the Corporation by the unanimous vote of all the Members then in office or, if notice of the proposal to suspend, alter, amend or repeal shall have been included in the notice of the meeting at which such action is taken, by the affirmative vote of at least five Members which may include the Chairperson.

ARTICLE V - INDEMNIFICATION

Section 1. General Scope of Indemnification. The Corporation shall, to the fullest extent permitted by law, provide for and indemnify any person, his/her testator or intestate, made, or threatened to be made, a party to any action or proceeding, whether civil or criminal in nature, by reason of the fact that such person is or was (a) a Member or an officer or employee of the Corporation, (b) a Member or an officer or an employee of the New York City Housing Development Corporation assisting the Corporation pursuant to Section 12 or Section 13 of Article II of these By-Laws or (c) a director, officer or employee of any subsidiary of the Corporation, against judgments, penalties, fines, amounts paid in settlement and reasonable expenses, including attorney's fees, actually and necessarily incurred as a result of such action or proceeding (including any appeal therein), provided such Member, director, officer or employee acted in good faith for a purpose which such person reasonably believed to be in the best interest of the Corporation and, in criminal actions or proceedings, had no reasonable cause to believe that any action taken by or conduct of such person was unlawful.

Section 2. The termination of any such civil or criminal action or proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such Member, director, officer or employee did not act in good faith for a purpose which such person reasonably believed to be in the best interests of the Corporation or that such person had reasonable cause to believe that any such action or conduct was unlawful.