

CENTERLINE HOLDING COMPANY

Charter of the Nominating and Governance Committee of the Board of Trustees

I. PURPOSE

The Nominating and Governance Committee is established by the Board of Trustees (the “Board”) for the primary purpose of:

- identifying individuals qualified to become Board members;
- subject to Sections IV and V of this Charter, recommending to the Board, for its approval, the Managing Trustee nominees for election at any annual or special meeting of the Company’s shareholders or to fill any vacancy in the Board or any of its standing committees;
- overseeing the implementation of policies and procedures that are intended to assure that the Board, including its standing committees, will be appropriately constituted and organized to meet its fiduciary obligations to the Company;
- reviewing, monitoring and approving transactions described in item 14 below;
- evaluating, monitoring and making recommendations to the Board with respect to the corporate governance policies and procedures of the Company;
- overseeing the Company’s compliance with legal and regulatory requirements pertaining to corporate governance, including the corporate governance listing requirements of the exchange, if any, on which the Company’s common shares of beneficial interest are listed (“Listing Requirements”);
- overseeing such other matters as the Board deems appropriate and in the best interest of the Company.

The Nominating and Governance Committee should encourage continuous improvement of, and should foster adherence to, the Company’s nominating and governance policies, procedures and practices at all levels. The Nominating and Governance Committee shall also ensure that the nominating and governance practices contemplated by management meet the criteria of the Company’s governing documents.

The Nominating and Governance Committee has the authority to obtain advice and assistance from outside legal, accounting or other advisors as deemed appropriate to perform its duties and responsibilities. The Company shall provide appropriate funding, as determined by the Nominating and Governance Committee, for compensation to any advisors that the Nominating and Governance Committee chooses to engage.

The Nominating and Governance Committee will primarily fulfill its responsibilities by carrying out the activities enumerated in Section III of this Charter. The Nominating and Governance Committee will report regularly to the Board regarding the execution of its duties and responsibilities.

II. COMPOSITION AND MEETINGS

The Nominating and Governance Committee shall be comprised of at least three Managing Trustees or such higher number as determined by the Board or so required by the Listing Standards, if any, the rules and regulations promulgated by the Securities and Exchange Commission (the “SEC Rules”) or any other rules or regulations. The Nominating and Governance Committee shall be entirely comprised of Independent Trustees (as defined in the Company’s Trust Agreement).

The members of the Nominating and Governance Committee shall be elected by the Board at the annual meeting (or by written consent). The Board shall designate a chairperson of the Nominating and Governance Committee. Nominating and Governance Committee members may be removed and replaced by, and in the sole discretion of, the Board by majority vote. Simultaneous service on more than one of the Company’s committees will not impair the ability of any Managing Trustee to effectively serve on the Nominating and Governance Committee.

The Nominating and Governance Committee shall meet at least annually, or more frequently as circumstances dictate. The Secretary or an Assistant Secretary of the Company, or a designee thereof, or another person designated by the Nominating and Governance Committee acting in coordination with the Secretary of the Company, shall record minutes of all Nominating and Governance Committee meetings, and such minutes shall be maintained with the books and records of the Company. Each regularly scheduled meeting may conclude with an executive session of the Nominating and Governance Committee absent members of management and on such terms and conditions as the Nominating and Governance Committee may elect. The Committee shall report to the Board at the regularly scheduled quarterly meeting regarding any meetings of the Committee that took place in the prior quarter and at such other times as the Committee members deem necessary or appropriate. In addition, as part of the Nominating and Governance Committee’s job to foster open communication, the Nominating and Governance Committee should meet periodically with management to discuss any matters that the Nominating and Governance Committee or management believe should be discussed.

The Nominating and Governance Committee may fix such additional rules or procedures for the conduct of its business pursuant to this Charter as the Nominating and Governance Committee members deem necessary or appropriate. Any such additional rules or procedures shall be consistent with the Company’s Trust Agreement and By-Laws and this Charter, in each case as in effect from time to time, and shall be filed with this Charter in the books and records of the Company.

The Nominating and Governance Committee may form and delegate authority to subcommittees when and as the Nominating and Governance Committee deems necessary and appropriate, except as may be otherwise provided by this Charter.

III. COMMITTEE OPERATING PROCEDURES

To fulfill its responsibilities and duties, the Nominating and Governance Committee shall:

1. Review and assess the adequacy of this Charter at least annually and recommend to the Board for approval any necessary amendments as conditions dictate.
2. Identify individuals qualified to become members of the Board.
3. Recommend to the Board, Managing Trustee nominees and/or the re-nomination of incumbent Managing Trustees, for shareholder approval at the next annual meeting or to fill vacancies on the Board.
4. Make recommendations to the Board annually regarding the size, composition and structure of the Board and each Board committee.
5. Develop and recommend to the Board criteria for the selection of individuals to be considered as candidates for election to the Board, such as: (i) business and/or technical experience and expertise relevant to the needs of the Company, (ii) leadership, (iii) diversity, (iv) ability to represent the shareholders, and (v) the independence and expertise standards mandated by the SEC Rules, the Listing Standards, if any, and any other applicable federal or state laws, rules and regulations.
6. Review and make recommendations to the Board regarding the nature and duties of the Board's committees, and recommend to the Board for its approval, Managing Trustees to serve as members of each committee. The Nominating and Governance Committee shall review and recommend committee slates annually and shall recommend additional committee members to fill vacancies as needed.
7. Review and assess the adequacy of the Company's corporate governance guidelines and recommend changes as necessary. Such guidelines may address, among other matters, the following subjects: Managing Trustee qualification, Managing Trustee responsibilities, Managing Trustee access to management and independent advisors, Managing Trustee compensation, Managing Trustee orientation and continuing education, management succession, and annual performance evaluation of the Board and its committees. Unless the Committee, by majority vote, determines otherwise, the Nominating and Governance Committee will apply the listing standards of the New York Stock Exchange with respect to the Company's corporate governance.
8. Review the Company's succession plans relating to the chief executive officer and other executive officers.

9. Oversee the evaluation of the Board, and its committees, which may include developing and recommending an annual self-evaluation process of the Board and its committees.
10. Oversee the evaluation of the individual Managing Trustees, which may include developing and recommending an annual evaluation process of all Managing Trustees and/or those Managing Trustees who are being considered for re-nomination.
11. Review policies and practices of the Company and monitor compliance in areas of corporate governance and report and make recommendations to the Board with respect to such practices.
12. Have authority to obtain advice and assistance from internal or external financial, legal, accounting or other advisors.
13. Retain and terminate any search firm to be used to assist the Nominating and Governance Committee in identifying candidates for election as Managing Trustees and have the authority to approve the search firm's fees and other retention terms.
14. Review, monitor and approve (i) any transaction with the Company in which a trustee or officer has a direct or indirect personal interest, (ii) compliance with or disputes related to agreements between the Company and (a) The Related Companies, L.P. and/or its affiliates or (b) Centerline Island Manager LLC and/or its affiliates., and (iii) new proposed transactions with Centerline Island Manager LLC and/or its affiliates. The Nominating and Governance Committee may, in its discretion, request that the Board review and approve specific transactions described in the preceding sentence
15. Review annually its own performance.
16. Have such additional authority, duties and responsibilities as may be granted or assigned to the Nominating and Governance Committee by the Board from time to time or as may be designated in any documents governing the Company.