

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;
- review, monitor and approve 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 New York Stock Exchange (“NYSE”);
- 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 of the NYSE (the “NYSE Listing Standards”), the rules and regulations promulgated by the Securities and Exchange Commission (the “SEC Rules”) or any other applicable laws, 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 members of the Nominating and Governance Committee may designate a chairperson by majority vote of the members 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, subject to Sections IV and V of this Charter:

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 NYSE Listing Standards 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. Recommend to the Board for approval a set of corporate governance guidelines and oversee and review such 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.
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 any transaction with the Company in which a trustee or officer has a direct or indirect personal interest, compliance with the Future Relations Agreement between the Company and The Related Companies, L.P., and disputes that may arise from any of the agreements related to the Company's acquisition of Centerline Affordable Housing Advisors, LLC . 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.

IV. SPECIAL NOMINATION PROVISIONS REGARDING NON-INDEPENDENT TRUSTEES

Notwithstanding anything in this Charter to the contrary:

- So long as the holders of the special common units of Centerline Capital Company, LLC, own, in the aggregate, 7.5% or more of the Company's outstanding voting securities, holders of a majority of the outstanding special preferred voting shares will have the right, in lieu of the Board or the Nominating and Governance Committee (or any other committee of the Board), (1) to nominate for election to the Board any non-Independent Trustees to be elected at any annual or special meeting of the shareholders of the Company and (2) to elect any non-Independent Trustee to fill any vacancy in the non-Independent Trustees on the Board; provided, however, that this power of nomination shall not (a) affect the rights of the Common Shareholders to nominate persons to serve as Managing Trustees of the Company and (b) apply to the extent inconsistent with

applicable laws or regulations of any governmental authority or the rules of any national securities exchange (or, as applicable, Nasdaq or any successor thereto) on which the Company's voting securities are listed.

- After the date upon which the holders of the special preferred voting shares own, in the aggregate, less than 7.5% of the Company's outstanding voting securities, the Nominating and Governance Committee will have the right to nominate non-Independent Trustees to fill a vacancy or to stand for election at any annual or special meeting in accordance with the Company's Bylaws.

V. BYLAW PROVISIONS

Subject to the Special Nomination Provisions set forth in Section IV of this Charter:

- **Independent Trustee Nominations.** The Independent Trustees nominated by Board shall be nominated by the Nominating and Governance Committee, which nominations shall be subject to the approval of two-thirds of the Board. All Managing Trustees shall have the right to recommend to the Nominating and Governance Committee for its consideration their choices for the Independent Trustee nominees.
- **Non-Independent Trustee Nominations.** Subject to the provisions of the Company's Trust Agreement (including, without limitation, any Certificate of Designation attached thereto), non-Independent Managing Trustees nominated by the Board shall be nominated by the Nominating and Governance Committee, which nominations shall be subject to the approval of a majority of the Board of Trustees. All Managing Trustees shall have the right to recommend to the Nominating and Governance Committee for its consideration their choices for the non-Independent Trustee nominees.
- **Independent Trustee Vacancies.** If any vacancy, whether or not created by an increase in the number of Managing Trustees, must be filled with an Independent Trustee to comply with the terms of Section 3.1 of the Trust Agreement, and there are any remaining Independent Trustees, replacement Independent Trustees shall be nominated by the Nominating and Governance Committee of the Board of Trustees, which nominations shall be subject to the approval of two-thirds of the Managing Trustees, and the vacancy shall be filled by a majority vote of the Managing Trustees electing a nominated replacement Independent Trustee. All Managing Trustees shall have the right to recommend to the Nominating and Governance Committee for its consideration their choices for the replacement Independent Trustee nominees. If there is no remaining Independent Trustee, any such vacancies shall be filled by a majority of the remaining Managing Trustees.
- **Non-Independent Trustee Vacancies.** Subject to the provisions of the Trust Agreement (including, without limitation, any Certificate of Designation attached thereto), if any vacancy, whether or not created by an increase in the number of Managing Trustees, must be filled with a non-Independent Trustee to comply with

the terms of Section 3.1 of the Trust Agreement, replacement non-Independent Trustees shall be nominated by the Nominating and Governance Committee of the Board of Trustees and the vacancy shall be filled by a majority vote of the Managing Trustees. All Managing Trustees shall have the right to recommend to the Nominating and Governance Committee for its consideration their choices for the replacement non-Independent Trustee nominee.

- **Shareholder Nominations.** Nominations of Persons for election as a Managing Trustee may also be made by any Shareholder of the Company at an annual meeting of Shareholders, in accordance with the provisions of Section 12 of the Company's Bylaws.