

**BYLAWS FOR
EASTERN IDAHO APARTMENT ASSOCIATION.**

1. NONPROFIT PURPOSES 1
 1.1. SPECIFIC OBJECTIVES AND PURPOSES .. 1
 1.2. IRS SECTION 501(C)(3) PURPOSES..... 1
 2. MEMBERSHIP 1
 2.1. MEMBERSHIP REQUIREMENTS 1
 2.2. CLASSES OF MEMBERS 2
 2.3. APPLICATION FOR MEMBERSHIP 2
 2.4. TERMINATION OF MEMBERSHIP 2
 3. CERTIFICATE OF MEMBERSHIP 2
 4. MEETING OF THE MEMBERSHIP 2
 5. BOARD OF DIRECTORS 3
 5.1. NOMINATION AND ELECTION..... 3
 5.2. DUTIES 3
 5.3. MEETINGS..... 3
 5.4. QUORUM..... 3
 5.5. REMOVAL..... 3
 5.6. VACANCY 3
 5.7. COMPENSATION 3
 6. OFFICERS 3
 6.1. DESIGNATION OF OFFICERS 3
 6.2. QUALIFICATIONS 4
 6.3. NOMINATION, ELECTION AND TERM OF OFFICE..... 4
 6.4. REMOVAL AND RESIGNATION 4
 6.5. VACANCIES..... 4
 6.6. DUTIES OF OFFICERS 4
 7. CODE OF ETHICS..... 4
 8. FEES AND DUES 4
 9. OTHER COMMITTEES..... 4
 9.1. MEETINGS AND ACTION OF COMMITTEES 4
 10. EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS 5
 10.1. EXECUTION OF INSTRUMENTS 5
 10.2. CHECKS AND NOTES 5
 10.3. DEPOSITS 5
 10.4. GIFTS..... 5
 11. OFFICES 5
 11.1. Registered Office..... 5
 11.2. Principal Office; Other Offices..... 5
 12. STANDARDS OF CONDUCT FOR OFFICERS AND DIRECTORS 5
 13. DIRECTORS' CONFLICT OF INTEREST TRANSACTIONS 6
 13.1. Conflict of Interest Transaction. 6
 13.2. Prohibition Against Loans to or Guarantees for Directors or Officers..... 6
 13.3. Voidability of Conflict of Interest Transactions. 6
 13.4. Approval of Conflict of Interest Transactions. . 6
 14. IRS 501(C)(3) TAX EXEMPTION PROVISIONS 6
 14.1. LIMITATIONS ON ACTIVITIES..... 6
 14.2. PROHIBITION AGAINST PRIVATE INUREMENT 6
 14.3. DISTRIBUTION OF ASSETS..... 6
 15. WAIVER OF NOTICE 6
 16. AMENDMENT OF BYLAWS 7

17. CONSTRUCTION AND TERMS..... 7

1. NONPROFIT PURPOSES

1.1. SPECIFIC OBJECTIVES AND PURPOSES

The objectives of this organization shall be:

- I. To advocate a Code of Ethics to maintain high professional standards and sound business methods among its members in order to serve the best interests of the industry and the public;
- II. To create, maintain and develop cooperation among owners/representatives of apartment and multi-family residence communities in Eastern Idaho;
- III. To create, develop and advance the general welfare of the rental housing industry in Eastern Idaho;
- IV. To facilitate the exchange of ideas as to concept, construction, operation, and maintenance of rental structures;
- V. To collect and disseminate information, including statistical data, relating to the rental and operation of rental housing;
- VI. To foster sound, friendly relations between the owner/representative and the residents;
- VII. To promote good relations with officials at all levels of government in matters affecting the rental housing industry;
- VIII. To monitor at both the local and state levels all legislation pertaining to the rental housing industry;
- IX. To initiate and encourage the exchange of information and experience between members of the Association.

1.2. IRS SECTION 501(C)(3) PURPOSES

This Association is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

2. MEMBERSHIP

2.1. MEMBERSHIP REQUIREMENTS

Membership in the Association shall be open to any person, firm or Association who shall:

- I. Agree to abide by the provisions of the Charter and By-Laws of the Association;
- II. Subscribe to the Code of Ethics of the By-Laws, which are to be published by the Association;
- III. Fulfill the requirements of at least one (1) of the classifications listed in Section 2 (below).

The Board of Directors shall be entitled to reject the member by a majority vote. Members may also reject a member by a two-thirds (2/3) vote present at any meeting held not later than sixty (60) days after tender of the initial membership dues.

2.2. CLASSES OF MEMBERS

There shall be three (3) classes of members:

- I. **Owner/Representative Membership** shall be held by individuals, companies, firms, or Associations whose business is the construction, reconstruction, ownership, or management of residential rental properties;
- II. **Associate Membership** shall be held by a vendor of goods and/or services to the Association owners and representatives;
- III. **Honorary / Lifetime Membership** shall be held by those persons or entities whom the Board of Directors may select;

Members with different business interests must join under each separate name to enjoy the benefits of membership of each member, unless joint membership rights are approved in advance by the Board of Directors. Joint memberships which pre-exist the passage of these By-Laws shall remain intact.

2.3. APPLICATION FOR MEMBERSHIP

Application for membership shall be as follows:

- I. Candidate shall submit application on approved form prepared by the Board of Directors;
- II. Application must be accompanied by a tender of payment of the candidate's first year dues, unless prior approval for installment payment is granted by the Board of Directors.
- III. All payments so tendered shall be returned, in full, if membership is not approved;
- IV. All membership applications shall be presented to the Board of Directors for approval

2.4. TERMINATION OF MEMBERSHIP

Suspension, termination or reinstatement of membership in the Association shall be accomplished in the following manner:

- I. Any member whose dues for any annual period are not paid in full within ninety (90) days after becoming due and payable may be dropped from the rolls by a two-thirds (2/3) vote of the Directors present at any regular meeting of the Board of Directors;
- II. Any member who is delinquent in any fees and/or charges other than dues for a period of sixty (60) days shall be subject to suspension or expulsion by a majority vote of the Board of Directors present at any meeting with any remaining portion of membership dues applied to the debt;
- III. Any member may be censured, suspended or expelled from the Association for cause. Action may be taken only by specific recommendations from the Ethics Committee (if such a committee has been established) and a two-thirds (2/3) majority vote of the Board of Directors present at any regularly scheduled Board meeting. In the event of such intended action, the member shall be so informed in advance in writing;
- IV. The vote of two-thirds (2/3) of the Board of Directors at any meeting shall be required to reinstate any member who has been expelled or suspended pursuant to the provisions of this section.

3. CERTIFICATE OF MEMBERSHIP

Each member shall receive an appropriate membership certificate upon acceptance and dues payment. Further, each member shall be granted the right to use the Association emblem in advertising. In the event of termination of membership, the use or display of the certificate or emblem must be immediately discontinued.

4. MEETING OF THE MEMBERSHIP

Regular meetings of the membership of the Association shall be held as scheduled by the Board of Directors. Meetings typically occur once a month, with prior notice provided no less than five days in advance of the meeting. The Meetings are to be conducted by the President or his or her designee.

Special meetings of the membership may be called by a vote of a majority of the total number of Directors, the President or upon petition of twenty-five (25%) percent or more of the members;

5. BOARD OF DIRECTORS

The affairs of the Association shall be governed by a Board of Directors. The Directors duly elected, according to the procedures set forth in these By-Laws, shall each serve a term of three (3) years, or such other term as may be designated by the Board of Directors serving at the time of the election. Board positions will be designated as "A," "B," or "C," and staggered so that all board positions are not elected in the same year.

The majority of the Board of Directors shall consist of Owner/Representative Members. Directors currently serving at the formation of these By-laws shall remain in place, and may be re-appointed pursuant to the nomination and election procedures of these By-laws.

5.1. NOMINATION AND ELECTION

The Board of Directors shall propose names for the election of directors. In preparing recommendations, the Board can receive input from the members. The recommendations of the Board shall be presented to the members with the notice of the meeting of the members at which the election shall take place. At the meeting, the chair of the meeting shall announce the number of directors to be elected at the meeting, shall read the names of the candidates who have been nominated, and shall call for additional nominations from the floor. Additional nominations may be made by any member and who is present at the meeting in person. Nominations must be seconded. After nominations have been made, the chair of the meeting shall, on motion, declare the nominations closed, and thereafter no further nominations may be made. After the nominations have been closed, the members shall cast their votes. Members may cast only one vote per individual and may vote for that number of individuals up to the total number of directors to be elected. Cumulative voting shall not be permitted. The individuals receiving the highest number of votes, up to the number of directors to be elected, shall be elected as directors.

5.2. DUTIES

The Board of Directors shall administer the affairs of the Association with authority to authorize such contracts, purchases and payments as it may deem necessary and proper. The Board of Directors shall, in its meeting prior to the last meeting of each Fiscal Year, adopt a budget for the following Fiscal Year.

5.3. MEETINGS

Regular meetings of the Board of Directors shall be held monthly on dates as determined by the Board. Special meetings of the Directorate may be held upon call by the President at any time. Such special sessions also may be called by the

Secretary upon request from not less than three (3) members of the Board of Directors.

No notice shall be required for regularly scheduled meetings. Otherwise, notice shall be given each Director either by telephone call, email, fax, in person or by mail. No business other than that specified for the special meeting shall be transacted.

5.4. QUORUM

At meetings of the Board of Directors, a simple majority of the existing board members shall constitute a quorum. Any action requiring a vote by the Board shall require a quorum of the board voting, either at the meeting or by some other verifiable means.

5.5. REMOVAL

Any Director may be removed from the Board by a two-thirds (2/3) vote of the Board members present at any meeting in the event the removal of the Director is deemed, in the absolute discretion of the Board, to be in the best interests of the Association. In the event a member of the Board of Directors should be absent from three (3) consecutive Board meetings, or from four (4) regularly scheduled Board meetings in a calendar year, or from three (3) consecutive general membership meetings, the member shall be deemed to have resigned from the Board of Directors unless a valid excuse is presented to and accepted by the Board.

5.6. VACANCY

Vacancies on the Board, occurring as a result of the resignation, expulsion or death of a Director, may be filled for the unexpired term by nomination from the President and a majority vote of the Board present at any Board meeting.

5.7. COMPENSATION

Directors as such shall not receive any stated compensation for their services as Directors; but the Board may, by resolution, authorize reimbursement of expenses incurred in the performance of their duties. Such authorization may prescribe procedure for approval of payment of such expenses by designated offices of the Association. Nothing here in shall preclude a Director from serving the Association in any other capacity and receiving reasonable compensation for such services.

6. OFFICERS

6.1. DESIGNATION OF OFFICERS

The officers of the Association shall be the President, a Secretary, and a Treasurer.

The Association may have other such officers, for example Vice-President, Membership Director, Program Director, Ethics Chairman, etc... with such titles as may be determined from time to time by the Board of Directors.

6.2. QUALIFICATIONS

Any duly elected member of the Board of Directors will be eligible for office. Only Board Members shall serve as officers.

6.3. NOMINATION, ELECTION AND TERM OF OFFICE

Officers shall be elected by the Board of Directors. The President shall serve a two year term, but may be removed by a majority vote of the Board of Directors. Each other officer shall serve for a period of two years, but may be re-elected for two consecutive additional terms.

6.4. REMOVAL AND RESIGNATION

An individual may be removed from office if the officer becomes unaffiliated with a member organization. An office may be declared vacant by a majority vote of the Board of Directors with or without cause. Causes for such action will include, but are not limited to, failure to abide by the Association's bylaws, repeated and inexcusable absences from meetings of the Board of Directors, or conviction of a felony.

6.5. VACANCIES

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the board may or may not be filled as the board shall determine.

6.6. DUTIES OF OFFICERS

A. The President shall be the principal executive officer of the Association and shall preside at all meetings of the Board of Directors and membership. The President shall execute all contracts into which the Association may enter unless execution thereof is delegated by the Board of Directors or these bylaws to some other officer(s) or agents of the Association. The President shall also serve as an alternative signatory on all funds withdrawn from any Association account. The President shall sign all

tax forms and other forms required by governmental agencies, on behalf of the Association.

B. The Treasurer shall assure that the Association's funds are kept safe and that full and accurate accounts of receipts and disbursements are prepared. The Treasurer will also prepare, annually, a proposed budget for the Association that will be discussed and approved by the Board of Directors and the membership. Additionally, the Treasurer serves as the main signatory on all corporate banking accounts. The President may appoint an Assistant Treasurer to assist the Treasurer.

C. The Secretary shall take and disseminate minutes, prepare and sign corporate documents, etc. and perform the duties normally assigned to a Secretary. The President may appoint an Assistant Secretary to assist the Secretary.

7. CODE OF ETHICS

The Code of Ethics attached hereto as Exhibit A to these By-Laws shall govern the relationships of the members of this Association amongst themselves and with regard to other matters set forth therein. Each member shall adopt the Code of Ethics of this Association as a condition to its membership herein.

8. FEES AND DUES

The Board of Directors may set fees in such amounts as it shall deem necessary, including, and without limitation, annual dues. The dues structure established may be tiered. The dollar amount will be reviewed annually and adjusted as necessary by the Board of Directors.

9. OTHER COMMITTEES

The Association shall have such other committees as may from time to time be designated by resolution of the Board of Directors. These committees may consist of persons who are not also members of the Board and shall act in an advisory capacity to the Board.

9.1. MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the Board of Directors or

by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

10. EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

10.1. EXECUTION OF INSTRUMENTS

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the association to enter into any contract or execute and deliver any instrument in the name of and on behalf of the association, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the association by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

10.2. CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Association shall be signed by the Treasurer and countersigned by the President of the Association.

10.3. DEPOSITS

All funds of the association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

10.4. GIFTS

The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the non-profit purposes of this Association.

11. OFFICES

11.1. Registered Office

The registered office of the Association required by the Idaho Business Association Act ("IBCA") to be continuously maintained in the state of Idaho may, but need not, be the same as any of its principal places of business in the state of Idaho. In any case, the Association's registered office shall be the business office of the registered agent required by the IBCA to be continuously

maintained in the state of Idaho. The address of the registered office may be changed from time to time by the Board of Directors or the President of the Association by delivering a statement to the Idaho Secretary of State containing the information acquired by the IBCA or by indicating such change in the annual report required by the IBCA to be filed with the Secretary of State. (Idaho Code §§ 30-1-501 and 30-1-502.)

11.2. Principal Office; Other Offices.

The Association may also have and maintain an office or principal place of business in Idaho Falls, ID, Idaho, or at such other place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the state of Idaho, as the Board of Directors may from time to time determine or the business of the Association may require.

12. STANDARDS OF CONDUCT FOR OFFICERS AND DIRECTORS

Each director and officer with discretionary authority shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the director or officer reasonably believes to be in the best interests of the Association. In discharging his or her duties, a director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (i) one or more officers or employees of the Association whom the director or officer reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, a public accountant, or another person as to matters the Director or officer reasonably believes are within such person's professional or expert competence; or (iii) in the case of a director, a committee of the Board of Directors of which the Director is not a member if the director reasonably believes the committee merits confidence.

A director or officer is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by the above unwarranted. A director or officer is not liable as such to the Association for any action taken or omitted to be taken as a director or officer, as the case may be, if, in connection with such action or omission, the director or officer performed the duties of the position in compliance with this section.

A Director shall not be deemed to be a trustee with respect to the Association or with respect to any property held or administered by the Association, including without limit, property that may be subject to restrictions imposed by the donor or transferee of such property.

13. DIRECTORS' CONFLICT OF INTEREST TRANSACTIONS

13.1. Conflict of Interest Transaction.

"Conflict of interest transaction" means: a transaction with the Association in which a director has a direct or indirect interest. For purposes of this section, a director of the Association has an indirect interest in a transaction if (a) an entity in which the director has a material interest or in which the director is a general partner is a party to the transaction, or (b) an entity of which a director of the Association is a director, officer or trustee is a party to the transaction.

13.2. Prohibition Against Loans to or Guarantees for Directors or Officers.

No loans shall be made by the Association to its directors or officers nor shall the Association guarantee the obligations of directors or officers of the Association.

13.3. Voidability of Conflict of Interest Transactions.

No conflict of interest transaction shall be voidable or the basis for imposing liability on a Director if the transaction was fair at the time it was entered into or is approved as provided in this section.

13.4. Approval of Conflict of Interest Transactions.

A transaction in which a director of the Association has a conflict of interest may be approved if the material facts of the transaction and the director's interest are disclosed or are known to the Board of Directors or a committee of the Board of Directors, and the Board of Directors or committee authorizes, approves, or ratifies the conflict of interest transaction.

A conflict of interest transaction is authorized, approved or ratified if it receives the affirmative vote of a majority of the Directors on the Board or of a committee of the Board of Directors, who have no direct or indirect interest in the transaction. The presence of, or a vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under this section if the transaction is otherwise approved pursuant hereto.

If a majority of the Directors on the Board who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the conflict of

interest transaction, a quorum is present for purposes of taking action under this section.

14. IRS 501(C)(3) TAX EXEMPTION PROVISIONS

14.1. LIMITATIONS ON ACTIVITIES

No substantial part of the activities of this Association shall be the carrying on of propaganda, or otherwise attempting to influence legislation [except as otherwise provided by Section 501(h) of the Internal Revenue Code], and this Association shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these bylaws, this Association shall not carry on any activities not permitted to be carried on (a) by a Association exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a Association, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

14.2. PROHIBITION AGAINST PRIVATE INUREMENT

No part of the net earnings of this Association shall inure to the benefit of, or be distributable to, its members, directors or trustees, officers, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this Association.

14.3. DISTRIBUTION OF ASSETS

Upon the dissolution of this Association, its assets remaining after payment, or provision for payment, of all debts and liabilities of this Association shall be distributed for one or more exempt purposes within the meaning of Section 510(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

15. WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Act or under the provisions of the Articles of Incorporation or the bylaws of the Association, a director may waive any notice required to be given to such director by the Act or these bylaws: (1) whether

before or after the date or time stated in the notice as the date or time when any action will occur, by delivering a written waiver to the Association which is signed by the director entitled to the notice for inclusion in the minutes, but such delivery and filing shall not be conditions of the effectiveness of the waiver; or (2) by a director's attendance at the meeting whereby such waives objection to lack of notice or defective notice, unless the director upon arriving at the meeting and prior to the vote on a matter not noticed in conformity with the Act, the Articles of Incorporation or these Bylaws objects to lack of notice and does not thereafter vote for or assent to the objected to action.

16. AMENDMENT OF BYLAWS

Except as otherwise provided by the Act, these bylaws may be altered, amended, or repealed by a majority vote of the Board of Directors or membership at any regular or special meeting.

17. CONSTRUCTION AND TERMS

If there is any conflict between the provisions of these bylaws and the Articles of Incorporation of this Association, the provisions of the Articles of Incorporation shall govern. Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding. All references in these Bylaws to the Articles of Incorporation shall be to the Articles of Incorporation, Articles of Organization, Certificate of Incorporation, Organizational Charter, Corporate Charter, or other founding document of this Association filed with an office of this state and used to establish the legal existence of this Association.

All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.