

Partners for Affordable Housing, Inc.

BYLAWS

(Adopted by the Board of Directors on 9/24/02)

ARTICLE I: Objectives

Section 1. Purpose

Partners for Affordable Housing (PAH) is committed to developing plans, providing initiatives and sponsoring programs that address the housing needs for individuals and families unable to find temporary shelter or who seek permanent housing otherwise denied because of their income.

This corporation is a community based organization duly organized to educate the community about and to promote the interest of, economically disadvantaged persons and families in need of affordable housing and to fulfill such related purposes as may be deemed by the Board of Directors of this corporation to be supportive of the general purpose of this corporation.

ARTICLE II: Organization Offices

Section 1. Place

The domiciliary and registered office of the corporation shall be maintained in Mankato, Blue Earth County, Minnesota 56001. Other offices may be maintained by the Corporation at any other place or places that the Directors may designate.

Section 2. Maintenance of Records

The original books and records of this corporation shall be maintained at the domiciliary offices of the corporation or in possession of the Secretary. Said books and records shall be

available for examination on such reasonable terms and conditions as the Directors may from time to time impose.

ARTICLE III: Board of Directors.

Section 1

PAH Director positions shall be open to any person 18 years-of-age or older who concurs with the purpose of the Corporation.

Section 2. General Powers.

The business and property of the corporation shall be managed and controlled by its Board of Directors. The Board may exercise all perform functions in the operation of the corporation, subject to the provisions of the Articles of Incorporation, these Bylaws and applicable law. Directors shall receive no compensation for their services as directors, but this shall not restrict reimbursement for reasonable expenses incurred by a director. No director shall be paid for rendering or performing administrative, professional and other bona fide services for this corporation.

Section 3. Tenure and Qualification.

Subsection 3.1

PAH Director positions shall be open to any person 18 years-of-age or older who concurs with the purpose of the Corporation.

Subsection 3.2

The Board of Directors shall consist of not less than seven (7). The Board of Directors shall determine the number of vacancies to be filled by election prior to the Corporation's Annual Meeting at which they are elected.

Subsection 3.3

Directors shall be elected to serve for three (3) year terms with one-third (1/3) of the directors elected annually. Director terms shall be staggered to achieve continuity.

Subsection 3.4

Directors shall be elected at large. It shall be the responsibility of the Board of Directors to include when possible individuals from all income levels as directors.

Section 4. Selection of Directors: Vacancies.

Subsection 4.1.

The Board of Directors shall be elected by a majority of all who are present and voting. Cumulative voting shall not be permitted. Each Director shall have one vote for each director's position to be elected.

Subsection 4.2.

The Board of Directors shall appoint a nominating committee. This committee shall place in nomination one or more candidates for open Directors positions.

Subsection 4.3.

Vacancies on the Board of Directors shall be filled by persons elected by majority vote of the Board.

Section 5. Meetings of the Board of Directors.

Subsection 5.1.

Regular meetings of the Board of Directors shall be held at least six times each year at such time and place as may be fixed by resolution the Board. The first meeting following October 1st of each year shall be designated as the "Annual Meeting."

Subsection 5.2.

Special meetings may be called by the President, or in the President's absence by the Vice President or by the Secretary upon the request of one-third (1/3) of the directors.

Subsection 5.3

Notice of meetings, including a written agenda, shall be distributed to all Directors prior to a meeting. Written notice shall be distributed to all Directors 48 hours prior to a meeting. Written notice of any special meeting of the Board shall be given at least twenty-four (24) hours in advance of the meeting by the President, Vice President or designee by mail, telephone, e-mail or in person.

Section 6. Quorum, Voting, Motions, Resolutions and Proposals.

Subsection 6.1.

Passage of a motion or resolution shall require a vote of a majority of the Directors present at the meeting unless otherwise provided in the Bylaws. Any action which might be taken at any Board meeting or at any duly constituted committee thereof

may be taken without a meeting if authorized in writing by all Board or committee members.

Subsection 6.2.

Except as otherwise provided in these Bylaws, a quorum for the transaction of business shall consist of one-third (1/3) of the members of the Board. If a quorum is not present, a majority of the directors may adjourn the meeting from time to time without further notification.

Subsection 6.3.

Any motions, resolutions or proposals that require a vote shall be made in writing and be made available to the presiding Chair and the recording Secretary at the meeting prior to any vote taking place. Proposals shall be made available at least 24 hours in advance of any meeting of the Board of Directors or Executive Committee unless this provision is waived by a majority vote of those present of the Board.

Section 7. Removal of Directors.

Subsection 7.1.

A director may be removed by a majority vote of the Board at any regular or special meeting, providing that written notice be given to that Director of the proposed action at least ten calendar (10) days prior to the date of such meeting.

Subsection 7.2

A director missing two consecutive meetings of the Board of Directors without excuse may be removed at the discretion of the Board.

ARTICLE IV: Executive Committee and Other Committees

Section 1.

The Executive Committee shall consist of the elected officers and the immediate Past President. The Executive Committee shall meet and act on behalf of the Board of Directors between meetings of the Board of Directors. The Executive Committee shall be composed of the members of the Board of Directors.

Between meetings of the Board of Directors, the Executive Committee shall possess and may exercise all the powers of the Board of Directors, except the power to fill vacancies in their own membership. Those vacancies shall be filled by the Board of Directors. Vacancies on the Executive Committee shall be filled by the Board of Directors.

The Executive Committee shall meet at stated times or on notice to all members. It shall fix its own rules of procedure consistent with the mission and purpose of the organization and in accordance with the Bylaws. The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board of Directors no later than the next Board of Directors meeting.

Section 2. Other Committees

The Board of Directors may appoint committees composed of interested Directors and/or community members to delegate to committees such powers and responsibilities as it deems appropriate.

Section 3. Action in Writing

Any action which must be taken at a meeting of the Board of Directors or at the Executive Committee may be taken without a meeting if such action is authorized in writing.

ARTICLE V: Conflict of Interest

Section 1. Reporting A Conflict.

Any member of the Board of Directors who has any knowledge or suspects a possible conflict of interest of any item(s) of business before the Board in which a Director or employee has or has had the appearance of a conflict of interest shall disclose same to the Board. The Board shall immediately discuss the disclosure and determine if the involvement of the Director or the employee is such to preclude him/her from any discussions and/or voting on any item(s) under consideration during any meeting concerning an item of business.

Section 2. Employment.

No voting member of the Board of Directors and no spouse or significant other, dependent, parent or sibling of any Director shall be eligible for compensable employment with the Corporation until a period of three months following the Director's resignation or retirement from the Board.

ARTICLE VI. Officers

Section 1. Election and Office.

The Officers of the Corporation shall consist of the President, the Vice President, the Secretary and the Treasurer shall be elected by the Board. No person shall hold two offices at one time; however, the offices of the Secretary and Treasurer may be combined if the Board so decides. Except as provided in these Bylaws, the Board of Directors shall fix the powers and duties of all Officers.

Section 2. Election, Term of Office and Qualifications.

The Officers shall be elected by the Board of Directors from among its members no later than the first meeting of the Board following the Annual Meeting at which the Directors were elected. The Officers shall serve for one year or until their successors shall have been elected or until their earlier resignation or removal from office.

Section 3 Removal and Vacancies.

Any Officer may be removed from office at any time by the vote of a majority of the entire membership of the Board but there shall be due notification of such action and the right to be heard thereon. If there is a removal or vacancy among the Officers of the Corporation by reason of death, resignation or otherwise, such vacancy shall be filled for the unexpired term by the Board of Directors.

Section 4. President and Vice President.

The President and Vice President shall be the chief executive officers of the Corporation and, subject to the advice and consent of the Board of Directors, shall supervise and control all business and affairs of the Corporation. The President and/or Vice President shall preside at all meetings of the Board of Directors and shall see that all orders and resolutions of the Board are carried into effect.

The President shall execute all deeds, bonds, mortgages, contracts and other instruments which the Board of Directors has authorized to be executed, except where such functions have been expressly delegated by the Board of Directors, or by the law, to some other officer or agent of the Corporation. The President shall appoint, and shall be ex officio members of all Committees and shall have the general powers and duties of supervision and management usually vested in the office of President of a Corporation.

Section 5. Secretary.

The Secretary shall be responsible for recording and distribution and retaining of the Minutes of the meetings of the Board of

Directors and shall see that all notices are given in accordance with the provisions of these Bylaws or as otherwise required by law.

Section 6. Treasurer.

The Treasurer shall oversee the maintenance of all of the Corporation's funds and securities and shall ensure accurate accounts, receipts and disbursements.

Section 7. Executive Director.

The Executive Committee shall employ an Executive Director who shall be the general manager of the Corporation, supervisor of personnel, and administrator of all programs and projects by or on behalf of the Corporation.

The Executive Director shall be responsible for: distribution of committee minutes, retaining and safeguarding all documents, records and minutes of the Corporation, and shall see that all notices are given in accordance with provisions of these Bylaws or as otherwise required by law. The Executive Director shall be custodian of the Corporate Records and other documents of the Corporation, shall keep a register of the post office address of each Director, identifying their respective term and, in general, shall perform all of the duties as may time to time be assigned to said person by the Board of Directors.

The Executive Director shall be an ex officio and non-voting member of the Board of Directors, the Executive Committee and all committees as established by the Board of Directors.

ARTICLE VII. Seal, Books, and Records, Audit, Fiscal Year.

Section 1. Seal

The Corporation shall not have a seal.

Section 2. Books and Records.

The Board shall cause to be kept complete books of account and minutes of meetings of the Board of Directors, and all committees, including the Executive Committee, and such additional records and books of account as the Board deems necessary for the conduct of the activities of the Corporation.

Section 3. Audit.

The Board shall cause the records and books of account of the Corporation to be audited at least once in each fiscal year and at such other times as the Board deems appropriate.

Section 4. Fiscal Year.

The fiscal year of the Corporation shall begin July 1st and end June 30th of the following year.

ARTICLE VIII. Miscellaneous.

Section 1. Indemnification.

The Corporation acting through its Board of Directors or, as otherwise provided in these Bylaws, shall as fully as may be permitted from time to time by statutes and decisional law of the State of Minnesota or by any other applicable rules or principles of law, indemnify each Officer of the Corporation against the expense of any action to which s/he is or was a party by reason of the fact that s/he is or was an officer of the Corporation. Any provision in these Bylaws which would prevent such indemnification to the full extent permitted by law as it may from time to time be expanded by statute, decision of court or otherwise, shall be deemed amended to conform to such expanded right of indemnification without formal action of the Board of Directors.

Section 2. Amendments to Bylaws.

These Bylaws may be amended or altered from time to time by two-thirds (2/3) majority vote of the Directors present at any duly called and constituted meeting of the Board of Directors.

Section 3. Rules of Order.

All meetings of the Corporation shall be conducted pursuant to Robert's Rules of Order, Newly Revised Edition.