

MESQUITE REAL ESTATE ASSOCIATION, INC.

A NEVADA NON-PROFIT CORPORATION

BYLAWS

Adopted November 30, 2004

Revised October 2007

Second Revision, March 23, 2009

Third Revision, March 24, 2010

Fourth Revision, March, 2011

Fifth Revision, January, 2013

Sixth Revision, March, 2014

ARTICLE I-NAME

The name of the association shall be the MESQUITE REAL ESTATE ASSOCIATION, INC., a Nevada non-profit corporation, hereunder referred as MREA.

ARTICLE II-OBJECTIVES

The objectives of MREA are:

- (a) To unite those engaged in the recognized branches of the real estate profession for the purpose of enhancing members' abilities to conduct their businesses with integrity and competence. 1The "recognized branches of the real estate profession" include buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, financing, building, developing or subdividing real estate.
- (b) To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the National Association of Realtors (hereinafter "Code of Ethics").
- (c) To further the interest of real property ownership.
- (d) To unite those engaged in the real estate profession in this community with the Nevada Association of Realtors (hereinafter "NVAR") and National Association of Realtors (hereinafter "NAR") and the Greater Las Vegas Association of Realtors (hereinafter "GLVAR") thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.
- (e) Promotion, protection and preservation of property rights.

ARTICLE III – MEMBERSHIP

Class of Membership. The membership of MREA shall consist of two (2) classes: (1) Realtor® Members and (2) Affiliate Members. Only Class 1 Realtor Members, in good standing, shall have a right to vote.

- (a) Board members shall be selected from and limited to Class 1 Realtor Members. A Board member shall be an official elected by the membership at regularly scheduled elections and he or she must be a member of MREA in good standing. If, in the opinion of the majority of the members of the Board of Directors, a Board member is unable to fulfill Board obligations and responsibilities, or if the President or First Vice President resign, or can no longer

fulfill their obligation, or has been removed for any reason, the position below them will move up to fill that vacancy. The Board will select from the seven (7) remaining Board members a replacement for the Second Vice President. If this selection creates an opening for Secretary or Treasurer, the Board will fill that position from the remaining Board members. If this event takes place during the first year of any Board member's term, the open position will be included in the next election for a 1 year term.

- (b) Broker members shall be the designated Brokers of real estate brokerages in the Mesquite area who are members of MREA in good standing. Broker member must have a physical address either in a commercially zoned location, or an on-site development office. In the event Broker terminates use of said location, a change of address to the MREA Board is required or membership will be terminated for said Broker.
- (c) Affiliate members are individuals who do not hold active Nevada real estate licenses but are actively involved in a real estate related industry.
- (d) Licensed members must be members of Greater Las Vegas Association of Realtors (hereinafter referred to as ("GLVAR")). New MREA membership applications will not be fully processed and the benefits of MREA membership will not be bestowed until proof is provided that payment has been received and acknowledged by GLVAR for initiation, membership and the payment of NVAR and NAR current year dues. If proof is not provided that all GLVAR membership courses and initiation classes have been completed within three (3) months of active membership in MREA the new MREA membership and all related privileges will be revoked. Dues are not refundable.
- (e) A valid City of Mesquite and State of Nevada business license must be presented, if obtainable through applicant's definition of employment.

ARTICLE IV – DURATION OF MEMBERSHIP

- (a) The privileges and obligations of members, in addition to those otherwise proved in these Bylaws, shall be as specified in this Article.
- (b) Any member of MREA may be reprimanded, placed on probation, suspended or expelled by the Board of Directors for a violation of these Bylaws and the MREA rules after a hearing as provided in the NAR Code of Ethics.
- (c) Resignation of a member shall become effective when received in writing by the Board for any reason.

ARTICLE V – PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. Professional Standards and Arbitration. The responsibility of MREA and its members relating to the enforcement of the NAR Code of Ethics, the disciplining of members, and the arbitration of disputes, and the organization and procedures incident there to shall be governed by the NRS, Section 645 and NAC, Section 645.

Section 2. Member compliance with N.A.R. and N.V.A.R. Constitution, Bylaws, Policies, Rules, Regulations, and NAR Code of Ethics. It shall be the duty and responsibility of every member of MREA to abide by the MREA Bylaws, the Constitution and Bylaws of NVAR, the Constitution and Bylaws of NAR, Bylaws of GLVAR as applicable, and the NAR Code of Ethics, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the NAR Code of Ethics and as further defined in accordance with the procedures as set forth in the NRS 645 and NAC 645 as from time to time amended.

ARTICLE VI – DUES AND GENERAL FINES

Section 1. Dues. The annual dues of each member are payable in advance on or before January 1st of each year. Dues are delinquent if not paid by January 10, or if January 10 falls on a weekend they are due on the next business day. Members will be dropped from the active membership roster if dues are not received prior to February 1, and those dropped members will be subject to a reinstatement fee. The reinstatement fee will be an amount equal to the yearly dues. Checks received and processed that are returned for insufficient funds (NSF), if not covered prior to February 1, will necessitate a reinstatement fee. New member dues will be prorated. All dues are stated under Rules and Regulations.

Section 2. Application Fee. All members, including brokerages, shall pay the application fee stated under Rules and Regulations. Said sums shall become the property of MREA upon final approval of the application.

Section 3. NSF Check Policy. In the event payment to the Mesquite Real Estate Association for any purpose is returned by the banking institution for insufficient funds the member upon whose account the check is written will cure said NSF check by remitting either in cash or a cashier's check in the original amount of the check, plus the sum of Fifty (\$50.00) Dollars to cover bank charges and processing. The Treasurer will notify the member and the member's broker of the NSF check. Payment will be made to the Treasurer of MREA within five (5) days of the first notice to the member by the Treasurer. After five (5) days, the member's E-box key will be disabled and access to the Multiple Listing Service will be discontinued until payment has been made. In the event the situation has not been resolved within thirty (30) days of the first notice, the member's Broker shall be responsible for the immediate payment of the fine. If the same member issues a check to MREA after the first incident that is again returned for insufficient funds, MREA will require that member to make all further payments by cash, cashier's check or money order.

(For all fees and fines refer to MMLS Rules & Regulations Appendix A)

ARTICLE VII – MEMBERSHIP VOTING

Section 1. Election Committee The board of Directors will appoint an election committee of not less than three (3) members to conduct the elections, oversee the election process and assure compliance with election

procedures. The election committee shall consist of no more than one member from any MREA brokerage or affiliate.

Section 2. The Election Elections shall be held at the regularly scheduled meeting in March of each year. Board members shall be elected for a two year term. There shall be a total of ten (10) board members. To be elected are a President, First Vice-President, Second Vice-President, Secretary and Treasurer, and five (5) other Board members. All to be elected by the general membership. There shall be no more than three (3) Board members from any individual Brokerage at any given time. In the event that four (4) or more members from one office end up on the Board at the same time, that office shall have thirty (30) days to determine which three (3) members shall remain on the board.

Section 3. Bylaws Changes A majority of vote by the Board of Directors is required to submit proposed MREA bylaws changes to the MREA membership for approval or rejection. Fifty-one percent (51%) of the voting must vote in favor of the issue in order for it to pass. Voting to be done by secret ballot delivered to Class 1 Realtor® Members in good standing, through the MREA website; and will be in accordance with Robert's Rules of Order.

Section 4. Candidate for Election Any MREA Class 1 member may run for an officer position on the board, provided he/she has been a member of MREA for a period of not less than one year.

ARTICLE VIII – MEETINGS

Section 1. Regular Board Meetings Regularly scheduled board meetings shall be held once a month, usually on a certain appointed day of the week (as 3rd Friday) and may be changed from time to time as needed. Brokers should be notified by the Secretary at least three (3) days in advance and they in turn should notify all of their licensees. A quorum shall consist of six (6) members of the Board of Directors. Minutes are to be e-mailed to all members.

ARTICLE IX – COMMITTEES

Section 1. Standing Committees The president shall appoint from among the members, subject to confirmation by the Board of Directors, Committee Chairmen for the following Standing Committees: Multiple Listing Services, Bylaws, Tour Director, Public Relations, or any other such Standing Committees that may be formed from time to time as approved by the Board of Directors (IE: Grievance, Government Liaison).

Section 2. Special Committees The President shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

Section 3. Committee All committees shall be of such size and shall have duties, functions and powers as assigned by the President or the Board of Directors except as otherwise provided in these Bylaws. Committees shall make recommendations to the Board of Directors but shall not make policy.

Section 4. President The President shall be an ex-officio member of all committees and shall be notified of their meetings.

ARTICLE X – FISCAL YEAR

The Fiscal Year for MREA will coincide with the fiscal year for the MREA non-profit corporation, and the elective year shall be from April 1st. to March 31st.

ARTICLE XI – ROBERT’S RULES OF ORDER

The latest edition of Robert’s Rules of Order shall be recognized as the authority governing the meetings of the MREA, its Board of Directors and Committees, in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XII – DUTIES OF OFFICERS

Section 1. President The President shall be the Chief Elected Officer of MREA and shall preside at meetings as set forth in Article VIII, communicate to MREA such matters and make suggestions as may tend to promote the welfare and increase the usefulness of MREA and perform other duties as are necessarily incident to the office.

Section 2. First Vice-President The First Vice-President shall perform all duties of the President during the absence of the President and perform other duties as assigned. The First Vice president shall audit the activities of the Treasurer including, but not limited to receiving and reviewing the bank statements of MREA. The First Vice President will also be responsible for the oversight of office staff (IE: sign time cards, schedule vacations, etc.).

Section 3. Second Vice-President The Second Vice-President may perform duties as assigned by the President.

Section 4. Secretary The Secretary shall keep all minutes of all meetings, record minutes and attendance as well as read or distribute minutes of the last meeting, inform all members of regularly scheduled meetings or special meetings or assign a qualified person to do so under his or her direction and shall perform other duties as assigned. The secretary shall notify the Board of any member having missed more than two (2) meetings.

Section 5. Treasurer The Treasurer shall cause to be deposited all sums received in the financial institution approved by the Board of Directors and shall make a report annually or when called to do so by the Board. He or she shall keep the books in a generally approved accounting system; retain deposit receipts, vouchers, and financial institution statements. The checking account shall be maintained by the Treasurer, his or her signature as well as two (2) others are to be on file with the financial institution, two (2) signatures required on all checks. All records to be turned over to the new Treasurer. He or she shall perform other duties as assigned. An annual audit of the books shall be performed by a Certified Public Accountant at the end of each fiscal year by request of a majority of the members.

Section 6. Authority of Board Members No individual Board member has the authority to enter into a contract or to incur an obligation on behalf of the Mesquite Real Estate Association without a two-thirds (2/3) vote of the entire Board of Directors.

Section 7. Other Board Members To head committees as needed and perform other duties as assigned.

Section 8. General Membership To perform duties as assigned.

Section 9. Attendance All Board members must attend all board meetings. Non attendance of more than two (2) meetings in an elective year will result in immediate automatic removal of that Board member from office and a new Board member will be appointed pursuant to Article III above. Non attendance is defined as more than 15 minutes late after a meeting is called to order. There are no excused absences.

ARTICLE XIII–MESQUITE LISTING SERVICE

Rules and Regulations

The MREA shall provide for those eligible members, access to a Multiple Listing Service which shall be subject to the Bylaws of the Association and such Rules and Regulations as may be hereinafter adopted.

It shall be the policy of the MREA, in the event of a proposed change, that a minimum of two (2) vendors supply estimates for MLS services.

It shall be the policy of the MREA that a copy of all MLS vendors proposed contracts are to be given to the Board of Directors for review of potential financial impact, prior to presentation to the Board of Directors for Board approval prior to the execution of the contract.

Changes to the vendor supplying the Multiple Listing Service shall be by a simple majority (51%) vote of the REALTOR® members voting called in accordance with these Rules and Regulations, subject to the approval of the MREA Board of Directors.

Section 1. Purpose The Mesquite Listing Service of MREA is a facility for the orderly correlation and dissemination of listing information among participants so that they may better serve their clients and customers and the public; is a means by which authorize participants make blanket unilateral offers of compensation to other participants (acting as buyers agents or in other agency or non-agency capacities defined by law); is a means by which information is accumulated and disseminated to enable authorized participants to prepare appraisals and other valuations of real property; and is a means by which participants engaging in real estate appraisal contribute to common databases. Participants are all members and associate members of the Mesquite Real Estate Association.

Section 2 Compensation Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale, as defined by law.

Section 3. Participation As MLS participants we share real estate information in a uniform and timely manner. Participation is a privilege not a right. The Association reserves the right to revoke or suspend this privilege.

Section 4. Accepted Listings All sellers signing an Exclusive Right to Sell or Exclusive Agency Listing not entered in the MLS system must sign an Instruction to Exclude Listing form from the MLS. This document must be faxed to the Second Vice-President within 2 business days of taking the listing.

Section 5. Audits Audits of listings are performed only when a written complaint is filed with the MLS committee. Member brokers will have 48 hours to provide requested source documents. The results of audits are held in strictest confidence. It is imperative that all printouts and documentations regarding a listing on the Multiple Listing Service be

maintained in the agent's files for audit purposes and as required by the Nevada Revised Statutes.

Section 6. Fines Payment of any penalty/fine does not relieve the requirement of compliance with an audit or the correction of violations. Failure to pay penalties and/or fines, or comply with audit requests, or to correct violations may result in suspension of service. Fines may be appealed to the MLS Committee in writing, with a hearing to follow at the next regularly scheduled MLS Committee meeting where the appellant may appear and present his or her case in person to the MLS Committee. The decision made by the MLS Committee at the hearing is final. The Committee Chairperson will report the Committee's findings to the Board. If a fine is being appealed to the MLS Committee no late fees or suspension will be initiated until the appeal process has been completed.

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SECOND REVISION, MARCH 2008

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