

**BY LAWS
OF
USA HOMEOWNERSHIP FOUNDATION, INC.**

DBA

VETERANS ASSOCIATION OF REAL ESTATE PROFESSIONALS, INC. (VAREP)

**A NOT-FOR-PROFIT CORPORATION
INCORPORATED UNDER THE LAWS OF
THE STATE OF CALIFORNIA**

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USA HOMEOWNERSHIP FOUNDATION, INC.
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VETERANS ASSOCIATION OF REAL ESTATE PROFESSIONALS, INC. (VAREP)

ARTICLE I – PURPOSES

Section 1.01 Purposes. The purposes for which this corporation has been organized are as stated in the Articles of Incorporation which may be amended as required. As set forth in the Articles of Incorporation, VAREP is organized exclusively for charitable, religious, and educational purposes, including for such purposes, the making of distributions to organizations that qualify as an exempt organization under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

VAREP's mission is to:

- Increase homeownership among the active military and veteran communities;
- Be a resource for real estate professionals and others whose goal is to better serve the real estate needs of service members, veterans and their families; and
- Increase employment and business opportunities in the real estate industry for members.

VAREP will accomplish this mission by:

- Advocating pro-veteran and military housing policy positions to affect positive change at a national level;
- Advocating for veteran job creation through employment and contracting opportunities within the real estate industry and related fields;
- Providing the real estate industry with a national database of vetted veterans who are seeking employment and/or contracting opportunities; and
- Providing national standards, qualifications and education for real estate professionals serving the military and veteran communities

No substantial part of the activities of the Corporation shall be carrying on of propaganda, or otherwise attempting to influence legislation, and the organization 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 provision of these articles, the organization shall not carry on any other activities not permitted

to be carried on (a) by an organization exempt from Federal Income Tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future tax code.

Upon dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future tax code, or shall be distributed to the federal government, or state or local government for public purpose. Any such asset not disposed of shall be disposed of by the Court of Competent Jurisdiction of the county in which the principal officer of the corporation is then located, exclusively for such purpose or to such organization or organizations as said Court shall determine which are organized and operated exclusively for such purposes.

Section 1.02 State and Local Chapter By-laws and Guidelines. Future state chapter by-laws shall be patterned after these by-laws and be approved by the Board of Directors. Local or regional chapters shall fall under the direction of the state chapters and follow promulgated policies and operational guidelines issue by the state chapters and approved by the VAREP Board of Directors in accordance with Exhibit 1 – “Local Chapter Formation Manual” and Exhibit 2 – “State Director Guidelines Manual; both maybe amended from time to time. All changes must be approved by two-thirds vote by the Board of Directors.

ARTICLE II – OFFICES

Section 2.01 Location. The principle office of VAREP shall be located within or without the City of Corona, in the County of Riverside, in the State of California, at such place as the Board of Directors shall from time to time designate. The Corporation may maintain additional offices at such other places as the Board of Directors may designate. VAREP shall continuously maintain within the state a registered office at such place as may be designated by the Board of Directors.

ARTICLE III – MEMBERS

Section 3.01 Members. VAREP shall have members and members in good standing shall have voting rights for elections and other issues called by the Board of Directors.

ARTICLE IV – BOARD OF DIRECTORS

Section 4.01 Power of Board. The affairs of VAREP shall be managed by the Board of Directors which shall consist of at least four (4) directors.

Section 4.02 Number of Directors. The number of Directors of VAREP shall be not less than four or more than twelve. The number of Directors may be increased or decreased from time to time by amendment to the Bylaws. No decrease shall shorten the term of any incumbent Director nor shall the number of Directors be decreased at any time to less than three.

Section 4.03 Election and Term of Directors.

- (a) The founding Board of Directors of VAREP shall consist of those persons appointed by President as approved and/or as amended. Such persons shall hold office until the first annual election of Directors of the following year. At which time the founding Board Member has the option of resigning or running for election to serve a three year term.
- (b) Election of Board members shall occur at each annual meeting of the Board of Directors. The terms of directors shall be staggered. Thereafter, Board members shall serve three-year terms with approximately one-third of the Directors elected at each annual meeting unless re-elected, each director shall hold office until the annual meeting when his/her term expires and until his/her successor has been elected and qualified, or until his/her prior resignation or removal.

Section 4.04 Qualifications.

- (a) All Directors shall have no less than five years of experience in real estate, financial, and/or other related fields.
- (b) 70% of the Board of Directors shall be veterans, active, or reserve members of the military or a spouse whose marriage included periods of spousal military service.
- (c) All veteran Board of Directors members shall be honorably discharged.
- (d) All Board Members must be in good standing (membership dues paid).

Section 4.05 Newly Created Directorships and Vacancies. Newly created directorships and vacancies occurring for any reason except the removal of directors without cause shall be filled by majority vote of the remaining members of the Board of Directors. Vacancies occurring by reason of the removal of directors without cause shall be filled by vote of the other directors. A director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office and shall serve until his/her successor is elected and qualified.

Section 4.06 Removal of Directors. A director may be removed by a majority vote of the Board of Directors, at any regularly scheduled or special meeting of the Board of Directors where the item was placed on the written agenda at least one week ahead. Directors may be removed due to nonfulfillment of duties required by the Board, repeated absence from Board meetings, misconduct, theft and misrepresentation of the Corporation, whenever in its judgment the best interests of the Corporation would be served thereby.

Section 4.07 Resignation. Except as otherwise required by law, a director may resign from the Board at any time by giving notice in writing to the Board, the president or the secretary of the corporation. Such resignation shall take effect upon receipt thereof by the Board or such officer, and unless otherwise specified therein, no acceptance of such resignation shall be necessary to make it effective.

Section 4.08 Quorum of Directors and Action by the Board. Unless a greater proportion is required by law, a majority of the directors then in office shall constitute a quorum for the transaction of business. If a quorum is present at the commencement of a meeting, a quorum shall be deemed present throughout such proceedings. Except as otherwise provided by law or by the Articles of Incorporation or these Bylaws, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board. Each director present shall have one vote. All voting at meetings shall be done personally and no proxy shall be allowed.

Section 4.09 Meetings of the Board.

- (a) Meetings of the Board of Directors, regular or special, may be held at such place within or without the state and upon such notice as may be prescribed by resolution of the Board of Directors.
- (b) An annual meeting shall be held in the fourth quarter of the calendar year in person and at a time and location set by the Board of Directors. The Board shall hold at least four (4) regular meetings a year, but may meet more frequently if circumstances require.
- (c) Regular meetings of the Board may be held without notice at such time and place as it shall from time to time determine. Special meetings of the Board shall be held upon notice to the directors and may be called by the president upon three days notice to each director either personally or by mail or email; special meetings shall be called by the president or by the secretary in a like manner on written request of two directors. Notice of a meeting need not be given to any director who submits a waiver of notice whether before or after the meeting or who attends the meeting without protesting prior thereto or at its commencement, the lack of notice to him/her.

- (d) A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the adjournment shall be given to all directors who were absent at the time of adjournment and, unless such time and place are announced at the meeting, to the other directors.

Section 4.10 Chairman. At all meetings of the Board, the President, or in his absence, the Vice President or a Chairman chosen by the Board shall preside.

Section 4.11 Informal Action by Directors; Meetings by Conference Telephone.

- (a) Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken by the Board may be taken without a meeting if a majority of the directors consent in writing through fax, mail, or by electronic mail to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the directors shall be filed with the minutes of proceedings of the Board.
- (b) Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any or all directors may participate in a meeting of the Board or a committee of the Board by means of conference telephone or by any means by which all persons participating in the meeting are able to communicate with one another, and such participation shall constitute presence in person at the meeting.

Section 4.12 Compensation. Directors shall not receive any compensation from VAREP for services rendered to the Corporation as members of the Board, except that directors may be reimbursed for expenses incurred in the performance of their duties to the Corporation, in reasonable amounts based on policies approved by the Board.

Section 4.13 Absence. Each Board member is expected to communicate with the Chair/President/Vice President in advance of all Board meetings stating whether or not he/she is able to attend or participate physically or by conference telephone or other agreed-upon means of communication. Any Board member who is absent from three (3) successive Board meetings or fails to participate for a full year shall be deemed to have resigned due to non-participation, and his/her position shall be declared vacant, unless the Board affirmatively votes to retain that director as a member of the Board.

ARTICLE V - Committees

Section 5.01 Committees of Directors. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committees, each

consisting of two or more directors, which committees shall have and exercise the authority of the Board of Directors in the governance of the Corporation. However, no committee shall have the authority to amend or repeal these Bylaws, elect or remove any officer or director, adopt a plan of merger, or authorize the voluntary dissolution of the Corporation.

Section 5.02. Executive Committee. Between meetings of the Board of Directors, on-going oversight of the affairs of the Corporation may be conducted by an Executive Committee, the membership of which shall include the officers of the Board.

Section 5.03. Finance/Audit Committee. The Finance/Audit Committee is responsible for ensuring that VAREP's financial statements and procedures are evaluated to determine that adequate fiscal controls and procedures are in place and that the Corporation is in good financial health. The Treasurer of the Board shall always be a member of the Finance/Audit Committee. In lieu of an outside financial review or an audit, the Finance/Audit Committee shall conduct a review of the procedures to ensure that controls are in place and practiced.

Section 5.04 Grievance and Arbitration Procedures. A five (5)-member grievance and arbitration committee appointed by the Board of Directors or the Chair acting on behalf of the Board shall process such complaints made by a member in matters that affect the Code of Ethics and the By-Laws of VAREP.

- (a) The member must be given notice of the charges; an opportunity to respond to the charges; a hearing; and a right to appeal any adverse decision.
- (b) The grievance and arbitration committee shall investigate such complaints, make a determination of probable cause, and give notification of allegations.
- (c) The notice shall be given by registered mail, return receipt requested.
- (d) The member shall have 30 days for receipt to answer the charges and allegations by registered mail return receipt requested.
- (e) The processing of such complaint shall be consistent with Roberts Rules of Order, current edition, and the grievance and arbitration committee shall make findings and recommendations to the Board of Directors, which shall make final disposition in each case and the action by the Board, shall be approved by a vote of its members present at a regular meeting. Such action may include expulsion, suspension, probation, or termination of membership.

Section 5.05. Other Committees and Task Forces. The Board of Directors may create and appoint members to such other committees and task forces as they shall deem appropriate.

Such committees and task forces shall have the power and duties designated by the Board of Directors, and shall give advice and make non-binding recommendations to the Board.

Section 5.06. Term of Office. Each member of a committee shall serve for one year until the next annual meeting of the Board of Directors and until a successor is appointed, unless the committee is sooner dissolved.

Section 5.07. Vacancies. Vacancies in the membership of committees may be filled by the Chair of the Board.

Section 5.08. Rules. Each committee and task force may adopt rules for its meetings not inconsistent with these Bylaws or with any rules adopted by the Board of Directors.

Section 5.09 Advisory and Other Committees. The Board of Directors or the Chair acting on behalf of the Board may from time to time appoint persons to act singly or as a committee or committees to provide expert advice to VAREP or to assist it in other ways. Groups of advisors may include an Honorary Board, an Advisory Board, a Friends Committee, and/or other advisory groups. Each such advisor shall serve at the pleasure of the Board for a period designated by the Board, and shall have only such authority or obligations as the Board of Directors may from time to time determine. No advisor shall receive compensation for services rendered, except for payment of reasonable expenses in accordance with policies established by the Board of Directors, unless such compensation is authorized by a majority of the Board members then in office. A director may serve as an advisor, but may not receive compensation except for payment of reasonable expenses in accordance with the Corporation's policies.

ARTICLE VI - Officers, Agents, and Employees

Section 6.01. Officers. Unless otherwise provided for in the Articles of Incorporation, the Board of Directors of VAREP shall elect a President, Vice President, a Secretary, and a Treasurer. Officers shall not receive any salary and must be directors of the Corporation. Any two offices may be held by the same person, except that the President may not hold another office.

Section 6.02. Term of Office. The officers of VAREP shall be elected for one-year terms at the regular annual meeting of the Board of Directors. Vacancies may be filled or new offices created and filled at any meeting of the Board. Each officer shall hold office until a successor shall have been duly elected or appointed and qualified.

Section 6.03. Removal. Any officer may be removed by a majority vote of the Board of Directors in office with or without cause whenever in the Board's judgment the best interests of the Corporation will be served thereby. In the event of the death, resignation or removal of an officer, the Board in its discretion may elect or appoint a successor to fill the unexpired term.

Section 6.04. Resignation from Office. Officers may resign at any time by providing written notice to the President.

Section 6.05. Powers and Duties. The powers and duties of the officers of VAREP shall be as follows:

- (a) President. The President shall preside at the meetings of the members and of the Board of Directors. In the absence of paid staff, the President shall ensure the supervision and administration of the business and affairs of the Corporation. The Chair shall play a major role in resource development and in representing the organization within and outside the community. The Chair, as well as any other proper officer or staff person of VAREP authorized by the Board of Directors, may sign any deeds, bond, mortgages, or other instruments and enter into agreements necessary to carry out the missions and programs of the VAREP, except where these Bylaws or policies adopted by the Board require the signature of some other officer or agent of the Corporation. The Chair shall communicate to other officers or to the Board of Directors such matters and make such suggestions as may in her/his opinion tend to promote the prosperity and welfare and increase the usefulness of VAREP, and, subject to the supervision of the Board of Directors, shall perform all duties customary to that office. He/she shall have the general management of the affairs the corporation and shall see that all orders and resolutions of the Board are carried into effect.
- (b) Vice President. In case of the absence of the President, or of her/his inability from any cause to act, the Vice-President, or if there are more than one, the Executive Vice-President, shall perform the duties of that office. Like the President, the Vice-President shall play a major role in resource development and in representing the organization within and outside the community. Each Vice-President shall perform such other duties as the Board shall prescribe.
- (c) Secretary. The Secretary shall be responsible for keeping an accurate record of all meetings of the Board of Directors, see that all notices are duly given in accordance with these Bylaws or as required by law, maintain the official records of the organization, and in general perform all duties customary to the office of Secretary and such other duties as from time to time may be assigned by the Chair or by the Board. The Secretary shall have custody of the corporate seal of the Corporation, if any, and shall have the

authority to affix the same to any instrument requiring it, and when so affixed, it may be attested by his/her signature. The Board of Directors may give general authority to any officer to affix the seal of the Corporation, if any, and to attest the affixing by his/her signature.

- (d) **Treasurer.** The Treasurer shall be responsible for financial management including keeping all appropriate fiscal records; ensuring that appropriate fiscal records are kept and ensuring that all funds are recorded, spent, and monitored consistent with funder requirements, legal requirements, and sound financial management. The Treasurer shall have the care and custody of all funds and securities of the corporation, and shall deposit said funds in the name of the corporation in such bank or trust company as the directors may elect, he/she shall, when duly authorized by the Board of Directors, sign and execute all contracts in the name of the corporation, when countersigned by the President; he/she shall also sign all checks, drafts, notes, and orders for the payment of money, which shall be duly authorized by the Board of Directors and shall be countersigned by the President; he/she shall at all reasonable times exhibit his/her books and accounts to any director of the corporation upon application at the office of the corporation during ordinary business hours. At the end of each corporate year, he/she shall have an audit of the accounts of the corporation made by a committee appointed by the President, and shall present such audit in writing at the annual meeting of the Board, at which time he/she shall also present an annual report setting forth in full the financial conditions of the corporation.

Section 6.06. Agents and Employees. The Board of Directors may choose to appoint an Executive Director, who shall serve at the pleasure of the Board. The Executive Director shall hire, direct, and discharge all other agents and employees, who shall have such authority and perform such duties as may be required to carry out the operations of the Corporation. California is an "at-will" state; any employee or agent may be removed at any time with or without cause. Removal without cause shall be without prejudice to such person's contract rights, if any, and the appointment of such person shall not itself create contract rights.

Section 6.07 Compensation. The Corporation may pay compensation in reasonable amounts to agents and employees for services rendered. The Board shall determine the level of compensation of the Executive Director, and shall approve compensation guidelines for other categories of employees.

Section 6.08. Sureties and Bonds. The Board may require officers, agents, or employees to give security for the faithful performance of their duties.

ARTICLE VII – Miscellaneous

Section 7.01. Fiscal Year. The fiscal year of the corporation shall be the calendar year or such other period as may be fixed by the Board of Directors.

Section 7.02 Corporate Seal. The corporate seal, if any, shall be circular in form, shall have the name of the Corporation inscribed thereon and shall contain the words "Corporate Seal" and "California" and [year of formation], the year the Corporation was formed, in the center.

Section 7.03. Contracts and Other Documents. The Board of Directors may authorize the President, the Vice-President, the Executive Director, if any, and the Secretary in the absence of an Executive Director to enter into contracts or to execute and deliver other documents and instruments on the Corporation's behalf. Such authority may be invested in other officers or agents of the Corporation from time to time for specific purposes.

Section 7.04. Gifts. The Board of Directors may authorize the President, Vice-President, Executive Director and the Secretary to accept on behalf of the Corporation any contribution, gift, bequest, or devise for the purposes of VAREP.

Section 7.05 Checks, Drafts, Loans, Etc. All checks, drafts, loans, or other orders for the payment of money, or to sign acceptances, notes, or other evidences of indebtedness issued in the name of VAREP shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall be from time to time determined by the Board of Directors. In the absence of such determination, such instrument shall be signed by the President, Vice-President or Executive Director, except that disbursements over a specific amount, to be set by the Board from time to time, shall be considered "special disbursements" and must be approved in advance by the Board of Directors.

Section 7.06. Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may from time to time select.

Section 7.07 Books and Records to be Kept. The Corporation shall keep at its registered office in the state of California (1) correct and complete books and records of account, (2) minutes of the proceedings of the Board of Directors and any committee having any of the authority of the Board, and (3) a record of the names and addresses of the Board members entitled to vote. All books and records of the Corporation may be inspected by any Board member having voting rights, or his/her agent or attorney, for any proper purpose at any reasonable time.

Section 7.08 Amendment of Articles and Bylaws. The Articles of Incorporation and the Bylaws of the Corporation may be adopted, amended, or repealed by a majority vote of the Directors then in office, at the time they are entitled to vote in the election of directors and provided that at least ten days' written notice has been given to each member of the Board of the intention to adopt, amend, or repeal the Articles of Incorporation or the Bylaws. If any bylaw regulating an impending election of directors is adopted, amended or repealed by the Board, there shall be set forth in the notice of the next meeting of all Board members for the election of directors the bylaw so adopted, amended or repealed, together with a concise statement of the changes made.

Section 7.09 Loans to Directors and Officers. No loans shall be made by the Corporation to its directors or officers.

Section 7.10. Construction. If there be any conflict between the provisions of the Articles of Incorporation and these bylaws, the provision of the articles of incorporation shall govern.

Section 7.11. Conduct. Because of its strong beliefs in high moral conduct based on traditional values, the organization reserves the right to expect from all of its officers and directors the maintenance of high moral standards and social values that do not conflict with traditional spiritual morals.

Section 7.10 Indemnification and Insurance.

- (a) Unless otherwise prohibited by law, VAREP shall indemnify any director or officer, any former director or officer, any person who may have served at its request as a director or officer of another corporation, whether for-profit or not-for-profit, and may, by resolution of the Board of Directors, indemnify any employee against any and all expenses and liabilities actually and necessarily incurred by him/her or imposed on him/her in connection with any claim, action, suit, or proceeding (whether actual or threatened, civil, criminal, administrative, or investigative, including appeals) to which he/she may be or is made a party by reason of being or having been such director, officer, or employee; subject to the limitation, however, that there shall be no indemnification in relation to matters as to which he/she shall be adjudged in such claim, action, suit, or proceeding to be guilty of a criminal offense or liable to the Corporation for damages arising out of his/her own negligence or misconduct in the performance of a duty to the Corporation.
- (b) Amounts paid in indemnification of expenses and liabilities may include, but shall not be limited to, counsel fees and other fees; costs and disbursements; and judgments, fines, and penalties against, and amounts paid in settlement by, such director, officer, or

employee. The Corporation may advance expenses to , or where appropriate may itself, at its expense, undertake the defense of, any director, officer, or employee; provided, however, that such director, officer or employee shall undertake to repay or to reimburse such expense if it should ultimately be determined that s/he is not entitled to indemnification under this Article.

- (c) The provisions of this Article shall be applicable to claims, actions, suits, or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions to act occurring before or after adoption hereof.
- (d) The indemnification provided by this Article shall not be deemed exclusive to any other rights to which such director, officer, or employee may be entitled under any statute, Bylaw, agreement, vote of the Board of Directors, or otherwise and shall not restrict the power of the Corporation to make any indemnification permitted by law.
- (e) The Board of Directors may authorize the purchase of insurance on behalf of any director, officer, employee, or other agent against any liability asserted against or incurred by him/her which arises out of such person's status as a director, officer, employee, or agent or out of acts taken in such capacity, whether or not the Corporation would have the power to indemnify the person against that liability under law.
- (f) In no case, however, shall the Corporation indemnify, reimburse, or insure any person for any taxes imposed on such individual under Chapter 42 of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended ("the Code"). Further, if at any time the Corporation is deemed to be a private foundation within the meaning of o 509 of the Code then, during such time, no payment shall be made under this article if such payment would constitute an act of self-dealing or a taxable expenditure, as defined in o 4941(d) or o 4945(d), respectively, of the code.
- (g) If any part of this Article shall be found in any action, suit, or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

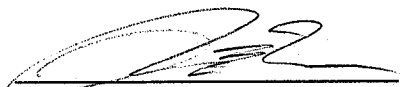
The foregoing Bylaws were adopted by the Directors of the:

USA Homeownership Foundation, Inc.

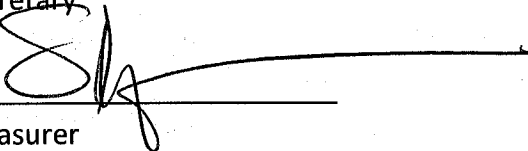
On the 12 day of DECEMBER 2012



President



Secretary



Treasurer