

State of Idaho

Department of State

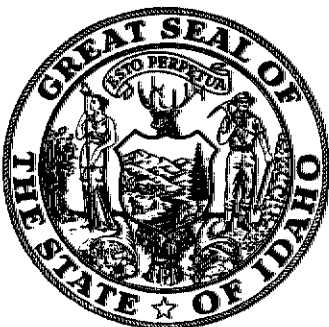
CERTIFICATE OF AMENDMENT OF

MCKINLEY MANOR, INC.,
A NONPROFIT CORPORATION
File Number C 105641

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Amendment to the Articles of Incorporation of MCKINLEY MANOR, INC., A NONPROFIT CORPORATION duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Amendment to the Articles of Incorporation and attach hereto a duplicate original of the Articles of Amendment.

Dated: May 8, 1996



Pete T. Cenarrusa
SECRETARY OF STATE

By *Greg J. Clark*

SECOND ADDENDUM TO AMENDMENT OF ARTICLES OF INCORPORATION

On the 7th day of May, 1996, at a membership meeting, the five (5) members of McKinley Manor, Inc., all of which have one vote, met and unanimously voted in favor of amending its Articles of Incorporation to comply with The Department of Housing and Urban Development requests. The amendments include the following:

At Paragraph V, General Purpose:

THE PURPOSES for which the corporation is formed, and the business and objects to be carried on and promoted by it, are as follows:

f. To create a private corporation to construct or to acquire a housing project or projects, and to operate the same;

g. To enable the financing of the construction of such rental housing with the assistance of mortgage insurance under the National Housing Act;

h. To enter into, perform, and carry out contract of any kind necessary to or in connection with, or incidental to, the accomplishment of purposes of the corporation, including, expressly, and contract or contracts with the Secretary of Housing and Urban Development which may be desirable or necessary to comply with the requirements of the National Housing Act, as amended, and the Regulations of the Secretary thereunder, relating to the regulation of mortgagors as to rents, sales, charges, capital structure, rate of return, and methods of operation;

i. To acquire any property, real or personal in fee or under lease, or any rights therein or appurtenant thereto, necessary for the construction and operation of such project;

j. To borrow money and to issue evidence of indebtedness, and to secure the same by mortgage, deed of trust, pledge, or other lien, in furtherance of any or all of the objects of its business in connection with said project.

At Paragraph VII, Distribution On Dissolution:

Upon the dissolution of this 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 corresponding section of any future tax code), excluding distribution to a religious organization or for religious purposes, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed by the District Court of Bannock County, State of Idaho, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

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At Paragraph IX, Purposes:

The purposes for which said corporation is organized and the corporation is empowered:

At Paragraph IX B., Purposes:

B. To buy, own, sell, convey, assign, mortgage or lease any interest in real estate and personal property and to construct, maintain and operate improvements thereon necessary or incident to the accomplishment of the purposes set forth elsewhere herein; however, this corporation shall have the power to own and manage the following multifamily housing project as its sole asset: McKinley Manor, Inc.

C. To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business, and to secure the same by mortgage, pledge or other lien on the corporation's property.

D. To do and perform all acts reasonably necessary to accomplish the purposes of the corporation, including the execution of Regulatory Agreement with the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, and of such other instruments and undertakings as may be necessary to enable the corporation to secure the benefits of financing with the assistance of mortgage insurance under the provisions of the National Housing Act. Such Regulatory Agreement and other instruments and undertakings shall remain binding upon the corporation, its successors and assigns, so long as a mortgage on the corporation's property is insured or held by the Secretary of Housing and Urban Development.

E. To indemnify its officers and directors only by insurance.

F. To have the power to transact any or all lawful business for which corporations may be incorporated under the Idaho Nonprofit Corporation Act.

G. To do all acts and things necessary to carry out the purposes and intent expressed in the above provisions, and each and every necessary, suitable or advisable act or thing for the accomplishment thereof.

DATED This 7th day of May, 1996.

By Elmer Martinez
Elmer Martinez, Presiding Officer