

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

MERCY PROPERTIES II, INC.

File number C 112650

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of MERCY PROPERTIES II, INC. 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 Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: November 14, 1995



Pete T. Cenarrusa
SECRETARY OF STATE

By *Cara Seiko*

ARTICLES OF INCORPORATION
OF
MERCY PROPERTIES II, INC.

Nov 14 8 37 AM '95

The undersigned, in order to form a nonprofit corporation pursuant to the Idaho Nonprofit Corporation Act, Chapter 3, Title 30, Idaho Code ("Act"), hereby adopt the Articles of Incorporation as follows:

SECRETARY OF STATE
STATE OF IDAHO

ARTICLE I
NAME, OFFICE, AGENT

Section 1. The name of this Corporation shall be Mercy Properties II, Inc.

Section 2. The address of the registered office of this Corporation is 1512 12th Avenue Road, Nampa, Idaho 83651, and the name of the Corporation's registered agent at such address is Christina Martell.

ARTICLE II
PERIOD OF EXISTENCE

This Corporation shall have perpetual existence.

ARTICLE III
PURPOSES

Section 1. This Corporation shall be organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended, exclusively to:

- (1) provide handicapped persons, low-income persons, elderly, homeless, potentially homeless, or otherwise disadvantaged persons with housing facilities and supportive services;
- (2) conserve and preserve such facilities and the lands and buildings adjacent to them in their historical condition, and
- (3) otherwise contribute to the fulfillment of the purposes of Mercy Housing Inc., a Nebraska nonprofit corporation, which is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code.

This Corporation shall be operated exclusively for educational and charitable purposes and in a manner which is consistent with and supportive of the Mission and Philosophy of the Sponsor.

Section 2. No part of the net earnings of this Corporation

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this Corporation
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shall inure to the benefit of, or be distributable to its directors, officers, or other private persons, except that this Corporation shall be authorized and empowered to pay reasonable compensation for services rendered. Nov 14 8 31 AM '95

Section 3. No substantial part of the activities of this Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and this Corporation shall not participate in or intervene in any political campaign on behalf of, or in opposition to, any candidate for public office. SECRETARY OF STATE
STATE OF IDAHO

Section 4. Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

ARTICLE IV POWERS

Section 1. This Corporation, in order to carry out its purposes, shall have the power to do any and all things as fully and to the same extent as natural persons could do, and this Corporation shall have such powers as may be necessary or incidental to the attainment of the purposes of this Corporation as set forth in Article III hereof.

Section 2. The enumeration of the powers hereinabove shall not be deemed a renunciation of any of the powers conferred in the Idaho Act for nonprofit corporations, charitable societies or religious associations, but rather all such powers shall be deemed fully vested in this Corporation as though hereinabove specifically enumerated.

ARTICLE V MEMBERSHIP

This Corporation shall have only two members ("Members") who are entitled to vote on matters relating to this Corporation, and those members shall be Mercy Housing, Inc., a Nebraska nonprofit corporation, and The Sisters of Mercy of Omaha. The powers, duties and rights reserved to Members (whether jointly or separately) shall be identified in the Corporation's Bylaws.

ARTICLE VI BOARD OF DIRECTORS

Section 1. The affairs of this Corporation shall be managed

by a Board of Directors.

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Section 2. The number, qualifications, term, method of acting and method of appointment and removal of the Board of Directors shall be set forth in the Bylaws of this Corporation. The initial Board of Directors shall consist of three Directors, whose names and addresses are as follows:

Lillian Murphy, S.M. 601 E. 18th Ave., Denver, Colorado 80203
Geraldine Hoyler 601 E. 18th Ave., Denver, Colorado 80203
Patricia Epplesheimer 601 E. 18th Ave., Denver, Colorado 80203

Section 3. Any Director may be removed either with or without cause at any time by action of the Members.

ARTICLE VII DISSOLUTION

In the event that this Corporation shall be dissolved or wound up at any time, then all of the properties, monies, and assets of this Corporation remaining after provision has been made for payment of its known debts and liabilities as provided by law, shall be transferred exclusively to and become the property of Mercy Housing, Inc., or other entity that is designated by Mercy Housing, Inc. and is an exempt organization under Section 501(c)(3) of the Internal Revenue code. In the event that Mercy Housing, Inc. no longer exists, such properties, monies, and assets of this Corporation shall be transferred exclusively to and become the property of such nonprofit funds, foundations or corporations, organized and operated exclusively for charitable or educational purposes, as are selected and designated by the Board of Directors and the Members of this Corporation; provided, however, that any such funds, foundations and/or corporations shall qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of the United States as that Section exists or may subsequently be amended; provided further, however, that prior to taking any action to permit or cause the voluntary or involuntary dissolution of this Corporation, the Board of Directors shall obtain all approvals required of the Members.

ARTICLE VIII REVISION OF ARTICLES OF INCORPORATION

These Articles of Incorporation may be amended upon receiving the affirmative vote of at least two-thirds of the Directors in office and with the approval of the Members.

ARTICLE IX
INCORPORATOR

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The name and address of the incorporator of this Corporation is
Sr. Lillian Murphy, RSM, 601 E. 18th Avenue, Suite 150, Denver,
CO 80203. STATE OF IDAHO

IN WITNESS THEREOF, the undersigned has executed these Articles
of Incorporation on this 9th day of NOVEMBER, 1995.

Lillian Murphy
Sr. Lillian Murphy, RSM