

ARTICLES OF INCORPORATION
OF
Healthcare Co.
CROSSROADS RESIDENTIAL CARE, INC.

I, the undersigned natural person of the age of 21 years or more, acting as incorporator of a corporation under the Idaho Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I.

The name of the corporation is:
~~CrossRoads Residential Care, Inc.~~
Healthcare Co.,

ARTICLE II.

The period of its duration is perpetual.

ARTICLE III.

Section 3.01 The purpose or purposes for which the corporation is organized are:

- (1) To purchase, own, operate, and manage health care residential properties for income.
- (2) To acquire by purchase, subscription, contract or otherwise and to hold, sell, exchange or otherwise dispose of, mortgage, pledge or turn to account or realize upon, and generally to deal in and with, securities, shares, stocks, bonds, debentures, commercial paper, certificates of indebtedness and certificates of interest and all trust participation and other certificates of, and receipts evidencing interest in, any such securities.
- (3) To manufacture, fabricate, assemble and to take, purchase, and otherwise acquire, own, hold, use, sell, assign, transfer, exchange, lease and otherwise dispose of, and to invest, trade, deal in and deal with goods, wares and merchandise and supplies and all other personal property of every character and description.
- (4) To purchase, acquire, own, hold, use, lease (either as Lessor or Lessee), grant, sell, exchange, subdivide, mortgage, convey in trust, manage, improve, construct, operate and generally deal in any and all real estate, improved or unimproved, stores, office buildings, dwelling houses, apartment houses, hotels, manufacturing plants and other buildings and any

IDAHO SECRETARY OF STATE
16/1997 09:10
CT: 84339 BH: 21852
CORP = 100.00
CORP SUR = 20.00
EXPENSE C = 20.00
C120217
'97

and all other property of every kind or description, real, personal and mixed, and wheresoever situated, either in Idaho, other states of the United States, the District of Columbia, territories and colonies of the United States, or foreign countries.

(5) To acquire by purchase or otherwise, the good will, business, property rights, franchises, and assets of every kind, with or without undertaking either wholly or in part, the liability of any person, firm, going concern or otherwise (1) by purchase of the assets thereof wholly or in part, (2) by acquisition of the shares or any part thereof or, (3) in any other manner, and to pay for the same in cash or in shares or bonds or other evidences of indebtedness of this corporation, or otherwise; to hold, maintain and operate, or in any manner dispose of, the whole or any part of the good will, business rights, and the property so acquired, and to conduct in any lawful manner the whole or any part of any business so acquired; and to exercise all the powers necessary or convenient in and about the management of such business.

(6) To take, purchase, and otherwise acquire, own, use, sell, dispose of letters patent of the United States or any foreign country, patent rights, licenses and privileges, inventions, improvements and processes, copy-rights, trademarks and trade names, and governmental, state, territorial, county and municipal grants and concessions of every character which this corporation may deem advantageous in the prosecution of its business or in the maintenance, operation, development, or extension of its properties.

(7) To become a partner (either general, limited, or both), and any legally recognized LLP or LLC, and to enter into agreements of partnership, with one or more other persons or corporations, for the purpose of carrying on any business whatsoever which this corporation may deem proper or convenient in connection with any of the purposes herein set forth or otherwise, or which may be calculated, directly or indirectly, to promote the interests of this corporation or to enhance the value of its property or business.

(8) To purchase, acquire, take, hold, own, use and enjoy, and to sell, lease, transfer, pledge, mortgage, convey, grant, assign or otherwise dispose of, and generally to invest, trade, deal in and with oil royalties, mineral rights of all kinds, mineral-bearing lands, and hydrocarbon products of all kinds, oil, gas and mineral leases, and all rights and interests therein, and in general products of the earth and deposits, both subsoil and surface, of every nature and description.

(9) To borrow or raise monies for any of the purposes of the corporation and, from time to time, without limit as to

amount, to draw, make, accept, endorse, execute, and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures, and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the corporation, whether at the time owned or thereafter acquired, and to sell, pledge, or otherwise dispose of such bonds or other obligations of the corporation for its corporate purposes.

Section 3.02 The foregoing clauses shall be literally construed both as to purposes and powers, and it is thereby expressly provided that the foregoing enumeration of specific purposes shall not be held to limit or restrict in any manner the powers of the corporation, and are in furtherance of and in addition to, and not in limitation of, the general powers conferred by the laws of the incorporating state; as now written or as hereafter amended, and further provided that no purpose stated above will authorize the corporation to be organized for or to own or purchase property or to transact any business in this state in a manner prohibited by law, as now written or as hereafter amended.

ARTICLE IV.

Section 4.01 The corporation is authorized to issue one class of common control shares of stock. The total number of shares which the corporation is authorized to issue is 1,000,000 shares. Sole voting rights shall be in the common stock and the right to cumulate votes, for directors or otherwise, is hereby expressly prohibited. Additionally, preferred shares may be issued by the authority of the Board of Directors.

Section 4.02 No shareholder of this corporation shall by reason of his holding shares of any class have any preemptive or preferential right to purchase or subscribe to any class of this corporation, now, or hereafter to be authorized, or any notes, debentures, bonds, or other securities convertible into or carrying warrants or options to purchase shares of any class, now or hereafter to be authorized, whether or not the issuance of any such shares or such notes, debentures, bonds, or other securities would adversely affect the dividend or voting rights of such shareholder other than such rights, if any, as the Board of Directors in its discretion may fix; and the Board of Directors may issue shares of any class of this corporation, or any notes, debentures, bonds, or other securities convertible into or carrying options or warrants to purchase shares of any class, without offering any such shares of any class, either in whole or in part, to the existing shareholders of any class.

ARTICLE V.

Except as otherwise provided, no contract, act, or transaction of this corporation with any person or persons, firm or trust or association, or with any other corporation, shall be affected or invalidated because any director, officer, or shareholder of this corporation is a party to, or is interested in, said contract, act or transaction, or is in any way connected with any such person or persons, firm, trust, or association, or is a director, officer, or shareholder of, or otherwise interested in any such corporation, nor shall any duty to pay damages to this corporation solely by reason of such fact, regardless of whether the vote, action, or presence of any such director, officer, or shareholder may be or have been necessary to obligate this corporation on or in connection with such contract, act, or transaction, provided that such interest or connection (other than an interest as a non-controlling shareholder of any such corporation) be known or disclosed to the Board of Directors of this corporation.

ARTICLE VI.

The corporation shall indemnify any director or officer, or former director or officer of the corporation, or any person who may have served at its request as a director or officer of another corporation of which this corporation owns shares of capital stock, or of which it is a creditor against expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party by reason of being or having been such director, officer, or employee, except in relation to matters as to which he shall have been adjudged in such action, suit, or proceedings, to be liable for any act of willful misfeasance, bad faith, gross negligence or reckless disregard of duty involved in the conduct of his office or performance of his duties. The corporation shall also reimburse to any director, officer, or employee the reasonable costs of settlement of any such action, suit, or proceeding, or threatened action, suit, or proceeding, if it shall be found by a majority of a committee composed of the directors not involved in this matter in controversy (whether or not a quorum) that such director, officer, or employee was not guilty of willful misfeasance, bad faith, gross negligence or reckless disregard of duty. Such rights of indemnification and reimbursement shall not be deemed exclusive to any other rights to which such director, officer, or employee may be entitled under the Articles of Incorporation, and By-laws, agreement, vote of shares, the Act, or otherwise.

ARTICLE VII.

The corporation will not commence business until it has received for the issuance of its shares consideration of the

value of at least One Thousand (\$1,000.00) Dollars consisting of money, labor done, or property actually received.

ARTICLE VIII.

Unless otherwise provided in the By-laws of this corporation, as amended from time to time, the holders of one-half ($\frac{1}{2}$) of the shares entitled to vote represented in person or by proxy, shall constitute a quorum at a meeting of the shareholders. The vote of the holders of a majority of the shares entitled to vote, and thus represented at a meeting at which a quorum is present, shall be the act of the shareholders meeting unless the vote of a greater number is otherwise required by law or the By-laws.

ARTICLE IX.

The post office address of this corporation's registered office and the address of the registered agent is Phillip T. Pngrud 91 Old Quarry Way, Boise, ID 83709.

ARTICLE X.

The number of directors of the corporation shall be fixed by the By-laws, but shall not be less than one (1). The number of directors constituting the initial Board of Directors is one (1) and the names and addresses of the persons who are to serve as directors until the next annual meeting of the shareholders, or until his successor is elected and qualified are:

Andrew Armstrong, 91 Old Quarry Way, Boise, ID 83709

ARTICLE XI.

The name and address of the incorporator is:

Phillip T. Pngrud
91 Old Quarry Way
Boise, ID 83709

IN WITNESS WHEREOF, I have hereunto set my hand this 12th
day of July 1997.

[Signature], CPA

STATE OF IDAHO)
) ss.
COUNTY OF ADA)

I, the undersigned Notary Public, do hereby certify that on
this the 12th day of July, 1997, personally appeared
before me _____ who being by me first duly
sworn, severally declared that he is the same person who signed
the foregoing document as incorporator, and that the statements
contained therein are true.

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned
authority, to certify which witness my hand and seal of office.

Debbie Gibbons-DeRouen
Notary Public, State of Idaho

Debbie Gibbons-DeRouen
Notary's Name Printed or Typed

My Commission Expires:

02-17-01