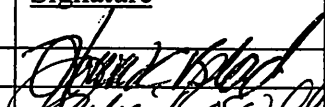
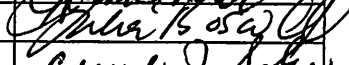
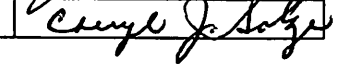


INCUMBENCY CERTIFICATE

I, Howard E. Black, on behalf of, and as the President of the Board for Senior Heritage Plaza, Inc., a Colorado nonprofit corporation (the "Corporation"), do hereby certify the following as of August 17, 2012:

1. The undersigned is the President of the Board of the Corporation, and has access to and control over the Corporation's records, and is familiar with the matters certified herein and is authorized to execute and deliver this Certificate in the name and on behalf of the Corporation.

2. The below named persons have been duly elected (or appointed) and have been qualified as, and as of the date hereof are, the members of the Corporation's Board of Directors holding the respective offices set forth below opposite their names, and the signatures set forth opposite their names are their genuine signatures:

<u>Name</u>	<u>Office</u>	<u>Term</u>	<u>Signature</u>
Howard E. Black	President	2012 to 2013	
Julie Boswell	Vice President	2012 to 2013	
Cheryl J. Solze	Secretary/Treasurer	2012 to 2013	

3. Attached hereto as Exhibit A is a true, correct and complete copy of the Amended and Restated Articles of Incorporation of the Corporation, as filed with the Colorado Secretary of State on August **20**, 2012, which are in full force and effect on the date hereof, and have not been further amended, modified or repealed. No proceedings for the amendment, modification or rescission thereof are pending or contemplated and no action has been taken by the Corporation or its Directors in contemplation of the liquidation or dissolution of the Corporation.

4. Attached hereto as Exhibit B is a true, correct and complete copy of the Bylaws of the Corporation, which are in full force and effect and dated as of August 1, 2012, and which have not been amended, modified or repealed in any manner. No proceedings for the amendment, modification or rescission thereof are pending or contemplated.

5. Attached hereto as Exhibit C is a Certificate of Good Standing for the Corporation issued by the Colorado Secretary of State on August 9, 2012.

6. Attached hereto as Exhibit D is a true, correct and complete copy of the Resolution of the Board of Directors of the Corporation, dated as of June 1, 2012, approving and authorizing the transactions related to the mortgage loan from Red Mortgage Capital, LLC to be secured by a mortgage on that certain real property known as Senior Heritage Plaza (FHA Project No. 101-11165), and insured by the Secretary of Housing of Urban Development, in an amount not to exceed One Million Six Hundred

Fifty-Two Thousand Five Hundred Dollars (US \$1,652,500), and the execution and delivery of the documents in connection therewith. Such consent and the resolutions adopted therein have not been modified or changed in any manner and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I hereunto set my hand as of the date written above.

SENIOR HERITAGE PLAZA, INC.,
a Colorado nonprofit corporation

By: Howard E. Black
Howard E. Black, President

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

SUBSCRIBED AND SWORN TO before me by Howard E. Black as President of Senior Heritage Plaza, Inc., a Colorado nonprofit corporation, this 17th day of AUGUST, 2012.

WITNESS MY HAND AND OFFICIAL SEAL.

Judy A. Harper
Notary Public

My commission expires: 07/30/2014.

EXHIBIT A

ARTICLES OF INCORPORATION



Colorado Secretary of State
 Date and Time: 08/20/2012 12:37 PM
 ID Number: 19871616439
 Document number: 20121449023
 Amount Paid: \$25.00

Document must be filed electronically.
 Paper documents will not be accepted.

Document processing fee
 Fees & forms/cover sheets
 are subject to change.

\$25.00

To access other information or print
 copies of filed documents,
 visit www.sos.state.co.us and
 select Business.

ABOVE SPACE FOR OFFICE USE ONLY

Amended and Restated Articles of Incorporation

filed pursuant to §7-90-301, et seq. and §7-130-106 and §7-90-304.5 of the Colorado Revised Statutes (C.R.S.)

ID number: 19871616439

1. Entity name: SENIOR HERITAGE PLAZA, INC.
(If changing the name of the corporation, indicate name BEFORE the name change)

2. New Entity name:
 (if applicable) _____

3. Use of Restricted Words *(if any of these terms are contained in an entity name, true name of an entity, trade name or trademark stated in this document, mark the applicable box):*

- "bank" or "trust" or any derivative thereof
- "credit union" "savings and loan"
- "insurance", "casualty", "mutual", or "surety"

4. If the corporation's period of duration as amended is less than perpetual, state the date on which the period of duration expires:

(mm/dd/yyyy)

OR

If the corporation's period of duration as amended is perpetual, mark this box:

5. The amended and restated constituent filed document is attached.

6. The amendment to the articles of incorporation was in the manner indicated below:
 (make the applicable selection)

- The amendment and restatement was adopted by the board of directors or incorporators without member action and member action was not required.
- The amendment and restatement was adopted by the members AND the number of votes cast for the amendment by each voting group entitled to vote separately on the amendment was sufficient for approval by that voting group.

(If the amended and restated articles of incorporation include amendments adopted on a different date or in a different manner, mark this box and include an attachment stating the date and manner of adoption.)

7. (Optional) Delayed effective date: _____
(mm/dd/yyyy)

Notice:

Causing this document to be delivered to the secretary of state for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the secretary of state, whether or not such individual is named in the document as one who has caused it to be delivered.

8. Name(s) and address(es) of the individual(s) causing the document to be delivered for filing:

<u>Eiland</u>	<u>Debra</u>	<u>Lynn</u>	
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
<u>Suite 300</u>			
<small>(Street name and number or Post Office Box number)</small>			
<u>24 South Weber Street</u>			
<u>Colorado Springs</u>	<u>CO</u>	<u>80903</u>	
<small>(City)</small>	<small>(State)</small>	<small>(Postal/Zip Code)</small>	
	<u>United States</u>		
<small>(Province - if applicable)</small>	<small>(Country - if not US)</small>		

(The document need not state the true name and address of more than one individual. However, if you wish to state the name and address of any additional individuals causing the document to be delivered for filing, mark this box and include an attachment stating the name and address of such individuals.)

Disclaimer:

This form, and any related instructions, are not intended to provide legal, business or tax advice, and are offered as a public service without representation or warranty. While this form is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form. Questions should be addressed to the user's attorney.

Amended and Restated Articles of Incorporation
for
Senior Heritage Plaza, Inc.
a Colorado nonprofit Corporation
(Dated August 2012)

I. Corporation Name and Effective Date

The name of the Corporation is Senior Heritage Plaza, Inc. The Corporation was initially incorporated on 04/19/1985. An Amended and Restated Certificate of Incorporation was filed on 09/17/1985, and was further amended on 03/06/1987. These Amended and Restated Articles of Incorporation further amend and restate the articles in their entirety as of the effective date they are recorded with the Colorado Secretary of State.

II. Organizational Information

A. Principal Address and Registered Agent

The principal business address of the Corporation is:

831 South Nevada Avenue
Colorado Springs, Colorado 80903

The address of the Corporation's Registered Agent is:

Eugene D. Montoya
831 South Nevada Avenue
Colorado Springs, Colorado 80903

B. Members

The Corporation does not and shall not have members.

C. Directors/Officers

The current Directors/Officers of the Corporation are:

Howard E. Black	President
Julie Boswell	Vice President
Cheryl J. Solze	Secretary/Treasurer

There are presently two vacancies on the Board, which shall be filled at the next annual meeting of the Board.

D. Mission, Purpose and Organization

The Corporation's mission is to alleviate poverty among elderly and disabled persons, along with the attendant burdens upon government, by providing affordable housing and housing related services on behalf of low income senior citizens and disabled persons. Unless otherwise approved in writing by the United States Department of Housing and Urban Development ("HUD"), the Corporation's business and purpose shall consist solely of the acquisition, ownership, operation and maintenance of FHA Project No. 101-11165 (the "Project"), known as Senior Heritage Plaza located at 1410 North Hancock Avenue, Colorado Springs, Colorado 80903, and activities incidental thereto. The Corporation shall not engage in any other business or activity. The Project shall be the sole asset of the Corporation, which shall not own any other real estate other than the aforesaid Project.

The Corporation is organized exclusively for charitable, religious, educational, and/or scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or corresponding sections of any future Federal tax code.

The term of the Corporation is perpetual; however, in no event (in accordance with the provisions of the HUD financing Regulatory Agreement), will the Corporation be terminated earlier than a date pre-authorized in writing by HUD, the date the full amount of the Note referenced in paragraph E below is paid in full, or September 1, 2047.

E. Financing

In order to finance improvements and repairs to the Project, the Corporation intends to obtain a mortgage loan insured by HUD under Section 223(f) of the National Housing Act, as amended. The Corporation is authorized to execute a Regulatory Agreement with HUD (the "Regulatory Agreement"), a promissory note (the "Note"), a mortgage, deed of trust, security deed, or equivalent instrument (the "Security Instrument") and any other documents required by HUD in connection with such HUD-insured loan (hereinafter collectively called the "HUD Loan Documents").

F. Conflicting Provisions; Amendments

If any of the provisions of these Articles of Incorporation, the Bylaws, or any other documents executed in connection with the organization of the Corporation conflict with the terms and provisions of the HUD Loan Documents, the terms and provisions of the HUD Loan Documents shall control. So long as HUD is insurer or holder of the Note, no provision required by HUD to be inserted into the organizational documents may be amended without HUD's prior written approval.

G. Prior Written Consent of HUD Required

None of the following will have any force or effect without the prior written consent of HUD:

- (1) any amendment to the organizational documents that modifies the term of the Corporation's existence;
- (2) any amendment to the organizational documents that triggers application of the HUD previous participation certification requirements (as set forth in Form HUD-2530, Previous Participation Certification, or 24 C.F.R. § 200.210, *et seq.*;
- (3) any amendment to the organizational documents that in any way affects the HUD Loan Documents;
- (4) any amendment to the organizational documents that would authorize any member or officer other than the one previously authorized by HUD to bind the Corporation for all matters concerning the Project which requires HUD's consent or approval.
- (5) a change to the organizational documents that is subject to the HUD TPA requirements contained in Chapter 13 of HUD Handbook 4350.1 REV-1, or that require a vote of those who control the Corporation; or
- (6) any change in a guarantor of any obligation to HUD (including those obligations arising from violations of the Regulatory Agreement).

H. Distribution of Assets Upon Dissolution

The Corporation shall not voluntarily be dissolved or converted to another form of entity without the prior written approval of HUD.

In the event of dissolution of the Corporation the property and assets thereof remaining after providing for all obligations shall be distributed only to such organization or organizations exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code as shall be designated by the Board of Directors.

Notwithstanding any other provisions of the organizational documents, upon any dissolution of the Corporation, no title or right to possession and control of the Project, and no right to collect the rents from the Project, shall pass to any person or entity that is not bound by the Regulatory Agreement in a manner satisfactory to HUD.

I. Official Representative

The Corporation has designated Eugene D. Montoya as its official representative for all matters concerning the Project that require HUD consent or approval. The signature of this representative will bind the Corporation entity in all such matters. The Corporation entity may from time to time appoint a new representative to perform this function, but within three business days of doing so, will provide HUD with written notification of the name, address, and telephone number of its new representative. When a person other than the person identified above has full

or partial authority with respect to management of the Project, the Corporation will promptly provide HUD with the name of that person and the nature of that person's management authority.

J. Indemnification; Director Liability to HUD

Notwithstanding any provision in the organizational documents to the contrary, for so long as the Project is subject to a loan insured by HUD, any obligation of the Corporation to provide indemnification under these Amended and Restated Articles of Incorporation shall be limited to (i) coverage afforded under any liability insurance carried by the Corporation and (ii) available "residual receipts" of the Corporation as defined in the Regulatory Agreement.

The directors and officers, and any assignee of a director are liable in their individual capacity to HUD for:

- (1) funds or property of the Project coming into such person's or entity's possession, which by the provisions of the Regulatory Agreement, the person or entity is not entitled to retain;
- (2) their own acts and deeds, or acts and deeds of others which they authorized, in violation of the provisions of the Regulatory Agreement;
- (3) the acts and deeds of affiliates, as defined in the Regulatory Agreement, which the person or entity has authorized in violation of the provisions of the Regulatory Agreement; and
- (4) as otherwise provided by law.

K. Other Provisions

(1) No part of the income or net earnings of the Corporation shall inure to the benefit of, or be distributable to, any member, director, or officer of the Corporation or to any other private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes, and reimbursement may be made for any expenses incurred for the Corporation by any officer, director, member, agent or employee, or any other person or Corporation, pursuant to and upon authorization of the Board of Directors).

(2) No director or officer of the Corporation, or any other private individual shall be entitled to share in any distribution of any of the corporate assets on dissolution of the Corporation or otherwise.

(3) No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, except as otherwise provided in Section 501(h) of the Internal Revenue Code. The Corporation shall not participate or intervene (including publishing or distributing statements) in any political campaign on behalf of, or in opposition to, any candidate for public office.

(4) No part of the assets of the Corporation shall inure to the benefit of or be distributable to any organization whose income or net earnings or any part thereof inure to the benefit of any private shareholder or other individual or any substantial part of the activities of which consists of carrying on propaganda or otherwise attempting to influence legislation.

(5) Notwithstanding any other provision hereof, this Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization which is tax exempt under the provisions of Section 501(c)(3) of the Internal Revenue Code.

(6) Notwithstanding any other provision of these Amended and Restated Articles of Incorporation, during any period that the Corporation is a "private foundation" within the meaning of Section 509 of the Internal Revenue Code, the Corporation shall be required to distribute its income for each taxable year of the Corporation at such time in such manner as not to subject the Corporation to tax under Section 4942 of the Internal Revenue Code; and the Corporation shall be prohibited from engaging in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code, from retaining any excess business holdings in violation of the provisions of Section 4943(c) of the Internal Revenue Code, from making any investments in such manner as to subject the Corporation to tax under Section 4944 of the Internal Revenue Code, and from making any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

(7) There shall be no personal liability, either direct or indirect, of any director of the Corporation to the Corporation or to its members for monetary damages for any breach or breaches of fiduciary duty as a director; except that this provision shall not eliminate the liability of a director to the Corporation or to its members for monetary damages for any breach, act, omission or transaction as to which the Colorado Revised Nonprofit Corporation Act (as amended) expressly prohibits the elimination of liability. This provision is in the Corporation's original Articles of Incorporation and thus is effective on the date of the Corporation's incorporation. This provision shall not limit the rights of directors of the Corporation for indemnification or other assistance from the Corporation. This provision shall not restrict or otherwise diminish the provisions of Section 13-21-116(2)(b), Colorado Revised Statutes (concerning no liability of directors except for wanton and willful acts or omissions), any amendment or successor provision to such Section, or any other law limiting or eliminating liabilities. Any repeal or modification of the foregoing provisions of this Article by the directors of the Corporation or any repeal or modification of the provision of the Colorado Revised Nonprofit Corporation Act which permits the elimination of liability of directors by this Article shall not affect adversely any elimination of liability, right or protection of a director of the Corporation with respect to any breach, act, omission, or transaction of such director occurring prior to the time of such repeal or modification.

(8) Notwithstanding the provisions of CRS §§ 7-129-103, 7-129-105, and 7-129-107, or any other provision of these Articles, the Corporation shall limit indemnification of its officers, directors, and other covered employees, agents, trustees, contractors, etc. to the extent of Officers & Director's Errors & Omissions insurance coverage/proceeds maintained by the Corporation for that purpose. Such indemnification shall apply to any person, and the estate and personal representative of any such person, against all liability and expense, including attorneys'

fees, incurred by reason of the fact that he or she is or was a director or officer of the Corporation or, while serving as a director or officer of the Corporation, he or she is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, fiduciary, or agent of, or in any similar managerial or fiduciary position of, another domestic or foreign Corporation or other individual or entity or of an employee benefit plan.

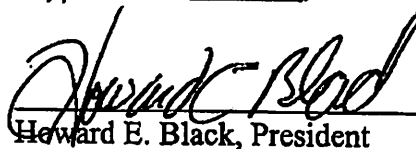
The Corporation shall also indemnify any person who is serving or has served the Corporation as director, officer, employee, fiduciary, or agent, and that person's estate and personal representative, to the extent and in the manner provided in any bylaw, resolution of the directors, contract, or otherwise, so long as such provision is legally permissible.

(9) Any bylaws of the Corporation must be consistent with both these Amended and Restated Articles of Incorporation and the terms of the HUD Regulatory Agreement.

(10) Any incoming member/partner/owner of Borrower must, as a condition of receiving an interest in the Borrower entity, agree to be bound by the HUD loan Documents and all other documents required in connection with the HUD-insured loan to the same extent and on the same terms as the other members/partners/owners, if any.

Pursuant to C.R.S. § 7-130-106, the foregoing Amended and Restated Articles of Incorporation of Senior Heritage Plaza, Inc. were duly adopted by the Board of Directors without member action as member action was not required.

DATED this 17 day of August, 2012.


Howard E. Black, President

Attest:

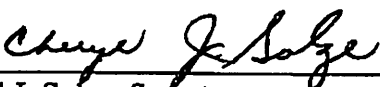

Cheryl J. Solze, Secretary

EXHIBIT B

BYLAWS

**BYLAWS
OF
Senior Heritage Plaza, Inc.
A Colorado nonprofit corporation**

These Bylaws are adopted by the Board of Directors of Senior Heritage Plaza, Inc. (the "Corporation") to manage and regulate the affairs of the Corporation consistent with the Colorado Revised Nonprofit Corporation Act and the Articles of Incorporation, as amended and filed with the Colorado Secretary of State.

ARTICLE I MEMBERS

The Corporation shall not have members.

ARTICLE II BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors, except as otherwise provided in the Colorado Revised Nonprofit Corporation Act or the Articles of Incorporation.

Section 2. Number, Tenure and Qualifications. The number of Directors shall be five. Starting at the 2013 annual meeting of Directors, two Directors shall be elected for a term of three years, two shall be elected for a term of two years, and one shall be elected for a term of one year. Thereafter, all Directors shall be elected for terms of three years. Each Director shall hold office until his or her successor shall have been elected and qualified. Directors must be natural persons at least 18 years of age, must reside within the United States and may reside within or without the State of Colorado, but need not be citizens of the United States of America.

Section 3. Election of Directors. Directors shall be elected by the Board of Directors at the annual meeting of the Board of Directors.

Section 4. Resignations. Any Director may resign at any time by giving written notice to the President or to the Secretary of the Corporation. Such resignation shall take effect at the time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. Any Directorship to be filled by reason of an increase in the number of Directors shall be filled by the affirmative vote of a majority of the Directors then in office.

Section 6. Annual Meeting. An annual meeting of Directors shall be held on the first Tuesday in April. The purpose of the meeting shall be to review the activities of the Corporation

and the acts of the Corporation's officers, employees and agents during the preceding year, to review such budgets and financial statements as the Board may deem appropriate and to conduct such other businesses as may properly come before the meeting.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairperson of the Board, the President or any Director. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or outside the State of Colorado, as the place for holding any special meeting of the Board of Directors called by them.

Section 8. Notice. Written notice of any annual or special meeting shall be given at least seven (7) days prior thereto by personal delivery, facsimile, electronic mail, or by overnight delivery. Such notice shall be deemed to have been given upon delivery, or as of the date of facsimile or electronic mail as the case may be. Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 9. Quorum. The presence of three Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. In the event of the withdrawal of enough Directors to leave less than a quorum, the Directors present at a duly organized meeting may not continue to transact business. If less than a quorum is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 10. Manner of Acting. In all of its decisions the Board of Directors shall attempt to establish a consensus. While the provisions of the Bylaws control, prior to voting on a resolution all efforts will be made in good faith to develop a spirit of agreement. 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 of Directors.

Section 11. Telephonic Meetings. Members of the Board of Directors or of a committee of the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

Section 12. Reimbursement of Expenses. By resolution of the Board of Directors, any Director may be reimbursed for his or her expenses, if any, to attend any meeting. Reimbursement pursuant to this Section 12 shall be subject to all of the terms and conditions of Article IV.

Section 13. Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 14. Waiver of Notice. Whenever any notice whatsoever is required to be given under the provisions of a statute, or of the Articles of Incorporation, or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before, at or after the time stated therein, or the appearance of such person or persons at such meeting, shall be deemed equivalent to receipt of proper notice, except when the Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

Section 15. Action by Written Consent Without a Meeting. Any action required or which may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent has the same force and effect as a unanimous vote of the Directors and may be stated as such in any document.

Section 16. Proxies. A Director may give another Director a proxy, which proxy shall be in writing, signed by the Director giving the proxy and stating with reasonable particularity the matter with respect to which the proxy applies. For purposes of the quorum and voting requirements herein, the Director giving the proxy shall be deemed to be present for quorum purposes with respect to the matter to which the proxy relates and shall be deemed to have voted on that proposal as specified in the proxy.

ARTICLE III OFFICERS AND AGENTS

Section 1. General. The officers of the Corporation shall be a President, a Chairman and such other officers, assistant officers, committees and agents, including one or more Vice Presidents, Secretaries, Assistant Secretaries, Treasurers and Assistant Treasurers, as the Board of Directors may consider necessary, who shall be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Board of Directors. All officers shall be natural persons of the age of eighteen (18) years or older. The salaries of all the officers of the Corporation shall be fixed by the Board of Directors. One person may hold more than one office. In all cases where the duties of any officer, agent or employee are not prescribed by the Bylaws or by the Board of Directors, such officer, agent or employee shall follow the orders and instructions of the President.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected by the Board of Directors at its annual meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first of the following occur: until his or her successor shall have been duly elected and shall have qualified; until his or her death; until he or she shall resign; or until he or she shall have been removed in the manner hereinafter provided.

Section 3. Resignation, Removal and Vacancies. Any officer may resign at any time by giving written notice thereof to the Board of Directors. Such resignation shall take effect on the date specified therein and no acceptance of the same shall be necessary to render the same effective. Any officer may at any time be removed by the affirmative vote of a majority of the current number of Directors, or by the affirmative vote of a majority of a duly authorized executive committee. If any office becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

Section 4. President. The President shall, subject to the direction and supervision of the Board of Directors, be the chief executive officer of the Corporation and shall have general and active control of its affairs and business and general supervision of its officers, agents and employees.

Section 5. Salaries. Officers of the Corporation shall be entitled to such salaries, emoluments, compensation or reimbursement as shall be fixed or allowed by the Board of Directors. Reimbursement pursuant to this Section 5 shall be subject to all of the terms and conditions of Article IV.

Section 6. Execution of Instruments. The President, Chairperson, and Vice Presidents shall have power to execute on behalf and in the name of the Corporation any deed, contract, bond, debenture, note or other obligation or evidence of indebtedness, or proxy, or other instrument requiring the signature of an officer of the Corporation, except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation; provided, however, that any deeds, contracts, bonds, debentures, notes or other obligations or evidences of indebtedness in excess of \$10,000 for any single item or any series of related items may be executed by the President only with the specific authorization of the Board of Directors. The Board of Directors shall also have the power to execute on behalf and in the name of the Corporation any instrument which the President shall have the power to so execute. Except as provided in Section 5 of Article V herein, unless so authorized, no other officer, agent or employee shall have any power or authority to bind the Corporation in any way, to pledge its credit or to render it liable for any purpose or in any amount.

Section 7. Checks and Endorsements. All checks and drafts upon the accounts of the Corporation in any of its depositories shall be signed by the President. By resolution of the Board of Directors, other officers or agents may from time to time be authorized to sign checks. The Board of Directors may provide for the use of facsimile signatures under specified conditions.

ARTICLE IV CONFLICTS OF INTEREST

Section 1. Approval for Remuneration to Interested Parties. No expense reimbursements, salary or other payments for goods or services shall be made to any "Interested Party" unless and until the payment has been approved by a disinterested majority of the Board of Directors of the Corporation in compliance with the following procedures: (i) the Board of Directors shall have considered information about comparable payments by similarly situated taxable or tax-exempt organizations for similar goods or services; (ii) the Board of Directors shall have made a written record of the comparable information relied upon; and (iii) the decision of the Board of Directors shall be in writing, with a record of the vote cast by each member. The term "Interested Party" shall include all officers and directors of the Corporation, the five employees of the Corporation with the highest compensation for either the prior or current year, and the five independent contractors to the Corporation with the highest compensation for either the prior or current year, the spouses, children, grandchildren, siblings and parents of each of the foregoing, and any entity in which, collectively, the foregoing have a direct or indirect capital, profits or voting interest of thirty-five percent (35%) or more.

Section 2. Conflicts of Interest Policy. The Conflicts of Interest Policy set forth on the attachment hereto is hereby adopted by the Corporation and shall apply to all transactions of the Corporation.

ARTICLE V MISCELLANEOUS

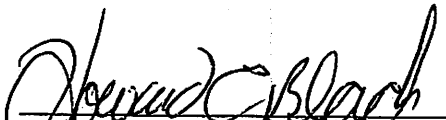
Section 1. Fiscal Year. The fiscal year of the Corporation shall end on September 30 of each year.

Section 2. Offices. The principal office of the Corporation shall be located at 831 South Nevada Avenue, Colorado Springs, Colorado 80903. The Corporation may have such other offices as the Board of Directors may designate and as the business of the Corporation may require.

Section 3. Amendments. The Articles of Incorporation and Bylaws of the Corporation shall be subject to alteration, amendment or repeal, and new Articles of Incorporation and Bylaws may be added by the affirmative vote of a majority of the Board of Directors at any regular or special meeting; provided, however, that no amendment to the Articles of Incorporation or the Bylaws may be made contrary to the terms of any provision previously approved by the United States Department of Housing and Urban Development ("HUD"), or, where pre-approval is required by HUD, until such pre-approval is obtained.

Section 4. Selection Committee. All scholarships, grants or similar benefits from the Corporation shall be awarded by a Selection Committee. At all times a majority of the members of the selection committee must be unrelated to the officers, directors and substantial contributors to the Corporation.

The foregoing Bylaws were adopted and approved by the Board of Directors at a meeting duly called for such purpose on August 1, 2012.



Howard E. Black, President

CONFLICT OF INTEREST POLICY

ARTICLE I **PURPOSE**

The purpose of this Conflict of Interest Policy is to protect this tax-exempt organization's (the "Organization's") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

ARTICLE II **DEFINITIONS**

1. Interested Person

Any director, principal officer, or member of a committee with Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. an ownership or investment interest in any entity with which the Organization has a transaction or arrangement;
- b. a compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement; or
- c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

ARTICLE III **PROCEDURES**

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosing the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

ARTICLE IV **RECORDS OF PROCEEDINGS**

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE V **COMPENSATION**

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or

indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VI **ANNUAL STATEMENTS**

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. has received a copy of the conflicts of interest policy;
- b. has read and understands the policy;
- c. has agreed to comply with the policy; and
- d. understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VII **PERIODIC REVIEWS**

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining; and
- b. whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

ARTICLE VIII **USE OF OUTSIDE EXPERTS**

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

EXHIBIT C

CERTIFICATE OF GOOD STANDING

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE

I, Scott Gessler, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

SENIOR HERITAGE PLAZA, INC.

is a **Nonprofit Corporation** formed or registered on 04/19/1985 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 19871616439.

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 08/08/2012 that have been posted, and by documents delivered to this office electronically through 08/09/2012 @ 11:29:08.

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Denver, Colorado on 08/09/2012 @ 11:29:08 pursuant to and in accordance with applicable law. This certificate is assigned Confirmation Number 8311756.



A handwritten signature in black ink, appearing to read "Scott Gessler", is written over a horizontal line.

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Certificate Confirmation Page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click Business Center and select "Frequently Asked Questions."

EXHIBIT D

RESOLUTION OF THE BOARD OF DIRECTORS

SENIOR HERITAGE PLAZA, INC.
RESOLUTION OF THE BOARD OF DIRECTORS
JUNE 1, 2012

Pursuant to §§ 7-127-105 and 7-127-107 of the Colorado Revised Nonprofit Corporation Act, the undersigned, being all of the Directors of Senior Heritage Plaza, Inc. (the "Corporation"), acting without notice and a meeting, hereby waive our right to notice and a meeting and consent to, adopt, and vote in favor of the following resolutions:

WHEREAS, Senior Heritage Plaza, Inc. owns Senior Heritage Plaza (the "Project"), FHA Number 101-11165; and

WHEREAS, the improvements at the Project need to be updated and repaired; and

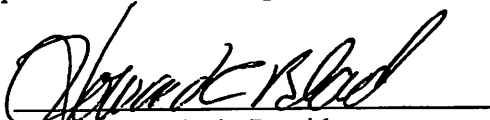
WHEREAS, the Project is currently financed directly with the United States Department of Housing and Urban Development ("HUD") pursuant to Subsection 202 of the National Housing Act; and

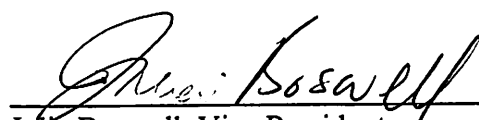
WHEREAS, it will be financially advantageous to the Project to refinance the existing debt in accordance with HUD requirements; and

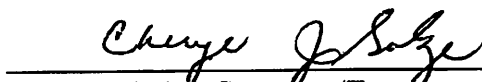
WHEREAS, to efficiently proceed with the application and closing of the loan, it would be of benefit to the Board to appoint an authorized signatory to sign all documents on behalf of Senior Heritage Plaza, Inc., necessary to accomplish the refinancing.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors approves and authorizes the transactions related to the mortgage loan from Red Mortgage Capital, LLC to be secured by a mortgage on that certain real property known as Senior Heritage Plaza (FHA Project No. 101-11165), and insured by the Secretary of Housing of Urban Development, in an amount not to exceed One Million Six Hundred Fifty-Two Thousand Five Hundred Dollars (US \$1,652,500), and the execution and delivery of the documents in connection therewith; and

BE IT FURTHER RESOLVED, that the Board of Directors appoints Eugene D. Montoya as its Authorized Signatory, and grants authority to Eugene D. Montoya to sign all documents necessary for the Project on behalf of Senior Heritage Plaza, Inc. in order to accomplish said refinancing.


Howard E. Black, President


Julie Boswell, Vice President


Cheryl J. Solze, Secretary/Treasurer