

Account Number:
 0140019787 - PORTAGE TRA 0060
 RELIANCE TRUST COMPANY AS CUSTODIAN FOR
 NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS,
 OH
 RESERVE FOR REPLACEMENT

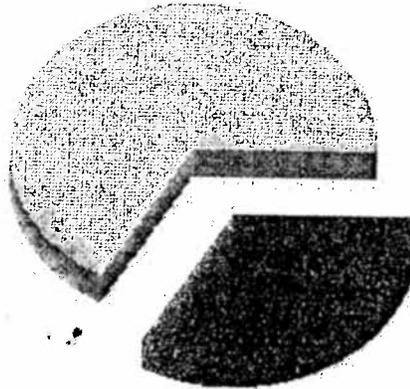
Investment Summary

As of Date: 09/25/2009

Investment Category	Traded			% of Portfolio
	Book Value	Tax Cost	Market Value	
CASH AND EQUIVALENTS				
FIXED INCOME				
TOTAL ACCOUNT				

Investment Overview	
Net Due To/Due From Broker	0.00
Year to Date Long Term Gain/Loss:	
Year to Date Short Term Gain/Loss:	0.00
Year to Date Qualified 5 Yr Gain:	

Investment Profile	
Investment Objective:	UNKNOWN
Investment Authority:	NONE



**Portage Trail Village (0060)
 CNA Summary**

Facility Code: 0060
 Legal Name: National Church Residences of Cuyahoga Falls, OH
 Facility Name: Portage Trail Village
 Portfolio: Mills, Eric
 Units: 199
 FYE: June

Balance Date: 9/24/2009
 Reserve Balance: ██████████
 Residual Balance: ██████████
 Current Monthly Deposit: ██████████
 Reserve Deposit Escalator: 0.00 %

Summary of 10 Year Reserve Deposit Needs

Projected surplus (shortfall) year 10: ██████████
 Minimum required R4R balance: ██████████
 Current monthly reserve deposit: ██████████
 Additional monthly deposit requirement: ██████████
 Revised monthly deposit: ██████████

Summary of Scheduled Expenses by Year			
Scheduled Year	Scheduled Expenses	Annual Reserve Deposits	Projected Reserve Balance
2008	██████████	██████████	██████████
2009	██████████	██████████	██████████
CURRENT			
2010	██████████	██████████	██████████
2011	██████████	██████████	██████████
2012	██████████	██████████	██████████
2013	██████████	██████████	██████████
2014	██████████	██████████	██████████
2015	██████████	██████████	██████████
2016	██████████	██████████	██████████
2017	██████████	██████████	██████████
2018	██████████	██████████	██████████
2019	██████████	██████████	██████████
2020	██████████	██████████	██████████
2021	██████████	██████████	██████████
2022	██████████	██████████	██████████
2023	██████████	██████████	██████████
2024	██████████	██████████	██████████
2025	██████████	██████████	██████████
2026	██████████	██████████	██████████
2027	██████████	██████████	██████████
2028	██████████	██████████	██████████
Total:	██████████	██████████	██████████

Reserve Analysis Report

Scheduled Replacement Task List

FYE	Section	Component	Quantity	UOM	Inf Rate	Estimated Cost
Scheduled Replacement Tasks for 2010						
2008	1.2	Unit bathroom	1	EA	0.00	\$3,500
2008	3.2	Audible signals are not provided at floor level changes or elevator lobbies indicating car arrival.	13	FLOOR	0.00	\$5,200
2008	3.2	Elevator communication equipment not set up for speech impaired communication	2	EA	0.00	\$5,200
2008	3.2	Elevator control panel and hall buttons are mounted higher than 54" above the floor.	2	EA	0.00	\$12,000
2008	3.2	Signage indicating accessible parking spaces for cars and vans are not provided.	1	EA	0.00	\$120
2008	3.2	Wrap drain pipes below lavatory with insulation; protect against contact with hot, sharp, or abrasive surfaces.	2	EA	0.00	\$100
2009	5.5	Provide additional parking area lighting	2	EA	0.00	\$3,000
2009	6.8	Paint walls & ceilings	88,000	SF	2.5%	\$58,630
2009	6.8	Replace carpet	2,330	SY	2.5%	\$66,871
2009	7.6	Install smoke detectors in bedrooms	37	EA	2.5%	\$4,741
2009	7.6	Replace tenant unit smoke detectors (battery)	198	EA	2.5%	\$25,369
2009	8.1	Paint walls & ceilings	71,374	SF	2.5%	\$47,553
2009	8.2	Replace kitchen cabinetry and countertop	50	EA	2.5%	\$161,796
2010	5.2	Seal Coat asphalt	88,000	SF	2.5%	\$3,714
2010	6.8	Paint walls & ceilings	35,350	SF	2.5%	\$60,096
2010	7.4	Replace incandescent light fixtures	24	EA	2.5%	\$2,522
2010	7.5	Replace cab finishes	2	EA	2.5%	\$7,354
2010	7.5	Replace traction elevator machinery and controls	2	EA	2.5%	\$222,733
2010	8.1	Paint walls & ceilings	71,374	SF	2.5%	\$48,742
2010	8.1	Replace carpet	2,068	SY	2.5%	\$60,835
2010	8.1	Replace vinyl flooring	9,588	SF	2.5%	\$25,163
2010	8.2	Replace kitchen cabinetry and countertop	49	EA	2.5%	\$162,524
2010	8.5	Replace fluorescent light fixtures	359	EA	2.5%	\$37,717
2010	8.5	Replace incandescent light fixtures	309	EA	2.5%	\$32,464
Total Scheduled Expense for 2010:						\$1,057,964

FYE	Section	Component	Quantity	UOM	Inf Rate	Estimated Cost
Scheduled Replacement Tasks for 2011						
2011	6.3	Replace membrane	1,800	SF	2.5%	\$6,978
2011	7.2	Replace hot water storage tank	1	EA	2.5%	\$150,765
2011	8.1	Paint walls & ceilings	71,374	SF	2.5%	\$49,960
2011	8.1	Replace carpet	2,068	SY	2.5%	\$62,356
2011	8.1	Replace vinyl flooring	9,588	SF	2.5%	\$25,813
2011	8.2	Replace kitchen cabinetry and countertop	49	EA	2.5%	\$166,587

Reserve Analysis Report

Scheduled Replacement Task List

FYE	Section	Component	Quantity	UOM	Inf Rate	Estimated Cost
2011	8.4	Replace vanity	63.33	EA	2.5%	\$42,627
Total Scheduled Expense for 2011: \$505,087						
Scheduled Replacement Tasks for 2012						
2012	7.4	Replace fluorescent light fixtures	169	EA	2.5%	\$18,654
2012	8.1	Replace carpet	2,068	SY	2.5%	\$63,915
2012	8.1	Replace vinyl flooring	9,588	SF	2.5%	\$26,458
2012	8.4	Replace vanity	63.33	EA	2.5%	\$43,693
Total Scheduled Expense for 2012: \$152,721						
Scheduled Replacement Tasks for 2013						
2013	7.4	Replace soffit light fixtures	12	EA	2.5%	\$2,444
2013	8.3	Replace PTAC	216	TON	2.5%	\$173,513
2013	8.4	Replace bathtub (cast iron)	202	EA	2.5%	\$91,418
2013	8.4	Replace vanity	63.33	EA	2.5%	\$44,785
2013	8.4	Replace water closet	202	EA	2.5%	\$148,554
Total Scheduled Expense for 2013: \$460,713						
Scheduled Replacement Tasks for 2014						
2014	6.8	Paint walls & ceilings	88,000	SF	2.5%	\$66,334
2014	6.8	Replace carpet	2,330	SY	2.5%	\$75,658
2014	8.1	Paint walls & ceilings	71,374	SF	2.5%	\$53,802
Total Scheduled Expense for 2014: \$195,795						
Scheduled Replacement Tasks for 2015						
2015	5.2	Mill and overlay asphalt pavement	35,350	SF	2.5%	\$25,212
2015	6.8	Paint walls & ceilings	88,000	SF	2.5%	\$67,993
2015	7.4	High voltage switchgear should be tested by a qualified licensed electrical contractor.	1	LS	2.5%	\$4,160
2015	8.1	Paint walls & ceilings	71,374	SF	2.5%	\$55,147
2015	8.1	Replace carpet	2,068	SY	2.5%	\$68,830
Total Scheduled Expense for 2015: \$221,342						
Scheduled Replacement Tasks for 2016						
2016	6.3	Replace membrane	1,800	SF	2.5%	\$7,895
2016	6.3	Replace membrane	8,825	SF	2.5%	\$38,709
2016	8.1	Paint walls & ceilings	71,374	SF	2.5%	\$56,525

EXHIBIT 10 *A description of your project's resources.*

- (b) *A copy of the most recent Residual Receipts Account statement. Indicate any approvals for the use of such receipts from the field office for over \$500/unit.*

Portage Trail Village has 192 units and needs to reach and maintain a minimum Operating Reserve Fund of \$500 per unit.

Given these minimum requirements, Portage Trail Village is unable to contribute toward the conversion costs for the proposed ALCP project.

Attached please find the most recent Residual Receipts account statement.

Account Number:
 0140022500 - PORTAGE TRA 0060
 RELIANCE TRUST COMPANY AS CUSTODIAN FOR
 NATIONAL CHURCH RESIDENCES OF CUJAHOGA FALLS,
 OH
 RRR

Investment Summary

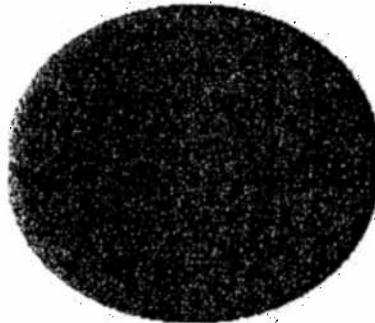
As of Date: 09/25/2009

Traded

Investment Category	Book Value	Tax Cost	Market Value	% of Portfolio
CASH AND EQUIVALENTS				
TOTAL ACCOUNT				

Investment Overview	
Net Due To/Due From Broker	0.00
Year to Date Long Term Gain/Loss:	
Year to Date Short Term Gain/Loss:	
Year to Date Qualified 5 Yr Gain:	

Investment Profile	
Investment Objective:	UNKNOWN
Investment Authority:	NONE



CASH AND EQUIVALENTS

EXHIBIT 10

A description of your project's resources.

- (c) *Annual Financial Statement (AFS). If your FY 2008 AFS was due to REAC more than 120 days BEFORE the due date for this application, in the interest of reducing work burden, only include the date that it was sent to REAC. If the AFS was due to REAC 120 days or less from the due date of this application, you MUST include a paper copy of your AFS in the application.*

The June 30, 2008 audited financial statement for Portage Trail Village follows.

**National Church Residences of Cuyahoga Falls,
Ohio d/b/a Portage Trail Village
(a not-for-profit corporation)
HUD Project No. 042-SH015**

**Financial Report
with Supplemental Information
June 30, 2008**

**National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village
HUD Project No. 042-SH015**

Certificate of Officers

We certify that we have examined the attached financial statements and supplemental information of HUD Project No. 042-SH015, National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village, and to the best of our knowledge and belief, the same is a true statement of the financial condition as of June 30, 2008.

Mr. Mark Ricketts
President

September 26, 2008
Date

Mr. Joseph Kasberg
Vice President/Secretary/Treasurer

September 26, 2008
Date

ID# 34-0978745
Employer Identification Number

**National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village
HUD Project No. 042-SH015**

Management Agent's Certification

We certify that we have examined the attached financial statements and supplemental information of HUD Project No. 042-SH015, National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village, and to the best of our knowledge and belief, the same is a true statement of the financial condition as of June 30, 2008.

Mr. Mark Ricketts
Senior VP/COO of Housing Division
for National Church Residences as
Management Agent for the
Corporation

September 26, 2008

Date

(614) 451-2151

Telephone Number

ID# 31-0651750

Management Company Employer
Identification Number

Steven Kerens
Property Manager

**National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village
HUD Project No. 042-SH015**

Contents

Report Letter	1
Financial Statements	
Balance Sheet	2-3
Statement of Activities	4-7
Statement of Changes in Deficiency in Net Assets	8
Statement of Cash Flows	9-10
Notes to Financial Statements	11-15
Supplemental Information	16
Report Letter	17
Supplemental Information	18-19
Schedule of Changes in Fixed Asset Accounts	20
Schedule of Expenditures of Federal Awards	21
Computation of Surplus Cash	22
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	23
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance with OMB Circular A-133	26-28
Schedule of Findings and Questioned Costs	29-31



Plante & Moran, PLLC
Suite 600
65 E. State St.
Columbus, OH 43215
Tel: 614 849-3000
Fax: 614 221-3535
planteandmoran.com

Independent Auditor's Report

To the Board of Directors
National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village

We have audited the accompanying balance sheet of HUD Project No. 042-SH015, National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village (the Corporation), as of June 30, 2008 and 2007 and the related statements of activities, changes in deficiency in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HUD Project No. 042-SH015, National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village, as of June 30, 2008 and 2007 and the results of its operations, changes in deficiency in net assets, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 26, 2008 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide opinions on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

Plante & Moran, PLLC

September 26, 2008

By: Jason M. Giha
Engagement Partner
65 East State Street, Suite 600
Columbus, Ohio 43215-4227
Federal ID Number: 38-1357951
Phone Number: (614) 849-3000

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

Balance Sheet

		<u>June 30, 2008</u>	<u>June 30, 2007</u>
Assets			
Current Assets			
1120	Cash - Operations	\$ [REDACTED]	\$ [REDACTED]
1130	Tenant accounts receivable	[REDACTED]	[REDACTED]
1135	Accounts receivable - HUD	[REDACTED]	[REDACTED]
1140	Accounts and notes receivable - Operations	[REDACTED]	[REDACTED]
1100T	Total current assets	[REDACTED]	[REDACTED]
Deposits - Held in Trust			
1191	Tenant deposits held in trust	[REDACTED]	[REDACTED]
Deposits - Funded			
1310	Escrow deposits	[REDACTED]	[REDACTED]
1320	Replacement reserve	[REDACTED]	[REDACTED]
1340	Residual receipts reserve	[REDACTED]	[REDACTED]
1300T	Total deposits - Funded	[REDACTED]	[REDACTED]
Fixed Assets			
1410	Land and land improvements	[REDACTED]	[REDACTED]
1420	Buildings and building improvements	[REDACTED]	[REDACTED]
1440	Building equipment (portable)	[REDACTED]	[REDACTED]
1450	Furniture for project/tenant use	[REDACTED]	[REDACTED]
1460	Furnishings	[REDACTED]	[REDACTED]
1465	Office furniture and equipment	[REDACTED]	[REDACTED]
1470	Maintenance equipment	[REDACTED]	[REDACTED]
1400T	Total fixed assets	[REDACTED]	[REDACTED]
1495	Accumulated depreciation	([REDACTED])	[REDACTED]
1400N	Net fixed assets	[REDACTED]	[REDACTED]
Other Assets			
1590	Construction in progress	[REDACTED]	[REDACTED]
1000T	Total assets	\$ [REDACTED]	\$ [REDACTED]

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

Balance Sheet (Continued)

June 30, 2008 June 30, 2007

Liabilities and Deficiency in Net Assets

Current Liabilities

2110	Accounts payable - Operations (Note 5)	\$		\$	
2120	Accrued wages payable				
2123	Accrued management fee payable (Note 5)				
2131	Accrued interest payable - First mortgage				
2150	Accrued property taxes				
2170	Mortgage payable - First mortgage (Note 2)				
2210	Prepaid revenue				
			<hr/>		<hr/>
2122T	Total current liabilities				
2191	Tenant deposits held in trust (contra)				

Long-term Liabilities

2320	Mortgage payable - First mortgage (Note 2)				
2323	Other loans and notes payable - Surplus cash (Note 3)				
2324	Other loans and notes payable (Note 4)				
2332	Accrued interest notes payable - Long-term (Note 3)				
			<hr/>		<hr/>
2300T	Total long-term liabilities				
2000T	Total liabilities				

Deficiency in Net Assets

3131	Deficiency in unrestricted net assets				
			<hr/>		<hr/>
3130	Total deficiency in net assets				
			<hr/>		<hr/>
2033T	Total liabilities and deficiency in net assets	\$		\$	

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

Statement of Activities

		Year Ended	
		June 30, 2008	June 30, 2007
Rent Revenue			
5120	Rent revenue - Gross potential	\$ [REDACTED]	\$ [REDACTED]
5121	Tenant assistance payments	[REDACTED]	[REDACTED]
5193	Special claims revenue	[REDACTED]	[REDACTED]
5100T	Total rent revenue (potential at 100% occupancy)	[REDACTED]	[REDACTED]
Vacancies			
5220	Apartments	[REDACTED]	[REDACTED]
5250	Rent concessions	[REDACTED]	[REDACTED]
5200T	Total vacancies	[REDACTED]	[REDACTED]
5152N	Net rent revenue (rent revenue less vacancies)	[REDACTED]	[REDACTED]
Financial Revenue			
5410	Project operations	[REDACTED]	[REDACTED]
5430	Investments - Residual receipts	[REDACTED]	[REDACTED]
5440	Investments - Replacement reserve	[REDACTED]	[REDACTED]
5400T	Total financial revenue	[REDACTED]	[REDACTED]
Other Revenue			
5910	Laundry and vending revenue	[REDACTED]	[REDACTED]
5920	Tenant charges	[REDACTED]	[REDACTED]
5990	Miscellaneous revenue	[REDACTED]	[REDACTED]
5900T	Total other revenue	[REDACTED]	[REDACTED]
5000T	Total revenue	[REDACTED]	[REDACTED]

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

Statement of Activities (Continued)

	Year Ended	
	June 30, 2008	June 30, 2007
Administrative Expenses		
6203	Conventions and meetings	\$ [REDACTED] \$ [REDACTED]
6210	Advertising and marketing	[REDACTED]
6250	Other renting expenses	[REDACTED]
6310	Office salaries	[REDACTED]
6311	Office expenses	[REDACTED]
6320	Management fee (Note 5)	[REDACTED]
6330	Manager or superintendent salaries	[REDACTED]
6340	Legal expenses	[REDACTED]
6350	Auditing expenses	[REDACTED]
6351	Bookkeeping fees/Accounting services (Note 5)	[REDACTED]
6370	Bad debts	[REDACTED]
6390	Miscellaneous administrative expenses	[REDACTED]
6263T	Total administrative expenses	[REDACTED]
Utilities Expense		
6420	Fuel oil/Coal	[REDACTED]
6450	Electricity	[REDACTED]
6451	Water	[REDACTED]
6453	Sewer	[REDACTED]
6400T	Total utilities expense	[REDACTED]
Operating and Maintenance Expenses		
6510	Payroll	[REDACTED]
6515	Supplies	[REDACTED]
6520	Contracts	[REDACTED]
6525	Garbage and trash removal	[REDACTED]
6530	Security payroll/contract	[REDACTED]
6546	Heating/Cooling repairs and maintenance	[REDACTED]
6548	Snow removal	[REDACTED]
6590	Miscellaneous operating and maintenance expenses	[REDACTED]
6500T	Total operating and maintenance expenses	[REDACTED]

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

Statement of Activities (Continued)

		Year Ended	
		June 30, 2008	June 30, 2007
Taxes and Insurance			
6710	Real estate taxes	\$ [REDACTED]	\$ [REDACTED]
6711	Payroll taxes (FICA)	[REDACTED]	[REDACTED]
6720	Property and liability insurance (hazard)	[REDACTED]	[REDACTED]
6721	Fidelity bond insurance	[REDACTED]	[REDACTED]
6722	Workers' compensation	[REDACTED]	[REDACTED]
6723	Health insurance and other employee benefits	[REDACTED]	[REDACTED]
6790	Miscellaneous taxes, licenses, permits, and insurance (corporate filing fees)	[REDACTED]	[REDACTED]
6700T	Total taxes and insurance	[REDACTED]	[REDACTED]
Financial Expenses			
6820	Interest on first mortgage payable	[REDACTED]	[REDACTED]
6830	Interest on notes payable (long-term)	[REDACTED]	[REDACTED]
6800T	Total financial expenses	[REDACTED]	[REDACTED]
6000T	Total Costs of Operations Before Depreciation	[REDACTED]	[REDACTED]
5060T	Change in Net Assets Before Depreciation	[REDACTED]	[REDACTED]
6600	Depreciation Expense	[REDACTED]	[REDACTED]
3250	Change in Total Net Assets from Operations	\$ [REDACTED]	\$ [REDACTED]

**National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village
HUD Project No. 042-SH015**

**Statement of Activities (Continued)
Supplemental Information**

		Year Ended	
		June 30, 2008	June 30, 2007
S1000-010	1 Total principal required under the mortgage, even if payments under a workout agreement are less or more than those required under the mortgage	\$ [REDACTED]	\$ [REDACTED]
S1000-020	2 Replacement reserve deposits required by the Regulatory Agreement or amendments thereto, even if payments may be temporarily suspended or waived	[REDACTED]	[REDACTED]
S1000-030	3 Replacement reserve or residual receipt releases that are included as expense items on this profit and loss statement	[REDACTED]	[REDACTED]
S1000-040	4 Project improvement reserve releases under the flexible subsidy program that are included as expense items on this profit and loss statement	-	-

**National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village
HUD Project No. 042-SH015**

Statement of Changes in Deficiency in Net Assets

SI100-010	Deficiency in Net Assets - July 1, 2006	\$	[REDACTED]
3250	Increase in deficiency in net assets		[REDACTED]
SI100-060	Deficiency in Net Assets - June 30, 2007		[REDACTED]
3250	Increase in deficiency in net assets		[REDACTED]
3130	Deficiency in Net Assets - June 30, 2008	\$	[REDACTED]

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

Statement of Cash Flows

		Year Ended	
		June 30, 2008	June 30, 2007
Cash Flows from Operating Activities			
Receipts:			
SI 200-010	Rental	\$	\$
SI 200-020	Interest		
SI 200-030	Other cash receipts		
SI 200-040	Total receipts		
Disbursements:			
SI 200-050	Administrative		
SI 200-070	Management fee		
SI 200-090	Utilities		
SI 200-100	Salaries and wages		
SI 200-110	Operating and maintenance		
SI 200-120	Real estate taxes		
SI 200-140	Property insurance		
SI 200-150	Miscellaneous taxes and insurance		
SI 200-160	Tenant security deposits		
SI 200-180	Interest payments - First mortgage		
SI 200-230	Total disbursements		
SI 200-240	Net cash provided by operating activities		
Cash Flows from Investing Activities			
SI 200-245	Net deposit to the mortgage escrow account		
SI 200-250	Net withdrawal from the reserve for replacement account		
SI 200-260	Net (deposit to) withdrawal from the residual receipts account		
SI 200-330	Net purchase of fixed assets		
SI 200-340	Change in construction in progress		
SI 200-350	Net cash used in investing activities		
Cash Flows from Financing Activities			
SI 200-360	Principal payments - First mortgage		
SI 200-365	Proceeds from mortgages, loans, or notes payable		
SI 200-460	Net cash provided by (used in) financing activities		
SI 200-470	Net Increase (Decrease) in Cash		
SI 200-480	Cash - Beginning of year		
SI 200T	Cash - End of year	\$	

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

Statement of Cash Flows (Continued)

A reconciliation of change in net assets to net cash from operating activities is as follows:

		Year Ended	
		June 30, 2008	June 30, 2007
3250	Change in net assets	\$ [REDACTED]	[REDACTED]
	Adjustments to reconcile change in net assets to net cash from operating activities:		
6600	Depreciation	[REDACTED]	[REDACTED]
	(Increase) decrease in assets:		
SI 200-490	Tenant accounts receivable	[REDACTED]	[REDACTED]
SI 200-500	Accounts receivable - Other	[REDACTED]	[REDACTED]
SI 200-530	Cash restricted for tenant security deposits	[REDACTED]	[REDACTED]
	Increase (decrease) in liabilities:		
SI 200-540	Accounts payable - Operations	[REDACTED]	[REDACTED]
SI 200-560	Accrued liabilities	[REDACTED]	[REDACTED]
SI 200-570	Accrued interest payable	[REDACTED]	[REDACTED]
SI 200-580	Tenant security deposits held in trust	[REDACTED]	[REDACTED]
SI 200-590	Prepaid revenue	[REDACTED]	[REDACTED]
SI 200-605	Loss on disposal of fixed assets (noncash)	[REDACTED]	[REDACTED]
SI 200-610	Net cash provided by operating activities	\$ [REDACTED]	[REDACTED]

National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village

Notes to Financial Statements June 30, 2008 and 2007

Note I - Nature of Business and Significant Accounting Policies

National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village (the Corporation) was incorporated as a nonstock, nonprofit charitable corporation for the purpose of operating a 202-unit apartment complex located in Cuyahoga Falls, Ohio for low-rent housing, particularly for the elderly or the infirm. The project was financed in part with proceeds of a mortgage insured by the U.S. Department of Housing and Urban Development (HUD) under Section 202 of the National Housing Act and is regulated by HUD with respect to rental charges and operating methods.

Basis of Accounting - The Corporation maintains its accounting records and prepares its financial statements on an accrual basis, which is in accordance with accounting principles generally accepted in the United States of America.

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Corporation and is presented on the same basis of accounting as the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Tenant Accounts Receivable - The Corporation considers any tenant accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts are determined to be uncollectible, they are charged to operations at that time.

Deposits Held in Trust - In accordance with the Regulatory Agreement with HUD, the Corporation is required to maintain a tenant security deposit trust account. The amount must at all times be equal to or exceed the aggregate of all outstanding obligations to tenants for refundable security deposits. The tenant security deposits fund consists of cash.

National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village

Notes to Financial Statements June 30, 2008 and 2007

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Deposits Funded - The funds held by the Corporation represent escrows and restricted funds for taxes, a replacement reserve, and a residual receipts reserve. The tax escrow consists of cash and is maintained for the future payment of taxes. The replacement reserve consists of deposits by the Corporation to offset specific expenses and to replace structural elements and mechanical equipment upon consent of HUD. Any surplus cash is deposited into the residual receipts reserve annually and can only be withdrawn with HUD's approval.

Land, Buildings, and Equipment - Land, buildings, equipment, and furniture are recorded at cost when purchased or appraised value if donated. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, which range from 1.5 to 40 years. Maintenance, repairs, and renewals that do not involve any substantial betterments are charged to expense when incurred. Expenditures that increase the useful life of the property are capitalized.

Impairment of Assets - The Corporation measures impairment in accordance with FASB Statement No. 144, *Accounting for the Impairment or Disposal of Long-lived Assets*, which requires impairment losses to be recorded on specific long-lived assets used in operations where indicators of impairment are present and the undiscounted cash flows (net realizable value) estimated to be generated by those assets are less than the assets' carrying amount. No impairment of the Corporation's rental property has occurred.

Classification of Net Assets - Net assets of the Corporation are classified as permanently restricted, temporarily restricted, or unrestricted, depending on the presence and characteristics of donor-imposed restrictions limiting the Corporation's ability to use or dispose of contributed assets or the economic benefits embodied in those assets. All net assets of the Corporation at June 30, 2008 and 2007 are considered unrestricted.

Rental Income - Units that are designated for occupancy by eligible low-income tenants under a Section 8 housing assistance payment contract require tenants to contribute a portion of the contract rent based on formulas prescribed by the U.S. Department of Housing and Urban Development. Housing assistance payments are received for the balance of contract rent from HUD. The current contract expires in September 2010.

Federal Income Taxes - No provision for income taxes has been included in the financial statements since the Corporation is exempt from such taxes under Section 501(c)(3) of the Internal Revenue Code.

National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village

Notes to Financial Statements June 30, 2008 and 2007

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Regulatory Agreement - A Regulatory Agreement with HUD was signed in connection with the mortgage note. No violations of this agreement were noted for the years ended June 30, 2008 and 2007, respectively.

Reclassification - Certain 2007 amounts have been reclassified to conform to the 2008 presentation.

Note 2 - Mortgage Payable

The mortgage payable bears interest at an annual rate of 3 percent and is payable in monthly installments of [REDACTED] including interest, through November 1, 2016.

The mortgage payable is collateralized by the rental property included in the accompanying balance sheet and is guaranteed by HUD.

The mortgage imposes certain conditions on the Corporation including, among others, prescribed operating policies, use of housing, and preventing any other liens or encumbrances on Corporation property.

Minimum principal payments to maturity as of June 30, 2008 are as follows:

2009	\$	[REDACTED]
2010		[REDACTED]
2011		[REDACTED]
2012		[REDACTED]
2013		[REDACTED]
Thereafter		[REDACTED]
Total	\$	[REDACTED]

Note 3 - Residual Receipts Note

In September 1993, the Corporation entered into a residual receipts note agreement with HUD under the flexible subsidy program in the amount of [REDACTED]. Interest does not compound and is accrued at 1 percent per annum. Payment of this note must be paid out of residual receipts after obtaining prior written approval from HUD.

National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village

Notes to Financial Statements June 30, 2008 and 2007

Note 4 - Emergency Capital Repairs Program Grant

The Corporation obtained an emergency capital repairs program grant from HUD, which will be used to replace a water tank for the building, in the amount of \$155,500. The grant totaled \$155,500 and \$52,500 at June 30, 2008 and 2007, respectively, and is not required to be repaid as long as the housing remains available to very low-income households and the aged and/or handicapped for a period of 10 years, until January 2017. In addition, the Corporation is subject to the additional requirements of the HUD Section 202 program. If default occurs, then HUD, at its option, may accelerate the entire principal balance. It is the Corporation's intent to comply with the time requirement and Section 202. Based on the time and provision requirements, the grant is recorded as a long-term liability and is included as other loans and notes payable on the balance sheet.

Note 5 - Management Agent

The property management agreement provides that a management fee in the amount of the lesser of 9.49 percent of gross rents collected or [REDACTED] per unit per month, a bookkeeping fee of [REDACTED] per unit per month, and a data processing fee of [REDACTED] per unit per month be paid to National Church Residences (NCR) (an affiliate of the Corporation). Management fees for the years ended June 30, 2008 and 2007 totaled [REDACTED]. Bookkeeping fees and data processing fees for the years ended June 30, 2008 and 2007 totaled [REDACTED] and [REDACTED], respectively, and have been included in bookkeeping fees/accounting services on the statement of activities.

Amounts due NCR for management fees were accrued separately and totaled [REDACTED] and [REDACTED] at June 30, 2008 and 2007, respectively. Reimbursable expenses due NCR totaled [REDACTED] and [REDACTED] at June 30, 2008 and 2007, respectively, and have been included in accounts payable - operations on the balance sheet.

Note 6 - Retirement Plans

The Corporation participates in a multiple-employer defined benefit retirement plan and a multiple-employer defined contribution plan for the employees of NCR and its affiliates who meet certain requirements as to age and length of service. The Corporation's contributions to the plans totaled [REDACTED] and [REDACTED] for the years ended June 30, 2008 and 2007, respectively.

National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village

Notes to Financial Statements June 30, 2008 and 2007

Note 7 - Functional Expenses

For the years ended June 30, 2008 and 2007, expenses are functionally allocated as follows:

	2008	2007
Program services	\$ [REDACTED]	\$ [REDACTED]
General and administrative	[REDACTED]	[REDACTED]
Total functional expenses	\$ [REDACTED]	\$ [REDACTED]

Costs have been allocated between program services and general and administrative services on several bases and estimates. Although the methods of allocation are considered appropriate, other methods could be used that would produce different amounts.

Note 8 - Current Vulnerability Due to Certain Concentrations

The Corporation's sole asset is Portage Trail Village apartments. The Corporation's operations are concentrated in the multifamily real estate market. In addition, the Corporation operates in a heavily regulated environment. The operations of the Corporation are subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules, and regulations are subject to change by an Act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including additional administrative burden, to comply with a change.

Supplemental Information



Plante & Moran, PLLC
Suite 600
65 E. State St.
Columbus, OH 43215
Tel: 614 849-3000
Fax: 614 221-3535
plantemoran.com

To the Board of Directors
National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village

We have audited the financial statements of HUD Project No. 042-SH015, National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village, for the year ended June 30, 2008. Our audit was performed for the purpose of forming an opinion on the financial statements of National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village taken as a whole. The accompanying supplemental information, including the schedule of expenditures of federal awards, is presented for the purpose of additional analysis as required by HUD and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. For the purpose of electronic submission to the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), the supplemental information is also deemed to include the financial data template information as presented in the balance sheet and the statements of activities, changes in deficiency in net assets, and cash flows. Such information utilizes the same basis of accounting as the financial statements and has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Plante & Moran, PLLC

September 26, 2008

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

**Supplemental Information
 Year Ended June 30, 2008**

1. **Schedule of Reserve for Replacements** - In accordance with the provisions of the Regulatory Agreement, restricted cash is held by Reliance Trust Company to be used for replacement of property with the approval of HUD as follows:

1320P	Balance - July 1, 2007	\$	[REDACTED]
1320DT	Monthly deposits ([REDACTED] x 10)		[REDACTED]
1320DT	Monthly deposits ([REDACTED] x 2)		[REDACTED]
1320ODT	Other deposits		[REDACTED]
1320INT	Interest		[REDACTED]
1320WT	Approved withdrawals		[REDACTED]
1320	Balance - June 30, 2008	\$	[REDACTED]

2. **Schedule of Residual Receipts** - In accordance with the provisions of the Regulatory Agreement, surplus cash is calculated per the HUD formula and deposited into the residual receipts account. Restricted cash is held by Reliance Trust Company to be used for any project purpose with the approval of HUD as follows:

1340P	Balance - July 1, 2007	\$	-
1340DT	Deposit of prior year surplus cash		[REDACTED]
1340INT	Interest		[REDACTED]
1340	Balance - June 30, 2008	\$	[REDACTED]

3. **Computation of Surplus Cash - Form HUD 93486** - See attached

4. **Schedule of Changes in Fixed Asset Accounts** - See attached

5. **Schedule of 5300 Accounts** - N/A

6. **Schedule of 6900 Accounts** - N/A

7. **Nursing Home Data** - N/A

**National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village
HUD Project No. 042-SH015**

**Supplemental Information (Continued)
Year Ended June 30, 2008**

8. Detail of Accounts:

1140	Service coordinator receivable	\$	[REDACTED]
5990	Service coordinator revenue	\$	[REDACTED]
	Rent for property used as polling station		[REDACTED]
	Vendor rebates		[REDACTED]
	Total	\$	[REDACTED]
6590	Net loss from fire damage	\$	[REDACTED]
	Loss on disposal of fixed assets		[REDACTED]
	Total	\$	[REDACTED]

National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village
HUD Project No. 042-SH015

Schedule of Changes in Fixed Asset Accounts
Year Ended June 30, 2008

	Assets			Accumulated Depreciation			Net Book Value		
	Balance July 1, 2007	Additions	Deductions	Balance June 30, 2008	Balance July 1, 2007	Current Provision		Deductions	Balance June 30, 2008
1410 Land and land improvements									
1420 Buildings and building improvements									
1440 Building equipment (portable)									
1450 Furniture for project/tenant use									
1460 Furnishings									
1465 Office furniture and equipment									
1470 Maintenance equipment									
Total									
Fixed Asset Addition Detail:									
Buildings and building improvements:									
Lighting									
Hot water tank									
Fan motor									
Phone system									
HVAC units and air conditioners									
Building equipment (portable) - Appliances									
Furnishings - Carpet									
Office furniture and equipment - Computers									
Total									
Fixed Asset Disposal Detail:									
Buildings and building improvements:									
Air conditioners									
HVAC units									
Water tank and lighting									
Building equipment (portable) - Appliances									
Furnishings - Carpet									
Total									

**National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village
HUD Project No. 042-SH015**

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008**

<u>Federal Agency/Pass-through Agency/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development:		
Supportive Housing for the Elderly (Section 202) - Direct Loan	14.157	\$ 839,408
Section 8 - Housing Assistance Payments	14.195	599,220
Multifamily Housing Service Coordinators	14.191	47,315
Operating Assistance for Troubled Multifamily Housing Projects	14.164	799,001
Emergency Capital Repairs Program	14.315	<u>155,500</u>
Total federal awards		<u>\$ 2,440,444</u>

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

**Computation of Surplus Cash
 Year Ended June 30, 2008**

SI 300-010	Cash	\$	██████████
1135	Accounts Receivable - HUD		██████████

SI 300-040	Total Cash		██████████
Current Obligations			
SI 300-050	Accrued Mortgage Interest Payable		██████████
SI 300-075	Accounts Payable - 30 Days		██████████
SI 300-100	Accrued Expenses (Not Escrowed)		██████████
2210	Prepaid Revenue		██████████
2191	Tenant Deposits Held in Trust (Contra)		██████████

SI 300-140	Total Current Obligations		██████████
SI 300-150	Surplus Cash (Deficiency)	\$	██████████
SI 300-210	Deposit Due Residual Receipts	\$	-

**Report on Internal Control Over Financial
Reporting and on Compliance and Other
Matters Based on an Audit of Financial
Statements Performed in Accordance with
*Government Auditing Standards***



Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village

We have audited the financial statements of National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village as of and for the year ended June 30, 2008 and have issued our report thereon dated September 26, 2008. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Corporation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Corporation's financial statements that is more than inconsequential will not be prevented or detected by the Corporation's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Corporation's internal control.

Our consideration of internal control was for the limited purpose described in the second paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

To the Board of Directors
National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village

Compliance and Other Matters

As part of obtaining reasonable assurance about whether National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the board of directors, the audit committee, management, and the U.S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

September 26, 2008

**Report on Compliance with Requirements
Applicable to Each Major Program and on
Internal Control Over Compliance with
OMB Circular A-133**



Report on Compliance with Requirements Applicable to Each Major Program and
on Internal Control Over Compliance with OMB Circular A-133

To the Board of Directors
National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village

Compliance

We have audited the compliance of National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village with the types of compliance requirements described in the U.S. Office of Management and Budget Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2008. National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village's management. Our responsibility is to express an opinion on National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village's compliance with those requirements.

In our opinion, National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

To the Board of Directors
National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village

Internal Control Over Compliance

The management of National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered National Church Residences of Cuyahoga Falls, Ohio d/b/a Portage Trail Village's internal control over compliance with requirements that could have a direct and material effect on a major federal program (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees within a timely period, in the normal course of performing their assigned functions, to prevent or detect noncompliance with applicable requirements of laws, regulations, contracts, and grants that would have a direct and material effect on a major federal program. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Corporation's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants such that there is more than a remote likelihood that the Corporation's noncompliance that is more than inconsequential will not be prevented or detected by the Corporation's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with applicable requirements of laws, regulations, contracts, and grants in relation to a major federal program will not be prevented or detected by the Corporation's internal control.

Our consideration of internal control was for the limited purpose described in the fourth paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This report is intended solely for the information and use of the board of directors, the audit committee, management, and the U.S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

September 26, 2008

Schedule of Findings and Questioned Costs

**National Church Residences of Cuyahoga Falls, Ohio
 d/b/a Portage Trail Village
 HUD Project No. 042-SH015**

**Schedule of Findings and Questioned Costs
 Year Ended June 30, 2008**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency (ies) identified that are not considered to be material weaknesses? Yes No

Noncompliance material to financial statements noted? Yes None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency (ies) identified that are not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion</u>
14.157	Supportive Housing for the Elderly (Section 202) - Direct Loan	Unqualified
14.195	Section 8 - Housing Assistance Payments	Unqualified
14.164	Operating Assistance for Troubled Multifamily Housing Projects	Unqualified

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes No

**National Church Residences of Cuyahoga Falls, Ohio
d/b/a Portage Trail Village
HUD Project No. 042-SH015**

**Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2008**

Section II - Financial Statement Audit Findings

Reference Number	Finding	Questioned Costs
---------------------	---------	---------------------

Current
Year: None

Reference Number	Finding	Questioned Costs
---------------------	---------	---------------------

Prior
Year: None

Section III - Federal Program Audit Findings

Reference Number	Finding	Questioned Costs
---------------------	---------	---------------------

Current
Year: None

Reference Number	Finding	Questioned Costs
---------------------	---------	---------------------

Prior
Year: None



Assisted Living Consultants, LLC

October 28, 2009

Herman S. Ransom
HUD Kansas City Regional Office
400 State Avenue
Room 507
Kansas City, KS 66101

Dear Mr. Ransom:

On behalf of National Church Residences of Cuyahoga Falls, OH, we are submitting the attached Assisted Living Conversion Program application in response to the Notice of Fund Availability (NOFA) published on December 29, 2009. The Code of Conduct for National Church Residences has been previously submitted and is listed on HUD's website.

National Church Residences of Cuyahoga Falls, OH has been in operation since March 4, 1965 serving the residents of the Cuyahoga Falls community. As in many HUD Section 202 housing sites, its population is aging in place. In order to maximize their independence within a home like environment, various programs and services have been developed.

Although National Church Residences of Cuyahoga Falls, OH has been able to create an array of supportive services to enable its residents to live in a home like environment, there have been limited resources to renovate units and the common areas to be more conducive to allow elders to further age in place. These NOFA funds will truly allow National Church Residences of Cuyahoga Falls, OH to achieve its mission to provide quality, affordable care to elders, maximizing their independence within a home like environment, with the goal of avoiding premature and unnecessary institutionalization.

Thank you for your consideration. If you have any questions, please contact me or Kitty Potter, Project Manager, at 413-565-7144.

Sincerely,

Naren Dhamodharan
President

167 Dwight Road- Suite 302
Longmeadow, MA 01106
☎ Telephone: 413-565-7144 ☎ Fax: 413-565-7145 ☎
Email: GDA@gdaconsultants.com

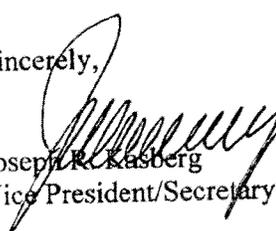
PortageII2009-HUD ALCP
CL, AOR, TOC
DUNS: 602418803
FAXID: 1252097519-2061

October 20, 2009

To Whom It May Concern:

National Church Residences of Cuyahoga Falls, OH, authorizes GDA Assisted Living Consultants, LLC to act as Authorized Organizational Representative for application submission for the 2009 U.S. Department of HUD Assisted Living Conversion Program grant.

Sincerely,



Joseph R. Kasberg
Vice President/Secretary-Treasurer

List of ALCP Exhibits Table Of Contents

Exhibit	Description	Filename	Length (pages)
EXHIBIT 1	Form HUD-92045, Application Summary for the Assisted Living Conversion Program.	EXIHIBIT1PORTII.pdf	2 Pages
EXHIBIT 2	Evidence of private nonprofit status and legal ability to operate an ALF program:	EXIHIBIT2PORTII.pdf	47 Pages
a	Articles of Incorporation		pgs. 2-30
b	Bylaws		pgs. 31-47
EXHIBIT 3	Community support:	EXIHIBIT3PORTII.pdf	192 Pages
a	Links to the community at large and to the minority and elderly communities in particular ; and		pgs. 1-85
b	Efforts to involve elderly persons, including minority elderly persons and persons with disabilities in: (1) Development of the application; (2) Development of the ALF operation philosophy; (3) Review of the application prior to submission to HUD; and (4) Intent to involve eligible ALF residents in the operation of the project.		pgs. 86-92
c	A description of your involvement in the community's Consolidated Planning process and Analysis of Impediments to Fair Housing		pgs. 93-158
d	Description of how the ALF will implement measures that will result in assisting residents to age in place with an improved living environment		pgs. 159-192
EXHIBIT 4	Evidence of occupancy.	EXIHIBIT4PORTII.pdf	8 Pages
EXHIBIT 5	Evidence of need for project.	EXIHIBIT5PORTII.pdf	204 Pages
a	Need for ALF by current residents: (1) Demographic characteristics of the elderly residents currently living in the project, (2) Services Currently available to the residents.		pgs. 2-32
b	Need for ALF units by very low income elderly and disabled households in market area.		pgs. 33-172
c	Type, availability and cost of local alternate care and services,		pgs. 173-174
d	How the community's Consolidated Plan and Analysis of Impediments to Fair Housing Choice was used.		pgs. 175-204

EXHIBIT 6	Narrative of the Physical Construction Aspects of the ALF Conversion.	EXIHIBIT6PORTII.pdf	86 Pages
a	Project development and timeline.		pgs. 2-7
b	Narrative stating the number of units, special design features, common areas;		pgs. 8-30
c	Energy efficiency features;		pgs. 31-32
d	Original plans and specifications;		pgs. 33-43
e	Description of how project will conform to UFAS;		pgs. 44-63
f	Architectural sketches: (1) All doors being widened; (2) Kitchen and bathroom reconfiguration; Bedroom/living/dining area modification; Reconfigured common space; (5) Added/reconfigured on and off site office and storage space; (6) Monitoring stations; (7) Kitchen and dining facility.	(3) (4)	pgs. 64-74
g	Budget.		pgs. 75-78
h	Commitment Letters.		page 79
i	Relocation: (1) Cost of temporary relocation; (2) Staff to carry out relocation activities; (3) List of tenants to be temporarily relocated; (4) Statement that temporary relocation will not extend beyond one year; and		pgs. 80-83
j	Section 3 requirements.		pgs. 84-86
EXHIBIT 7	Description of Retrofitting or renovations.	EXIHIBIT7PORTII.pdf	1 Page
EXHIBIT 8	Zoning.	EXIHIBIT8PORTII.pdf	2 Pages
EXHIBIT 9	Supportive Services Plan:	EXIHIBIT9PORTII.pdf	396 Pages
a	Description of the supportive services needed;		pgs. 2-6
b	Description of how the supportive services will be provided;		pgs. 7-12
c	Description of how the operation of your ALF will work;		pgs. 13-254
d	Cost for board and supportive services		pgs. 255-273
e	List who will pay for the board and supportive services and the amount being provided.		pgs. 274-291
f	Support or commitment letter;		pgs. 292-308
g	State or local support letter; and		pgs. 309-310
h	Experience in arranging services and/or delivering supportive services to frail residents.		pgs. 311-396

EXHIBIT 10	Project's resources.	EXIHIBIT10PORTII.pdf	43 Pages
EXHIBIT 11	Forms/Certifications:	EXIHIBIT11PORTII.pdf	23 Pages
a	Form HUD-92045, Multifamily Housing Assisted Living Conversion Program Application Summary Sheet.		Page 2
b	Form HUD SF-424, Application for Federal Assistance.		pgs. 3-6
c	Form HUD SF-424-Supplement, Survey for Ensuring Equal Opportunity for Applicants.		page 7
d	Form HUD-424-CB, Grant Applications Detailed Budget.		page 8
e	Form HUD 424-CBW, Grant Applications Detailed Budget Worksheet.		pgs. 9-15
f	Form HUD 2880, Applicant/Recipient Disclosure/Update Report		pgs. 16-19
g	Form HUD 2991, Certification of Consistency with the Consolidated Plan		page 20
h	Form HUD 2994-A, You Are Our Client! Grant Application Survey <i>(Optional-not included)</i>		
i	Standard form LLL, Disclosure of Lobbying Activities		page 21
j	Form HUD-96010, Program Outcome Logic Model <i>(Separate MS Excel Attachment)</i>	LOGICMODEL96010PORTII.xls	
k	Form HUD-2990, Certification of Consistency with RC/EZ/EC-II Strategic Plan		page 22
l	HUD-96011, "Third Party Document Facsimile Transmittal"		page 23

EXHIBIT 11: *Forms and Certifications*

- (a) Application Summary, Form HUD-92045
- (b) Form SF-424, Application for Federal Assistance
- (c) Form SF-424 Supplement, Survey for
Ensuring Equal Opportunity for
Applicants
- (d) Form HUD-424-CB, Grant Application Detailed
Budget
- (e) Form HUD 424-CBW, Grant Application Detailed
Budget Worksheet
- (f) Form HUD-2880, Applicant/Recipient
Disclosure/Update Report
- (g) Form HUD-2991, Certification of Consistency with
the Consolidated Plan
- (h) Form 2994-A, You are our client survey (*Optional- not
included*)
- (i) Standard form LLL, Disclosure of Lobbying Activities
- (j) Form HUD-96010, Program Logic Model (*Included as
separate MS Excel attachment*)
- (k) Form HUD-2990 Certification of Consistency with
RC/EZ/EC-II Strategic Plan (*Not applicable*)
- (l) Form HUD-96011 Facsimile Transmittal with
transmission receipt (*Sample of form to be used in case of
future faxes in regards to this project*)

**Multifamily Housing Assisted
Living Conversion Program
APPLICATION SUMMARY SHEET**

**U.S. Department of Housing
and Urban Development**
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0542
(exp. 8/31/2008)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is required for HUD's Assisted Living Conversion Program (ALCP). This program is authorized under Section 522(c) of the Appropriations Act of 2000. The information is necessary to assist HUD in determining applicant eligibility and ability to convert multifamily housing projects designated for the elderly (in whole or in part) into assisted living facilities. A thorough evaluation of an applicant's qualifications and capabilities is critical to protect the Government's financial interest and to mitigate any possibility of fraud, waste, or mismanagement of public funds. This collection of information does not collect any sensitive information. HUD does not ensure confidentiality.

Owner (Funds Recipient) Name National Church Residences of Cuyahoga Falls, OH
Address 2335 North Bank Drive

City Columbus State OH Zip 43220-5423

Phone (Include Area Code) (614) 451-2151

Grant Contact Person (Name) Eric Walker

Phone (Include Area Code) (614) 273-3734

E-mail address ewalker@ncr.org

List the specific development(s) targeted for assistance under this grant. Use additional sheets as needed.

Development Name Portage Trail Village

Address 45 Cathedral Lane

City Cuyahoga Falls State OH Zip 44223-1657

FHA/Project Number 042-SH015 Sec.8 Number OH12M000185

Project Type (e.g., 236) 202 No. of Units 192

Location (Urban, suburban, or rural) Suburban

Number of Residents 186 Estimated Number of Frail Elderly 23

Estimated Number of Non-elderly People with Disabilities 73

Estimated Number of At-risk Elderly 50

Are you applying for a Service Coordinator Grant? Yes No

Will this development share a service coordinator with other developments? Yes No

If yes, please give name and address of the development(s) if different.

Senators 1. George Voinovich 2. Sherrrod Brown

Congressional Representative(s) Name(s) 1. Tim Ryan District(s) 1. 17

2. _____ 2. _____

Application for Federal Assistance SF-424

Version 02

*** 1. Type of Submission:**

- Preapplication
- Application
- Changed/Corrected Application

*** 2. Type of Application:**

- New
- Continuation
- Revision

* If Revision, select appropriate letter(s):

* Other (Specify)

*** 3. Date Received:**

Completed by Grants.gov upon submission.

4. Applicant Identifier:

5a. Federal Entity Identifier:

*** 5b. Federal Award Identifier:**

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*** a. Legal Name:**

National Church Residences of Cuyahoga Falls, OH

*** b. Employer/Taxpayer Identification Number (EIN/TIN):**

340978745

*** c. Organizational DUNS:**

602418803

d. Address:

*** Street1:**

2335 North Bank Drive

Street2:

*** City:**

Columbus

County:

*** State:**

OH: Ohio

Province:

*** Country:**

USA: UNITED STATES

*** Zip / Postal Code:**

43220

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

*** First Name:**

Naren

Middle Name:

*** Last Name:**

Dhamodharan

Suffix:

Title:

AOR

Organizational Affiliation:

*** Telephone Number:**

413-565-7144

Fax Number:

413-565-7145

*** Email:**

naren@gdaconsultants.com

Application for Federal Assistance SF-424

Version 02

9. Type of Applicant 1: Select Applicant Type:

M: Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*** Other (specify):**

*** 10. Name of Federal Agency:**

US Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.314

CFDA Title:

Assisted Living Conversion for Eligible Multifamily Housing Projects

*** 12. Funding Opportunity Number:**

FR-5300-N-15

*** Title:**

Assisted Living Conversion Program (ALCP)

13. Competition Identification Number:

ALCP-15

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Cuyahoga Falls, Summit County, Ohio

*** 15. Descriptive Title of Applicant's Project:**

Renovation of elderly housing units into assisted living units to enable elders "to age in place".
The upgrades will add accessibility to the converted units.

Attach supporting documents as specified in agency instructions.

Application for Federal Assistance SF-424		Version 02
16. Congressional Districts Of:		
* a. Applicant	<input type="text" value="15th"/>	* b. Program/Project <input type="text" value="15th"/>
Attach an additional list of Program/Project Congressional Districts if needed.		
<input type="text"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:		
* a. Start Date:	<input type="text" value="03/01/2010"/>	* b. End Date: <input type="text" value="09/01/2011"/>
18. Estimated Funding (\$):		
* a. Federal	<input type="text" value="3,972,699.00"/>	
* b. Applicant	<input type="text" value="0.00"/>	
* c. State	<input type="text" value="0.00"/>	
* d. Local	<input type="text" value="0.00"/>	
* e. Other	<input type="text" value="0.00"/>	
* f. Program Income	<input type="text" value="0.00"/>	
* g. TOTAL	<input type="text" value="3,972,699.00"/>	
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?		
<input type="checkbox"/> a.	This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>	
<input type="checkbox"/> b.	Program is subject to E.O. 12372 but has not been selected by the State for review.	
<input checked="" type="checkbox"/> c.	Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (if "Yes", provide explanation.)		
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="text" value="Explanation"/>
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)		
<input checked="" type="checkbox"/> ** I AGREE		
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.		
Authorized Representative:		
Prefix:	<input type="text"/>	* First Name: <input type="text" value="Naren"/>
Middle Name:	<input type="text"/>	
* Last Name:	<input type="text" value="Dhamodharan"/>	
Suffix:	<input type="text"/>	
* Title:	<input type="text" value="AOR"/>	
* Telephone Number:	<input type="text" value="413-565-7144"/>	Fax Number: <input type="text" value="413-565-7145"/>
* Email:	<input type="text" value="naren@gdaconsultants.com"/>	
* Signature of Authorized Representative:	<input type="text" value="Completed by Grants.gov upon submission."/>	* Date Signed: <input type="text" value="Completed by Grants.gov upon submission."/>

Application for Federal Assistance SF-424

Version 02

*** Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.

Survey on Ensuring Equal Opportunity For Applicants

OMB No. 1890-0014 Exp. 2/28/2009

Purpose:

The Federal government is committed to ensuring that all qualified applicants, small or large, non-religious or faith-based, have an equal opportunity to compete for Federal funding. In order for us to better understand the population of applicants for Federal funds, we are asking nonprofit private organizations (not including private universities) to fill out this survey.

Upon receipt, the survey will be separated from the application. Information provided on the survey will not be considered in any way in making funding decisions and will not be included in the Federal grants database. While your help in this data collection process is greatly appreciated, completion of this survey is voluntary.

Instructions for Submitting the Survey

If you are applying using a hard copy application, please place the completed survey in an envelope labeled "Applicant Survey." Seal the envelope and include it along with your application package. If you are applying electronically, please submit this survey along with your application.

Applicant's (Organization) Name:	National Church Residences of Cuyahoga Falls, OH
Applicant's DUNS Name:	602418803
Federal Program:	Assisted Living Conversion Program (ALCP)
CFDA Number:	14.314

1. Has the applicant ever received a grant or contract from the Federal government?

Yes No

2. Is the applicant a faith-based organization?

Yes No

3. Is the applicant a secular organization?

Yes No

4. Does the applicant have 501(c)(3) status?

Yes No

5. Is the applicant a local affiliate of a national organization?

Yes No

6. How many full-time equivalent employees does the applicant have? (Check only one box).

3 or Fewer 15-50

4-5 51-100

6-14 over 100

7. What is the size of the applicant's annual budget? (Check only one box.)

Less Than \$150,000

\$150,000 - \$299,999

\$300,000 - \$499,999

\$500,000 - \$999,999

\$1,000,000 - \$4,999,999

\$5,000,000 or more

Organization Name: National Church Residences of Cuyahoga Falls, OH

* Project/Activity Name: Portage Trail Village Phase II ALCP

	Functional Categories										Column 9 Total (\$)
	Column 1 HUD Share (\$)	Column 2 Applicant Match (\$)	Column 3 Other HUD Funds (\$)	Column 4 Other Fed Share (\$)	Column 5 State Share (\$)	Column 6 Local/ Tribal Share (\$)	Column 7 Other Share (\$)	Column 8 Program Income (\$)	Column 9 Total (\$)		
a. Personnel (Direct Labor)											
b. Fringe Benefits											
c. Travel											
d. Equipment (only items > \$5,000 depreciated value)											
e. Supplies (only items < \$5,000 depreciated value)											
f. Contractual											
g. Construction											
1. Administration and Legal Expenses	73,000.00										73,000.00
2. Land, Structures, Rights-of- Way, Appraisals, etc.											
3. Relocation Expenses and Payments	426,190.00										426,190.00
4. Architectural and Engineering Fees	168,091.00										168,091.00
5. Other Architectural and Engineering Fees											
6. Project Inspection Fees											
7. Site Work											
8. Demolition and Removal											
9. Construction	3,821,520.00										3,821,520.00
10. Equipment											
11. Contingencies	256,000.00										256,000.00
12. Miscellaneous											
h. Other Direct Costs	158,908.00										158,908.00
i. Subtotal of Direct Costs	3,972,699.00										3,972,699.00
j. Indirect Costs (% Approved Indirect Cost Rate: <input type="text"/> %)											
Grand Total (Year <input type="text"/> 1):											
Grand Total (All Years):											3,972,699.00

Grant Application Detailed Budget Worksheet												
Detailed Description of Budget												
	Trips	Fare	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
3b. Transportation - Airfare (show destination)			\$0									
			\$0									
			\$0									
			\$0									
			\$0									
Subtotal - Transportation - Airfare			\$0	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
3c. Transportation - Other	Quantity	Unit Cost	Estimated Cost									
			\$0									
			\$0									
			\$0									
			\$0									
			\$0									
Subtotal - Transportation - Other			\$0	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
3d. Per Diem or Subsistence (indicate location)	Days	Rate per Day	Estimated Cost									
			\$0									
			\$0									
			\$0									
			\$0									
Subtotal - Per Diem or Subsistence			\$0	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Total Travel Cost			\$0									
4. Equipment (Only items over \$5,000 Depreciated value)	Quantity	Unit Cost	Estimated Cost									
			\$0									
			\$0									
			\$0									
Total Equipment Cost			\$0									

form HUD-424-CBW (2/2003)

Grant Application Detailed Budget Worksheet

Detailed Description of Budget										
Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
8. Construction Costs										
8a. Administrative and legal expenses										
Organizational		\$50,000	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$10,000	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cost Certification		\$8,000	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal		\$5,000	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal - Administrative and legal expenses		\$73,000	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8b. Land, structures, rights-of way, appraisal, etc										
Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal - Land structures rights-of way		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8c. Relocation expenses and payments										
Relocation		\$225,280	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lost Revenue/Vacancy		\$200,900	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal - Relocation expenses and payments		\$426,180	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8d. Architectural and engineering fees										
Architect Design		\$126,068	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Architect Supervision		\$42,023	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal - Architectural and engineering fees		\$168,091	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8e. Other architectural and engineering fees										
Survey/Engineering		\$5,000	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Harzards Materials Testing		\$15,000	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal - Other architectural and engineering fees		\$20,000	\$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4										

Grant Application Detailed Budget Worksheet												
Detailed Description of Budget												
	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
8f. Project inspection fees			\$0									
Subtotal - Project inspection fees			\$0									
8g. Site work				HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Subtotal - Site work			\$0									
8h. Demolition and removal Hazards Materials				HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Subtotal - Demolition and removal			\$248,574	\$248,574								
8i. Construction				HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Construction			\$2,506,516	2,506,516.00								
Bond Premium			\$30,430	30,430.00								
Permits/Fees			\$16,000	16,000.00								
Subtotal - Construction			\$2,552,946	2,552,946								
8j. Equipment				HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
AMPOFFE			\$75,000	75,000.00								
Subtotal - Equipment			\$75,000	75,000								
8k. Contingencies				HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Rehab Contingency			\$250,000	250,000.00								
Subtotal - Contingencies			\$250,000	250,000								
8l. Miscellaneous				HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Subtotal - Miscellaneous			\$0									
Total Construction Costs			\$3,813,791	\$3,813,791								

form HUD-424-CBW (2/2003)

Grant Application Detailed Budget Worksheet

Detailed Description of Budget			
Analysis of Total	Estimated Costs	Estimated Cost	Percent of Total
1	Personnel (Direct Labor)	\$ -	0%
2	Fringe Benefits	\$ -	0%
3	Travel	\$ -	0%
4	Equipment	\$ -	0%
5	Supplies and Materials	\$ -	0%
6	Consultants	\$ -	0%
7	Contracts and Sub-Grants	\$ -	0%
8	Construction	\$ 3,813,791.00	96%
9	Other Direct Costs	\$ 158,908.00	4%
10	Indirect Costs	\$ -	0%
	Total:	\$ 3,972,699.00	100%
	HUD Share:	\$ 3,972,699.00	
	(as percentage of HUD Share)		
	Match:	\$ -	0%

form HUD-424-CBW (2/2003)

**Applicant/Recipient
Disclosure/Update Report**

U.S. Department of Housing
and Urban Development

OMB Approval No. 2510-0011
(exp. 08/31/2009)

Applicant/Recipient Information

* Duns Number: 602418803

* Report Type: INITIAL

1. Applicant/Recipient Name, Address, and Phone (include area code):

* Applicant Name:

National Church Residences of Cuyahoga Falls, OH

* Street1: 2335 North Bank Drive

Street2:

* City: Columbus

County:

* State: OH: Ohio

* Zip Code: 43220

* Country: USA: UNITED STATES

* Phone: 413-565-7144

2. Social Security Number or Employer ID Number: 340978745

*** 3. HUD Program Name:**

Assisted Living Conversion for Eligible Multifamily Housing Projects

*** 4. Amount of HUD Assistance Requested/Received: \$** 3,972,699.00

5. State the name and location (street address, City and State) of the project or activity:

* Project Name: Portage Trail Village

* Street1: 45 Cathedral Lane

Street2:

* City: Cuyahoga Falls

County:

* State: OH: Ohio

* Zip Code: 44223-1657

* Country: USA: UNITED STATES

Part I Threshold Determinations

* 1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. (For further information see 24 CFR Sec. 4.3).

Yes No

* 2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1-Sep. 30)? For further information, see 24 CFR Sec. 4.9

Yes No

If you answered " No " to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form.

However, you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name:

* Government Agency Name:

U.S. Department of HUD

Government Agency Address:

* Street1: 1350 Euclid Avenue

Street2: Suite 500

* City: Cleveland

County:

* State: OH: Ohio

* Zip Code: 44115

* Country: USA: UNITED STATES

* Type of Assistance: ALCP Grant

* Amount Requested/Provided: \$ 5,040,351.00

* Expected Uses of the Funds:

ALCP Conversion 2008

Department/State/Local Agency Name:

* Government Agency Name:

U.S. Department of HUD

Government Agency Address:

* Street1: 1350 Euclid Avenue

Street2: Suite 500

* City: Cleveland

County:

* State: OH: Ohio

* Zip Code: 44115

* Country: USA: UNITED STATES

* Type of Assistance: Sect. 8 Rental

* Amount Requested/Provided: \$ 1,221,972.00

* Expected Uses of the Funds:

Section 8 Rental Assistance: Restricted to operating funds

(Note: Use Additional pages if necessary.)

PortageAdditional2880Page.pdf

Add Attachment

Delete Attachment

View Attachment

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name:

* Government Agency Name:

U.S. Department of HUD

Government Agency Address:

* Street1: 15 East 7th Street

Street2: 5th Floor

* City: Cincinnati

County:

* State: OH: Ohio

* Zip Code: 45202

* Country: USA: UNITED STATES

* Type of Assistance: RSC Extension

* Amount Requested/Provided: \$ 56,813.00

* Expected Uses of the Funds:

Residence Service Coordinator

Department/State/Local Agency Name:

* Government Agency Name:

Government Agency Address:

* Street1:

Street2:

* City:

County:

* State:

* Zip Code:

* Country:

* Type of Assistance:

* Amount Requested/Provided: \$

* Expected Uses of the Funds:

(Note: Use Additional pages if necessary.)

Add Attachment

Delete Attachment

View Attachment

Part III Interested Parties. You must decide.

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. Any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

* Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	* Social Security No. or Employee ID No.	* Type of Participation in Project/Activity	* Financial Interest in Project/Activity (\$ and %)
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> %

(Note: Use Additional pages if necessary.)

Add Attachment

Delete Attachment

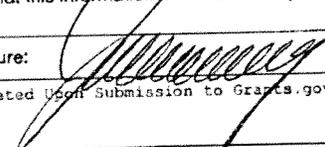
View Attachment

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.
 I certify that this information is true and complete.

* Signature:

Completed Upon Submission to Grants.gov



* Date: (mm/dd/yyyy)

10/30/09

Certification of Consistency with the Consolidated Plan

U.S. Department of Housing
and Urban Development

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.
(Type or clearly print the following information:)

Applicant Name: National Church Residences of Cuyahoga Falls, Ohio

Project Name: Portage Trail Village

Location of the Project: 45 Cathedral Lane

Cuyahoga Falls, OH

Name of the Federal
Program to which the
applicant is applying: US Dept. of HUD Assisted Living Conversion Program

Name of
Certifying Jurisdiction: City of Cuyahoga Falls

Certifying Official
of the Jurisdiction
Name: Susan L. Truby

Title: Community Development Director

Signature: 

Date: October 13, 2009

Certification of Consistency with the RC/EZ/EC-IIs Strategic Plan

U.S. Department of Housing
and Urban Development

I certify that the proposed activities/projects in this application are consistent with the strategic plan of a federally-designated empowerment zone (EZ), designated by HUD or by the United States Department of Agriculture (USDA), the tax incentive utilization plan for an urban or rural renewal community (RC) designated by HUD, or the strategic plan for an enterprise community (EC-II) designation in round II by USDA.

This Project is not in an RC/EZ/EC zone and therefore this form is not applicable.

(Type or clearly print the following information)

Applicant Name _____

Name of the Federal
Program to which the
applicant is applying _____

Name of RC/EZ/EC-II _____

I further certify that the proposed activities/projects will be located within the RC/EZ/EC-II identified above and are intended to serve the residents of the designated area. (2 points)

Name of the
Official Authorized
to Certify the RC/EZ/EC-II _____

Title _____

Signature _____

Date (mm/dd/yyyy) _____

Facsimile Transmittal

**U. S. Department of Housing
and Urban Development**
Office of Department Grants
Management and Oversight

OMB Approval No. 2525-0118
exp. Date (5/30/2008)

1252097519-2061

* Name of Document Transmitting: Nothing faxed with this application.

1. Applicant Information:

* Legal Name: National Church Residences of Cuyahoga Falls, OH
* Address:
* Street1: 2335 North Bank Drive
Street2:
* City: Columbus
County:
* State: OH: Ohio
* Zip Code: 43220 * Country: USA: UNITED STATES

2. Catalog of Federal Domestic Assistance Number:

* Organizational DUNS: 602418803 CFDA No.: 14.314
Title: Assisted Living Conversion for Eligible Multifamily Housing Projects
Program Component:

3. Facsimile Contact Information:

Department:
Division:

4. Name and telephone number of person to be contacted on matters involving this facsimile.

Prefix: * First Name: Naren
Middle Name:
* Last Name: Dhamodharan
Suffix:
* Phone Number: 413-565-7144
Fax Number: 413-565-7145

* 5. Email: naren@gdaconsultants.com

*** 6. What is your Transmittal? (Check one box per fax)**

a. Certification b. Document c. Match/Leverage Letter d. Other

* 7. How many pages (including cover) are being faxed? 0

PortageII2009-HUD ALCP
Exhibit 1
DUNS: 602418803
FAXID: 1252097519-2061

EXHIBIT 1

*Application Summary for the Assisted Living Conversion
Program, Form HUD-92045.*

**Multifamily Housing Assisted
Living Conversion Program
APPLICATION SUMMARY SHEET**

**U.S. Department of Housing
and Urban Development**
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0542
(exp. 8/31/2008)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is required for HUD's Assisted Living Conversion Program (ALCP). This program is authorized under Section 522(c) of the Appropriations Act of 2000. The information is necessary to assist HUD in determining applicant eligibility and ability to convert multifamily housing projects designated for the elderly (in whole or in part) into assisted living facilities. A thorough evaluation of an applicant's qualifications and capabilities is critical to protect the Government's financial interest and to mitigate any possibility of fraud, waste, or mismanagement of public funds. This collection of information does not collect any sensitive information. HUD does not ensure confidentiality.

Owner (Funds Recipient) Name National Church Residences of Cuyahoga Falls, OH

Address 2335 North Bank Drive

City Columbus State OH Zip 43220-5423

Phone (Include Area Code) (614) 451-2151

Grant Contact Person (Name) Eric Walker

Phone (Include Area Code) (614) 273-3734

E-mail address ewalker@ncr.org

List the specific development(s) targeted for assistance under this grant. Use additional sheets as needed.

Development Name Portage Trail Village

Address 45 Cathedral Lane

City Cuyahoga Falls State OH Zip 44223-1657

FHA/Project Number 042-SH015 Sec.8 Number OH12M000185

Project Type (e.g., 236) 202 No. of Units 192

Location (Urban, suburban, or rural) Suburban

Number of Residents 186 Estimated Number of Frail Elderly 23

Estimated Number of Non-elderly People with Disabilities 73

Estimated Number of At-risk Elderly 50

Are you applying for a Service Coordinator Grant? Yes No

Will this development share a service coordinator with other developments? Yes No

If yes, please give name and address of the development(s) if different.

Senators 1. George Voinovich 2. Sherrod Brown

Congressional Representative(s) Name(s) 1. Tim Ryan District(s) 1. 17

2. _____

2. _____

EXHIBIT 2

Evidence that you are a private nonprofit organization or nonprofit consumer cooperative and have the legal ability to operate an ALF program, per the following:

- (a) Articles of Incorporation, constitution, or other organizational documents, or self-certification of these documents if there has been no change in the Articles since they were originally filed with HUD and*
- (b) By-laws or self certification of by-laws, if there has been no change in the by-laws since they were originally filed with HUD.*

Doc ID: 602468906
OLWS: 200113602694
FAXID: 1252097519-2051



DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
05/17/2001	200113602694	CERTIFICATE OF CONTINUED EXISTENCE (CGE)	5.00	.00	.00	.00	.00

Receipt

This is not a bill. Please do not remit payment.

NATIONAL CHURCH RESIDENCES
2335 NORTH BANK DR
COLUMBUS, OH 43220-5499

STATE OF OHIO

Ohio Secretary of State, J. Kenneth Blackwell

338155

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH,

and, that said business records show the filing and recording of:

Document(s)	Document No(s):
CERTIFICATE OF CONTINUED EXISTENCE	200113602694



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of
the Secretary of State at Columbus,
Ohio this 30th day of April, A.D.
2001.

J. Kenneth Blackwell
Ohio Secretary of State

Portage II 12/11
Art File



STATEMENT OF CONTINUED EXISTENCE OF CORPORATION - NOT FOR PROFIT

The undersigned, a trustee, officer, or three members in good standing of the corporation named below, hereby verifies/verify that the corporation is still actively engaged in exercising its corporate privileges, and that:

1. The Charter Number is: **338155**
2. The exact corporate name is:
NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH.
3. The city, village or township in which its principal office is located is:
COLUMBUS
4. The county in which its principal office is located is: **FRANKLIN**
5. The date of its incorporation is: **March/ 4/1965**
6. The name of the current statutory agent is:

CSC-Lawyers Incorporating Service (Corporation Service Company)

7. The complete address of the current statutory agent is:
50 West Broad Street, Columbus, OH 43215

(P. O. Box addresses are not acceptable)

This document is signed by a trustee, corporate officer, or three members in good standing.

By: *Maureen Cullen*

Note: If a new agent has been appointed on line 6 above, that agent must acknowledge his/her acceptance of such appointment below.

ACCEPTANCE OF APPOINTMENT

The undersigned, MAUREEN CULLEN, named herein as the statutory agent for the corporation in line 2 of this statement, hereby acknowledges and accepts the appointment of statutory agent.

Maureen Cullen Asst. V.P.
Signature of Statutory Agent

PortageI2009-HUD ALCP
Exhibit 2
DUNS: 602418803
FAXID: 1252097519-2061



J. Kenneth Blackwell
Secretary of State
State of Ohio

August 22, 2001

DIN# 200123302844

NATIONAL CHURCH RESIDENCES
2335 N BANK DR
COLUMBUS, OH 43220

Re: NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH

Your filing could not be approved for the following reasons.

THE AGENT WAS CHANGE ON THE CONTINUATION

Please revise your filing and resubmit it to the Ohio Secretary of State's office . Your payment is being returned. Thank you.

Portage Trail Village



602418803

1252097519

Prescribed by **J. Kenneth Blackwell**

Please obtain fee amount and mailing instructions from the **Forms Inventory List** (using the 3 digit form # located at the bottom of this form). To obtain the **Forms Inventory List** or for assistance, please

call Customer Service:

Central Ohio: (614)-466-3910 Toll Free: 1-877-SOS-FILE (1-877-767-3453)

SUBSEQUENT APPOINTMENT OF AGENT

NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH #338155 hereby appoint
(Name of Corporation)

CSC - Lawyers Incorporating Services
(Corporation Service Company)

50 West Broad Street
(street and number)

(name of agent)
Columbus

, Ohio 43215

(zip code)

(city, village or township)

NOTE: P.O. Box addresses are not acceptable.

to succeed Thomas W. Slemmer as agent upon whom any process,
(Name of Former Agent)
notice or demand required or permitted by statute to be served upon the corporation may be served.

This line is to be signed by a corporate officer.

Signature: [Signature]
Title: Secretary/Treasurer

Acceptance of Appointment

The undersigned, CSC - Lawyers Incorporating Services
(Corporation Service Company) named herein as the statutory agent for
National Church Residences of Cuyahoga Falls, OH hereby acknowledges and accepts the
(Name of Corporation)
appointment of statutory agent for said corporation.

[Signature]
(Statutory Agent)



The State of Ohio

Bob Taft

Secretary of State

338155

Certificate

It is hereby certified that the Secretary of State of Ohio has custody of the Records of Incorporation and Miscellaneous

Filings; that said records show the filing and recording of: CCE

of:

NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH.

United States of America
State of Ohio
Office of the Secretary of State

Recorded on Roll 5563 at Frame 0206 of
the Records of Incorporation and Miscellaneous Filings.

Witness my hand and the seal of the Secretary of State at

Columbus, Ohio, this 13TH day of JUNE ,

A.D. 19 96 .



Bob Taft

Bob Taft

Secretary of State



Prescribed by
BOB TAFT, Secretary of State
30 East Broad Street, 14th Floor
Columbus, Ohio 43266-0418

05563-0206

Portage Trail

Charter No.	<u>338155</u>
Approved	<u>MR</u>
Date	<u>6/13/96</u>
Fee	\$5.00

96061363601

STATEMENT OF CONTINUED EXISTENCE OF CORPORATION NOT FOR PROFIT

The undersigned, a trustee, officer, or three members in good standing of the corporation named below, hereby verifies/verify that the corporation is still actively engaged in exercising its corporate privileges, and that:

1. The exact corporate name is: National Church Residences of Cuyahoga Falls, OH

2. The city, villiage or township AND county in which its principal office is located are:

City of Columbus, OH, counny of Franklin

3. The date of its incorporation was:

3/4/65
DATE

338155
CHARTER NUMBER

4. a. The name of the current statutory agent is: Thomas W. Stiemmer

b. The complete address of the agent is: 2335 North Bank Drive

Columbus, Ohio 43220
(P.O. BOX ADDRESSES ARE NOT ACCEPTABLE.)

THIS DOCUMENT IS SIGNED BY A TRUSTEE, CORPORATE OFFICER, OR
THREE MEMBERS IN GOOD STANDING.

BY: _____

Joseph R. Halling

NOTE: If a new agent has been appointed on line 4a above, the agent whose name appears on line 4a must acknowledge his or her acceptance of such appointment below.

ACCEPTANCE OF APPOINTMENT

The undersigned, _____, named herein as the statutory agent for the corporation named in line 1 of this statement, hereby acknowledges and accepts the appointment of statutory agent.

Signature of Statutory Agent



The State of Ohio

Bob Taft
Secretary of State

338155

Certificate

It is hereby certified that the Secretary of State of Ohio has custody of the Records of Incorporation and Miscellaneous Filings; that said records show the filing and recording of: CCE AGS

_____ of:

) NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH.

Recorded on Roll H190 at Frame 0849 of the Records of Incorporation and Miscellaneous Filings.

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary of State at Columbus, Ohio, this 9TH day of AUG, A.D. 1991.



Bob Taft
Bob Taft
Secretary of State



Portage 2009-HUD ALCP
 2 Prescribed by
 602-800-3111
 252-0976192061
 30 East Broad St., 14th Floor
 Columbus, Ohio 43266-0418
 Form CCE (December 1990)

Charter No.	338155
App. id.	ALD
Date	8-9-91
Fee	\$5.00

H0190-0849
STATEMENT OF CONTINUED EXISTENCE
OF CORPORATION NOT FOR PROFIT

The undersigned, a trustee, officer, or three members in good standing of the corporation named below, hereby verifies that:

1. The exact corporate name is: NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH

2. The city and county in which its principal office is located are: COLUMBUS, FRANKLIN COUNTY

3. The date of its incorporation was: 3/4/65

4. The corporation is still actively engaged in exercising its corporate privileges.

5. a. The current statutory agent is: THOMAS W. SLEMMER
- b. The agent's address is: 2335 NORTH BANK DRIVE
COLUMBUS, OH 43220

NOTE: P.O. Box addresses are not acceptable for cities with populations over 2,000.

This document is signed by a trustee, corporate officer, or three members in good standing.

By: *Robert C. Miller*
 ROBERT C. MILLER, VICE PRESIDENT

PortageII2009-HUD ALCP
Exhibit 2
DUNS: 602418803
FAXID: 1252097519-2061

NOV 06 1986 *IWS*
return to - *MLF*
A

RUDOLPH S. ZADNIK
ATTORNEY AND COUNSELOR AT LAW
1225 DUBLIN ROAD
COLUMBUS, OHIO 43215
614-481-8383

November 5, 1986

Mr. Thomas W. Slemmer
Senior Vice President
National Church Residences
2335 North Bank Drive
Columbus, Ohio 43220

Re: National Church Residences of Cuyahoga Falls, OH.
(formerly Cathedral Apartments, Inc.)

Dear Tom:

gill coord. w/MLF

I am pleased to enclose, at long last, recorded Certificate of Amended Articles of Incorporation of National Church Residences of Cuyahoga Falls, OH. (formerly Cathedral Apartments, Inc.), which was filed in the office of the Secretary of State of Ohio on September 18, 1986.

Also filed at the same time was Subsequent Appointment of Agent, appointing John R. Glenn as Statutory Agent; and Consent For Use of Similar Name. These are attached to the Amended Articles.

You'll note that the Secretary of State's office deleted reference to the names of the Trustees. I was advised that this was not to be a part of the filing. However, this does not affect the original Amended Articles in your possession, which does set forth the new Trustees. Now that National Church Residences is the sole member of the corporation, it has the power to appoint new Trustees at any time and in any number.

done

I'm also enclosing receipt from the Secretary of State's office for \$28.00 cash advanced by me for filing fees. You may reimburse me at your convenience.

My Statement for legal fees covering legal services rendered to you since the inception of this transaction will be forwarded to you shortly after the first of the year.

Very truly yours, *e*



Rudolph S. Zadnik
Attorney-at-Law

RSZ:ts
Encl.



Department of State

The State of Ohio

Sherrod Brown
Secretary of State

338155

Certificate

It is hereby certified that the Secretary of State of Ohio has custody of the Records of Incorporation and Miscellaneous Filings; that said records show the filing and recording of: AMA AGS CHN CHP

_____ of:

NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH. FORMERLY CATHEDRAL APARTMENTS, INC.

United States of America
State of Ohio
Office of the Secretary of State

Recorded on Roll G008 at Frame 1809 of
the Records of Incorporation and Miscellaneous Filings.

Witness my hand and the seal of the Secretary of State, at the
City of Columbus, Ohio, this 18TH day of SEP,
A.D. 1986.



Sherrod Brown
Sherrod Brown

Page Secretary of State

C-128 Portage 120
Non-profit
Prescribed by
SHERROD BROWN
Secretary of State
DUNS: 602418803
FAXID: 1252097519-206

G0008-1809

Charter # 338155
Approved by [Signature]
Date 9-18-86
Fee \$25.00

CERTIFICATE
OF
AMENDED ARTICLES OF INCORPORATION
OF

CATHEDRAL APARTMENTS, INC.

(Name of Corporation)

JOHN R. GLENN

() Chairman of the Board
(X) President (check one)
() Vice President

and JOSEPH R. KASBERG

(X) Secretary (check one)
() Assistant Secretary

of the above named Ohio corporation not for profit with its principal location at
2335 NORTH BAND DR., COLUMBUS, OHIO 43220, Ohio do hereby certify that: (check the
appropriate box and complete the appropriate statements)

a meeting of the members of said corporation entitling them to vote
on the proposal to adopt Amended Articles as contained in the following
resolution was duly called and held on the _____ day of _____,
19____, at which meeting a quorum of such members was present in person
or by proxy, and that by the affirmative vote of the members entitled
under the articles to exercise _____% of the voting power of the
corporation on such proposal,

in a writing signed by all of the members entitled to notice of a meeting
for such purpose,

the following resolution was adopted:

RESOLVED, That the following Amended Articles of Incorporation be and the same
are hereby adopted to supersede and take the place of the existing Articles of Incor-
poration and all amendments thereto:

AMENDED ARTICLES OF INCORPORATION OF
NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH.
formerly known as CATHEDRAL APARTMENTS, INC.

FIRST: The name of the corporation is NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH.

SECOND: The place in the State of Ohio where its principal office is located in
is 2335 North Bank Drive, in
the City of Columbus, Franklin County.

THIRD: The purpose or purposes for which said corporation is formed are:

(See attached continuation sheets, identified as Exhibit "A")

G0008-1810

EXHIBIT "A"

A. GENERAL PURPOSES OF THE CORPORATION:

The Corporation may engage in any lawful purpose or purposes that Ohio organized not-for-profit corporations may conduct under Ohio Non-Profit Corporation Law and Section 501(c)(3) of the Internal Revenue Code, specifically including, but not limited to the development, ownership, and operations of housing for elderly and/or handicapped low- and moderate-income families, under private and/or governmental housing programs, specifically including but not limited to Section 202 of the National Housing Act of 1959 (P.L. 86-372), as amended, and Section 8 of Title II of the Housing and Community Development Act of 1974 (P.L. 93-383), as amended.

B. ONE SPECIFIC PURPOSE OF THE CORPORATION:

One of the specific purposes, among others, of the Corporation is:

A. To provide elderly persons and handicapped persons with housing facilities and services specifically designed to meet their physical, social and psychological needs and to promote their health, security, happiness, and usefulness in longer living, the charges for such facilities and services to be predicated upon the provision, maintenance, and operation thereof on a non-profit basis.

C. IRREVOCABLE NON-PROFIT PURPOSE OF THE CORPORATION:

The Corporation is irrevocably dedicated to and operated exclusively for non-profit purposes; and no part of the income or assets of the Corporation shall be distributed to, nor inure to the benefit of, any individual.

D. POWERS OF THE CORPORATION:

The Corporation is hereby empowered to specifically perform but is not limited to the following acts:

1. 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 its purposes but solely in connection with the project assisted under Section 202 of the Housing Act of 1959 as amended.

2. 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.

3. To do and perform all acts reasonably necessary to accomplish the purposes of the Corporation, including the execution of a Regulatory Agreement with the Secretary of Housing and Urban Development, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of financing under Section 202 of the Housing Act of 1959. 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 held by the Secretary of Housing and Urban Development.

G0098-1811

4. In the event of the dissolution of the Corporation or the winding up of its affairs, or other liquidation or conveyance of its assets, the Corporation's property shall not be conveyed to any organization created or operated for profit or to any individual for less than the fair market value of such property, and all assets remaining after payment of the Corporation's debts shall be conveyed or distributed only to another non-profit corporation which is at that time exempt under Section 501(c)(3) of the Internal Revenue Code, and other than one created for religious purposes, PROVIDED, however, that the Corporation shall at all times have the power to convey any or all of its property to the Secretary of Housing and Urban Development to be used exclusively for public purposes.

E. SOLE MEMBER OF THE CORPORATION:

The Corporation shall at all times have one, and only one, Member in which shall vest all of the voting and other rights, authority, powers, and privileges of or pertaining to the Corporation that are conferred upon members of non-profit corporations formed under the Ohio Non-Profit Corporation Law (as amended), (or any future statute of like tenor or effect). Such sole member shall at all times be National Church Residences, an Ohio not-for-profit corporation, and its successors and assigns.

The member of the Corporation shall have the maximum voting and other rights, authority, powers, and privileges afforded members under the said Ohio Non-Profit Corporation Law, and nothing now or hereafter contained in these Articles of Incorporation or the Code of Regulations or By-Laws of the Corporation shall, or shall be deemed to, limit or restrict any such maximum rights, authority, powers and privileges, or elect or adopt any alternative means of exercising any right, authority, power or privilege that constitutes or would constitute a limitation, restriction or revocation of any right, authority, power or privilege to which the member would be entitled absent such election or adoption.

F. TRUSTEES OF THE CORPORATION:

The Trustees of the Corporation shall be selected by the Member of the Corporation and shall serve until their successors are selected by said Member. Said Trustees shall serve without compensation.

G. BY-LAWS OF THE CORPORATION:

By-Laws of the Corporation may be adopted by the Trustees at any regular meeting or any special meeting called for that purpose, so long as they are not inconsistent with the provisions of these Articles of Incorporation or of the Regulatory Agreement, if any, between the Corporation and the Secretary of Housing and Urban Development.

H. OFFICERS OF THE CORPORATION:

The officers of the Corporation, as provided by the By-Laws of the Corporation shall be elected by the Trustees of the Corporation in the manner therein set out and shall serve until their successors are elected and have qualified. The Trustees shall elect the regular officers of the Corporation at the annual meeting for terms of one (1) year. The secretary and treasurer may be one and the same person, and need not be a Trustee.

G0008-1812

I. NET EARNINGS:

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, its Member, Trustees, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of the purposes. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, 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 of 1954 (or the corresponding provision of any future United States Internal Revenue Law); or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

J. MORTGAGE:

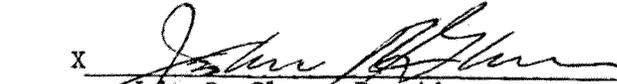
So long as a mortgage, if any, on the Corporation's property is insured or held by the Secretary of Housing and Urban Development, these Articles of Incorporation may not be amended without the prior written approval of said Secretary.

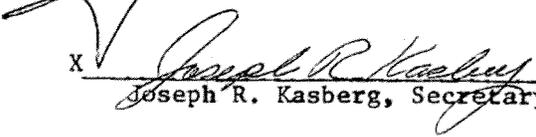
G0008-1813

~~FOURTH. The following persons, not less than three, shall serve said corporation as trustees until their successors are duly elected and appointed:~~

NAME	POST OFFICE ADDRESS
Edward Matthews	2070 Asbury Drive, Columbus, Ohio 43221
William E. Blaine, Jr.	2390 Onandago Drive, Columbus, Ohio 43221
John G. Lambert	5581 Ashford Road, Dublin, Ohio 43017

IN WITNESS WHEREOF, the above named officers, acting for and on behalf of the corporation, have subscribed their names this 15th day of September, 1986.

X 
John R. Glenn, President

X 
Joseph R. Kasberg, Secretary



Number 338155
By John R. Glenn
Date 9-18-86
Fee \$3.00

G0008-1814

Subsequent Appointment of Agent

NATIONAL CHURCH RESIDENCES
OF CUYAHOGA FALLS, OH.

_____ hereby appoints JOHN R. GLENN of
(Name of Corporation) (Name of New Agent)

2335 NORTH BANK DRIVE COLUMBUS FRANKLIN County,
(Street) (City or Village)

Ohio, 43220, to succeed LLOYD COPENBARGER as agent upon whom
(Zip Code) (Name of Former Agent)

any process, notice or demand required or permitted by statute to be served upon the corporation
may be served.

Date: September 15, 1986

NATIONAL CHURCH RESIDENCES OF
CUYAHOGA FALLS, OH.

By John R. Glenn
JOHN R. GLENN
President
Title _____

Instructions

- 1) The statutory agent for a corporation may be (a) a natural person who is a resident of Ohio, or (b) an Ohio corporation or a foreign corporation licensed in Ohio which has a business address in this state and is explicitly authorized by its articles of incorporation to act as a statutory agent. R.C. 1701.07(A), 1702.06(A).
- 2) A subsequent appointment of agent must be signed by the chairman of the board, the president, a vice-president, the secretary or an assistant secretary. R.C. 1701.07(L), 1702.06(K).
- 3) The agent's complete street address must be given; a post office box number is not acceptable. R.C. 1701.07(C), 1702.06(C).
- 4) The filing fee for a subsequent appointment of agent is \$3.00. R.C. 1701.07(M), 1702.06(L).

B397 - 204

338158

ARTICLES OF INCORPORATION
of
CATHEDRAL APARTMENTS, INC.

APPROVED

[Signature]
Date 3-7-65
A-58-60

The undersigned, a majority of whom are citizens of the United States, desiring to form a corporation, not for profit, under Sections 1702.01 et seq. of the Revised Code of Ohio, do hereby certify:

FIRST. The name of said corporation shall be Cathedral Apartments, Inc.

SECOND. The place in Ohio where the principal office of the corporation is to be located is Cuyahoga Falls, Summit County.

THIRD. The purpose or purposes for which said corporation is formed are:

(a) To provide housing and related facilities and services for elderly families and persons on a non-profit basis.

(b) To plan, construct, operate, maintain, rehabilitate, alter, convert, and improve housing and related facilities and services for elderly families and persons.

(c) To acquire by gift or purchase, hold, sell, convey, assign, mortgage, or lease any property, real or personal, necessary or incidental to the provision of housing and related facilities and services for elderly families and persons.

(d) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; and to secure loans by mortgage, deed of trust, pledge or other lien.

(e) To apply for, obtain and contract with any Federal agency for a direct loan or loans or other financial aid in the form of mortgage insurance or otherwise for the provision of housing and related facilities and services for the elderly.

(f) To engage in any kind of activity, and to enter into, perform and carry out contracts of any kind necessary or in connection with, or incidental to the accomplishment of any one or more of the purposes of the corporation.

FOURTH. The corporation formed hereby is also authorized to enter into a Regulatory Agreement with the Housing and Home Finance Administrator to carry out the provisions of Section 202 of the Housing Act of 1959 and any amendments thereto. Upon execution, the Regulatory Agreement shall be binding upon the corporation, its successors and assigns, for such period of time as shall be provided therein.

(P)

B397 = 205

FIFTH. The affairs of the corporation shall be managed by not less than seven (7) nor more than fifteen (15) Trustees, who shall be elected by the members of the corporation; provided, however, that said Board of Trustees always shall be comprised of an uneven number of members. The Trustees shall serve for a term of three (3) years, except those originally elected shall serve for terms ending as follows:

<u>Names</u>	<u>Addresses</u>	<u>Term</u>
Clayton B. Shaffer	1404 Grant Street Cuyahoga Falls, Ohio	1 year
William V. Strait	65 Swatt, Tallmadge, Ohio	1 year
O. CL re Conlan	336 Crystal Lake Road Akron, Ohio 44313	2 years
Waldon A. Berg	729 East Spruce Avenue Kavanna, Ohio	2 years
Rex E. Hubbard	59 West Portage Trail Cuyahoga Falls, Ohio	3 years
Ellis F. Baird	81 Harmony Hills Drive Akron, Ohio 44321	3 years
Giles H. Wagner	2710 Easton Street, NE Canton, Ohio	3 years

SIXTH. By-laws of the corporation may be adopted by the Trustees and amended by them from time to time, provided that such by-laws and amendments thereto shall not conflict with the provisions of these Articles of Incorporation.

SEVENTH. These Articles of Incorporation, except Articles Fourth and Eighth hereof, may be amended by a vote of two-thirds of the Trustees of the corporation at any annual meeting, or at a special meeting called for that purpose.

Eighth. No part of the net earnings of this corporation shall be distributed to, or inure to the benefit of any member, Trustee or officer of this corporation, contributor or private individual. In the event of dissolution, winding up, or other liquidation of the assets of this corporation, its assets shall be distributed to non-profit and charitable corporations or institutions as may be designated by the Trustees, to be used for purposes similar to those of this corporation.

IN WITNESS WHEREOF, we have hereunto subscribed our names this 3rd day of March, 1965.

CATHEDRAL APARTMENTS, INC.

By Charles E. Iden
Charles E. Iden

By Marie Miller
Marie Miller

By Koyanne Dollison
Koyanne Dollison

MEMORANDUM

TO: Joyce
FROM: TWS
DATE: March 13, 1986
SUBJECT: NCR of Cuyahoga Falls

When we took over Cathedral Towers, we made changes in the Articles of Incorporation and By-Laws with a name change. We have not yet filed those changes. Let's do that as soon as possible.

/jw

APR 24 1986

RUDOLPH S. ZADNIK
ATTORNEY AND COUNSELOR AT LAW
1225 DUBLIN ROAD
COLUMBUS, OHIO 43215
614-481-8383

JW

April 23, 1986

Mr. Thomas W. Slemmer
Senior Vice President
National Church Residences
2335 North Bank Drive
Columbus, Ohio 43220

Re: Portage Trails
National Church Residences of
Cuyahoga Falls, OH.
(formerly Cathedral Apartments, Inc.)

Dear Tom:

In checking with the Ohio Secretary of State, I was advised that the name "National Church Residences of Cuyahoga Falls, OH." had not been taken, and is still available. If this is true, then we can proceed to file the Amended Articles, which include the name change from "Cathedral Apartments, Inc." to "National Church Residences of Cuyahoga Falls, OH." without any delay.

It is still possible that a new corporation was formed by someone in your office in anticipation of acquiring the subject project, and that the new Articles were filed using the name National Church Residences of Cuyahoga Falls, OH. Let's hope that, even if the new Articles were typed and signed, they weren't filed. Otherwise, we'd need to file an Amendment changing the name to make it available for the Amended Articles negotiated with the previous principals.

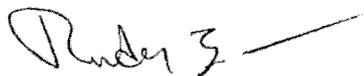
I've now prepared Certificate of Amended Articles, for execution on behalf of John R. Glenn as President, and Joseph R. Kasberg, as Secretary. I've also included a Change of Statutory Agent, and Consent to Use of Similar Name. Enclosed are two sets of these documents for signature and return.

Please have Rev. Glenn and Joe Kasberg sign where indicated, and return one set to me for filing. I'd prefer to file personally, in case any hitches develop which might take extra effort to resolve.

I'll advance the filing fees, and include them in any Statement for legal services to date, which I should be in position to send to you soon.

If you have any questions, please don't hesitate to let me know.

Very truly yours,



Rudolph S. Zadnik
Attorney at Law

RSZ:gm
Encls.

SEP 15 1986

RUDOLPH S. ZADNIK
ATTORNEY AND COUNSELOR AT LAW
1225 DUBLIN ROAD
COLUMBUS, OHIO 43215
614-481-8383

September 12, 1986

National Church Residences
2335 North Bank Drive
Columbus, Ohio 43220

Attention: Ms. Dawn Jark
Executive Assistant

Re: Portage Trail Village
National Church Residences of Cuyahoga
Falls, OH (formerly Cathedral
Apartments, Inc.)

Gentlemen:

Pursuant to our telephone conversation, the Ohio Secretary of State will not allow us to file the Amended Articles of Incorporation until after filing Application for Reinstatement. This is necessary because of the temporary cancellation of the Articles of Incorporation of Cathedral Apartments, Inc. by reason of non-activity with the Secretary of State's Office.

Please have Joe Kasberg sign and return two copies of the enclosed Application for Reinstatement and I will file the counterpart with the Secretary of State; and thereafter, file the Amended Articles, Consent for Use of Similar Name and Subsequent Appointment of Agent.

As indicated in my previous letter to Mr. Slemmer, I will advance the filing fees and include them in my statement for legal services.

If you have any questions, please let me know.

Very truly yours,



Rudolph S. Zadnik

RSZ:gm
Encl.

PortageII2009-HUD ALCP
Exhibit 2
DUNS: 602418803
FAXID: 1252097519-2061



National CHURCH RESIDENCES

2335 NORTH BANK DRIVE, COLUMBUS, OHIO 43220

614-451-2151

September 15, 1986

Rudolph S. Zadnik
1225 Dublin Road
Columbus, OH 43215

RE: Portage Trail Village
National Church Residences of Cuyahoga Falls, OH
(formerly Cathedral Apartments, Inc.)

Dear Mr. Zadnik:

Pursuant to our phone conversation of September 12, 1986,
enclosed please find the two copies of the Application for
Reinstatement which have been signed by Joe Kasberg, as you
requested.

If I can be of further assistance, please contact me.

Sincerely,

Dawn Jark
Executive Assistant

/dj

enclosures

Portagell2009-HUD ALCP
Exhibit 2
DUNS: 602418803
FAXID: 1252097519-2061

Prescribed by: Sherrod Brown
Secretary of State of Ohio

Approved: _____
Date: _____
Fee: \$10.00

APPLICATION FOR REINSTATEMENT

The undersigned corporation, organized not for profit under the laws of Ohio, and whose Articles of Incorporation were cancelled on the 11th day of February, 19 82, hereby makes application for reinstatement under the provisions of Section 1702.59, Revised Code of Ohio.

Dated this 15th day of September, 19 86.

CATHEDRAL APARTMENTS, INC.
(Corporate Title)

By: Joseph R. Kasberg
(President, Vice-President or Secretary)
Joseph Kasberg, Secretary

Prescribed by: Sherrod Brown
Secretary of State of Ohio

Approved: _____
Date: _____
Fee: \$10.00

APPLICATION FOR REINSTATEMENT

The undersigned corporation, organized not for profit under the laws of Ohio, and whose Articles of Incorporation were cancelled on the 11th day of February, 19 82, hereby makes application for reinstatement under the provisions of Section 1702.59, Revised Code of Ohio.

Dated this 15th day of September, 19 86.

CATHEDRAL APARTMENTS, INC.
(Corporate Title)

By: _____
(President, Vice-President or
Secretary)
Joseph Kasberg, Secretary



National CHURCH RESIDENCES

2335 NORTH BANK DRIVE, COLUMBUS, OHIO 43220

614-451-2151

November 11, 1986

Mr. Rudy Zadnik
Armstrong Mortgage Company
1225 Dublin Road
Columbus, Ohio 43215

RE: NATIONAL CHURCH RESIDENCES OF CUYAHOGA FALLS, OH

Dear Rudy:

Please find enclosed our check in the amount of \$28.00 to cover the fee associated with the amendment to the Articles for Cuyahoga Falls.

Thank you for your kind assistance in this matter, and we'll look for your professional bill after the first of the year.

Sincerely,

A handwritten signature in cursive script that reads "Mary".

Mary Rogers
Development Coordinator

Encl.

PortageII2009-HUD ALCP
Exhibit 2
DUNS: 602418803
FAXID: 1252097519-2061

FEB. 4. 1997

3:51PM

NATIONAL CHURCH RES

No. 2367 P. 6/28, 1986
NOV 06 1986
RETURN TO - 1151
[Signature]

RUDOLPH S. ZADNIK
ATTORNEY AND COUNSELOR AT LAW
1225 DUBLIN ROAD
COLUMBUS, OHIO 43215
614-481-8383

November 5, 1986

Mr. Thomas W. Slemmer
Senior Vice President
National Church Residences
2335 North Bank Drive
Columbus, Ohio 43220

Re: National Church Residences of Cuyahoga Falls, OH.
(formerly Cathedral Apartments, Inc.)

Dear Tom:

I am pleased to enclose, at long last, recorded Certificate of Amended Articles of Incorporation of National Church Residences of Cuyahoga Falls, OH. (formerly Cathedral Apartments, Inc.), which was filed in the office of the Secretary of State of Ohio on September 18, 1986.

Also filed at the same time was Subsequent Appointment of Agent, appointing John R. Glenn as Statutory Agent; and Consent For Use of Similar Name. These are attached to the Amended Articles.

You'll note that the Secretary of State's office deleted reference to the names of the Trustees. I was advised that this was not to be a part of the filing. However, this does not affect the original Amended Articles in your possession, which does set forth the new Trustees. Now that National Church Residences is the sole member of the corporation, it has the power to appoint new Trustees at any time and in any number.

I'm also enclosing receipt from the Secretary of State's office for \$28.00 cash advanced by me for filing fees. You may reimburse me at your convenience.

My Statement for legal fees covering legal services rendered to you since the inception of this transaction will be forwarded to you shortly after the first of the year.

Very truly yours, .

[Signature]

Rudolph S. Zadnik
Attorney-at-Law

RSZ:ts
Encl.

Portagell2009-HUD ALCP
Exhibit 2
DUNS: 602418803
FAXID: 1252097519-2061

file Postage Trail
prop tax



National CHURCH RESIDENCES

2335 NORTH BANK DRIVE, COLUMBUS, OHIO 43220

614-451-2151

February 26, 1990

Mr. James B. McCarthy
Summit County Auditor
Personal Property Tax Division
175 South Main Street
Akron, OH 44308

RE: Cathedral Apartments, Inc.

Dear Mr. McCarthy:

I am in receipt of Tax Form 920 for Cathedral Apartments, Inc.

On September 12, 1986, Cathedral Apartments, Inc. became National Church Residences of Cuyahoga Falls, Ohio. Enclosed is a copy of the Secretary of State's Certification as confirmation. Please update your files to reflect this change.

We have received Tax Form 920 for N-C-R of Cuyahoga Falls, Ohio and will file it as required.

Thank you for your assistance. Please contact me if you have questions.

Sincerely,

Shaunessy M. Everett
Coordinator,
Corporate and Legal Affairs

86:257

BY-LAWS
OF
NATIONAL CHURCH RESIDENCES OF
CUYAHOGA FALLS, OH

ARTICLE I

NAME AND ADDRESS OF THE CORPORATION

Section 1. The name of the Corporation is National Church Residences of Cuyahoga Falls, OH. Its principal office is located at 2335 North Bank Drive Franklin County, Columbus, Ohio 43220.

ARTICLE II

PURPOSE OF THE CORPORATION

Section 1 GENERAL PURPOSES OF THE CORPORATION

The Corporation may engage in any lawful purpose or purposes that Ohio organized not-for profit corporations may conduct under Ohio Non-Profit Corporation Law, specifically including, but not limited to, the development, ownership, and operations of housing for elderly and/or handicapped low and moderate income families, under private and/or governmental housing programs, specifically including but not limited to Section 202 of the National Housing Act of 1959 (P.L. 86-372), as amended, and Section 8 of Title II of the Housing and Community Development Act of 1974 (P.L. 93-383), as amended.

Section 2. ONE SPECIFIC PURPOSE OF THE CORPORATION

One of the specific purposes, among others, of the Corporation is:

a. To provide elderly persons and handicapped persons with housing facilities and services specially designed to meet their physical, social and psychological needs and to promote their health, security, happiness, and usefulness in

longer living, the charges for such facilities and services to be predicated upon the provision, maintenance, and operation thereof on a non profit basis.

Section 3. IRREVOCABLE NON-PROFIT PURPOSE OF THE CORPORATION

The Corporation is irrevocably dedicated to and operated exclusively for, non-profit purposes; and no part of the income or assets of the Corporation shall be distributed to, nor inure to the benefit of, any individual.

Section 4. POWERS OF THE CORPORATION:

The Corporation is hereby empowered to specifically perform, but is not limited to the following acts:

a. 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 its purposes.

b. 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.

c. To do and perform all acts reasonably necessary to accomplish the purposes of the Corporation, including the execution of a Regulatory Agreement with the Secretary of Housing and Urban Development, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of financing under Section 202 of the Housing Act of 1959. 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 held by the Secretary of Housing and Urban Development.

d. In the event of the dissolution of the Corporation or the winding up of its affairs or other liquidation or conveyance of its assets, the Corporation's property shall not be conveyed to any organization created or operated for profit or to any individual for less than the fair market value of such property, and all assets remaining after payment of the Corporation's debts shall be conveyed or distributed only to an organization or organizations created and operated for non-profit purposes similar to those of the Corporation: PROVIDED, HOWEVER, THAT the Corporation shall at all times have the power to convey any or all of its property to the Secretary of Housing and Urban Development.

Section 5. SOLE MEMBER OF THE CORPORATION

The Corporation shall at all times have one, and only one, Member in which shall vest all of the voting and other rights, authority, powers and privileges of or pertaining to the Corporation that are conferred upon members of non-profit corporations formed under the Ohio Non-Profit Corporation Law (as amended) (or any future statute of like tenor or effect). Such sole member shall at all times be NATIONAL CHURCH RESIDENCES, an Ohio not-for-profit corporation, and its successors and assigns.

The member of the Corporation shall have the maximum voting and other rights, authority, powers and privileges afforded members under the said Ohio Non-Profit Corporation Law, and nothing now or hereafter contained in the Articles of Incorporation or these By-Laws of the Corporation shall, or shall be deemed to, limit or restrict any such maximum rights, authority, powers and privileges, or elect or adopt any alternative means of exercising any right, authority, power or privilege that constitutes or would constitute a limitation, restriction, or revocation of any right, authority, power or privilege to which the Member would be entitled absent such election or adoption.

Section 6. TRUSTEES OF THE CORPORATION

The Trustees of the Corporation shall be elected by the Member of the Corporation and shall serve until their successors are selected by said Member. Said Trustee shall serve without compensation.

Section 7 OFFICERS OF THE CORPORATION

The officers of the Corporation, as provided by these By-Laws of the Corporation, shall be elected by the Trustees of the Corporation in the manner herein set out and shall serve until their successors are elected and have qualified. The Trustees shall elect the regular officers of the Corporation at the annual meeting for terms of one (1) year. The secretary and treasurer may be one and the same person, and need not be a Trustee.

Section 8. NET EARNINGS

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, its Members, Trustees, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of the purposes. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these articles, 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 of 1954 (or the corresponding provision of any future United States Internal Revenue Law), or (b) by a Corporation contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

Section 9. MORTGAGE

So long as a mortgage, if any, on the Corporation's property is insured or held by the Secretary of Housing and Urban Development, these Articles may not be amended without the prior written approval of the said Secretary.

ARTICLE III

MEMBERSHIP OF THE CORPORATION

The Corporation shall at all times have one, and only one, Member in which shall vest all of the voting and other rights, authority, powers and privileges of or pertaining to the Corporation that are conferred upon members of non-profit corporations formed under Chapter 1702 of the Ohio Revised Code (or any future statute of like tenor or effect). Such sole member shall at all times be NATIONAL CHURCH RESIDENCES, An Ohio Corporation non-for-profit, and its successors and assigns.

The member of the Corporation shall have the maximum voting and other rights, authority, powers, and privileges afforded members under said Chapter 1702 and nothing now or hereafter contained in these By-Laws of the Corporation shall or shall be deemed to, limit or restrict any such maximum rights, authority, powers and privileges, or elect or adopt any alternative means of exercising any right, authority, power or privilege that constitutes or would constitute a limitation, restriction, or revocation of any right, authority, power, or privilege to which the member would be entitled absent such election or adoption

ARTICLE IV

MEETINGS OF MEMBER OF THE CORPORATION

Section 1. PLACE OF MEETING -- Meetings of the membership shall be held at the principal office or place of business of the Corporation, or at such other suitable place convenient to the member as may be designated by the Board of Trustees.

Section 2. ANNUAL MEETING -- The annual meeting of the Corporation shall be held on the second Tuesday of March of each year, except that if such day is a legal holiday, the meeting shall be held on the first following business day. At such annual meeting, there shall be elected by the Member, a Board of Trustees in accordance with the requirements of Section 1 of Article V of these By-Laws. The Member may also transact such other business of the Corporation as may properly come before such annual meeting.

Section 3. SPECIAL MEETINGS -- Special meetings may be called by the President or shall be called by him as directed by a resolution adopted by the Board of Trustees or upon a written request by the Member or at the request of the United States Department of Housing and Urban Development. The notice of any special meeting shall state the time and place of such meeting and purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice, unless by consent of the Member, or its proxy.

Section 4. NOTICE OF MEETINGS -- It shall be the duty of the Secretary to mail notice of each Annual Meeting, stating the purpose thereof as well as the time and place where it is to be held, to the Member, at its address as it appears on the membership book of the Corporation, or if no such address appears, at its last known place of address, at least ten (10) but not more than sixty (60) days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served.

Section 5. VOTING -- The Member of the Corporation shall have the maximum voting and other rights, authority, powers, and privileges afforded members under applicable Ohio Law including the right to vote by proxy. The President of NATIONAL CHURCH RESIDENCES, the sole Member, or in his absence, any officer of National Church Residences, shall cast the official vote of the Member on all matters requiring a vote and serves as the official representative of the Member at all meetings of the member.

Section 6. ORDER OF BUSINESS -- The order of business at all meetings of the Membership shall be as follows (items inapplicable to the particular meeting may be omitted):

- a. Roll Call.
- b. Proof of Notice of Meeting or waiver of notice.
- c. Reading of Minutes of preceding meeting.
- d. Reports of Officers.
- e. Report of Government Representative, if present.
- f. Report of Committees
- g. Election of Inspectors of Election.
- h. Election of Trustees.
- i. Unfinished business.
- j. New business.

ARTICLE V
BOARD OF TRUSTEES OF THE CORPORATION

Section 1. NUMBER AND QUALIFICATIONS -- The Corporation shall be governed by the Board of Trustees composed of three (3) persons. The President of the sole Member, National Church Residences, shall automatically serve as a member of the Board of Trustees.

Section 2. GOVERNING POWERS -- The Board of Trustees shall have all the powers and duties necessary or appropriate for the administration of the affairs of the Corporation, and may do all such acts and things as are not, by law, or by the Articles of Incorporation, or by these By-Laws, directed to be exercised and done by the Member.

Section 3. NOMINATION OF TRUSTEES -- The Trustees, other than the President of the sole member who serves automatically, shall be nominated by the sole Member except that the President or Chairperson of the Board of Governors, as described in Article X of these By-Laws, shall be automatically nominated by his position.

Section 4. ELECTION AND TERM OF TRUSTEES -- The Trustees, other than the President of the sole Member, shall be elected from among the nominations as follows: At the first election, the term of the office of one of such Trustees shall be fixed for two (2) years; and the term of the other Trustees shall be fixed for three (3) years. At the expiration of the initial term of office of each such respective Trustee, his successor shall be elected and qualified.

Section 5. VACANCIES -- Vacancies in the Board of Trustees caused by any reason, whether by the removal of a Trustee, by a vote of the Membership, or at the request of the United States Department of Housing and Urban Development, or otherwise, shall be filled by a vote of the remaining trustees and each person so elected shall be a Trustee until a successor is elected by the Member at the next meeting.

Section 6. REMOVAL OF TRUSTEES -- At any annual or special meeting duly called, any one or more of the Trustees may be removed with or without cause by a vote of the Member or at the request of the U.S. Department of Housing and Urban Development. A successor Trustee may then and there be elected to fill the vacancy thus created, but only in accordance with the procedure set forth in Section 5 or Article V of these By-Laws.

Section 7. COMPENSATION -- Trustees shall receive no compensation for their services as Trustees.

Section 8. ANNUAL MEETING -- Except as otherwise provided by, a meeting of the Board of Trustees for the purpose of election of Officers and the consideration of any other business that may be properly brought before it shall be held immediately after the annual meeting of the Member, at such place as the Board of Trustees may, from time to time, determine, and no notice of such meeting shall be necessary.

Section 9. REGULAR MEETINGS -- Regular meetings of the Board of Trustees shall be at the call of the President. Notice of regular meetings of the Board of Trustees shall be given to each Trustee, personally or by mail, telephone, telegraph, at least three (3) days prior to the day named for such meeting.

Section 10. SPECIAL MEETINGS -- Special meetings of the Board of Trustees may be called by the President on three (3) days' notice to each Trustee, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Trustees shall be called by the President or Secretary in like manner and on like notice on the written request of one or more Trustee.

Section 11. WAIVER OF NOTICE -- Before, or at, any meeting of the Board of Trustees, any Trustee may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Trustee at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Trustees are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. To the extent permitted by law, any lawful action of the Board of Trustees may be taken without a meeting, if written consent to such action is signed by all Trustees and filed with the Minutes of the Board.

Section 12 QUORUM -- At all meetings of the Board of Trustees, a majority of the Trustees shall constitute a quorum for the transaction of business, and the acts of the majority of the Trustees present shall be the acts of the Board of Trustees. If, at any meeting of the Board of Trustees, there is less than a quorum present, the Trustees present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13 VOTING -- Each individual Trustee of the Board of Trustees for the Corporation shall have one (1) vote and the maximum voting and other rights, authority, powers, and privileges afforded Trustees under applicable Ohio Law.

Section 14. ORDER OF BUSINESS -- The order of business at all meetings of the Board of Trustees shall be as follows (items inapplicable to the particular meeting may be omitted):

- a. Roll Call;
- b. Proof of Nature of Meeting or Waiver of Notice;
- c. Reading of Minutes of Previous Meeting;
- d. Reports of Officers;
- e. Report of Government Representative, if any;
- f. Report of Committees;
- g. Election of Inspectors of Election;
- h. Election of Officers;
- i. Unfinished Business;
- j. New Business.

ARTICLE VI

OFFICERS OF THE CORPORATION

Section 1. DESIGNATION -- The principal officers of the Corporation shall be a President, one Vice-President, a Secretary and Treasurer, all of whom shall be elected by the Board of Trustees.

Section 2. ELECTION OF OFFICERS -- The Officers of the Corporation shall be elected annually by the Board of Trustees at its Annual Meeting and, unless sooner removed by the Board, these elected Officers shall serve for a term of one (1) year and until their successors are elected and shall qualify. Any vacancies occurring in offices shall be filled by the Board of Trustees, from time to time. The Board of Trustees shall appoint such temporary or acting Officers as may be necessary during the temporary absence or disability of the regular Officers.

Section 3. REMOVAL -- Upon an affirmative vote of a majority of the members of the Board of Trustees, any Officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Trustees, or at any special meeting called for that purpose.

Section 4. PRESIDENT -- The President shall be the chief executive officer of the Corporation. He shall have all the general powers and duties which are usually vested in the office of President of a corporation, including the power to appoint committees, from time to time, as in his discretion he may deem appropriate to assist in the conduct of the affairs of the Corporation.

Section 5. VICE-PRESIDENT -- There shall be one Vice-President, as the Board of Trustees shall, from time to time, determine. In the absence of, or disability of the President, the Vice-President shall perform the duties and exercise the powers of the President. The Vice-President shall also perform such other duties as shall be prescribed by the Board of Trustees.

Section 6. SECRETARY -- The Secretary shall keep the minutes of all meetings of the Board of Trustees and of the Membership. He shall have custody of the seal of the Corporation, and of such other books and records of the Corporation as the Board of Trustees may require. He shall perform the duties and functions customarily performed by the Secretary of a corporation, together with such other duties as the Board of Trustees may prescribe.

Section 7. TREASURER -- The Treasurer shall maintain custody of the Corporate funds and securities and shall keep a full and accurate account of all receipts and disbursements and shall render an account of all his transactions as Treasurer and of the financial condition of the Corporation whenever called upon to do so.

Section 8. ASSISTANT VICE-PRESIDENT -- There shall be one or more Assistant Vice-President(s), as the Board of Trustees shall, from time to time, determine. In the absence of, or disability of the President and the Vice-President, the Assistant Vice President shall perform the duties and exercise the powers of the President. The Assistant Vice-President shall also perform such other duties as shall be prescribed by the Board of Trustees.

Section 9. ASSISTANT SECRETARY -- There shall be one or more Assistant Secretaries as the Board of Trustees shall from time to time determine. The Assistant Secretary, in the absence of the Secretary, shall keep the minutes of all meetings of the Board of Trustees and of the Membership, and shall perform the duties and functions customarily performed by the Secretary of the corporation, together with such other duties as the Board of Trustees may prescribe.

ARTICLE VII

AMENDMENTS TO THE BY-LAWS OF THE CORPORATION

Section 1. AMENDMENTS -- Except as otherwise required by law, or otherwise limited with the Articles of Incorporation for the Corporation, these By-Laws may be amended at any regular meeting of the Board of Trustees or at any special meeting called for that purpose provided that written notice of the proposed amendment shall have been given at least ten (10) days prior to such meeting. Such amendment shall require an affirmative vote of two-thirds (2/3rds) of the members of the Board of Trustees present at a duly constituted meeting and shall further require the prior written approval of the United States Department of Housing and Urban Development.

ARTICLE VIII
FISCAL MANAGEMENT OF THE CORPORATION

Section 1. FISCAL YEAR -- The fiscal year of the Corporation shall be July 1 of each year to the next June 30 of the following year, except that the first fiscal year of the Corporation shall begin at the date of incorporation and end on the next following June 30. The commencement date of the Corporation's Fiscal Year herein established shall be subject to change by the Board of Trustees, with the prior written approval of the United States Department of Housing and Urban Development and the United States Treasury Department--Internal Revenue Service Division.

Section 2. BOOKS AND ACCOUNTS -- Books and accounts of the Corporation shall be kept under the direction of the Treasurer of the Corporation in accordance with the requirements of the Loan Agreement and Regulatory Agreement entered into with the United States Department of Housing and Urban Development.

Section 3. AUDITING AND REPORTS -- At the close of each Fiscal Year, the books and records of the Corporation shall be audited in accordance with the requirements of the United States Department of Housing and Urban Development, as prescribed by the applicable Loan Agreement and Regulatory Agreement. The President of the Corporation shall cause to be prepared annually a full and correct statement of the affairs of the Corporation, including a balance sheet and financial statement of operations for the preceding Fiscal Year which shall be submitted at the Annual Meeting of the Member and the Board of Trustees, and filed with the Secretary of the Corporation.

Section 4. EXECUTION OF CORPORATE DOCUMENTS -- With the prior authorization of the Board of Trustees, all notes, contracts and checks shall be executed on behalf of the Corporation by either the President or the Vice President and attested by the Secretary or Treasurer.

Section 5. FIDELITY BONDS -- The Board of Trustees shall require that all officers and employees of the Corporation having custody or control of corporate funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Corporation.

ARTICLE IX
IDEMNIFICATION BY CORPORATION OF ITS TRUSTEES, OFFICERS,
AND EMPLOYEES

Section 1. IDEMNIFICATION OF TRUSTEES, OFFICERS AND EMPLOYEES -- The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was a Trustee, Officer or Employee of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer or employee of another Corporation, domestic or foreign non-profit or for profit, partnership, joint venture, trust or other enterprise or foreign, non-profit or for profit, partnership, joint venture, trust or other enterprise against expenses (including attorney's fees), judgements, fines and amounts paid in settlement actually and reasonably incurred by him