

Certificate of Incorporation

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

For Use by Nonprofit Corporations

under Section 202 of the Housing Act of 1959,
as amended, or Section 811 of the National
Affordable Housing Act

OMB Approval No. 2502-0470
(exp. 11/30/2006)

Though it may be reproduced in other formats, the content or language of this certificate may not be altered except as required by State laws applicable to nonprofit corporations and, as necessary, to meet Internal Revenue Service requirements for tax exempt status.

This edition of the Certificate of Incorporation has been modified to alleviate certain problems Section 202 or Section 811 projects may have meeting State and local requirements pertaining to tax-exempt status.

In addition an addendum is included for use by all owners seeking approval under Section 501(c)(3) of the Internal Revenue Code.

The board must consist of at least seven (7) voting directors but no more than fifteen (15) directors (not applicable to Section 811 projects). The sponsor entity cannot be the sole member of the corporation.

Public reporting burden for this collection of information is estimated to average 1 hour 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 information collection is necessary to ensure that viable projects are developed. It is important to obtain information from applicants to assist HUD in determining if nonprofit organizations initially funded continue to have the financial and administrative capacity needed to develop a project and that the project design meets the needs of the residents. The Department will use this information to determine if the project meets statutory requirements, ensuring the continued marketability of the projects. This information is required in order to obtain benefits. This information is considered non-sensitive and no assurance of confidentiality is provided.

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

Project Number :

Project Name :

Project Location (street, city, State):

For Use by Nonprofit Corporations under Section 202 of the Housing Act of 1959, as amended, or Section 811 of the National Affordable Housing Act.

CERTIFICATE OF INCORPORATION OF

This is to certify that we, the undersigned, all being of full legal age, do hereby associate ourselves for the purpose of forming a nonprofit Corporation under and by virtue of the laws of the State of _____ and further certify that;

Article I

- (a) The name of the Corporation is referred to as "the Corporation".
- (b) The existence of the Corporation will be _____
- (c) The principal office of the Corporation will be located at _____
- (d) The resident agent of the Corporation is _____ whose post office address is _____

Article II

The purposes for which the Corporation is formed, and the business and objects to be carried on and promoted by it, are as follows:

- (a) To provide elderly or disabled 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 nonprofit basis.
- (b) The Corporation is irrevocably dedicated to and operated exclusively for, nonprofit purposes; and no part of the income or assets of the Corporation shall be distributed to, nor inure to the benefit of, any individual.

Article III

The Corporation is empowered:

- (a) To buy, own, sell, assign, mortgage, or lease any interest in real estate and personal property and to construct, maintain, and operate improvements thereon necessary or incident to the accomplishment of the purposes set forth in Article II hereof, but solely in connection with the project assisted under Section 202 of the Housing Act of 1959, as amended, or Section 811 of the National Affordable Housing Act.
- (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 capital advances and project rental assistance under Section 202 or Section 811. 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 of its assets, the Corporation's property shall not be conveyed to any organization created or operated for profit or to any individual and all assets remaining after the payment of the Corporation's debts shall be conveyed or distributed only to an organization or organizations created and operated for nonprofit purposes similar to those of the Corporation 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.

Article IV

The number of directors (trustees) of the Corporation shall be (*) _____. The original directors (trustees) and the term for which each will serve, are set below.

Name:

Term:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The directors (trustees) shall serve without compensation.

The directors of the Corporation shall, at all times, be limited to individuals who are either members of (**)

_____ or nonmembers who have the approval of the Board of Trustees (Directors) of the said sponsoring organization. In the event that a director of the Corporation ceases to be a member of (**)

_____ or, if the aforesaid approval is withdrawn, then, in either event, such shall constitute automatic resignation as a director (trustee) of the Corporation.

The officers of the Corporation, as provided by the By-Laws of the Corporation, shall be elected by the directors (trustees) of the Corporation, in the manner therein set out, and shall serve until their successors are elected and have qualified. The directors (trustees) shall elect the regular officers of the Corporation at the annual meeting, for terms of one year. The secretary and treasurer may be one and the same person.

The annual meeting shall be held on the _____ in _____ of each year.

Article V

By-Laws of the Corporation may be adopted by the directors 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 or of the Regulatory Agreement between the Corporation and the Secretary of Housing and Urban Development pursuant to Article II hereof.

Article VI

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

Signed by the incorporators this _____ day of _____, 20 _____.

Name:

Address:

_____	_____
_____	_____
_____	_____

* Must be at least seven (7) but no more than fifteen (15) individuals (except for projects assisted under Section 811).

** Insert the name of the sponsoring organization.

ADDENDUM TO THE CERTIFICATE OF INCORPORATION

Article I

- (a) The name of the Corporation is referred to as "the Corporation"
- (b) The existence of the Corporation will be
- (c) The principal office of the Corporation will be located at
- (d) The resident agent of the Corporation is whose post office address is

Article II

The purposes for which the Corporation is formed, and the business and objects to be carried on and promoted by it, are as follows:

(a) This Corporation is organized exclusively for charitable and/or educational purposes, including, for such purposes, the making of distributions to organizations which qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States internal revenue law, or to the Secretary of Housing and Urban Development for the time being exclusively for a public purpose. In pursuance of the foregoing purposes, the Corporation shall have the power 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 nonprofit basis.

(b) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered and to make payments and distributions in furtherance of its exempt purposes. No substantial part of the activities of the Corporation shall consist of 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 or in opposition to 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 (1) by a corporation exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States internal revenue law, or (2) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States internal revenue law.

Article III

The Corporation is empowered:

(a) To buy, own, sell, assign, mortgage, or lease any interest in real estate and personal property and to construct, maintain, and operate improvements thereon necessary or incident to the accomplishment of the purposes set forth in Article II hereof, but solely in connection with the project assisted under (Section 202 of the housing act of 1959, as amended, or Section 811 of the National Affordable Housing Act).

(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 capital advances or project rental assistance under (Section 202 or Section 811). Such Regulatory Agreement and other instruments and undertaking 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) Upon the dissolution of the Corporation, all of the remaining assets of the Corporation shall be distributed only to one or more organizations created and operated for one or more exempt purposes within the meaning of Article II(a) hereof, other than for religious purposes, all of the foregoing within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States internal revenue law, or shall be distributed to the Secretary of Housing and Urban Development exclusively for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.