

# A01000000268

February 21, 2001

Mr. Buck Kohr  
Corporation Specialist  
Division of Corporations

RE: Filing of Magnolia Walk Apartments III, Ltd.

Dear Buck:

Thanks again for all your help. We need the following to file the limited partnership:

Filing of Original Limited Partnership	\$ 52.50
Certified Copy	\$ 52.50*
Registered Agent Fee	\$ 35.00
Certificate of Status	\$ <u>8.75*</u>
<b>TOTAL COST</b>	<b>148.75</b>


\*Please return:

Certified Copy of Limited Partnership  
Certificate of Status

Buck, the Affidavit of Capital Contributions is on page 15 and the contribution of capital is addressed in the document on page 3.

Thanks for your continued help.

Sincerely,

  
Sue Butler for John M. Curtis  
352-332-0838 FAX 352-332-2926

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\*\*\*148.75 \*\*\*148.75

Additionally, we need the following:

Ocala Leased Housing Corporation, Inc.

2001 Certificate of Status

Silver Oaks Village, Ltd.

File 2001 Annual Report and  
Certificate of Status

Magnolia Walk Apartments II, Ltd.

File 2001 Annual Report and  
Certificate of Status

LP - 87.50  
CRA 61 25

16  
B/C 2/23

AFFIDAVIT AND  
CERTIFICATE AND AGREEMENT  
OF  
LIMITED PARTNERSHIP  
OF

Magnolia Walk Apartments III, Ltd.

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SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

THIS CERTIFICATE AND AGREEMENT made and entered into as of the 15<sup>th</sup> day of February, 2001, among OCALA LEASED HOUSING CORPORATION, INC. (hereinafter referred to as the "General Partner"), and TIM D. HAINES (hereinafter sometimes referred to as "Limited Partner," individually, and "Limited Partners," collectively). The General and Limited Partners are collectively referred to herein as "Partners."

W I T N E S S E T H:

WHEREAS, the partners wish to form a limited partnership under the laws of the State of Florida for the purposes set forth herein.

NOW, THEREFORE, in consideration of the mutual benefits to be derived herefrom, the parties hereto agree as follows:

ARTICLE I

Name and Business Character

The Partners hereby agree to form a business as a Florida limited partnership under the name MAGNOLIA WALK APARTMENTS III, LTD. (the "Partnership") for the purpose of owning and developing the Property into a residential development located in Marion County, Florida.

ARTICLE II

Location of Principal Place of Business;  
Registered Agent; Partners

The location of the principal place of business of the Partnership and likewise its mailing address shall be 233 SW 3<sup>rd</sup> Street, Ocala, FL 34478 or such other place as the General Partner may elect. The Registered Agent for the Partnership is Gwendolyn Dawson whose address is 233 SW 3<sup>rd</sup> Street, Ocala, FL 34478. The names and addresses of all Partners and their initial Capital Interests are shown on Exhibit "A" attached hereto and by this reference incorporated herein.

ARTICLE III

Definitions

For purposes of this Agreement, the following terms shall have the meanings set forth below:

- 3.1 Act shall mean the Florida Revised Limited Partnership Act (1986).
- 3.2 Agreement shall mean this Certificate and Agreement of Limited Partnership, as from time to time amended.

3.3 Capital Account shall have the definition as set forth in Section 6.5 hereof.

3.4 Capital Interest shall mean the interests of each partner in the capital, profits and losses of the Partnership, as set forth on Exhibit 3.

3.5 Code shall mean the Internal Revenue Code of 1986, as amended.

3.6 Distribution Cash shall mean the Partnership cash receipts derived from the operation, ownership or sale of Partnership properties less all cash expenditures, including payments of principal and interest on indebtedness, capital expenditures and the amount of any reserves deemed reasonably necessary by the General Partner.

3.7 Net Proceeds shall mean the net cash remaining from the sale or liquidation of all assets and properties held by the Partnership after payment of all Partnership liabilities and costs, fees, commissions and expenses of liquidation.

3.8 Net Profits and Net Losses shall mean, for each fiscal year or other period of the Partnership, an amount equal to the Partnership's taxable income or loss for such year or period, determined in accordance with Code Section 703(a).

3.9 Partnership shall mean this Partnership and the partnership continuing the business of this Partnership in the event of dissolution provided herein.

3.10 Property means that real property described on Exhibit "B" attached hereto and by this reference incorporated herein and which is the real property referred to in Article II.

3.11 Regulations mean the income tax regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

#### ARTICLE IV

4.1 Commencement. The Partnership shall commence as of the date of filing of this Certificate of Limited Partnership Agreement with the Secretary of the State of Florida.

4.2 Termination. The Partnership shall continue until terminated upon the earliest to occur of the following events:

(a) The withdrawal (either voluntary or involuntary) of the General Partner if no successor is appointed in accordance with Section 10.3 hereof, or

(b) Agreement to terminate by Partners holding 70% of the Capital Interests in the Partnership with notice of termination given to all Partners stating the date of such termination which shall not be less than sixty (60) days following the date of such notice; or

(c) The sale or other dissolution of the Property to an entity or person in which the Partnership does not have a substantial ownership interest; or

(d) The date of December 7, 2053.

ARTICLE V

Contribution to Capital

5.1 Contribution of Partners. The Partners have contributed or will contribute the following amount of cash or property to the capital of the Partnership:

	<u>Cash</u>	<u>Real Estate</u>	<u>Total</u>
GENERAL PARTNER:			
Ocala Leased Housing Corporation, Inc.	\$1,000.00	-0-	\$1,000.00
	\$		\$
	\$		\$
LIMITED PARTNER:			
Tim D. Haines	\$ 50.00	-0-	\$ 50.00
	\$		\$
	\$		\$

5.2 Nominee Names. Any assets, including the Property, shall be registered or titled in the name of the Partnership unless otherwise agreed upon by all of the Partners.

5.3 Additional Property; Investments. Additional assets may be contributed to the partnership from time to time by the execution of property transfer documents which are acceptable to the General Partner. No Partner shall be obligated to contribute any additional assets except as otherwise provided herein.

ARTICLE VI

Accounting

6.1 Allocation of Net Profits and Net Losses Between Limited Partners and General Partners. Net Profits and Net Losses shall be determined and allocated with respect to each fiscal year, as of the end of the year, (i) ninety-nine percent (99%) to the General Partner and (ii) one percent (1%) to the Limited Partners, pro rata, according to the Capital Interest owned by each. Notwithstanding the foregoing, if any Partner contributes property with an adjusted basis to such contributing Partner which is greater or less than its fair market value, then, solely for the purpose of computing a Partner's distributive share of Partnership Net Profits and Net Losses, depreciation and gain or loss with respect to such contributed property shall be shared among the Partners so as to take account of the variations between the adjusted basis of the contributed property to the Partnership and its fair market value. The purpose of this provision is to comply with the provisions of the Regulations under Section 704(c)(2) of the Code, and all computations for federal income tax purposes with respect to such contributed property shall be made in accordance with such Treasury Regulations

6.2 Allocation of Distributable Cash Between Limited Partners and General Partners. Each distribution of Distributable Cash shall be allocated among the Partners (i) ninety-nine percent (99%) to the General Partners and (ii) one percent (1%) to the Limited Partners, pro rata, according to the Capital Interest owned by each.

6.3 Allocation Among Partners. Net Profits and Net Losses allocated to the Partners shall be apportioned among all Partners who were Partners during the year and shall be based upon the number of days in the calendar year for which each was recognized as a Partner by the Partnership.

6.4 Books of Account. At all times during the continuance of the Partnership, the General Partners shall cause proper and true books of account to be kept wherein shall be entered particulars of all monies, goods or effects belonging to or owing to or by the Partnership, or paid, received, sold or purchased in the course of the Partnership's business, and all other such transactions, matters and things relating to the business of the Partnership as are usually entered in books of account kept by persons engaged in a business of a like kind and character. The books of account shall be kept at the principal office of the Partnership and each Partner shall at all reasonable times have free access to and the right to inspect the same.

6.5 Capital Accounts. A Capital Account shall be maintained for each Partner. Each Partner's proportionate share of Partnership profits and losses and each Partner's drawings, further contributions to the Partnership, and such other transactions with the Partnership should, under proper accounting principles, be reflected in his Capital Account, shall be so reflected. Such Capital Accounts shall, at all times, be maintained in accordance with Regulation 1.704-1(b).

6.6 Annual Statements. The books of account shall be closed as promptly as reasonably possible after the end of each fiscal year of the Partnership. Promptly thereafter, the Partnership shall make a written report to each Partner, which may include a balance sheet of the partnership as of the end of such year, a statement of income and expenses for such year, a statement of each Partner's capital, or such statements with respect to the status of the Partnership and distribution of profits and losses therefrom as are considered necessary to advise all Partners properly about their investment in the Partnership for federal income tax reporting purposes.

6.7 Fiscal Year. The fiscal year of the Partnership shall end on the last day of December in each calendar year.

6.8 Bank Accounts. All funds of the Partnership shall be segregated from any funds not belonging to the Partnership and shall be deposited in the name of the Partnership in one or more bank accounts as the General Partner shall determine. All withdrawals therefrom are to be made on checks signed by an officer of the General Partner.

## ARTICLE VII

### Rights, Duties and Responsibilities of the Partners

7.1 Management. The General Partner shall have the full and exclusive business management and control over the Partnership business, and no Limited Partner shall individually, or collectively with other Limited Partners, take any part in the control of the business of the Partnership.

7.2 Powers of the General Partner. In addition to any other rights, powers and duties that the General Partner may possess under law, the General Partner shall have all specific rights, powers and duties required or

appropriate in connection with his management of the Partnership's business, which, by way of illustration, but not by way of limitation, shall include the following rights, powers and duties, to the extent that they are in furtherance of the best interests of the Partnership:

(a) To acquire real and personal property and execute and deliver, on behalf of the Partnership, all documents and instruments reasonable and necessary to evidence the Partnership's acquisition of and interest in such property;

(b) To construct, operate, maintain and lease improvements upon real property owned by the Partnership;

(c) To borrow money and pledge the Partnership's assets as security therefore, and to execute such documents as may be necessary to evidence the same, including notes, guarantees, mortgages, security agreements and such other documents evidencing or securing the borrowing;

(d) To improve, sell, assign, convey, dedicate, grant easements upon, impose restrictions upon, and otherwise deal with all or any part of the assets of the Partnership;

(e) To repay, in whole or in part, any debt of the Partnership and in connection therewith to execute any extensions, renewals or modifications of such debt;

(f) To bring or defend, pay, collect, compromise, arbitrate, resort to legal action, or otherwise adjust claims or demands of or against the Partnership;

(g) To acquire and enter into any contracts of insurance, at competitive rates, that the General Partner reasonably determines necessary and proper for the protection of the Partnership, for the conservation of the assets of the Partnership, or for any purpose beneficial to the Partnership;

(h) To pay or cause to be paid all federal, state and local taxes levied upon, imposed on, or assessed against the Partnership or the assets of the Partnership, and any penalties imposed or interest charges in connection therewith;

(i) To perform such necessary transactions with any banking institution, savings or savings and loans institutional lender or pension or trust fund as the General Partner may deem appropriate, including opening bank accounts, savings accounts and brokerage accounts with signature authority in the General Partner or such other person or persons as the General Partner may authorize;

(j) To invest funds of the Partnership, including funds held as reserves, in certificates of deposit or in interest-bearing time deposits in state or national banks, United States government securities, bank repurchase agreements, bankers' acceptance and money-market funds;

(k) To establish reasonable reserves from funds of the Partnership to provide for future requirements of the Partnership;

(l) To enter into any kind of activity and to perform and carry out contracts of any kind necessary to, or in connection with, or incidental to, the accomplishment of the purposes of the Partnership, so long as said activities and contracts may be lawfully carried on or performed by the Partnership under the laws of the State of Florida;

(m) To employ attorneys, agents, brokers, consultants and accountants on behalf of the Partnership, including, without limitation, affiliates of the General Partner.

(n) To lend funds to the Partnership and to charge interest thereon;

(o) To perform or cause to be performed all of the Partnership's obligations under any agreement to which the Partnership is a party; and

(p) To execute, acknowledge and deliver any and all instruments necessary to effectuate the foregoing.

7.3 Expenditures by Partners. The Partnership may pay reasonable compensation to the General Partner, and unrelated third parties for accounting, administrative, legal, technical and management services rendered to the Partnership. Any Limited Partner shall be entitled to reimbursement by the Partnership for any expenditures incurred by that Partner on behalf of the Partnership which have been made other than out of the funds of the Partnership, provided that such expenditures have been approved in advance by the General Partner.

7.4 Authority of General Partner. Nothing herein contained shall impose any obligations on any person or form doing business with the Partnership to inquire as to whether or not the General Partner has exceeded his authority in executing any contract, lease, mortgage, deed or other instrument on behalf of the Partnership, and any such third person shall be fully protected in relying upon any action of the General Partner.

7.5 Indemnification. Except as expressly set forth herein, no Partner shall be liable in damages or otherwise to the Partnership or to the other Partners for any act or failure to act by him or it, unless such act or omission is attributable to willful misconduct, gross negligence, fraud or violation of any specific prohibition contained in this Agreement, in which case such Partner shall indemnify and hold the Partnership and the other Partners harmless from any loss, damage, cost or expense (including, but not limited to, reasonable attorneys' fees) arising from such act or omission. The Partnership shall indemnify and hold the General Partner and his employees and agents, harmless from any loss, damage, cost or expense (including, but not limited to, reasonable attorneys' fees) arising out of any act or omission of such person on matters relating to the Partnership, to the fullest extent permitted by law, except that the Partnership shall not indemnify the General Partner against any loss, damage, cost or expense arising out of willful misconduct, gross negligence, fraud or the violation of any specific prohibition contained in this Agreement. Nothing in this section shall be deemed to exculpate any person from liability to the Partnership or to any of the Partners to the extent that insurance proceeds under the policies carried by the Partnership are available to satisfy such liability.

#### ARTICLE VIII

##### Loans, Withdrawals and Priorities

8.1 Interest. During the term of the Partnership no interest shall be allowed to any Partner upon the amount of his or its Capital Account. If the Partnership shall borrow any funds from any Partner, or any affiliate of any Partner, such Partner shall be paid such reasonable rate of interest determined by the General Partner and such loan shall be accounted for and be a liability of the Partnership.

8.2 Withdrawal of Capital. No Partner shall be entitled to the return of his Capital Account except by way of the distribution to him of assets upon the dissolution of the Partnership pursuant to the provisions of this Agreement.

## ARTICLE IX

### Dissolution or Termination

9.1 Accounting. In case of the dissolution and termination of the Partnership, a proper accounting shall be made of the Capital Account of each Partner and of the Net Profits and Net Losses of the Partnership from the date of the last previous accounting to the date of dissolution.

9.2 Liquidating Trustee. Upon the dissolution of the Partnership business, for any reason, the General Partner shall act as the liquidating trustee ("Trustee"). The Trustee shall have full power to sell, assign and encumber Partnership assets. Notwithstanding such power, the Trustee shall not sell any assets except in the case of:

(a) Sales necessary in order to raise cash for the payment of creditors; or

(b) Assets not readily divisible, such as real property, fixtures, equipment and the like.

All cash shall, to the extent necessary, be used to pay creditors, and any assets remaining shall be distributed as provided in Section 9.3.

9.3 Distribution on Dissolution. In the event of the liquidation and dissolution of the Partnership for any reason, after the payment of or provision for creditors, the Partnership assets and Net Proceeds shall be distributed to the Partners, pro rata, in accordance with the remaining positive balance in their Capital Accounts. Such Capital Accounts shall be adjusted to take into account each Partner's share of unrealized appreciation and depreciation in Partnership assets which are to be distributed in kind.

9.4 Negative Capital Accounts. Notwithstanding anything to the contrary in this Agreement, upon the liquidation and dissolution of the Partnership, if any Partner shall have a negative Capital Account balance, then such Partner shall be obligated to contribute to the Partnership an amount equal to his or its negative Capital Account balance and such amount shall be distributed to the other Partners with positive Capital Accounts, pro rata, or to creditors, as the case may be.

## ARTICLE X

### Restrictions on Transfer of Partner's Interest

10.1 Restrictions on Disposition of Interest. No Limited Partner may transfer, pledge, mortgage or encumber, in whole or in part, his Capital Interest to any person without the prior written consent of the General Partner, which consent may be unreasonably withheld. No transfer or assignment of any Partner's interest or rights shall be made if, in the judgment of the General Partner, such transaction would result in the violation of any laws or regulations, or cause the Partnership to lose its status as a partnership or, in the opinion of counsel to the Partnership would result in a violation of any federal or state securities law or require registration thereunder. Any transfer, in whole or in part, of any interest in the Partnership by a Limited Partner without the prior written consent of the General Partner shall be void.



10.2 Substitute Limited Partner. No transferee of a Limited Partner's Capital Interest shall have the right to become a substitute Limited Partner in place of his or its transferor without the prior written consent of the General Partner, as provided above, and unless and until such transferee executes such documents as are deemed necessary by the General Partner in order for the transferee to become a substitute Limited Partner.

10.3 Substitute General Partner, Continuance of Business. Upon the dissolution or bankruptcy of the General Partner or occurrence of the circumstances described in Section 11.2(c), the Limited Partners, by majority vote, as determined by their relative Capital Interests, shall have the right to elect a successor General Partner to continue the business of the Partnership, and such successor General Partner shall have all the rights, duties and obligations as are given the General Partner.

10.4 Right of First Refusal.

(a) Notice. If a Limited Partner wishes to sell, transfer or otherwise dispose of his Capital Interest, or part thereof, he shall give the General Partner the First Refusal Notice respecting the Capital Interest, or part thereof, offered for disposition at the First Refusal Price. The General Partner, if he consents to the transfer, shall give the remaining Limited Partners notice of such proposed transfer within ten (10) days after receiving the First Refusal Notice.

(b) Purchase Rights. The remaining Limited Partners shall have the right to purchase the Capital Interest, or part thereof, being offered with such right to be executed by giving written notice to the General Partner within twenty (20) days after receiving notice of the General Partner's consent to the transfer as provided in Section 10.1. The other Limited Partners shall have the right thereof to purchase the Capital Interest, or part thereof, offered for sale or disposition, pro rata, at the First Refusal Price.

(c) Right to Transfer. Such portion of the Capital Interest offered as to which an election to purchase has not been timely made by the remaining Limited Partners may, during a period of sixty (60) days after the expiration of a twenty (20) days period referenced in (b) above, be sold, transferred or otherwise disposed of to the purchaser or other transferee named in, and upon the terms and conditions substantially the same as those described in, the First Refusal Notice given to the General Partner.

(d) Lapse. If, however, such Capital Interest, or part thereof, shall not have been sold, transferred or otherwise disposed of, in whole or in part, then such Capital Interest, or part thereof, shall again become restricted as if it had never been offered to the remaining Limited Partners in accordance with the terms and conditions of this Agreement.

(e) Closing. If a Limited Partner elects to purchase the Capital Interest, or part thereof, of the disposing Limited Partner as described in the First Refusal Notice, the closing of such transaction shall occur within thirty (30) days following the acknowledgement to the General Partner of such Limited Partner's desire to purchase the Capital Interest, or part thereof, offered for sale or transfer. At the closing, the purchasing Limited Partner or Partners shall pay the disposing Limited Partner the First Refusal Price.

ARTICLE XI

Default

11.1 Default by a Partner. The occurrence of any of the following events shall constitute an Event of Default as to a Partner hereunder:

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TALLAHASSEE, FLORIDA  
SECRETARY OF STATE

(a) Monetary. Default by any Partner in providing any capital contributions or other funds required of that Partner in accordance with the terms of this Agreement, provided, however, that such default continues for a period of ten (10) days after the Partnership, acting through any other Partner, provides written notice of such default to the Defaulting Partner.

(b) General. Default in performance of any other agreement or obligation of any Partner in accordance with the terms of this Agreement or other agreement between the Partnership and such Partner if such default continues for a period of sixty (60) days after written notice thereof is given by the Partnership acting through any other Partners, to the Defaulting Partner.

(c) Insolvency. If any Partner makes an assignment for the benefit of creditors or petitions for appointment of a trustee or receive of that Partner or any substantial portion of the assets of that Partner, or if any Partner commences any proceeding, pursuant to any bankruptcy, reorganization, arrangement, insolvency, readjustment, debt, dissolution or liquidation law, or if any such petition is filed or any such proceedings are commenced against any Partner and that Partner, by any act, indicates his approval thereof, consent thereto or acquiescence therein, or if any order is entered appointing any trustee or receiver for all or any portion of the assets of any Partner, or any Partner is adjudicated bankrupt, or insolvent.

11.2 Remedies of Default. Should an Event of Default occur as to any Partner and be continuing beyond any grace period provided herein, the non-defaulting Partners shall, at their election, have, and by this Agreement are expressly given, the right, power and authority to exercise any one or more of the following remedies:

(a) Purchase. To purchase the Capital Interest of the Defaulting Partner in the Partnership by paying the Defaulting Partner an amount equal to eighty percent (80%) of the then fair market value of his or its Capital Interest, as determined by agreement or, if no agreement is reached, as determined by averaging two appraisals, one obtained by the non-defaulting Partners, the other by the Defaulting Partner.

(b) Termination. In the case of an Event of Default by the General Partner, to terminate the Partnership by vote of a majority in Capital Interests of the Partners other than the Defaulting Partner.

(c) General Partner. If the Defaulting Partner is the General Partner and the non-defaulting Partners elect to purchase the General Partner's interest, then the non-defaulting Partners, by majority vote of their relative Capital Interests, may immediately elect a substitute General Partner who or which, upon giving written notice of such election to the Defaulting General Partner, shall immediately become a General Partner.

(d) In General. To exercise any other remedy provided elsewhere in this Agreement or by applicable law, including seeking specific performance.

ARTICLE XII

General Provisions

12.1 Notices. All notices, offers or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if mailed from within the United States by first class United States mail, postage prepaid, or by prepaid telegram and addressed to any Partner, to the address set forth as to such Partner in this Agreement. Any Partner may change his address by giving notice in writing stating his new address to the Partnership. Commencing on the 10th day after the giving of such notice, such newly designated address shall be such Partner's address for purposes of all notices or other communications required or permitted to be given pursuant this Agreement.

12.2 Successors. This Agreement and all the terms and provisions hereof shall be binding upon and shall inure to the benefit of the Partners and their respective legal representatives, heirs, successors and assigns, except as expressly provided herein.

12.3 Construction. This Agreement shall be construed in conformity with the laws of the State of Florida.

12.4 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

12.5 Entire Agreement. This Agreement contains the entire understanding among the Partners and supersedes any prior understandings or written or oral agreements among them respecting the within subject matter, including, without limitation, any prior partnership agreements. There are no oral or written representations, agreements, arrangements or understandings between and among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein.

12.6 Attorney's Fees and Costs. Whenever provision is made for indemnification against attorney's fees and costs, such provision shall include fees and costs, whether or not suit be brought, and including fees and costs on appeal.

12.7 Amendment. This Agreement may be amended only by a written agreement executed by all of the Partners.

ARTICLE XIII

Appointment of Attorney-in-Fact

13.1 Power. Each Limited Partner, by execution hereof, irrevocably constitutes and appoints the General Partner, with full power of substitution, his true and lawful attorney-in-fact, in his name, place and stead to consent and agree to make, execute, sign, acknowledge, swear to, deliver, record and file on behalf of him and on behalf of the Partnership, the following:

(a) A Certificate and Agreement of Limited Partnership, a Registration of Fictitious Name and all other certificates or instruments, and any amendments thereof, which the General Partner deems appropriate to form, qualify or continue the Partnership as a limited partnership in the jurisdiction in which the Partnership may conduct business or in which such formation, qualification or continuation is, in the opinion of the General Partner, necessary to protect the limited liability of the Limited Partners;

(b) Any and all amendments to the Certificate and Agreement of Limited Partnership adopted in accordance with its terms;

(c) Any and all amendments to the Certificate and Agreement of Limited Partnership admitting or substituting Limited Partners or reflecting the return to Limited Partners of any portion of their capital contributions;

(d) Any and all amendments to the Certificate and Agreement of Limited Partnership: (i) to add to the representations, duties or obligations of the General Partner or surrender any right or power granted to the General Partner therein for the benefit of the Limited Partners; (ii) to cure any ambiguity, to correct or supplement any provision therein which may be inconsistent with any other provision therein or to make any other provision with respect to matters or questions arising under the Certificate and Agreement of Limited Partnership which will not be inconsistent with the provisions of such Agreement; (iii) to delete or add any provision of the Partnership Agreement required to be so deleted or added by any state or federal agency; (iv) to conform the allocation and distribution sections of this Agreement to the requirements of section 704(b) of the Code or the Treasury Regulations thereunder, or otherwise comply with applicable tax laws and regulations; provided, however, that no amendment may be executed pursuant to this subsection (d) unless the adoption thereof (1) is for the benefit of or not adverse to the interests of the Limited Partners, (2) other than as authorized in (iv) above, does not affect the distribution of Distributable Cash and Net proceeds or the allocation of Net Profits and Net Losses among the Limited Partners or between the Limited Partners and the General Partner, and (3) does not affect the limited liability of the Limited Partners or adversely affect the status of the Partnership as a partnership for federal income tax purposes; and

(e) Any and all such other instruments as may be deemed necessary or desirable by the General Partner to carry out fully the provisions of the Certificate and Agreement of Limited Partnership in accordance with its terms.

13.2 Exercise of Power. The foregoing grant of authority:

(a) Is a special power of attorney coupled with an interest, is irrevocable and shall survive the death or incapacity of any person hereby giving such power;

(b) May be exercised by a facsimile signature of the person hereby giving the power or by listing the name of such person along with the name of all other persons for whom such attorney is so acting, and executing the Certificate and Agreement of Limited Partnership and such other certificates, instruments and documents with the single signature of the Chairman, President and any Vice President of the General Partner as such attorney-in-fact acting for all the persons whose names are so listed;

(c) Shall survive the delivery of an assignment by a Limited Partner of the whole or any portion of his Partnership interests; and

(d) Shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

GENERAL PARTNER

OCALA LEASED HOUSING CORPORATION, INC.

Gwendolyn Dawson

By: Gwendolyn Dawson

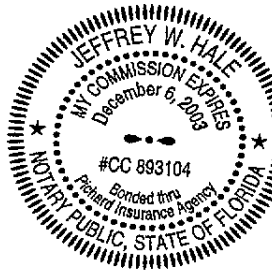
LIMITED PARTNER

TIM D. HAINES

By: Tim D. Haines

STATE OF FLORIDA  
COUNTY OF Marion

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of February, 20 01, by Gwendolyn B. Dawson, who is personally known to me and who did not take an oath.



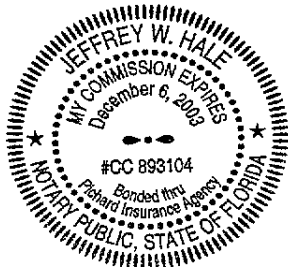
Print: JEFFREY W. HALE  
Notary Public  
State and County Aforesaid

Commission No. 893104

My Commission Expires: 12-6-03

STATE OF FLORIDA  
COUNTY OF Marion

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of February, 20 01, by Tim D. Haines, who is personally known to me and who did not take an oath.



Print: JEFFREY W. HALE  
Notary Public  
State and County Aforesaid

Commission No. 893104

My Commission Expires: 12-6-03

EXHIBIT "A"  
TO  
CERTIFICATE AND AGREEMENT  
OF  
LIMITED PARTNERSHIP  
OF

MAGNOLIA WALK APARTMENTS III, LTD.

01 FEB 23 AM 10:35  
FILED  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

Capital Interest

GENERAL PARTNER:

724341

OCALA LEASED HOUSING CORPORATION, INC.  
233 S.W. 3<sup>RD</sup> Street  
Ocala, FL 34478

99.99 %

LIMITED PARTNER:

TIM D. HAINES

.01 %

TOTAL

100.0 %

GENERAL PARTNER

OCALA LEASED HOUSING CORPORATION, INC.

By:

LIMITED PARTNER:

TIM D. HAINES

ACCEPTANCE

I, Gwendolyn Dawson, do hereby accept designation as Registered Agent for  
Magnolia Walk Apartments III, Ltd.

Gwendolyn Dawson  
233 S.W. 3<sup>rd</sup> Street  
Ocala, FL 34478

February 15, 2001

EXHIBIT "B"  
TO  
CERTIFICATE AND AGREEMENT  
OF  
LIMITED PARTNERSHIP  
OF

MAGNOLIA WALK APARTMENTS III, LTD.

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TALLAHASSEE, FLORIDA  
SECRETARY OF STATE

**DESCRIPTION:**

COMMENCE AT THE NORTHWEST CORNER OF THE S.W. 1/4 OF SECTION 24, TOWNSHIP 15 SOUTH, RANGE 21 EAST, MARION COUNTY, FLORIDA; THENCE NORTH ALONG THE WEST LINE OF THE N.W. 1/4 OF SAID SECTION, A DISTANCE OF 2196.21 FEET TO A POINT ON THE CENTERLINE OF S.W. 17TH STREET (A 110 FOOT RIGHT OF WAY); THENCE S.89°29'04"E., ALONG SAID CENTERLINE, A DISTANCE OF 89.51 FEET; THENCE DEPARTING SAID CENTERLINE, N.00°30'27"E., A DISTANCE OF 55.00 FEET TO THE NORTH RIGHT OF WAY LINE OF SAID S.W. 17TH STREET; THENCE S.89°29'04"E., ALONG SAID RIGHT OF WAY LINE, 329.69 FEET TO THE POINT OF BEGINNING; THENCE DEPARTING SAID RIGHT OF WAY LINE, N.00°31'00"E., A DISTANCE OF 394.96 FEET TO A POINT ON THE NORTH LINE OF THE N.W. 1/4 OF SAID SECTION; THENCE S.89°29'00"E., ALONG SAID NORTH LINE, 351.70 FEET; THENCE DEPARTING SAID NORTH LINE, S.00°31'00"W., A DISTANCE OF 394.97 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF SAID S.W. 17TH STREET; THENCE N.89°29'04"W., ALONG SAID RIGHT OF WAY LINE, 351.70 FEET TO THE POINT OF BEGINNING. ABOVE DESCRIBED PARCEL CONTAINING 3.19 ACRES, MORE OR LESS.

**SUBJECT TO:**

ELECTRIC UTILITY EASEMENT COMMENCING AT THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 15 SOUTH, RANGE 21 EAST IN MARION COUNTY, FLORIDA; THENCE NORTH 00°23'29" EAST ALONG THE WEST LINE OF SAID SECTION A DISTANCE OF 2196.21 FEET; THENCE SOUTH 89°05'35" EAST A DISTANCE OF 89.51 FEET; THENCE NORTH 00°54'25" EAST A DISTANCE OF 55.00 FEET; THENCE SOUTH 89°05'35" EAST A DISTANCE OF 430.49 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 89°05'35" EAST A DISTANCE OF 10.00 FEET; THENCE NORTH 00°54'25" EAST A DISTANCE OF 10.00 FEET; THENCE NORTH 89°05'35" WEST A DISTANCE OF 10.00 FEET; THENCE SOUTH 00°54'25" WEST A DISTANCE OF 10.00 FEET TO THE POINT OF BEGINNING. CONTAINING 100 SQUARE FEET, MORE OR LESS.

**SUBJECT TO:**

DRAINAGE EASEMENT COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 15 SOUTH, RANGE 21 EAST IN MARION COUNTY, FLORIDA; THENCE NORTH 00°23'29" EAST ALONG THE WEST LINE OF SAID SECTION A DISTANCE OF 2196.21 FEET; THENCE SOUTH 89°05'35" EAST A DISTANCE OF 89.51 FEET; THENCE NORTH 00°54'25" EAST A DISTANCE OF 55.00 FEET; THENCE SOUTH 89°05'35" EAST A DISTANCE OF 455.44 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 89°05'35" EAST A DISTANCE OF 10.00 FEET; THENCE NORTH 00°54'25" EAST A DISTANCE OF 10.00 FEET; THENCE NORTH 89°05'35" WEST A DISTANCE OF 10.00 FEET; THENCE SOUTH 00°54'25" WEST A DISTANCE OF 10.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 100 SQUARE FEET, MORE OR LESS.

EXHIBIT "C"  
TO  
CERTIFICATE AND AGREEMENT  
OF  
LIMITED PARTNERSHIP  
OF

MAGNOLIA WALK APARTMENTS III, LTD.

AFFIDAVIT OF CAPITAL CONTRIBUTIONS

FILED  
01 FEB 23 AM 10:35  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

BEFORE ME, the undersigned constituting all of the general partners of MAGNOLIA WALK APARTMENTS III, LTD., a Florida Limited Partnership, certify as follows:

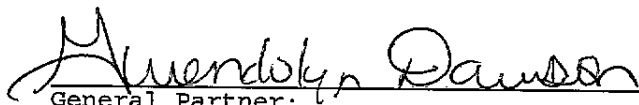
The amount of capital contributions to date of the limited partners is \$50.00.

The total amount contributed and anticipated to be contributed by the limited partners at this time totals \$50.00.

This 15 day of Feb. 2001.

FURTHER AFFIANT SAYETH NOT.

Under the penalties of perjury, I (we) declare that I (we) have read the foregoing and that the facts alleged are true, to the best of my knowledge and belief.

  
General Partner:  
Ocala Leased Housing Corporation, Inc.  
By: Gwendolyn Dawson