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ACCOUNT NO. : 072100000032

REFERENCE : 997385

AUTHORIZATION :

COST LIMIT : \$ 52.50

89670A
Patricia Pzyub

ORDER DATE : October 15, 1998

ORDER TIME : 3:06 PM

ORDER NO. : 997385-005

CUSTOMER NO: 89670A

CUSTOMER: Mr. Thomas Flynn
Flynn Property Corporation
Suite 8
516 Lakeview Road
Clearwater, FL 33756-3302

200002664972--1

DOMESTIC AMENDMENT FILING

NAME: AFM RRH, LTD.

EFFECTIVE DATE:

53

XX ARTICLES OF AMENDMENT
 RESTATED ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

 CERTIFIED COPY
XX PLAIN STAMPED COPY
 CERTIFICATE OF GOOD STANDING

CONTACT PERSON: Jeanine Reynolds

EXAMINER'S INITIALS: _____

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AMENDMENT TO CERTIFICATE OF LIMITED PARTNERSHIP OF
AFM RRH, LTD.

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Pursuant to the provisions of Section 620.109, Florida Statutes, this Florida limited partnership, whose Certificate was filed with the Florida Department of State on the 26th day of February, 1987, as further amended on the 15th day of December, 1987, the 13th day of September, 1988, the 1st day of July, 1990, the 1st day of March, 1998, the 15th day of April, 1998, and the 14th day of October, 1998, adopts the following Certificate of Amendment to its Certificate of Limited Partnership:

1. The General Partner's name and address is as follows:
AFM One, Inc.
516 Lakeview Road, Unit 8
Clearwater, Florida 33756-3302 *pg 80000016564*
2. The remainder of the Partnership's Certificate, as amended, remains in full force and effect.
3. The Agreement of Limited Partnership is amended pursuant to Exhibit A attached hereto.

IN WITNESS WHEREOF, the undersigned has executed this
Amendment to Certificate as of the 14th day of October, 1998.

AFM ONE, INC.
A Florida Corporation
SOLE GENERAL PARTNER

By: *Thomas F. Flynn*
Thomas F. Flynn, President

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AMENDED AND RESTATED
AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP
OF
AFM-RRH LIMITED

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AMENDED AND RESTATED
AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP
OF
AFM-RRH LIMITED

THIS AGREEMENT, made and entered into as of the 13th day of September, 1988 by and among the General Partner, as general partner and the Initial Limited Partner and the Investor Partner, as limited partners,

WITNESSETH:

WHEREAS, the Partnership is presently in existence as a limited partnership under the Uniform Limited Partnership Act of the State of Florida ("ULPA"), having executed its LIMITED PARTNERSHIP AGREEMENT AND CERTIFICATE of AFM-RRH LIMITED on the 25th day of February, 1987 and filed on the 26th day of February, 1987; and certain of the Parties thereafter entered into that certain CERTIFICATE OF AMENDMENT OF LIMITED PARTNERSHIP executed on the 30th day of October, 1987 and filed on the 15th day of December, 1987, in the office of the Secretary of State, State of Florida; and

WHEREAS, the parties hereto wish to enter into this Agreement for the purpose of (i) admitting the Investor Partner into the Partnership, (ii) providing for the withdrawal of the Initial Limited Partners and (iii) amending, restating and superseding in its entirety the Initial Partnership Agreement as hereinafter set forth;

NOW, THEREFORE, it is hereby agreed as follows:

ARTICLE I

GENERAL

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1.1 **Definitions.** Reference is made to Article XX of this Agreement for the definition of certain terms used throughout this Agreement.

1.2 **Partnership Continued.** The parties to this Agreement hereby continue the Partnership as a limited partnership pursuant to the provisions of the ULPA.

1.3 **Name.** The name of the Partnership shall continue to be AFM-RRH LIMITED.

1.4 **Effective Date.** The effective date of this Agreement is the 13th day of September, 1988. The Investor Partner is admitted into the Partnership as a limited partner effective as of the Admission Date. The Initial Limited Partner hereby withdraws from the Partnership as of the Admission Date, having received all amounts and other consideration due on account of their Limited Partnership interest.

1.5 **The Partners.** The General Partner (and any successor to the interest of the General Partner pursuant to the terms of this Agreement) shall be the general partner of the Partnership and the Investor Partner and the Initial Limited Partner (and any additional or substitute limited partners) shall be the limited partners of the Partnership, as those terms are used in the ULPA.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE GENERAL PARTNER

2.1 **Representations and Warranties.** The General Partner represents and warrants to the Investor Partner as follows:

(a) The Partnership is a duly organized limited partnership validly existing under the laws of the State of Florida and has complied and will continue to comply with all filing requirements necessary for the protection of the Investor Partner as a limited partner in the Partnership.

(b) No event or proceeding is pending or threatened or has occurred which would (i) materially adversely affect the Partnership or its properties (including the Project), or (ii) materially adversely affect the ability of the General Partner or any

Affiliates thereof, to perform his respective obligations hereunder or under any other agreement with respect to the Project other than legal proceedings which have been bonded against in such manner as to stay the effect of the proceedings or otherwise have been adequately provided for. This subparagraph shall be deemed to include without limitation the following: (x) legal actions or proceedings before any court, commission, administrative body or other governmental authority having jurisdiction over the zoning applicable to the Project; (y) labor disputes, and (z) acts of any governmental authority.

(c) No material default (or event which, with the giving of notice or the passage of time or both, would constitute a material default) has occurred and is continuing under this Agreement or under any of the Project Documents, and the same are in full force and effect.

(d) No Partner has any personal liability with respect to the Permanent Loan.

(e) The Project has been or will be completed in conformity with the Project Documents. There is no material violation by the Partnership or the General Partner or Affiliate thereof of any zoning, environmental or similar regulation applicable to the Project which would have a material adverse effect thereon and the Partnership has complied or will comply with all applicable municipal and other laws, ordinances and regulations relating to the construction and use of the Project.

(f) The Partnership owns the fee simple interest in the Project subject to no material liens, charges or encumbrances other than those which are (i) both permitted by the Project Documents and are noted or excepted in the title insurance policy issued to a General Partner or the Partnership and (ii) do not materially interfere with use of the Project (or any part thereof) for its intended purpose or have a material adverse effect on the value of the Project.

(g) The execution and delivery of all instruments and the performance of all acts heretofore or hereafter made or taken pertaining to the Partnership or the Project by each Affiliate of a General Partner which is a corporation have been or will be duly authorized by all necessary corporate or other action and the consummation of any such transactions with or on behalf of the Partnership will not constitute a breach or violation of, or a default under, the charter or bylaws of such Affiliate or any agreement by which such Affiliate or any of its properties is bound, nor constitute a violation of any law, administrative regulation or court decree.

(h) Any General Partner which is a corporation (the "Corporation") has been duly organized, is validly existing and in good standing under the laws of its state of incorporation and has all requisite corporate power to be a General Partner and to perform its duties and obligations as contemplated by this Agreement and the Project Documents. Neither the execution and delivery by the Corporation of this Agreement or Project Documents nor the performance of any of the actions of this Corporation contemplated hereby or thereby has constituted or will constitute a violation of (i) the articles of organization or bylaws of the Corporation, (ii) any agreement by which the Corporation is

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bound or to which any of its property or assets is subject, or (iii) any law, regulation or court decree.

(i) No Event of Bankruptcy has occurred with respect to any General Partner or any Affiliate thereof.

(j) All accounts of the Partnership required to be maintained under the terms of any Project Document (including the Loan Agreement) including any account for replacement reserves, are currently funded to the levels required by the Lender or any Governmental Agency.

(k) If the sole General Partner is a corporation, the General Partner has a net worth which satisfies the 72-13 Requirements.

2.2 No Additional Representations and Warranties. The General Partner makes no representations and warranties, expressed or implied, other than those set forth in Section 2.1 above.

ARTICLE III

TERM

3.1 Term. The Partnership shall continue for a period of sixty (60) years from the date its Initial Partnership Agreement was filed in the Office of the Secretary of State, State of Florida.

ARTICLE IV

PURPOSES AND POWERS

4.1 Purpose. The sole purpose of the Partnership shall be to construct, own, hold, manage, operate, lease, mortgage, sell and otherwise deal with the Project, or any part thereof, and to conduct such other activities as may be necessary or appropriate to promote the business of the Partnership, it being agreed that each of the foregoing is an ordinary part of the Partnership's business. The Partnership shall operate the Project in accordance with this Agreement, the Project Documents and all applicable Governmental Agency regulations. The General Partner shall use his best efforts to operate the Project so as to generate Cash Flow for distribution to the Partners at the maximum realizable level consistent with this Agreement, the Project Documents and all applicable Governmental Agency regulations. The Partnership shall not engage in any other business or activity.

4.2 **Powers.** The Partnership shall have all powers reasonably necessary to achieve its purposes hereunder, including, without limitation, the power to borrow money for construction of the Project, and to obtain the Permanent Loan for the Project, granting such security as the General Partner may deem appropriate, and to enter into an Interest Credit and Rental Assistance Agreement with FmHA and any other agreements with Governmental Agencies, Affiliates of the General Partner or other third persons as may be deemed appropriate by the General Partner.

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ARTICLE V

PRINCIPAL PLACE OF BUSINESS

5.1 **Location.** The principal place of business of the Partnership shall be at 1355 East Altamonte Drive, Altamonte, Florida 32701 or at such other location or locations as the General Partner may determine. The General Partner may establish such additional places of business of the Partnership as may be deemed necessary or desirable by the General Partner for the operation of the Partnership's business.

5.2 **Notification.** The General Partner shall deliver written notice to the Limited Partners of any change in the address of the principal place of business of the Partnership and of the establishment, relocation or discontinuance of any additional place of business of the Partnership. The General Partner shall make any and all necessary filings with Governmental Agencies in connection with the establishment, relocation or discontinuance of any place of business of the Partnership, including, without limitation, the Partnership's principal place of business.

5.3 **Registered Agent and Office.** The registered agent of the Partnership is Jack Shubert and the registered office of the Partnership is 1355 East Altamonte Drive, Altamonte, Florida 32701.

ARTICLE VI

CAPITAL CONTRIBUTIONS AND CAPITAL ACCOUNTS

6.1 **Capital of the General Partners.** \$80,868 has been contributed to the Partnership by the General Partner.

6.2 **Capital of the Limited Partners.** \$265,305 is being contributed to the Partnership by the Investor Partner in cash, checks and by the Investor Promissory Note.

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6.3 Installment Payments.

(a) The Investor Partner shall execute its Investor Promissory Note not later than contemporaneously with its execution of the Agreement and thereafter shall make installment payments (the "Installments") in accordance with the payment schedule set forth in the Investor Promissory Note. The Investor Partner's obligations under the Investor Promissory Note shall be secured by its Partnership Interest as provided in the Limited Partner Security Agreement being executed by the Investor Partner not later than contemporaneously with its execution of this Agreement.

(b) The obligation of the Investor Partner to pay each Installment is conditioned upon delivery by the General Partner to the Investor Partner of a written certificate contemporaneously dated in the form attached hereto as Exhibit "A" (the "Payment Certificate") stating that all representations and warranties of the General Partner contained in Section 2.1 of this Agreement are true and correct as of the date of the Payment Certificate.

(c) If, as of the date when an Installment would otherwise be due, any statement required to be made in the Payment Certificate relating to such Installment can not be truthfully made, the General Partner shall notify the Investor Partner of the reason why such statement would be untrue if made and the Investor Partner shall not be required to pay such Installment, provided, however, that if (i) any such statement can subsequently be truthfully made and (ii) the Investor Partner has not irrevocably lost, in the good faith judgment of its general partner any material tax or other benefit hereunder, then the Investor Partner shall pay such Installment to the Partnership 30 days after delivery by the General Partner of the Payment Certificate together with an explanation of the manner in which each such statement had become true.

6.4 Defaults. In the event the Investor Partner fails to pay any Installment or portion of any Installment when due, it shall be in default hereunder. In such event, the General Partner may pursue any and all available legal remedies against such Limited Partner, including those under its Investor Promissory Note and its Limited Partner Security Agreement in order to collect the amount owed by it to the Partnership.

6.5 Return of Capital Contributions.

(a) The General Partner shall, within 30 days of their receipt from the Investor Partner of a written request therefore, purchase the Investor Partner's Interest in the Partnership upon the occurrence of any of the following events (the "Purchase Events"):

(i) State Designation: The Operating Partnership fails to obtain by July 31, 1988 a certificate issued by the authorized agency of the State of Florida certifying that the Project has been allocated LIHC for the year 1988 in an amount not less than \$46,981 (80% of the "Maximum LIHC");

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(ii) **Completion Date:** A certificate of substantial completion or occupancy with respect to all apartment units of the Project has not been issued by the appropriate Government Agencies by July 31, 1988;

(iii) **Permanent Loan Commencement:** Permanent Loan Commencement has not occurred by July 31, 1988;

(iv) **Termination or Withdrawal of Government Assistance:** Prior to Permanent Loan Commencement, any of the commitments for Government Assistance with respect to the Project is terminated or withdrawn and not reinstated or replaced within 90 days upon terms equally or more favorable to the Operating Partnership;

(v) **Initial Compliance with Minimum Set-Aside Requirement and Maximum Rent Requirement:** The Project does not initially comply with the Minimum Set-Aside Requirement and the Maximum Rent Requirement within 12 months of the date the Project is placed in service;

(vi) **Failure to Continue to Comply with the Minimum Set-Aside Requirement or Maximum Rent Requirement During Investor Pay-in Period:** During the Investor Pay-in Period, the Project fails to continue to comply with the Minimum Set-Aside Requirement or the Maximum Rent Requirement, or

(vii) **Failure of FmHA to Approve Investor Partnership:** FmHA fails to approve the admission of the Investor Partnership as a limited partner in the Operating Partnership.

(b) The General Partner shall deliver to the Investor Partner written notice of the occurrence of a Purchase Event within 15 days of the occurrence thereof. In the event of the occurrence of a Purchase Event, the General Partner shall purchase the Investor Partner's Interest in the Partnership by (i) paying to the Investor Partner an amount in cash equal to the Capital Contribution which the Investor Partner has previously paid to the Partnership in cash and (ii) canceling the Investor Promissory Note.

(c) In the event that the General Partner purchase the Interest of the Investor Partner as above provided, then the Interest of the Investor Partner shall terminate and the General Partner shall indemnify and hold harmless the Investor Partner from any loss, damage, liability, cost or expense (including reasonable attorneys' fees) sustained by it as a result of the Investor Partner having been a limited partner in the Partnership.

6.6 Capital Accounts. Each Partner shall have a Capital Account which shall be:

(a) increased by (i) the amount of cash contributed by him to the Partnership, (ii) the fair market value of property contributed by him to the Partnership (net of liabilities securing such contributed property that the Partnership is considered to assume or

take subject to under Code Section 752), and (iii) allocations to him of Partnership income and gain (or items thereof) made pursuant to Article X hereof; and

(b) decreased by (i) the amount of cash distributed to him by the Partnership, (ii) the fair market value of property distributed to him by the Partnership (net of liabilities securing such distributed property that such Partner is considered to assume or take subject to under Code Section 752), (iii) allocations to him of expenditures which are not deductible by the Partnership for federal income tax purposes or which are not allowable as additions to the basis of Partnership property, and (iv) allocations of Partnership loss and deduction (or item thereof) made pursuant to Article X hereof, and

(c) maintained strictly in accordance with the capital accounting rules of paragraph (b) (2) (iv) of Reg. 1.704-1.

6.7 Determination of Capital Accounts. The Capital Account of a Partner shall be determined after giving effect to all allocations of net income, net gains and net losses of the Partnership for the current year and all distributions for such year in respect of transactions effected prior to the date as of which such determination is to be made. A Partner shall not be entitled to withdraw any part of his Capital Account or to receive any distribution from the Partnership, except as specifically provided in this Agreement. Any Partner, including any additional or substitute Partner, who shall receive a Partnership Interest or whose Partnership Interest shall be increased by means of a transfer to him of all or part of the Interest of another Partner, shall have a Capital Account which reflects such transfer. Loans by any Partner to the Partnership shall not be considered Capital Contributions and shall not increase the Capital Account of the lending Partner.

6.8 No Additional Capital Contributions. The Limited Partners shall not be entitled or required to make any additional Capital Contribution other than as provided in Section 6.12 hereof or by the ULPA.

6.9 No Obligation to Return Capital. Neither the Partnership nor the General Partner shall be liable for the return of any portion of the Capital Contribution of the Limited Partners except as provided for in Section 6.5 hereof.

6.10 Acquired Interest Same Class. Any Partner who shall acquire the Interest of any other Partner shall, with respect to the Interest so acquired, be deemed to be a Partner of the same class as his transferor.

6.11 No Interest Paid. No interest shall be paid on any Capital Contribution.

6.12 Requirement to Restore Deficit Balance in Capital Account. Any Initial Limited Partner having a deficit balance in his Capital Account following the liquidation of his Interest in the Partnership, as determined after taking into account all Capital Account adjustments for the Partnership's taxable year during which such liquidation occurs (other than those required by this Section 6.12) shall be required to restore the amount of such deficit balance to the Partnership by the end of such taxable year (or, if later, within 90 days after the date of such

liquidation), which amount shall, upon the liquidation of the Partnership, be paid to creditors of the Partnership or distributed to other Partners in accordance with their positive Capital Account balances pursuant to Article XI hereof. Neither the Investor Partner nor the General Partner shall have any obligation to restore any deficit balance in their Capital Account upon liquidation or otherwise.

ARTICLE VII

LIABILITIES OF THE PARTNERS

7.1 Liability of the Limited Partners. The liability of a Limited Partner for any debt or other obligation of the Partnership shall be limited to the total amount of such Limited Partner's Capital Contribution. Such Limited Partner shall have no further liability for the debts or other obligations of the Partnership, nor shall he be required to contribute any additional capital or loan any monies to the Partnership except as may be required by Section 6.12 hereof or by the ULPA.

7.2 Liability of the General Partners. The General Partner and any successor to any interest of any General Partner, shall be liable for the debts and other obligations of the Partnership to the extent such liabilities are not paid or discharged by the Partnership in the ordinary course of the Partnership's business or are not limited to recourse against specific assets of the Partnership. The General Partner shall not be personally liable with respect to the Loan Agreement, Mortgage or Mortgage Note executed pursuant to the Loan Agreement by the Partnership.

ARTICLE VIII

RIGHTS, POWERS AND DUTIES OF THE GENERAL PARTNERS

8.1 Authority and Powers of the General Partners. Except as specifically limited herein, the General Partner shall have full, exclusive and complete discretion in the management and control of the Partnership. The General Partner shall manage and control the affairs of the Partnership and conduct the operations contemplated under this Agreement in a careful and prudent manner and in accordance with good industry practice. Accordingly, the General Partner shall have full power and authority to execute all documents and take all other actions on behalf of the Partnership, thereby binding the Partnership.

Subject to any limitations expressly set forth in this Agreement, the General Partner shall perform or cause to be performed, in furtherance of the purposes of the Partnership, at the Partnership's expense and in its name, the coordination of all management and operational

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functions relating to the Project. Without limiting the generality of the foregoing, the General Partner is expressly authorized to do the following things on behalf of the Partnership:

- (a) operate any business appropriate for the owner of a project similar to the Project;
- (b) perform any and all acts appropriate to the operation of the Project, including making applications for rezoning or making objections to re-zoning of other property, and commencing, defending and/or settling litigation regarding the Partnership or the Project;
- (c) procure and maintain with responsible companies such insurance as may be available in such amounts and covering such risks as are deemed appropriate by the General Partner, but in no event shall the amount of, or risks covered by, such insurance be less than those required by the Loan Agreement;
- (d) take and hold all Partnership property, real, personal and mixed, either in the Partnership's name, or in the name of a nominee of the Partnership, in the later case solely for the purpose of (i) placing a mortgage, including the Mortgage, on the Project or (ii) closing a loan, including the Permanent Loan;
- (e) enter into, on behalf of the Partnership or its nominee, any agreement with any person, firm or corporation, including the General Partner or any Affiliate of a General Partner, requiring such person to perform services for the Partnership or to assist the General Partner in the management of the Partnership or its business, provided that, in the case of agreements entered into with Affiliates of the General Partner;
 - (i) the compensation to be paid the Affiliate shall be reasonable;
 - (ii) the services to be performed shall be appropriate for the management of the Partnership or its business, and
 - (iii) the agreement shall be no less favorable to the Partnership than it would be if negotiated on an arm's length basis with an independent third party.
- (f) lend monies to the Partnership, or permit any Affiliate of the General Partner to lend such monies, but only on terms which are no less favorable to the Partnership than the Partnership could have obtained in an arm's length transaction with an independent third party;
- (g) open and maintain one or more Partnership bank accounts in which monies received by the Partnership shall be deposited;
- (h) delegate any or all of the duties of the General Partner hereunder to employees of the Partnership (including Affiliates of the General Partner) and other third

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parties, being specifically empowered to enter into agreements appointing a Managing Agent;

(i) effect borrowings in the name of the Partnership and assign the receipt of funds due the Partnership to third parties;

(j) represent the Partnership before any Governmental Agency with full powers to perform such acts and execute such documents as the General Partner may deem appropriate for the business of the Partnership;

(k) obtain reimbursement from Partnership assets for all out-of-pocket costs and expenses reasonably incurred by the General Partner on behalf of the Partnership;

(l) lease, sell, exchange, refinance or grant an option for the sale of all or any portion of the real or personal property of the Partnership, including the Project, at such rental, price or amount, for cash, securities or other property, upon such terms as the General Partner may deem appropriate except as limited in Section 8.2 (n);

(m) execute and deliver on behalf of and in the name of the Partnership, or in the name of a nominee of the Partnership, deeds, deeds of trust, notes, leases, subleases, mortgages, bills of sale, financing statements, security agreements, easements and any and all other instruments appropriate to the conduct of the Partnership's business and the financing thereof;

(n) admit additional or substitute Limited Partners (which shall be subject to the prior approval of the Investor Partner);

(o) coordinate accounting and clerical functions of the Partnership and employ such accountants, lawyers, managers, agents and other management or service personnel as may, in the judgment of the General Partner, be required to carry on the business of the Partnership, and

(p) devote only such time to the business of the Partnership as the General Partner may deem appropriate.

8.2 Limitations on Powers of the General Partners. Notwithstanding the generality of the foregoing, the General Partner shall have no authority to perform any act in violation of applicable law, any applicable regulations of any lender or any Governmental Agency, or any agreement between the Partnership and any lender or Governmental Agency. In the event of any conflict between the terms of this agreement and any applicable regulations of a Lender or Governmental Agency, the terms of such regulations shall govern. In particular, the General Partner shall not be empowered to do any of the following:

(a) any act in contravention of this Agreement or the ULPA;

(b) any act which would make it impossible to carry on the ordinary business of the Partnership;

(c) confess a judgment against the Partnership;

(d) possess Partnership property or assign any rights in specific Partnership property for other than a Partnership purpose;

(e) continue the business of the Partnership with Partnership property on the death, incompetence, insolvency, bankruptcy or retirement of a last remaining general partner, except as herein specifically permitted;

(f) admit a person or entity into the Partnership as a general partner, other than persons having substantial net worth and, if a corporation, which meet the 72-13 Requirements, which admission shall be subject to the consent of a majority in Interest of the Limited Partners, who shall not unreasonably withhold such consent.

(g) change or reorganize the Partnership into any other legal form;

(h) require the Limited Partners to make any contribution to the capital of the Partnership not provided for herein;

(i) place any liens or restrictions or other title exceptions on the Project, except permitted exceptions and except for easements that are granted and restrictions that are imposed in connection with the development of the Project;

(j) borrow in excess of \$10,000 in the aggregate at any one time outstanding on the general credit of the Partnership, except borrowing constituting a Subordinated Loan;

(k) to construct any new or replacement capital improvements on the Project which substantially alter the Project or its use or which cost in excess of \$10,000 in a single Partnership fiscal year, except (i) replacements and remodeling in the ordinary course of business or under emergency conditions or (ii) construction paid for from insurance proceeds;

(l) acquire any real property in addition to the Project;

(m) sell, refinance, exchange or otherwise convey or transfer the Project or substantially all the assets of the Partnership without the written consent of the Investor Partner;

(n) do any act required to be approved or ratified by the Limited Partners under the ULPA, unless the approval of the Limited Partners is first obtained;

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(o) lend any Partnership funds to the General Partner or any Affiliate of the General Partner;

(p) permit the Partnership to acquire any property from another partnership in which any General Partner has an interest;

(q) permit the Partnership to acquire property in exchange for an interest in the Partnership;

(r) permit the Partnership to grant the General Partner an exclusive right to sell the Partnership's property;

(s) permit the Partnership to directly or indirectly pay the General Partner a commission or fee in connection with the reinvestment or distribution of the proceeds of the resale, exchange or refinancing of property belonging to the Partnership except as provided for in paragraph 8.8(b) herein;

(t) receive any rebates or give-ups or participate in any reciprocal business arrangements in circumvention of this restriction, or;

(u) permit any Partnership funds to be commingled with the funds of any other person.

8.3 Personal Services. No General Partner or Affiliate thereof shall receive any salary or other compensation except as may be provided in Section 8.8 and Article XII hereof or as permitted by FmHA.

8.4 Duties and Obligations.

(a) The General Partner shall promptly take all action which may be necessary or appropriate for the proper development, maintenance and operation of the Project in accordance with the provisions of this Agreement, the Project Documents and applicable laws and regulations. The General Partner shall devote to the Partnership such time as may be necessary for the proper performance of their duties.

(b) The General Partner shall use his best efforts to maintain Cash Flow at a level which will permit distributions to the Partners of the maximum amounts permissible under the Project Documents (including the Loan Agreement) and any applicable Governmental Agency regulations, and, if necessary, to obtain approvals and implementation of appropriate adjustments in the rental schedule of the Project.

(c) The obligations of the General Partners hereunder shall be the joint and several obligations of each General Partner. Except as otherwise provided in Article XIV hereof, such obligations shall survive any withdrawal of a General Partner from the Partnership.

(d) The General Partner shall establish and maintain reasonable reserves to provide for working capital needs, improvements, replacements and any other contingencies of the Partnership.

(e) Each General Partner shall be bound by the Project Documents and shall strictly comply with all provisions thereof. No additional General Partner shall be admitted if he or it has not first agreed to be bound by this Agreement (and assume the obligations of a General Partner hereunder) and by the Project Documents to the same extent and under the same terms as the other General Partner.

(f) Except as expressly provided otherwise in this agreement, the General Partner shall not be required to advance, contribute, or provide funds to the Partnership.

8.5 Liability on the Permanent Loan. Neither the General Partner nor any Affiliates thereof, shall at any time become personally liable for the payment of any portion of the Permanent Loan, and the General Partner shall not permit any other Partner to become personally liable for the payment of any portion of the Permanent Loan.

8.6 No Management by the Limited Partners. The Limited Partners shall take no part in the conduct or control of the Partnership's business and shall have no right or authority to act for or to bind the Partnership. The exercise of any of the rights and powers of the Limited Partners pursuant to the terms of this Agreement shall not be deemed taking part in the day-to-day affairs of the Partnership or the exercise of control over the affairs of the Partnership.

8.7 Other Permissible Activities. Any Partner or any Affiliate of any Partner may engage in or possess an interest in other business ventures of any nature or description independently or with others, including, without limitation, the real estate business in all its phases, which may include the ownership, operation, management, syndication and development of real property, and neither the Partnership nor any Partner shall have any rights in or to such independent ventures or the income or profits derived therefrom solely by reason of this Agreement. It is specifically agreed that such other independent ventures may compete directly or indirectly with the Partnership.

8.8 Certain Payments to the General Partners and Others.

(a) In consideration of their consultation, advice and other services in developing the Project and bringing construction of it to completion, the Partnership shall pay to the General Partner or any Affiliates thereof, a Developer's Fee in the amount of \$265,305, which fee shall be deemed earned in full as of the Admission Date and shall be evidenced by and paid in accordance with the terms of the Developer's Fee Note. Pursuant to the Developer's Fee Note, the aggregate amount of principal and interest payable to the General Partner or any Affiliates thereof, shall be equal to \$265,305.

(b) Upon any sale of the Project, the General Partner (or any designee thereof) shall receive a fee for preparing the Project for sale (the "Sales Preparation Fee") equal to 3% of the sales price of the Project.

8.9 **Working Capital Loan.** Pursuant to the Loan Agreement, the General Partner has advanced to the Partnership \$11,600 as a Working Capital Loan. Such loan shall not bear interest and shall be repaid (i) to the extent permitted by FmHA, out of Partnership funds not required for any other Partnership purpose or (ii) as provided in Article XI hereof.

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ARTICLE IX

INDEMNIFICATION AND GUARANTEES

9.1 Indemnification of the General Partners.

(a) The General Partner and his Affiliates shall have no liability to the Partnership or to any Partner for any loss suffered by the Partnership or any Partner which arises out of any action or inaction of the General Partner or his Affiliates if (i) the General Partner or such Affiliate in good faith, determined that such course of conduct was in the best interest of the Partnership and (ii) such course of conduct did not constitute gross negligence or willful misconduct of the General Partner or such Affiliate. The Partnership shall indemnify and hold harmless the General Partner and his Affiliates for any loss, damage, liability, expense and amounts paid in settlement of any claims (including reasonable attorneys' fees) sustained by them in connection with the Partnership, provided that the same were not the result of gross negligence or willful misconduct on the part of the General Partner or his Affiliates.

(b) For purposes of this Section 9.1 only, the term "Affiliate" shall mean any person performing services on behalf of the Partnership who (i) directly or indirectly controls, is controlled by or is under common control with a General Partner; (ii) owns or controls 10% or more of the outstanding voting securities of a General Partner; (iii) is an officer, director, partner or trustee of a General Partner, or (iv) if a General Partner is an officer, director, partner or trustee, is any company for which the General Partner acts in any such capacity.

9.2 **Indemnification of Partnership and the Limited Partners.** The General Partner shall indemnify and hold harmless the Partnership and the Limited Partners for any loss, damage, liability, expense and amounts paid in settlement of any claims (including reasonable attorneys' fees) sustained by any of them by reason of any action or inaction of the General Partner or his Affiliates which constitutes gross negligence or willful misconduct of a General Partner or an Affiliate thereof. If and to the extent that the Partnership is not made whole by the General Partner under the preceding sentence and a Limited Partner incurs losses, damages and liabilities covered by this indemnification, the General Partner will promptly indemnify and hold such Limited Partner harmless from and against such losses, damages and liabilities. Notwithstanding the foregoing, no General Partner shall be liable to a Limited Partner or to the

Partnership for any action or inaction for which the Partnership is required to indemnify such General Partner or any Affiliate thereof under Section 9.1 hereof.

9.3 Guarantee Against Operating Deficits. The General Partner shall make timely cash advances to the Partnership to the extent necessary to cover any Operating Deficit incurred by the Partnership on or before December 31st, 1993. Any such advance shall be a Subordinated Loan repayable without interest in accordance with the provisions of Article XI hereof. The form and provisions of all such loans shall conform to applicable Governmental Agency regulations.

9.4 Guarantee Against Construction Cost Overruns. The General Partner shall make timely cash advances to the Partnership to the extent necessary to cover any Construction Cost Overruns incurred by the Partnership in connection with the Project. Any such advances shall be a Subordinated Loan repayable without interest in accordance with the provisions of Article XI hereof. The form and provisions of all such loans shall conform to applicable Governmental Agency regulations.

9.5 Indemnification against LIHC Shortfall.

(a) The General Partner shall indemnify and hold harmless the Investor Partner if (i) the annual certification to the Partnership by the Governmental Agency determines or (ii) as a result of an audit by the Service it is determined that for any tax year which closes during the Investor Pay-in Period, the LIHC received by the Project is less than 85% of Maximum LIHC for the Project (such difference being herein called the "LIHC Shortfall").

(b) The amount of such indemnification shall be equal to the amount of the LIHC Shortfall but not exceeding in the aggregate the Developer's Fee ("LIHC Indemnification"). The LIHC Indemnification shall be payable by the General Partner to the Investor Partner within 90 days of any determination by the Accountants or the Service referred to in paragraph (a) of this Section 9.5. the general Partners shall be jointly and severally liable for the payment of the Indemnification Amount.

ARTICLE X

ALLOCATIONS

10.1 Allocation of Tax Items Resulting From Operations. All items of Partnership income, gain, loss, deduction and credit ("Tax Items") resulting from Partnership operations shall be allocated 99% to the Limited Partner and 1% to the General Partner in accordance with their respective Interests in the Profits and Losses of the Partnership.

10.2 Allocation of Tax Items Resulting From Major Capital Event.

(a) All items of Partnership income or gain, including any income or gain attributable to the excess of the aggregate principal balance of the Partnership's non-

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recourse indebtedness secured by Partnership property over the Partnership's adjusted basis in such property ("Taxable Income") resulting from any casualty loss, condemnation award, transfer of easements, rights-of-way or similar interests, sale, foreclosure or involuntary conversion of all or a substantial portion of the Project, whether or not such event results in a termination or dissolution of the Partnership ("Major Capital Event") shall be allocated in the following manner:

(i) first, to all Partners having deficits in their Capital Accounts until all such Partners' Capital Accounts equal zero. If the Taxable Income to be so allocated is less than the total of such deficits, then such Taxable Income shall be allocated among such Partners pro-rata based upon the ratio which each such Partner's deficit bears to the total of all such deficits;

(ii) second, to the Limited Partner in accordance with his Interest in the Profits and Losses of the Partnership until the Capital Account of the Limited Partner bears the same relation to the Capital Accounts of the General Partner as the Original Capital Account of the Limited Partner's bore to the Original Capital Accounts of the General Partner;

(iii) third, to all the Partners until the balances in their respective Capital Accounts equal their respective Original Capital Accounts less any cash distributions made to them (their "Unrecovered Capital"). If the Taxable Income to be so allocated is insufficient to do so, then such Taxable Income shall be allocated among the Partners so that their Capital Accounts bear the same relation to one another as their Original Capital Accounts bore to one another;

(iv) fourth, an amount equal to any sum distributed to the Limited Partners on account of LIHC Recapture in accordance with paragraph 11.5 (d) hereof, and

(v) fifth, all remaining Taxable Income shall be allocated 50% to the Limited Partner and 50% to the General Partner in accordance with their respective Interests in the Capital of the Partnership.

(b) All items of Partnership loss, deduction and credit resulting from a Major Capital Event shall be allocated to the Partners in proportion to their respective Original Capital Accounts in the following manner:

(i) first, to all the Partners having positive balances in their Capital Accounts until all such Capital Accounts equal zero,

(ii) second, all remaining items of loss, deduction and credit shall be allocated to the Partners in proportion to their respective Original Capital Accounts.

10.3 Cost Recovery and Depreciation and LIHC Recapture. Notwithstanding the provisions of Section 10.2 above, if Taxable Income to be allocated pursuant to such Section includes gain to be treated by the Partnership as ordinary income for federal income tax purposes because it is attributable to the recapture of depreciation or cost recovery deductions or LIHC

Recapture, such ordinary income shall be allocated to the Partners in the same proportion as such deductions or credits were allocated.

10.4 Minimum Allocation of Tax Items. In no event shall the General Partner be allocated less than 1% of any Tax Item.

10.5 Allocations to Partners with Varying Interests. If, during any taxable year there is a change in any Partner's Interest in the Profits and Losses of the Partnership, each Partner's distributive share of Partnership Tax Items shall be determined by (i) allocating such Tax Items to the appropriate monthly period and (ii) allocating the Tax Items attributable to each such period to the Partners in accordance with their respective Interests in the Profits and Losses of the Partnership as of the beginning of each such period. Notwithstanding the foregoing, no Partner shall be entitled to any allocation of Tax Items for any year unless he is a Partner as of the close of such year.

10.6 Allocation of Losses Attributable to Non-Recourse Obligations. In no event shall any loss attributable to any non-recourse obligation of the Partnership be allocated in a manner inconsistent with the allocation of all other Tax Items attributable to such non-recourse obligation.

10.7 Special Provisions. Notwithstanding the foregoing provisions in this Article X: If any Partnership expenditure treated as a deduction on the Partnership's federal income tax return is disallowed as a deduction and treated as a distribution pursuant to Section 731(a) of the Code, there shall be a special allocation of gross income to the Partner deemed to have received such distribution equal to the amount of such distribution.

ARTICLE XI

DISTRIBUTIONS

11.1 Distribution of Cash Flow Resulting From Operations. Cash Flow for each fiscal year or portion thereof resulting from Partnership operations shall be applied first, to the repayment of any loans or advances made by the General Partner to cover Operating Deficits as described in Section 9.3 and, the balance thereof, if any, shall be distributed 99% to the Investor Partner and 1% to the Operating General Partner. Allocation within a particular class of Partner shall be made in accordance with their respective Interests in Capital of the members of such class. Such distributions shall be made not less frequently than annually by the later of (a) 30 days after approval of FmHA or (b) 120 days after the close of the Partnership's fiscal year. All applications and distributions of Cash Flow shall be subject to applicable regulations and required approvals of any Governmental Agency.

11.2 Definition of Cash Flow. For purposes of this Article, Cash Flow shall be defined as gross receipts from operations, less:

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(a) operating expenses (other than those specifically referred to in the following paragraphs of this Section 11.2);

(b) principal payments on loans, including the Permanent Loan but not including Subordinated Loans and other loans or advances from the General Partner or any Affiliate of the General Partner for working capital purposes or to enable the Partnership to meet its operating expenses;

(c) principal payments on installment purchases and secured obligations;

(d) any amounts required to be set aside by any Governmental Agency as a reserve for working capital, replacements, capital improvements or other purposes, provided that any amounts released from such reserve during any year shall be added to the Partnership's gross receipts from operations for such year for purposes of this Section 11.2, and

(e) at the discretion of the General Partner, a reasonable reserve for other anticipated expenses or contingencies, provided that any amounts released from such reserve during any year shall be added to the Partnership's gross receipts from operations for such year for purposes of this Section 11.2.

11.3 Items Not Included in Cash Flow. The following items of income and deduction shall not be included in determining the Cash Flow of the Partnership for purposes of Section 11.2 hereof:

(a) depreciation and amortization of Partnership assets;

(b) Capital Contributions of the Partners;

(c) the proceeds of any loan to the Partnership, and

(d) the proceeds of any Refinancing or Major Capital Event.

11.4 Distribution of Proceeds Resulting From a Refinancing. The proceeds resulting from the refinancing or recasting of the Permanent Loan or from any borrowing secured by the Project (a "Refinancing") shall be applied or distributed as follows:

(a) first, to the payment of all expenses arising from the Refinancing;

(b) second, to the repayment of Subordinated Loans and other loans or advances from the General Partner, Affiliates of the General Partner and others pursuant to any financial guaranty given to the Partnership by such party;

(c) third, to the establishment of a reserve to meet any contingencies arising from the occurrence of the Refinancing;

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(d) fourth, to all the Partners until all the Partners have received an amount equal to their respective Unrecovered Capital. If the proceeds to be so distributed are insufficient to do so, then such proceeds shall be distributed among the Partners in proportion to their respective Unrecovered Capital, and

(e) fifth, the balance thereof shall be distributed 50% to the Investor Partner and 50% to the Operating General Partner in accordance with their respective Interests in Capital of the Partnership.

11.5 Distribution of Proceeds Resulting From a Major Capital Event. The proceeds arising from the occurrence of a Major Capital Event shall be applied or distributed as follows:

(a) first, to the payment of all debts and liabilities of the Partnership, including (i) expenses arising from the Major Capital Event, (ii) Subordinated Loans and other loans or advances from the General Partner, Affiliates of the General Partner and others pursuant to any financial guaranty given to the Partnership by such party, and (iii) in the event of the sale of the Project, the Sales Preparation Fee;

(b) second, to the establishment of a reserve to meet any contingencies arising from the occurrence of the Major Capital Event;

(c) third, to all the Partners until all the Partners have received an amount equal to their respective Unrecovered Capital. If the proceeds to be so distributed are insufficient to do so, then such proceeds shall be distributed among the Partners in proportion to their respective Unrecovered Capital, and;

(d) fourth, the balance thereof shall be distributed 50% to the Limited Partner and 50% to the General Partner in accordance with their respective Interests in the Capital of the Partnership; provided, however, that there shall be deducted from the amount otherwise payable to the General Partner a sum equal to 50% of any LIHC Recapture incurred by any Limited Partner for a tax year ending after the Investor Pay-in Period which is not attributable to the actions or inactions of such Limited Partner. Such sum shall be distributed to the Limited Partners in proportion to the amount of such LIHC Recapture incurred by each of them.

11.6 Liquidating Distributions. In the event of a liquidation of the Partnership or a Partner's interest in the Partnership (as defined in Reg. 1.704-1; hereinafter called a "Liquidation") and except to the extent the matter is covered by Section 11.5 hereof, the assets of the Partnership shall be applied or distributed as follows:

(a) first, to the payment of all debts and liabilities of the Partnership, including expenses arising from the Liquidation and the repayment of Subordinated Loans and other loans or advances from the General Partner, Affiliates of the General Partner and others pursuant to any financial guaranty given to the Partnership by such party;

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(b) second, to the establishment of a reserve to meet any contingencies arising from the occurrence of the Liquidation;

(c) third, to all the Partners in amounts equal to the positive balances, if any, in their respective Capital Accounts or, if the proceeds to be so distributed are less than the total of such positive balances, to all the Partners having positive balances in their Capital Accounts pro-rata based upon the ratio of the amount of each such Partner's positive balance to all such positive balances, and;

(d) fourth, following the receipt by the Partnership of amounts paid by the Initial Limited Partners in restoration of deficit balances, if any, in their Capital Accounts as required by Section 6.12 hereof, such amounts shall be paid to creditors of the Partnership or distributed to the other Partners in accordance with their positive Capital Account balances, if any.

11.7 Distributions in Kind.

(a) If any assets of the Partnership are distributed in kind, such assets shall be distributed to the Partners as tenants-in-common, with each such Partner receiving a proportionate interest of the Partnership in such asset which bears the same relationship to all interests in such asset as the amount of cash that would have been distributed to such Partner if cash had been distributed bears to the aggregate amount of all cash distributions that would have been made to the Partners receiving such asset.

(b) With respect to assets distributed in kind to the Partners in Liquidation or otherwise, (i) any unrealized appreciation or unrealized depreciation in the values of such assets shall be deemed to be profits and losses realized by the Partnership immediately prior to the Liquidation or other distribution event, and (ii) such profits and losses shall be allocated to the Partners in accordance with Section 10.2 hereof, and any property so distributed shall be treated as a distribution of an amount in cash equal to the excess of such fair market value over the outstanding principal balance of and accrued interest on any debt by which the property is encumbered. For the purposes of this paragraph 11.7(b), "unrealized appreciation" or "unrealized depreciation" shall mean the difference between the fair market value of such assets, taking into account the fair market value of the associated financing but subject to Section 7701(g) of the Code, and the Partnership's basis in such assets for book purposes. This paragraph 11.7(b) is merely intended to provide a rule for allocating unrealized gains and losses upon Liquidation or other distribution event, and nothing contained in this paragraph 11.7(b) or elsewhere in this Agreement is intended to treat or cause such distributions to be treated as sales for value. The fair market value of such assets shall be determined by an appraiser to be selected by the General Partner with the prior approval of the Investor Partner.

11.8 No Right to Partnership Property. No Partner shall be entitled to demand or receive property other than cash in return for his Capital Contribution and, to the

maximum extent permissible under applicable law, each Partner hereby waives all right to partition of the Project.

11.9 Priority. The allocation of Taxable Income from a Major Capital Event or Liquidation shall be made prior to the distribution of proceeds from such Major Capital Event or Liquidation but after all allocations and distributions resulting from operations.

ARTICLE XII

MANAGING AGENT

12.1 Appointment of a Managing Agent. The General Partner shall either directly or through a third party (which may be an Affiliate of a General Partner) manage the Project pursuant to a Management Agreement which shall be subject to any applicable Governmental Agency regulations and approvals. The Managing Agent shall receive a management fee in an amount approved by the Governmental Agency having jurisdiction of the matter or, if the Project is not subject to any such approval requirement, in an amount which is fair, reasonable and competitive.

12.2 Replacement of a Management Agent. If (i) the Project is subject to a substantial building code violation which is not cured within six months after notice from the Governmental Agency having jurisdiction thereof or (ii) if the Governmental Agency in its annual certification of the Partnership determines or as a result of an audit by the Internal Revenue Service it is determined that for any tax year there has been a reduction in the LIHC received by the Project of 15% or more as compared to the LIHC received by the Project for the immediately preceding tax year provided such reduction is a result of the Managing Agent's acts or omissions, then, upon the request of the Investor Partner and subject to any requirement Governmental Agency approvals, the General Partner shall promptly terminate the Management Agreement and shall appoint a new Managing Agent which is not a General Partner or an Affiliate of any General Partner. Such appointment of a replacement Managing Agent shall be subject to the approval of the Investor Partner.

12.3 Future Management Agreements. The Partnership shall not enter into any Management Agreement or other management arrangement with a replacement Managing Agent unless such agreement or arrangement is terminable upon the occurrence of the events described in Section 12.2 above.

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ARTICLE XIII

TRANSFER OF A LIMITED PARTNER'S INTEREST

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13.1 Transfer of a Limited Partner's Interest. No Limited Partner's Interest shall be assigned, sold, transferred, pledged, hypothecated or otherwise disposed of or encumbered, in whole or in part, whether by operation of law or otherwise, except as expressly provided in this Article XIII.

13.2 Application in Event of Unforeseeable Circumstances. Each Limited Partner has represented that he has subscribed to his Partnership Interest with the intent of holding such Interest for his own account for investment purposes only and not with a view toward the distribution or resale thereof. Notwithstanding the foregoing, in the event of the occurrence of circumstances unforeseen at the time of such subscription, a Limited Partner may apply to the General Partner for consent to the transfer of his Interest, provided that the following conditions are met:

(a) the transferring Limited Partner shall propose, in writing, to assign all or part of his Interest and present a proposed transferee who, in the sole discretion of the General Partner, is able to meet the Investor Suitability Standards set forth in the Memorandum;

(b) the transferring Limited Partner shall, at his sole expense, furnish to the General Partner an opinion of counsel that the proposed transfer will not result in a termination of the Partnership, its taxable year or its status as a partnership for federal income tax purposes and that the proposed transfer is in conformity with all applicable state and federal securities laws, which opinion must be concurred in by counsel to the Partnership;

(c) the proposed transferee shall deliver to the General Partner a statement that he is acquiring such Partnership Interest for his own account, for investment and not with a view toward the distribution or resale thereof, together with copies of the instrument of transfer or assignment and any related documents, which must be satisfactory in form and substance to the General Partner;

(d) the proposed transferee shall execute and deliver to the General Partner a power of attorney and a written agreement to be bound by the terms and conditions hereof, and any other documents required, all in such form and substance as may be required by the General Partner;

(e) counsel to the Partnership shall issue its written opinion that the proposed transfer will comply with all applicable rules and regulations of Governmental Agencies and;

(f) the proposed transferor shall pay all necessary and reasonable filing fees, counsel fees and expenses incurred by the Partnership, as determined by the General Partner, by reason of the proposed transfer.

13.3 Effective Date of Transfer. Notwithstanding the foregoing, transfers of Partnership Interests pursuant to Section 13.2 above shall be made and shall become effective ONLY on the first day of the month such transfer is approved by the General Partner.

13.4 Pledge of Partnership Interest. If the Limited Partners wish to pledge, hypothecate or otherwise encumber his Partnership Interest he shall be required to comply with such provisions of Section 13.2 hereof as, in the opinion of the General Partner, are appropriate.

13.5 Right of the General Partner to Refuse. Notwithstanding anything to the contrary contained in this Article, the General Partner shall have the absolute right, for any cause or for no cause whatsoever, to refuse to allow the transfer, assignment, sale, pledge, hypothecation or other disposition or encumbrance of all or any part of any Partnership Interest. In no case shall any transfer be effective unless and until all the requirements of this Article are fulfilled in their entirety.

13.6 Death of a Limited Partner. The death or dissolution of a Limited Partner shall neither dissolve nor terminate the Partnership. Notwithstanding any other provisions of this Article, upon the death or dissolution of a Limited Partner, his heirs, estate or legal representative shall be substituted as the Limited Partner in his stead upon the proper execution by such person or persons of the documents prescribed by paragraph 13.2(d) hereof. All costs incurred by the Partnership in connection with such substitution shall be paid by the substituted Limited Partner.

13.7 Assignment to Minor or Incompetent. In no event may all or any part of a Limited Partnership Interest be assigned or transferred, except by operation of law, to any infant or incompetent person, and any such attempted or purported assignment shall be null and void and shall not bind the Partnership.

13.8 Survival of Obligations. Notwithstanding the transfer of any Partnership Interest hereunder, the transferring Limited Partner, or his heirs, estate or legal representative or other successor in interest, shall remain liable to the Partnership for any obligations to the Partnership which he may have incurred up to and including the date of transfer.

13.9 Section 708 Termination. No transfer of a Partnership Interest which will or may result in a termination of the Partnership for federal income tax purposes under Section 708 of the Code will be permitted other than pursuant to Section 6.4 herein.

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ARTICLE XIV

WITHDRAWAL OR REMOVAL OF A GENERAL PARTNER

14.1 Consent Required. Neither the General Partner nor any additional or substitute general partner may withdraw from the Partnership without the prior written consent of the Investor Partner which consent will not be unreasonably withheld and the consent of all Governmental Agencies whose jurisdiction over the Project requires consent for such withdrawal.

14.2 Election to Continue. If there is more than one General Partner, the death, retirement, insanity or withdrawal of one General Partner shall not terminate the Partnership, and the remaining General Partner(s) shall continue the business of the Partnership unless it elects otherwise in accordance with this Agreement.

14.3 Nomination of Successor. Upon the withdrawal of a last remaining General Partner, such General Partner shall, at the request of the Investor Partner, nominate if no General Partner is to be admitted pursuant to Section 14.1 a successor general partner who, in the opinion of the Investor Partner, has sufficient skill, expertise and financial net worth to properly act as a successor general partner.

14.4 Consequences of Withdrawal. Upon the withdrawal of the General Partner or any additional or substitute General Partner pursuant to this Article XIV, the withdrawing General Partner shall be entitled to receive any positive balance in his Capital Account, adjusted to the date of his retirement, and all amounts owed him by the Partnership by reason of this Agreement or otherwise. The Partnership may withhold by way of offset any amounts due it from such withdrawing General Partner and any claim for damages which, in the opinion of counsel to the Partnership have been caused to the Partnership by such withdrawing General Partner.

14.5 Removal of a General Partner. A General Partner may be removed for "cause" (as defined below) at any time by notice in writing sent to him by the Investor Partner. As used herein, "cause" shall mean (i) any breach by a General Partner of a material provision of this Agreement and the failure of such General Partner to remedy such breach within 30 days after written notice of such breach is sent to him by the Investor Partner, or (ii) any act of fraud, misappropriation or embezzlement by such General Partner or any Affiliate of such General Partner from or with respect to the Partnership, or (iii) the insolvency or any Event of Bankruptcy of such General Partner. In the event of the removal of a General Partner pursuant to the foregoing provisions the Investor Partner may, at its option, in addition to any other remedy at law or in equity, including, without limitation, a suit for damages, require such General Partner to forfeit his Interest in the Partnership as a General Partner by causing such General Partner to transfer his Interest in the Partnership to a designee of the Investor Partner, for a sum equal to 50% of any positive balance in his Capital Account, which amount such General Partner hereby

agrees is fair, just and equitable, and thereupon such General Partner shall cease to have any interest in the Partnership and the Investor Partner may select a new General Partner who shall become a substitute General Partner of the Partnership upon the filing of an amendment hereto.

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14.6 Diligent Pursuit of Corrective Action. Notwithstanding anything to the contrary contained in Section 14.5 above, if a default by a General Partner hereunder be such that it cannot be corrected within the said 30 day period, it shall not constitute a default hereunder if corrective action is instituted by such defaulting General Partner within such period and diligently pursued until such default is corrected.

ARTICLE XV

DEATH, DISABILITY OR DISSOLUTION OF A LAST REMAINING GENERAL PARTNER

15.1 Election of Successor General Partner. Upon the death, disability or dissolution of a last remaining General Partner, the Investor Service Agent shall act temporarily as a general partner and, within 60 days of such death or disability, nominate one or more persons to replace the deceased or disabled General Partner, which nominee(s) must be approved by the Investor Partner. If the Investor Partner does not, within 30 days of such nomination, either accept the nominee or make its own nomination of a successor general partner, the Partnership shall be dissolved as provided elsewhere in this Agreement.

ARTICLE XVI

DISSOLUTION AND TERMINATION

16.1 Causes of Termination. Except as provided elsewhere in this Agreement, the Partnership shall be dissolved and its business wound up upon the earliest to occur of the following:

- (a) December 31st, 2045;
- (b) the decision by the General Partner to dissolve the Partnership, provided such decision is agreed to (i) by a majority in interest of the Limited Partners and (ii) by any Governmental Agency or lender whose approval is otherwise required;

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(c) the insolvency of the Partnership or an occurrence of an Event of Bankruptcy with respect to the Partnership;

(d) the death, incompetency, or withdrawal of, or the occurrence of an Event of Bankruptcy with respect to a last remaining General Partner;

(e) the sale or other disposition of all or substantially all of the Partnership's assets, or;

(f) the entry of a final decree of dissolution of the Partnership by a court of competent jurisdiction.

16.2 No Release. The dissolution of the Partnership shall not release or relieve the parties hereto of their obligations under this Agreement.

16.3 Distribution on Dissolution. Upon the dissolution of the Partnership, the General Partner (or for purposes of this Section, their trustees, receivers or successors) shall cause the cancellation of the Partnership's Initial Partnership Agreement, liquidate the Partnership's assets and distribute the proceeds thereof in accordance with the provisions of Article XI hereof. Notwithstanding the foregoing, if, during Liquidation, the General Partner shall determine that an immediate sale of part or all of the Partnership's assets would be impermissible, impractical or cause undue loss to the Partners, the General Partner may either (i) defer Liquidation of, and withhold from distribution for a reasonable time, any assets of the Partnership except those necessary to satisfy Partnership debts and obligations (except Subordinated Loans and any Working Capital Loan) or (ii) distribute the assets of the Partnership to the Partners in kind.

ARTICLE XVII

ACCOUNTING

17.1 Fiscal Year. The fiscal year of the Partnership shall be the calendar year.

17.2 Recordkeeping. The General Partner shall keep, or cause to be kept, full and accurate records of all transactions of the Partnership in accordance with the accrual method of accounting.

17.3 Availability of Books and Records. The Partnership's books of account shall, at all times, be maintained in the principal office of the Partnership, and shall be open during normal business hours for the reasonable inspection and examination by the Limited Partners and their authorized representatives who shall have the right to make copies thereof.

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17.4 Preparation of Tax Returns. The General Partner shall prepare, or cause to be prepared, a federal income tax return and any required state and local income tax returns for the Partnership for each tax year of the Partnership, and, in connection therewith, shall make any appropriate elections, including elections with respect to the useful lives of the properties of the Partnership and the rates of cost recovery of such properties.

17.5 Designation of Tax Matters Partner. The General Partner shall appoint a "tax matters partner" who shall be vested with the authority and the responsibility necessary to comply with the provisions of Sections 6221 through 6232 of the Code and regulations thereunder.

17.6 Authority of General Partner to Deal With Tax Matters. The General Partner shall have the exclusive right to litigate, settle or compromise any claim for taxes asserted against the Partnership upon audit of the Partnership's books or otherwise.

ARTICLE XVIII.

REPORTS AND STATEMENTS

18.1 Preparation of Reports. The General Partner, at the expense of the Partnership, shall cause to be delivered to the Investor Partner the following:

(a) within 65 days after the close of each fiscal year, such information as shall be necessary (including an operating trial balance) for the preparation of the Partnership's federal, state and local income and other tax reports and returns;

(b) within 110 days after the close of each fiscal year, a financial statement of the Partnership for the preceding year, prepared at the expense of the Partnership by an independent firm of Certified Public Accountants selected by the General Partner, including:

(i) a balance sheet, net income statement and statement of changes in financial condition;

(ii) a statement of the Partners' Capital Accounts;

(iii) a cash flow statement of the Partnership reflecting the Partnership's revenues and expenses;

(iv) a summary of the rental activities of the Partnership and a description of the Project, and;

(v) such other information, including without limitation estimates of tax losses, as the General Partner shall deem appropriate for the Partners to be advised of pertaining to the financial status and results of operations of the Partnership;

The reports required by (i) and (ii) of paragraph (b) above shall be prepared in accordance with generally accepted accounting principles and prepared by independent Certified Public Accountants. Such reports are required to be audited if so requested by Partners whose aggregate Interest in Capital exceeds 30%.

- (c) prior to October 15th of each year, a written report setting forth setting forth an estimate of the LIHC to be allocated to or earned by the Partnership with respect to the Project for such year.
- (d) by not later than the 15th day of each month a copy of the monthly report which has submitted by the Partnership to FmHA covering the status of Project operations for the previous month, and
- (e) By not later than 10 days following the date such report is due to be submitted to a Governmental Agency, a copy of any report required by any Governmental Agency with respect (i) the LIHC to be allocated to or earned by the Project for the current year and (ii) the Project's compliance with the requirements of the LIHC.

18.2 Notification. The General Partner shall, within 10 days after receipt thereof, forward to the Investor Partner a copy of any notice received by the General Partner or the Partnership of any default with respect to any material instrument to which the Partnership is a party or which affects the assets of the Partnership, and shall report to the Investor Partner any other significant developments affecting the Partnership, its business or assets, as soon as practicable following the occurrence of each such development.

ARTICLE XIX

AMENDMENTS

19.1 Authority to Amend This Agreement. The Limited Partners hereby grant the General Partner the absolute right to amend this Agreement to accomplish any of the following acts:

- (a) change the name of the Partnership;
- (b) change the Partnership's principal place of business;
- (c) qualify the Partnership to do business under the laws of any state;

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(d) ensure that the Partnership will not be treated as an association taxable as a corporation;

(e) ensure compliance with the regulations of all Governmental Agencies having jurisdiction over the Partnership or the Project, and;

(f) effect any change which does not substantially affect the rights, obligations and remedies of the Limited Partners hereunder.

19.2 Amendments Requiring Approval. Permissible amendments other than the foregoing must be approved in writing by a majority in Interests of the Limited Partners.

19.3 Certain Amendments Prohibited. The Partnership shall adopt no amendment which, in the opinion of counsel to the Partnership, shall:

(a) convert a Limited Partner into a general partner or otherwise affect the limited liability of any Limited Partners;

(b) give the Limited Partners power to conduct or control the Partnership's business or any aspect thereof;

(c) add to the duties and liabilities of the General Partner without the consent of the General Partner;

(d) make the Interest of any Partner in the assets, profits or losses of the Partnership different from the Interest of such Partner as herein provided;

(e) adversely affect the status of the Partnership as a partnership for federal income tax purposes, or;

(f) render the Partnership in non-compliance with the rules and regulations of a Governmental Agency or in any way jeopardize the Loan Agreement or the Interest Credit and Rental Assistance Agreement.

ARTICLE XX

DEFINITIONS

20.1 Definitions. As used in this Agreement, the following terms have the meanings assigned to them in this Section unless the context clearly otherwise requires:

"Accountants": The accounting firm of Burton, Rabiner, Cieri, Del Sordi & Co. or such other firm of independent certified public accountants as may be engaged by the

Investor Partner for purposes of making certain determinations regarding the amount LIHC allocable to the Project.

"Admission Date": September 13, 1988.

"Affiliate": A person or entity that, directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, another person or entity.

"Agreement": This Amended and Restated Agreement and Certificate of Limited Partnership of the Partnership.

"Capital Account": The Capital Account of a Partner as described in Article VI hereof.

"Capital Contribution": The total amount of capital contributed to the Partnership by each Partner in cash or checks and Investor Promissory Notes.

"Capital, Interest In": A General or Limited Partner's percentage interest in the Capital of the Partnership, calculated by dividing such Partner's Capital Contribution by the aggregate Capital Contributions of all the Partners.

"Cash Flow": The total gross receipts of the Partnership less certain expenditures as enumerated in Sections 11.2 and 11.3 hereof.

"Code": The Internal Revenue Code of 1986, as amended, or any successor statute thereof.

"Completion Date": The date on which a certificate of substantial completion or occupancy with respect to all apartment units of the Project has been issued by the appropriate Governmental Agencies.

"Construction Cost Overruns": Any excess of construction expenses over the proceeds of the Construction Loan obtained by the Partnership to finance the construction of the Project.

"Construction Management Fee Note": The promissory note evidencing the fee payable to Continental Management Construction Corporation for certain construction management and other services rendered in connection with the Project.

"Developer's Fee": The fee payable to the General Partner or any Affiliates thereof pursuant to Section 8.8(a) hereof.

"Event of Bankruptcy": Any of the following events:

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(a) the failure of a party to make when due any payment on indebtedness and such failure shall continue for more than the applicable period of grace with respect thereto and shall not have been waived by the holder thereof, or any other event shall occur or condition shall exist and shall continue for more than the period of grace, if any, applicable thereto and shall have the effect of causing, or permitting the holder of any such indebtedness or any trustee or other person acting on behalf of such holder to cause, such indebtedness to become due prior to its stated maturity or to realize upon any collateral given as security therefor;

(b) a court having jurisdiction thereof shall enter a decree or order for relief in respect of a party in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoint a receiver, assignee, trustee or other similar official of such party or for any substantial part of such party's property, and such decree or order shall remain unstayed and in effect for a period of 60 consecutive days, or;

(c) the commencement of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or the consent to the entry of an order for relief in an involuntary case under any such law, or the consent to the appointment of or the taking possession by a receiver, assignee or trustee of a party, or for a substantial part of such party's property, or the making of any general assignment for the benefit of creditors, or the failure of a party generally to pay its debts as they become due, or the taking of any action in furtherance of any of the foregoing.

"FmHA": The Farmers Home Administration of the United States Department of Agriculture.

"Governmental Agency": Any federal, state or municipal agency having jurisdiction over the Project, the Partnership or any aspect of the conduct of the Partnership's return.

"Governmental Assistance": The interest credit and rental assistance received by the Partnership pursuant to the Interest Credit and Rental Assistance Agreement.

"Initial Limited Partners": Sheri Owens.

"Initial Partnership Agreement": The original Certificate and Agreement of Limited Partnership of the Partnership filed on the 19th day of May, 1988 in the office of the Secretary of State, State of Florida.

"Installment": Any installment payment due in accordance with an Investor Promissory Note.

"Interest Credit and Rental Assistance Agreement": The agreement to be entered into between the Partnership and FmHA providing for certain financial support from FmHA to the Project.

"Interest" or "Partnership Interest": A General or Limited Partner's interest in the equity of the Partnership, as reflected by his pro rata share of the total Interests in Capital of the Partnership.

"Investor Partner": Norwich Estates, Limited Partnership.

"Investor Pay-in Period": The period from the Offering Date through 1994.

"Investor Promissory Note": The instrument evidencing the obligation the Investor Partner to make certain specified payments to the Partnership.

"Investor Service Agent": First American Holdings, Inc.

"LIHC": The low income housing tax credit which is anticipated to be available to the Partnership with respect to the Project pursuant Section 42 of the Code.

"LIHC Recapture": The amount of any recapture of LIHC taken by a Limited Partner in connection with its interest in the Partnership.

"Limited Partners": A collective reference to all limited partners from time to time of the Partnership.

"Limited Partner Security Agreement": The Security Agreement pursuant to which a Partner who executes an Investor Promissory Note pledges his Interest in the Partnership as security for his or its obligations under such Note.

"Loan Agreement": The loan agreement to be executed between the Partnership and FmHA providing for the Permanent Loan.

"Major Capital Event": Any casualty loss, condemnation award, transfer of easements, rights-of-way or similar interests, sale, foreclosure or involuntary conversion involving all or a substantial portion of the assets of the Partnership, whether or not such event results in a termination or dissolution of the Partnership.

"Management Agreement": The agreement between the Partnership and the Managing Agent providing for the management of the Project.

"Managing Agent": The managing and rental agent for the Project.

"Maximum LIHC": \$58,726 being the Maximum amount of LIHC anticipated to be allocated to the Project.

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"Maximum Rent Requirement": The maximum rent that may be charged to particular tenant in a "qualified low income housing unit" pursuant to Section 42 of the Code in order to qualify for the LIHC. Generally, such tenant's gross rent (including average monthly utility costs other than telephone) may not exceed 30% of the applicable income for a family of the tenant's size under the Minimum Set(c)Aside Requirement selected by the owner of the housing project.

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"Memorandum" or "Offering Memorandum": The Confidential Private Offering Memorandum dated July 1st, 1988 offering for sale Interests in the Investor Partner.

"Minimum Set-Aside Requirement": The minimum number of rental housing units which must be occupied by "qualified low income tenants" pursuant to Section 42 of the Code in order to qualify for the LIHC. Generally, the owner of the housing project may select a Minimum Set(c)Aside Requirement wherein (i) at least 20% of the project's rental units are occupied by families whose incomes do not exceed 50% of the "adjusted area median income" for the area in which the project is located, as published by HUD, or (ii) at least 40% of the project's rental units are occupied by families whose incomes do not exceed 60% of the such "adjusted area median income".

"Mortgage": The security interest in the Project granted to the FmHA pursuant to the Loan Agreement.

"Mortgage Note": The Partnership's promissory note secured by the Mortgage and evidencing the Partnership's obligation to repay the Permanent Loan.

"Offering Date": The effective date of the Memorandum.

"Operating Deficit": Any excess of operating expenses over operating income with respect to the Project which cannot be met by a withdrawal from any "Reserve Account" of the Project or the Partnership, an advance from FmHA, an increase in rents, or from another FmHA approved source.

"Original Capital Account": The total amount of capital contributed to the Partnership by a Partner, in cash, checks and Investor Promissory Notes, at the time of his subscription to the Partnership.

"Partners": A collective reference to the General Partner and the Limited Partners of the Partnership.

"Permanent Loan": The loan to the Partnership from FmHA secured by the Mortgage.

"Permanent Loan Commencement": The date on which all of the following have occurred: (a) the Completion Date has occurred; (b) the principal amount and maturity date of the Permanent Loan have been finally determined, and (c) amortization of the Permanent Loan has commenced.

"Profits and Losses, Interest In": A General or Limited Partner's percentage interest in the profits and losses of the Partnership, calculated according to the formula $(C/A) \times (PCT)$, where "C" is the Capital Contribution of the Partner, "A" is the aggregate Capital Contribution of all Partners of the same class and "PCT" is 1% in the case of a General Partner of 99% in the case of Limited Partner.

"Project": The 45-unit apartment project for low to moderate income families and the elderly in Anthony, Florida, built, owned, and operated by the Partnership.

"Project Documents": All documents relating to the Project and by which the Partnership is bound, as amended or supplemented from time to time, including the construction loan agreement and related mortgage, Interest Credit and Rental Assistance Agreement, the Loan Agreement, the Mortgage, the Mortgage Note and any other documents which FmHA may require the Partnership to execute in connection with the granting of the Permanent Loan.

"Purchase Event": An event specified in Section 6.5 hereof.

"Refinancing": The proceeds resulting from the refinancing or recasting of the Permanent Loan or from any borrowing secured by the Project.

"Reg. 1.704-1": Treasury Regulations 1.704-1(b)(1) through 1.704-1(b)(5).

"Sales Preparation Fee": The fee payable to the General Partner or a designee thereof pursuant to paragraph 8.8(b) hereof.

"Subordinated Loans": Any loan made by the General Partner to the Partnership pursuant to Sections 8.9, 9.3 or 9.4 hereof.

"Taxable Income": All items of Partnership income or gain, including any income or gain attributable to the excess of the aggregate principal balance of the Partnership's non-recourse indebtedness secured by Partnership property over the Partnership's adjusted basis in such property.

"Tax Items": All items of Partnership income, gain, loss, deduction and credit.

"ULPA": The Uniform Limited Partnership Act of Florida.

"Unrecovered Capital": With respect to each Partner, the sum of his actual paid in Capital Contribution from time to time reduced by aggregate distributions to such Partner pursuant to Article XI.

"Working Capital Loan": The loan made by the General Partner to the Partnership pursuant to Section 8.9 hereof.

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"72-13 Requirements": The requirements set forth in Revenue Procedure 72-13 which are prerequisites to the issuance, assuming that the General Partner in question is a sole corporate general partner, by the Internal Revenue Service of an advance ruling that the Partnership will be taxed as a partnership and not as an association taxable as a corporation for federal income tax purposes.

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ARTICLE XXI

FARMER'S HOME ADMINISTRATION

21.1 Project Documents. The Partnership hereby grants the General Partner full authority to execute the Interest Credit and Rental Assistance Agreement, the Loan Agreement, the Mortgage, the Mortgage Note and any other documents which FmHA may require the Partnership to execute in connection with the granting of the Permanent Loan (the "Project Documents") and the General Partner, and any additional, substitute or successor general partner, agree to be bound by said Project Documents. The Limited Partners, and any additional, substitute or successor Limited Partners agree not to perform any act or fail to perform any act which would violate any provision of any Project Document.

21.2 Control. This Agreement is specifically made subordinate to the terms of the Project Documents and in the event of an inconsistency between this Agreement and any Project Document, the latter agreement will control and this Agreement will be amended accordingly. All terms of this Agreement and all operations of the Partnership are subject to the regulations of FmHA, and all Partners admitted to the Partnership shall be approved by FmHA.

21.3 Restrictions. For so long as (i) any Project Documents shall remain in force or (ii) any funds owed to FmHA with respect to the Project shall remain unpaid, the Partners agree to the following:

(a) each of the provisions of this Agreement shall be subject to the General Partner covenant to act in accordance with the Project Documents;

(b) the Project Documents shall govern the rights and obligations of the Partners, their heirs, executors, administrators, successors and assigns to the extent expressly provided therein;

(c) upon any dissolution of the Partnership or any transfer of the Project, no title or right to the possession and control for the Project and no right to collect the rent therefrom shall pass to any person who is not, or does not become, bound by the Project Documents and other FmHA documents in a manner satisfactory to FmHA;

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(d) the affairs to the Partnership shall be subject to FmHA regulation and no action shall be taken which would require the consent or approval of the FmHA unless the same is first obtained;

(e) no salaries or other compensation will be paid to any Partner for general services rendered to the Partnership from the proceeds of any Permanent Loan granted to the Partnership by FmHA;

(f) no additional General Partner shall be admitted to the Partnership and no General Partner may withdraw from the Partnership or be substituted for a General Partner without the consent of FmHA;

(g) the General Partner shall at all times hold and maintain a financial interest in the aggregate of not less than five percent of the Partnership;

(h) no amendment to this Agreement relating to matters governed by FmHA regulations shall remain effective unless consent of FmHA to such amendment is obtained.

Any conveyance or transfer of title to all or any portion of the Project or Partnership assets required or permitted under this Agreement, and any voluntary dissolution or termination of the Partnership, shall in all respects be subject to all conditions, approvals and other requirements of FmHA rules and regulations applicable thereto.

21.4 Additional Restrictions. So long as the Partnership has a loan made or insured by FmHA or any other agency of the United States, the General Partner will not maintain less than a 5% Interest in the Partnership, nor cause or permit voluntary dissolution of the Partnership or any General Partner, nor cause or permit any transfer or encumbrance of title to the Partnership property or any part thereof or interest therein, by sale, mortgage, lease or otherwise, or alter, amend, or repeal this Agreement, without the written consent of FmHA or any other such agency of the United States.

ARTICLE XXII

MISCELLANEOUS

22.1 Notices. Whenever any notice is required or permitted to be given under any provision of this Agreement, such notice shall be in writing, signed by or on behalf of the person giving the notice, and shall be deemed to have been given on the earlier to occur of actual delivery or when mailed by certified mail, postage prepaid, return receipt requested, addressed to the person or persons to whom such notice is to be given at the following address (or at such other address as shall be stated in a notice similarly given):

- (a) to the General Partner at his respective address as set forth in Schedule "A" hereto; and,
- (b) to the Limited Partners at their respective address as set forth in Schedule "A" hereto.

22.2 Creditors Not Beneficiaries. None of the provisions of this Agreement or any agreement between the Partnership and the General Partner or any Affiliate of any General Partner shall be construed as existing for the benefit of a creditor of the Partnership or of any of the Partners, nor shall it be enforceable by any party not a signatory to this Agreement.

22.3 Binding Effect. Except as herein otherwise provided to the contrary, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, estates, personal representatives, successors and permitted assigns.

22.4 Consent to Jurisdiction. Each Limited Partner hereby agrees and consents to the in personam jurisdiction of any court of competent jurisdiction and proper venue within the State of New York and the State of Florida in any suit, action or proceeding arising out of or in connection with this Agreement. Limited Partners residing in Massachusetts may initiate any suit, action, or proceeding wherever jurisdiction properly lies. Each Limited Partner hereby irrevocably appoints The Fidelity Management Corporation, 27 The Plaza, Locust Valley, New York 11560 and Jack Shubert, 1355 East Altamonte Drive, Altamonte, Florida 32701, as his agents for service of process in the States of New York and Florida, respectively, upon whom may be served any notice, process, or pleading in any such suit, action, or proceeding against such Limited Partner in such jurisdictions, and such Limited Partner does hereby consent that any such action or proceeding against him may be commenced in any court of competent jurisdiction and proper venue within the States of New York and Florida by service of process upon said agents with the same effect as if such Partner had lawfully been served with process in such states.

22.5 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

22.6 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument which may be sufficiently evidenced by one counterpart.

22.7 Prior Agreements Superseded. This Agreement replaces and supersedes in their entirety the Initial Partnership Agreement and any other prior or contemporaneous written or oral agreements between the parties.

22.8 No Waiver. Waiver of compliance at any time by any party with any provision of this Agreement shall not be deemed a waiver of future compliance with such provision or any other provision thereof.

22.9 Rights And Remedies. The rights and remedies provided for herein are cumulative and the use of any one right or remedy by any party shall not preclude such party's

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right to use any and all remedies available hereunder or otherwise, by common law, statute or regulation.

22.10 Severability. If any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, whether by court, Governmental Agency or stipulation of the parties, the remainder of this Agreement shall not be affected thereby; and this Agreement shall be construed as if such provision, to the extent invalidated, had not been contained herein.

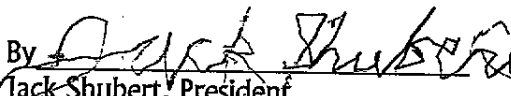
22.11 References and Headings. Unless specifically indicated to the contrary, references herein to Articles, Sections, subsections and paragraphs are references to Articles, Sections, subsections, and paragraphs of this Agreement. The headings and captions of this Agreement are inserted for convenience and identification only and in no way define, limit or extend the scope of the text contained herein.

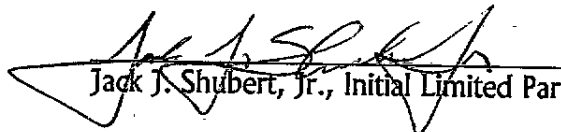
22.12 Form and Gender. Where the context and circumstances so require, the use of the singular form of a word shall be deemed to include the plural form thereof (and vice versa) and the masculine gender shall be deemed to include the feminine and neuter genders thereof and (vice versa).

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


Jack Shubert, General Partner

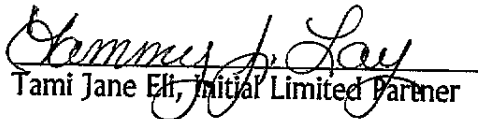
SHUBERT CONSTRUCTION CO., INC.
Initial Limited Partner

By 
Jack Shubert, President


Jack J. Shubert, Jr., Initial Limited Partner


Sheri Owens, Initial Limited Partner

Norwich Estates Limited Partnership


Tami Jane Eli, Initial Limited Partner

By: 
Gary L. Maddock, Duly Authorized Agent for
First American Holdings, Inc.
General Partner

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COUNTY OF *Seminole*

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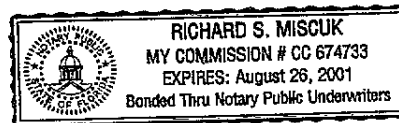
On this the 31 day of ^{August} ~~April~~ 1998, before me, the undersigned, a notary public of said state, duly commissioned and sworn, personally appeared JACK SHUBERT, 1355 E. Altamonte Drive, Altamonte Springs, FL 32701, as General Partner and as President of SHUBERT CONSTRUCTION CO., INC, on behalf of said corporation as Limited Partner, who is personally known to me or who produced as identification, and who executed and delivered the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same as General Partner and as President of and on behalf of the corporation as Limited Partner of the Partnership and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Richard S. Miscuk
NOTARY PUBLIC

(SEAL)

My commission expires: *8/26/2001*



STATE OF FLORIDA
COUNTY OF *Seminole*

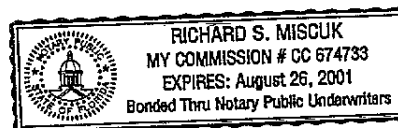
On this the 31 day of ^{August} ~~April~~ 1998, before me, the undersigned, a notary public of said state, duly commissioned and sworn, personally appeared JACK J. SHUBERT, JR, 2527 Grandview Avenue, Sanford, Florida 32771, who is personally known to me or who produced as identification.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Richard S. Miscuk
NOTARY PUBLIC

(SEAL)

My commission expires: *8/26/2001*



STATE OF FLORIDA
COUNTY OF *Seminole*

On this the 31 day of ^{*August*}~~April~~ 1998, before me, the undersigned, a notary public of said state, duly commissioned and sworn, personally appeared SHERI OWENS, 2525 Grandview Avenue, Sanford, Florida 32771, who is personally known to me or who produced *Florida drivers license* as identification.

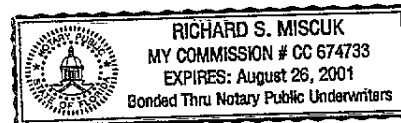
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Richard S. Miscuk
NOTARY PUBLIC

My commission expires: *8/26/2001*

FILED STATE
SECRETARY OF CORPORATIONS
DIVISION OF CORPORATIONS
98 OCT 15 PM 1:20
(SEAL)
FILED STATE
SECRETARY OF CORPORATIONS
DIVISION OF CORPORATIONS
98 OCT 15 PM 1:20

STATE OF FLORIDA
COUNTY OF *Seminole*



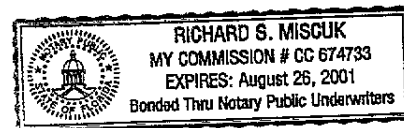
On this the 31 day of ^{*August*}~~April~~ 1998, before me, the undersigned, a notary public of said state, duly commissioned and sworn, personally appeared TAMI JANE ELI, 1355 E. Altamonte Springs, Florida, 32701 who is personally known to me or who produced *Florida drivers license* as identification.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Richard S. Miscuk
NOTARY PUBLIC

My commission expires: *8/26/2001*

(SEAL)



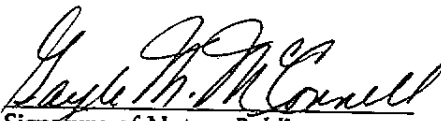
STATE OF KANSAS)
)ss.:
COUNTY OF JOHNSON)
 WyANDOTTE (ymmc)

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SECRETARY OF STATE
DIVISION OF CORPORATIONS
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On this 1st th day of April, 1998, before me, the Undersigned, a Notary Public of said state, duly commissioned and sworn, personally appeared Gary L. Maddock to me known who, being by me duly sworn, did depose and say that he resides at 11903 West 148th Street, Olathe, KS 66062; that at the effective date of the foregoing instrument he was Vice President of First American Holdings, Inc., the Corporation described in and which executed and delivered the foregoing instrument and that he currently is a duly authorized agent of First American Holdings, Inc.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public State of Kansas
Gayle M. McConnell
My Appt Exp 07/18/2001


Signature of Notary Public

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DIVISION OF CORPORATIONS
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1. SCHEDULE A

<u>NAME AND ADDRESS</u>	<u>% INTEREST IN TAX ITEMS OTHER THAN LOSSES</u>	<u>% INTEREST IN CAPITAL</u>	<u>% INTEREST IN LOSSES</u>
GENERAL PARTNER: Jack Shubert P.O. Box 2228 Leesburg, Florida 32749	1%	50%	1%
INITIAL LIMITED PARTNERS: Shubert Construction Co., Inc. 1355 E. Altamonte Drive Altamonte Springs, Florida 32701	0 %	0%	0%
Jack Shubert, Jr. 2527 Grandview Avenue Sanford, Florida 32771	0 %	0%	0%
Sheri Owens 2527 Grandview Avenue Sanford, Florida 32771	0 %	0%	0%
Tami Jane Eli 1355 E. Altamonte Drive Altamonte Springs, Florida 32701	0 %	0%	0%
INVESTOR PARTNERSHIP AS LIMITED PARTNER Norwich Estates Limited Partnership. C/o The Fidelity Management Corporation 27 The Plaza, Locust Valley, New York 11560	99%	50%	99%

EXHIBIT "A"

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CERTIFICATE AS TO REPRESENTATIONS
AND WARRANTIES

I, _____, General Partner of _____, DO HEREBY CERTIFY that:

Pursuant to Article VI, Capital Contributions and Capital Accounts, of the Amended and Restated Agreement and Certificate of Limited Partnership (the "Partnership Agreement") of _____ (the "Partnership"), as of the date hereof, the several representations and warranties of the Partnership contained in Article 2.1 of the Partnership Agreement and restated below continue accurate, true and correct in all material respects as though said representations and warranties had been made as of the date hereof.

1. The Partnership is a duly organized limited partnership validly existing under the laws of the State of _____ and has complied and will continue to comply with all filing requirements necessary for the protection of the Investor Partner as a limited partner in the Partnership.

2. No event of proceeding is pending or threatened or has occurred which would (i) materially adversely affect the Partnership or its properties (including the project), or (ii) materially adversely affect the ability of the General Partner or any Affiliates thereof, to perform their respective obligations hereunder or under any other agreement with respect to the project other than legal proceedings which have been bonded against in such manner as to stay the effect of the proceedings or otherwise have been adequately provided for. This subparagraph shall be deemed to include without limitation the following: (x) legal actions or proceedings before any court, commissions, administrative body, or other governmental authority having jurisdiction over the zoning applicable to the project; (y) labor disputes, and (z) acts of any governmental authority.

3. No material default (or event which, with the giving of notice or the passage of time or both, would constitute a material default) has occurred and is continuing under this Agreement or under any of the Project Documents, and the same are in full force and effect.

4. No Partner has any personal liability with respect to the Permanent Loan Agreement.

5. The project has been or will be completed in conformity with the Project Documents. There is no material violation by the Partnership or the General Partner of any zoning, environmental or similar regulation applicable to the Project which would have a material adverse effect thereon and the Partnership has complied with all applicable municipal and other laws, ordinances and regulations relating to the construction and use of the Project.

6. The Partnership owns the fee simple interest in the project subject to no material liens, charges or encumbrances other than those which are (i) both permitted by the Project Documents and are noted or excepted in the title insurance policy issued to a General Partner or the Partnership and (ii) do not materially interfere with use of the Project (or any part thereof) for its intended purpose or have a material adverse effect on the value of the Project.

7. The execution and delivery of all instruments and the performance of all acts heretofore made or taken pertaining to the Partnership or the project by each Affiliate which is a corporation have been or will be duly authorized by all necessary corporate or other action and the consummation of any such transactions with or on behalf of the Partnership will not constitute a breach or violation of, or a default under, the charter or by-laws of such Affiliate or any agreement by which such Affiliate or any of its properties is bound, nor constitute a violation of any laws, administrative regulation or court decree.

8. Any General Partner which is a corporation (the "Corporation") has been duly organized, is validity existing and in good standing under the laws of its state of incorporation and has all requisite corporate power to be a General Partner and to perform its duties and obligations as contemplated by this Agreement and the Project Documents. Neither the execution and delivery by the Corporation of this Agreement nor the performance of any of the actions of this Corporation contemplated hereby has constituted or will constitute a violation of (i) the articles of organization or by-laws of the Corporation; (ii) any agreement by which the Corporation is bound or to which any of its property or assets is subject, or (iii) any law, regulation, or court decree.

9. No Event of Bankruptcy has occurred with respect to any General Partner.

10. All accounts of the Partnership required to be maintained under the terms of any Project Document (including the Loan Agreement) including any account for replacement reserves, are currently funded to the levels required by the lender or the Governmental Agency.

11. If the sole General Partner is a corporation, the General Partner has a net worth which satisfies the 72-13 Requirements.

All capitalized terms used in this Certificate but not defined herein shall have the same meaning as defined in the Partnership Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____
19____

General Partner

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