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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State
Corporations Division
148 W. River Street
Providence, Rhode Island 02904-2615

LIMITED PARTNERSHIP

**CERTIFICATE OF AMENDMENT TO
CERTIFICATE OF LIMITED PARTNERSHIP**

The undersigned, desiring to amend the Certificate of Limited Partnership under and by virtue of the power conferred by Section 7-13-9 of the General Laws of Rhode Island, 1956, as amended, hereby execute the following Certificate of Amendment to the Certificate of Limited Partnership:

1. The name of the limited partnership is:

Centerdale Manor Associates

2. The date of filing of the Certificate of Limited Partnership is March 12, 1982

3. The Certificate of Limited Partnership (as previously amended 11/29/1982, 1/12/1984, 3/5/1996, 9/24/2009)

(List dates of prior amendment(s), if applicable. If none, so state.)

is amended as follows:

[Insert amendment]

The Certificate and Agreement of Limited Partnership are amended as shown in the Amendment attached hereto as Exhibit A.

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4. This Certificate of Amendment is signed by at least one general partner and, if applicable, by each other general partner designated herein as a new general partner.

Under penalty of perjury, I/we declare and affirm that I/we have examined this Certificate of Amendment to the Certificate of Limited Partnership, including any accompanying attachments, and that all statements contained herein are true and correct.

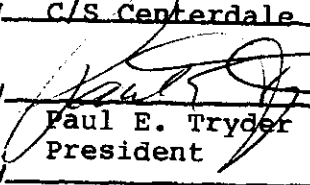
Date: August 14, 2009

Centerdale Manor Associates

Print Name of Limited Partnership

By C/S Housing Associates Limited
Partnership (General Partner)

By C/S Centerdale Corporation

By 
Paul E. Tryder
President

By _____

EXHIBIT A

**AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
CENTERDALE MANOR ASSOCIATES**

This Amended and Restated Agreement of Limited Partnership (the "Agreement") is entered into as of June 27, 2009 by and between C/S Housing Associates Limited Partnership, as General Partner, Centerdale Holdings LLC, as Limited Partner, and WFC Realty Co., Inc., a Special Limited Partner.

WHEREAS, pursuant to a Third Amendment to First Amended and Restated Agreement and Certificate of Limited Partnership dated June 26, 2009 and effective as of January 1, 2009, Centerdale Associates withdrew as a general partner, Smith Street Limited Partnership and Bernard Hodess withdrew as Limited Partner and Centerdale Holdings LLC, a Massachusetts limited liability company, was admitted as a Limited Partner.

WHEREAS, the Partners now desire to amend and restate all of the provisions governing the Partnership.

Accordingly, for mutual consideration paid and received between the Partners, the Partners, desiring to continue the Partnership under the Act, hereby execute the following Agreement:

(a) "Act" shall mean the Rhode Island Uniform Limited Partnership Act, as it may be amended from time to time.

(b) "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by, or under common control with such Person, (ii) any Person owning or controlling fifty percent (50%) or more of the outstanding voting interests of such Person, (iii) any officer, director, General Partner, Limited Partner, or general partner of such Person, (iv) any Person who is an officer, director, General Partner, general partner, Limited Partner, trustee, or holder of fifty percent (50%) or more of the voting interests of any Person described in clauses (i) through (iii) of this sentence, and (v) in the case of an individual, his or her spouse, the descendants of his or her parents, spouses of such descendants, any trust for the primary benefit of any one or more of such persons (including any trust that also includes one or more charitable beneficiaries) and/or any person as guardian or custodian for any of such persons under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act of any jurisdiction. For purposes of this definition, the term "controls", "is controlled by" or "is under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise.

(c) "Agreement" shall have the meaning set forth in the introductory paragraphs of this Agreement.

(d) **"Capital Cash Flow"** shall mean, for purposes of this Agreement and for a given period of time, the net proceeds received by the Partnership from Partnership borrowings and the net proceeds of the sale or other disposition of any of the Partnership assets (other than any de minimus assets so disposed of), in each instance less reserves required as determined by the General Partner.

(e) **"Capital Contribution"** shall mean any contribution by a Partner to the capital of the Partnership in cash or other property or services rendered, or a promissory note or other obligation to contribute cash or property or to perform services, including, without limitation, the Initial Capital Contribution and any additional Capital Contributions.

(f) **"Certificate"** shall mean the Certificate of Limited Partnership filed with the Secretary of State of the State of Rhode Island, as the same may be amended or restated from time to time hereafter.

(g) **"Code"** shall mean the Internal Revenue Code of 1986, as amended from time to time, or any corresponding provisions of succeeding law.

(h) **"Development"** shall mean the 123 unit affordable housing complex located on the Property.

(i) **"Entity"** shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association or any foreign trust or foreign business organization or any other legal form of incorporated or unincorporated entity.

(j) **"HUD"** shall mean the United States Department of Housing and Urban Development.

(k) **"General Partner"** shall mean C/S Housing Associates Limited Partnership, a Massachusetts limited partnership and/or its successor and assigns.

(l) **"Initial Capital Contribution"** shall have the meaning set forth in Section 6.1.

(m) **"Limited Partners"** shall mean the those listed on Exhibit A as limited partners.

(n) **"Loan"** shall mean that certain loan to the Partnership from Rhode Island Housing in the aggregate principal amount of Four Million One Hundred Eighty-Nine Thousand Five Hundred Fifty-Eight and 00/100 Dollars (\$4,189,558.00) effective as of July 31, 2007.

(o) **"Material Default"** shall mean the occurrence of (i) foreclosure unless (except for foreclosure proceedings due to defaults under the Loan) such foreclosure is vacated, bonded or insured to the reasonable satisfaction of the Special Limited Partner within thirty (30) days after initiation (which period shall extend for an additional thirty (30) days if the General Partner is diligently pursuing a cure and the matter is not materially adversely affecting the Partnership, or (ii) bankruptcy of the Partnership.

(p) **"Operating Cash Flow"** shall mean, for purposes of this Agreement and for a given period of time, all cash received by the Partnership from any source (other than those described in the definition of Capital Cash Flow) less cash expended for the debts and expenses of the Partnership, principal and interest payments on any indebtedness of the Partnership, capital expenditures and, in each instance, such reserves as are determined by the General Partner.

(q) Intentionally omitted.

(r) **"Partners"** shall mean, those listed on Exhibit A attached hereto and their successors and assigns, as may be admitted pursuant to the terms hereof.

(s) **"Partnership"** shall mean Centerdale Manor Associates, a Rhode Island limited partnership.

(t) **"Percentage Interest"** shall mean a Partner's share of the profits and losses of the Partnership and the Partner's percentage right to receive distributions of the Partnership's assets. The Percentage Interest of each Partner shall be, initially, the percentage set forth opposite such Partner's name on Exhibit A attached hereto and incorporated herein, as such exhibit shall be amended from time to time in accordance with the provisions hereof. The combined Percentage Interest of all Partner shall at all times equal 100%.

(u) **"Person"** shall mean any individual or Entity, and the heirs, executors, estate, administrators, legal representatives, successors, and assigns of such **"Person"** where the context so permits.

(v) **"Profits and Losses Allocation"** shall mean profits or losses as computed at the end of each fiscal year and recorded on the Partnership's tax return.

(w) **"Property"** shall mean that certain property with 123 affordable apartments described on Exhibit B attached hereto and incorporated herein, known as Centerdale Manor Apartments, North Providence, Rhode Island and all other property and assets hereafter acquired and owned by the Partnership or in which it directly or indirectly owns an interest.

(x) **"Rhode Island Housing"** shall mean the Rhode Island Housing and Mortgage Finance Corporation.

(y) **"Special Limited Partner"** shall mean WFC Realty Co., Inc., a Massachusetts corporation, and its designees, successors and assigns.

(z) **"Treasury Regulations"** shall mean any proposed, temporary and final regulations promulgated under the Code as in effect from time to time and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

ARTICLE II
Formation of Partnership

2.1 **Formation.** The Partnership was formed effective upon the filing with the Office of the Secretary of State of the State of Rhode Island of the Certificate, in accordance with and pursuant to the Act. The Partners do hereby confirm their intent and agreement that the Partnership shall continue in existence and be governed by the terms of this Agreement.

2.2 **Name.** The name of the Partnership is Centerdale Manor Associates.

2.3 **Principal Place of Business.** The principal place of business of the Partnership shall initially be c/o Cornerstone Corporation, 400 Blue Hill Drive, Suite 2C, Westwood, MA 02090. The Partnership may relocate its principal place of business to any other place or places as the General Partner may from time to time deem advisable, provided that said place of business is located in the State of Rhode Island. Additional offices may be maintained and acts done at any other place appropriate for accomplishing the purposes of the Partnership, all as may be determined by the General Partner.

2.4 **Resident Agent.** The Resident Agent for the Partnership shall be Timothy P. Doherty, whose principal place of business is c/o Cornerstone Corporation 400 Blue Hill Drive, Westwood, Ma 02043. The Resident Agent and/or the address of the Resident Agent may be changed from time to time by an amendment to the Certificate filed with the Secretary of State of Rhode Island.

2.5 **Term.** The term of the Partnership shall be until December 31, 2055, unless sooner terminated in accordance with the other provisions of this Agreement.

ARTICLE III
The Business of the Partnership

The sole business of the Partnership shall be to acquire, own, operate, maintain, manage, improve, renovate, redevelop, lease, finance, mortgage, encumber, sell, transfer, exchange and otherwise deal with the Development and the Property, and to engage in any lawful act or activity whatsoever for which limited partnerships may be organized under the Act incidental thereto and related to the foregoing.

ARTICLE IV
The General Partner and the Special Limited Partner

4.1 **Management.**

(a) C/S Housing Associates Limited Partnership shall be the General Partner. Subject to and limited by this Agreement, including Article 4.10, the General Partner shall have full, exclusive and complete authority, discretion, obligation and responsibility with respect to the business of the Partnership, as set forth herein, and shall take all actions with respect thereto.

The General Partner shall manage and control the affairs of the Partnership and shall use commercially reasonable efforts to carry out the business of the Partnership.

(b) Provided that the General Partner exercises its power within the parameters described in Section 4.1(a) above, the General Partner has the power to bind the Partnership as provided in this Article. The act of the General Partner on behalf of the Partnership, regardless of whether such action is for the purpose of apparently carrying on in the usual way the business or affairs of the Partnership or otherwise, shall bind the Partnership, and no person dealing with the Partnership shall have any obligation to inquire into the power or authority of the General Partner acting on behalf of the Partnership.

(c) Any Person dealing with the Partnership or the General Partner may rely on a certificate signed by the General Partner:

- (i) as to the existence or nonexistence of any fact or facts which constitute conditions precedent to acts by General Partner or are in any other manner germane to the affairs of the Partnership;
- (ii) as to who is authorized to execute and deliver any instrument or document on behalf of the Partnership, and as to whether any approval, consent, or other action is necessary under this Agreement and/or as to whether any such action or consent has been obtained;
- (iii) as to the authenticity of any copy of the Certificate, and as to the status of this Agreement and amendments hereto; or
- (iv) as to any act or failure to act by the Partnership or as to any other matter whatsoever involving the Partnership or the Partner.

4.2 General Partner's Duty to Partnership

(a) The General Partner (and/or any Limited Partner and/or Special Limited Partner) shall be entitled to enter into transactions that may be considered to be competitive with, or a business opportunity that may be beneficial to, the Partnership, it being expressly understood that General Partner (and/or any Limited Partner and/or Special Limited Partner) may be entering into transactions that are similar to the transactions into which the Partnership may enter, provided that full disclosure of each such transaction is made by the General Partner (and/or any Limited Partner and/or Special Limited Partner). The Partnership shall not have any right, by virtue of this Agreement, to share or participate in such transaction of General Partner (and/or any Limited Partner and/or Special Limited Partner) or to the income or proceeds derived therefore, except to the extent that the Partnership incurs any additional expenses or diminished services as a result of such transaction, in which case, the Partnership shall be reimbursed the value of such additional expenses and/or diminished services. The General Partner (and/or any Limited Partner and/or Special Limited Partner) shall not incur any liability to the Partnership as a result of engaging in any other business venture. The General Partner (and/or any Limited Partner and/or Special Limited Partner) agrees to disclose such transaction to the other Partners.

(b) The General Partner does not violate a duty or obligation to the Partnership merely because General Partner's conduct furthers General Partner's own interest. The General Partner and any Affiliate of the General Partner may lend money to and transact other business with the Partnership. The rights and obligations of the General Partner lending money to or transacting business with the Partnership are the same as those of a person who is not a General Partner, subject to applicable law. No transaction with the Partnership shall be voidable solely because the General Partner or any Affiliate of the General Partner has a direct or indirect interest in the transaction if the transaction is fair to the Partnership.

4.3 Duty of Care. General Partner's duty of care in the discharge of General Partner's duties to the Partnership is limited to (a) refraining from engaging in gross negligence or intentional misconduct or a violation of the duty of loyalty owed to the Partnership, (b) acting as permitted under the Act, and (c) acting consistent with sound business and asset management practices. In discharging its duties, the General Partner shall be fully protected in relying in good faith upon the records required to be maintained under Article X and upon such information, opinions, reports, or statements by any of its agents, or by any other person, as to matters the General Partner reasonably believes are within such other person's professional or expert competence and who have been selected with reasonable care by or on behalf of the Partnership, including information, opinions, reports, or statements as to the value and amount of the assets, liabilities, profits, or losses of the Partnership or any other facts pertinent to the existence and amount of assets from which distributions to the General Partner might properly be paid.

4.4 Indemnity of Partners and Others. Each Person or Entity who at any time is or shall have been a Partner in the Partnership, or is or shall have been serving at the request of the Partnership as a General Partner, officer, employee or agent of the Partnership, shall be indemnified and held harmless by this Partnership from and against any and all losses, liabilities or claims attributable to such status or to acts or failure to act in connection therewith, provided that the scope of this indemnification and agreement to hold harmless shall not extend to losses arising from the fraud, gross negligence, intentional misconduct or breach of fiduciary duty of the indemnitee. The Partnership may advance costs of defense of any proceedings to any Partner or any other indemnitee, provided that such indemnitee shall execute an undertaking agreeing to repay such advance in the event that it is finally determined that such indemnitee is not entitled to indemnification. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which a Person seeking indemnification may be entitled under any other agreement, vote of Partner or otherwise. If authorized by the General Partner, the Partnership may purchase and maintain insurance on behalf of any Person (including the Partner) to the fullest extent permitted by the Act.

4.5 Business with Affiliates. The General Partner or Special Limited Partner may cause the Partnership to transact business with itself or any Affiliate for goods or services reasonable required in the conduct of the Partnership's business, unless set forth otherwise in this Agreement, provided that any such transaction shall be effected only on terms competitive with those that may be obtained from unaffiliated Persons and shall be disclosed to all Partners.

4.6 Involuntary Withdrawal of a General Partner.

(A) In the event of the involuntary withdrawal of a General Partner due to death, disability or adjudication of incompetence, such General Partner shall immediately cease to be a General Partner and his interest shall be treated in accordance with Article 4.8(A).

(B) In the event of the involuntary withdrawal of a General Partner due to bankruptcy, dissolution or any other reason not set forth in Article 4.6(A), such General Partner shall immediately cease to be a General Partner and his interest shall be forfeited pursuant to Article 4.8(B).

4.7 Removal of a General Partner.

(A) The Special Limited Partner shall have the right to remove a General Partner for any of the following reasons:

(1) Any actual fraud, misconduct, negligence or breach of fiduciary duty in the performance of its duties and obligations as General Partner which has a substantial adverse effect on the Partnership or the Project;

(2) Failure in any material respect to meet his obligations under this Agreement, or violation in any other material respect of any other provision of this Agreement or any provisions of the Act;

(3) Violation in any material respect by the General Partner of any provision of any document or agreement with Rhode Island Housing, HUD, or any HUD or other governmental regulation, which has an adverse effect on the Partnership or the Partners;

(4) Any action by the General Partner not permitted by the Agreement which would (i) cause the Partnership to be treated for federal income tax purposes as an association taxable as a corporation, (ii) violate the Securities Act of 1933, as amended, comparable state securities laws and the rules and regulations promulgated thereunder, or (iii) cause a Material Default.

(B) Upon receipt of notice from the Special Limited Partner seeking removal of the General Partner pursuant to 4.7(A), and specifying the cause for such removal, the General Partner shall have the right within thirty (30) days after receipt of such notice to cure the alleged default (which period shall extend for an additional sixty (60) days if the General Partner is pursuing a cure and the default is not having a material adverse effect on the Partnership or the Project). Should such cure not be so made, the General Partner shall immediately cease to be a General Partner and to the rights previously conferred as General Partner as to the operation of the Partnership business, and the powers and authorities conferred on it as General Partner under this Agreement shall terminate and it shall forfeit its interest pursuant to Article 4.8(B). The General Partner hereby appoints the Special Limited Partner as its agent and attorney-in-fact to execute and record all documents necessary to give effect to this Article 4.7(B). The election to remove under this Articles 4.7(B) shall not limit or restrict the availability and use of any other

remedy which any Partner might have with respect to such General Partner in connection with its undertakings and responsibilities under this Agreement.

4.8 Interest of a Prior General Partner.

(A) (i) Upon the involuntary withdrawal pursuant to Article 4.6(A) of a General Partner who is not the sole remaining General Partner, his successor or legal representative shall retain his interest but have it converted to the interest of a Limited Partner.

(ii) Upon the involuntary withdrawal pursuant to Article 4.6(A) of a General Partner who is the sole remaining General Partner, he shall designate as successor General Partner and transfer such portion of his interest, his right to receive Operating Cash Flows and Capital Cash Flows, and fees as in necessary to obtain such successor General Partner. Any portion of an interest which is not so transferred to a successor General Partner shall be (a) transferred to any other Person, although such Person shall be admitted as a Limited Partner (upon satisfaction of the requirements of this Agreement) or (b) retained but converted to the interest of a Limited Partner.

(B) Upon the involuntary withdrawal of a General partner pursuant to Article 4.6(B), or if a General Partner is removed pursuant to Article 4.7(A), it shall immediately forfeit (i) its interest in the Partnership, (ii) its fees and (iii) all of its rights to receive Operating Revenues and Capital Proceeds. Such interest shall be forfeited to the other General Partners, pro rata, if any, or, if there are no other General Partners, to a successor General Partner.

4.9 Obligations of a Prior General Partner. If a General Partner withdraws or is removed from the Partnership under Articles 4.6 or 4.7, it shall (i) remain liable for all obligations and liabilities incurred by it as a General Partner before the effective date of such event, (ii) pay all cost associated with the admission of a successor General Partner and (iii) with respect to a removed, bankrupt or dissolved General Partner, shall be liable for all damages and costs to the Partnership as a result of such removal. However, any such General Partner shall be free of any obligation or liability incurred on account of the activities of the Partnership from or after the effective date of such event, unless this Agreement expressly provides otherwise.

4.10 Special Limited Partner.

(A) Except as expressly provided otherwise in this Agreement, the Special Limited Partner shall only have the limited responsibilities to the Partnership set forth in Article 4.10(B) and shall not otherwise be involved in the day-to-day affairs of the Partnership and shall have no financial obligation to the Partnership.

(B) The Special Limited Partner shall have the following rights and responsibilities which it may exercise in its sole discretion:

(1) Upon the removal of the last General Partner pursuant to Article 4.7, the authority to assume the role of General Partner or to select a successor General Partner;

(2) The right to select or approve accountants for all Partnership tax matters and Counsel for all Partnership tax and securities law matters for the Partnership;

(3) The right to perform or assist the General Partner in performing all Partnership reporting to the Limited Partners pursuant to 10.3;

(4) The right to oversee as the "tax matters partner" all tax matters concerning the Partnership, including, without limitation, elections under the code, preparation of Partnership tax returns, and supervision of tax audits and litigation relating thereto; and

(5) The right to consent to other actions by the General Partner as specifically set forth in this Agreement.

(C) The Special Limited Partner may delegate to, or contract with, an Affiliate for performance of its responsibilities pursuant to Article 4.10(B). Any such delegation or contract shall terminate upon the withdrawal or removal of the Special Limited Partner. If a Special Limited Partner is dissolved or terminated, its successors-in-interest shall be entitled to exercise its powers under this Agreement or appoint another Person to do so; and if such successors-in-interest choose not to exercise such powers and another Person is not appointed to do so, such powers shall be exercised by the General Partner.

4.11 Limitations on the General Partner.

(A) The General Partner and its Affiliates shall not have any authority to perform (i) any act in violation of any applicable law or regulation thereunder, (ii) any act without any consent or ratification which is required to be consented to or ratified by the Limited Partners or Special Limited Partner pursuant to Articles 4.11(B) or 4.11(C) or the Act or (iii) any act which would change the Partnership to a general partnership or to an association taxable as a corporation for federal tax purposes.

(B) The consent of the Limited Partners holding at least 51% of the outstanding limited partnership interest shall be required prior to any action by the General Partner with respect to the following matters:

(1) The sale, lease (except for the lease of apartment units in the ordinary course of business), exchange, or other disposition, pledge or transfer of the Project or all or substantially all of the assets of the Partnership;

(2) The substantial alteration, demolition or reconstruction of the Project; or

(3) Causing the Partnership to engage in any business other than that specified in this Agreement.

(C) The reasonable consent of the Special Limited Partner shall be required prior to any action by the General Partner with respect to the following matters:

(1) Entering into agreements restricting the use of Partnership property including, without limitation, deeds and easements, except for those in furtherance of the development of the Project or required by any government authority in connection with the operation of the Project;

(2) The refinancing, recasting, increase, modification or extension of the Loan;

(3) The sale or assignment of the General Partner's interest or the admission of any Person as an additional or substitute General Partner.

ARTICLE V **Rights and Obligations of Partners**

5.1 Limitation on Liability.

(A) The Partners' liability shall be limited as set forth in this Agreement, the Act and other applicable law. No Partner shall be liable, responsible or accountable in damages or otherwise to any of the Partners for any act or omission performed or omitted in good faith on behalf of the Partnership and in a manner reasonably believed to be within the scope of the authority granted by this Agreement and in the best interests of the Partnership, but shall be so liable, responsible or accountable for, and shall indemnify and hold harmless the Partnership and other Partners against, actual loss or damage to the Partnership or other Partners due to such Partner's fraud, gross negligence, intentional misconduct or breach of fiduciary duty with respect to such acts or omissions.

(B) Any loss or damage incurred by a Partner by reason of any act or omission performed or omitted by it (on its directors, officers, employees or agents) in good faith on behalf of the Partnership and in a manner reasonably believed to be within the scope of the authority granted by the Agreement and in the best interests of the Partnership (but not, in any event, any loss or damage incurred by reason of fraud, gross negligence, intentional misconduct or breach of fiduciary duty with respect to such act or omission) shall be paid from Partnership assets to the extent available.

5.2 Liability of the Partners to the Partnership. If and to the extent that a Partner receives the return in whole or in part of its contribution, the Partner shall be liable to the Partnership only to the extent, if any, expressly provided by the Act.

ARTICLE VI
Contributions and Distributions

6.1 Partners' Capital in the Partnership.

(a) The Partners have contributed to the Partnership as its Capital Contribution that amount as shown on Exhibit A, attached hereto (each, an "*Initial Capital Contribution*"). The Partners shall not have the right to withdraw or be repaid any Capital Contribution except as provided in the Agreement.

(b) No interest shall accrue or be paid on any Capital Contribution or any Partner's capital account.

(c) The obligation, if any, of the Partners to contribute to the capital of the Partnership is solely and exclusively for the benefit of the Partnership and the Partners, and is not intended to, nor shall it confer rights on, any third party. Without limiting the generality of the foregoing, no creditor of the Partnership shall be deemed a third party beneficiary of any obligation of the Partners to contribute capital or make advances to the Partnership.

6.2 Distributions of Operating Cash Flow.

Operating Cash Flow shall be paid or distributed in the following order of priority:

(a) An annual cumulative amount to the ERF Manager LLC, Manager of the Limited Partner, of Four Thousand Dollars (\$4,000);

(b) An annual cumulative amount of Five Thousand Dollars (\$5,000) payable to the General Partner;

(c) The next Thirty-Three Thousand Four Hundred Dollars (\$33,400) to the Partners, pro rata in accordance with their Percentage Interests;

(d) The balance of such distribution of Operating Cash Flow which Rhode Island Housing allows the Partnership to distribute shall be paid (i) Forty-Eight Percent (48%) to the General Partner, (ii) One One-Hundredth of One Percent (0.01%) to the Special Limited Partner and (iii) Fifty-One and Ninety-Nine One-Hundredths Percent (51.99%) percent to the Limited Partners, pro rata in accordance with their Percentage Interests; and

(e) No distribution shall be made unless, after the distribution is made, the assets of the Partnership are, in the reasonable opinion of the General Partner, in excess of the liabilities of the Partnership.

6.3 Capital Cash Flow. Capital Cash Flow shall be paid or distributed in the following order of priority:

- (a) To the payment of all matured debts, expenses and liabilities of the Partnership, except for (i) loans or advances made by any Partner, (ii) accrued but unpaid fees due to any Partner and (iii) amounts set forth in this Article 6.3 below;
- (b) To the payment of any unpaid cumulative distributions to ERF Manager LLC pursuant to Section 6.2(a);
- (c) To the payment of any unpaid cumulative amounts to the General Partner pursuant to Section 6.2(b);
- (d) To the repayment of any outstanding partner loans to the Partnership;
- (e) To the Partners with positive Capital Accounts, pro rata in accordance with such Capital Accounts, until the Capital Account of each Partner is brought to zero;
- (f) To the Limited Partners, pro rata in accordance with their Percentage Interests, One Million Five Hundred Twenty Thousand Dollars (\$1,520,000), less prior distributions to them of Capital Cash Flow; and
- (g) The balance, Forty-Nine (49%) to the General Partner, One One-Hundredth of One Percent (0.01%) to the Special Limited Partner, and Fifty and Ninety-Nine One Hundredths Percent (50.99%) to the Limited Partners, pro rata in accordance with their Percentage Interests.

6.4 Profits and Losses

Operating Profits shall be allocated to the Partners as follows:

- (1) First, to the Partners with negative Capital Accounts, pro rata in accordance with such Capital Accounts, until the Capital Account of each Partner is brought to zero; and
- (2) Second, the balance of the Profits, if any, will be allocated in the same proportion to the Partners as the Operating Cash Flow will be distributed under Article 6.2;

Operating Losses shall be allocated as follows:

- (1) First, to the Partners with Positive Capital Accounts, pro rata in accordance with such Capital Accounts, until the Capital Accounts of each Partner is brought to zero; and
- (2) Second, the balance to the Partners, pro rata in accordance with their Percentage Interest.

Subsequent to the allocation of Operating Profits and Losses, Profits arising from a Capital Transaction will be allocated as follow:

- (1) First, to the Partners with negative Capital Accounts, pro rata in accordance with such Capital Accounts, until the Capital Account of each Partner is brought to zero; and
- (2) Second, the balance of any Gains, if any, will be allocated in the same proportion to the Partners as the Capital Cash Flow will be distributed under Article 6.3

Losses arising from a Capital Transaction shall be allocated as follows:

- (1) First, to the Partners with positive Capital Accounts, pro rata in accordance with such Capital Accounts, until the Capital Accounts of each Partner is brought to zero; and
- (2) Second, the balance to the Partners, pro rata in accordance with their Percentage Interests.

ARTICLE VII

Transferability

7.1 Assignments.

(A) No Partner shall have the right to withdraw from the Partnership except with the prior written consent of the General Partner and upon such terms and conditions as may be specifically agreed upon between all Partners and the withdrawing Partner.

(B) The General Partner may not assign its interest as a General Partner, in whole or in part, except as permitted by Articles 4.8.

(C) The Special Limited partner may assign its Interest, in whole or in part, at any time with the Consent of the General Partner, which shall not unreasonably be withheld.

(D) No Limited Partner shall have the right to dispose of, sell, alienate, assign, encumber, or otherwise transfer all or any part of its interest in the Partnership (other than assignments by operation of law), whether directly or indirectly, without the consent of the General Partner, which consent shall not be unreasonably withheld; provided, however, that a Limited Partner shall be permitted to transfer its interests in the Partnership to any of its Affiliates at any time. For purposes of this Section 7.1, the death of a Limited Partner shall be treated as a transfer of the deceased Limited Partner's interest to the person or persons entitled to the interest under the deceased Limited Partner's will or other dispositive instrument.

If a Partner receives the requisite consent, then the assignee shall be admitted as a Partner of the Partnership with all the rights of the Partner which assigned its interest. However, no part of the interest of the Partner shall be subject to the claims of any creditor or to legal process. No

transfer (whether voluntary or involuntary) shall effect a dissolution of the Partnership. No event of bankruptcy described in the Act shall cause any Limited Partner to cease to be a Limited Partner. Upon the happening of any event of dissolution specified in any section of the Act (other than a determination made by the Partners to dissolve pursuant to Section 9.1 of this Agreement), the Partnership shall not dissolve if the remaining Partners demonstrates an intent to continue the business of the Partnership at any time prior to when a Certificate of Cancellation is filed for the Partnership with the Secretary of State of Rhode Island or the Partnership's assets are liquidated and distributed pursuant to Section 9.2 below.

ARTICLE VIII **Additional Partners**

Any Person acceptable to all of the Partners may become a Partner in this Partnership subject to the conditions imposed by the Partnership. At or about the time a new Partner is admitted, this Agreement shall be amended or amended and restated as necessary or proper to reflect the admission of the new Partner.

ARTICLE IX **Dissolution and Termination**

9.1 Dissolution. The Partnership shall be dissolved and its affairs wound up only upon (a) the written determination of the General Partner and the Limited Partners holding at least 51% of the outstanding limited partnership interest that the Partnership should be dissolved, (b) the sale, exchange or other disposition of the Project or all or substantially all of the property of the Partnership; provided, however, that if the Partnership receives a purchase money mortgage in connection with such sale, the Partnership will continue until such mortgage is satisfied, sold or otherwise disposed, or (c) any other event causing dissolution of the Partnership under the Act. Notwithstanding any provision of the Act to the contrary, the Partnership shall continue and shall not dissolve as a result of the death, retirement, resignation, expulsion, bankruptcy, or dissolution of any Limited Partner or any other event that terminated the continued Partnership of such Limited Partner.

9.2 Winding Up, Liquidation, and Distribution of Assets.

(a) Upon dissolution, the General Partner shall proceed to wind up the affairs of the Partnership and liquidate the assets of the Partnership.

(b) Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Treasury Regulations, if any Partner has a deficit capital account (after giving effect to all contributions, distributions, allocations and other capital account adjustments for all taxable years, including the year during which such liquidation occurs), the Partner shall have no obligation to make any Capital Contribution, and the negative balance of the Partner's capital account shall not be considered a debt owed by the Partner to the Partnership or to any other Person for any purpose whatsoever.

(c) The winding up of the Partnership shall be completed when all debts, liabilities, and obligations of the Partnership have been paid and discharged or reasonably adequate

provision therefore has been made, and all of the remaining property and assets of the Partnership have been liquidated and distributed to the Partners in accordance with Section 6.3 hereof, subject to the Act, which distribution shall be completed within twelve (12) months after such liquidation. Upon the completion of winding up of the Partnership, the General Partner shall deliver a Certificate of Cancellation to the Secretary of the State of Rhode Island for filing. The Certificate of Cancellation shall set forth the information required by the Act. Upon completion of the winding up, liquidation and distribution of the assets, and the filing of the Certificate of Cancellation, the Partnership shall be deemed terminated.

ARTICLE X

Accounting and Reports

10.1 Books of Account and Record. Proper and complete records and books of account shall be kept or shall be caused to be kept by the General Partner, or such representatives as may be appointed, in which shall be entered fully and accurately all transactions and other matters relating to the Partnership's business in such detail and completeness as is customary and usual for businesses of the type engaged in by the Partnership. The books and records shall at all times be maintained at the office of the General Partner. All Partners and their duly authorized representatives shall have the right to inspect and copy any or all of the Partnership's books and records, including books and records necessary to enable a Partner to defend any tax audit or related proceeding, during reasonable business hours upon three (3) days notice to the General Partner, and shall have, on demand, true and full information of all matters affecting the Partnership.

10.2 Annual Audit and Tax Matters. The books and records of the Partnership shall be kept on the tax basis unless the Special Limited Partner and the General Partner jointly elect to change the method of accounting. The accounts of the Partnership shall be audited by accountants, chosen in accordance with this Agreement, at the time set forth in Article 10.3(E) and at any other time that the Special Limited Partner and the General Partner may deem it necessary or desirable. The Special Limited Partner shall prepare, or cause to be prepared, all tax returns required of the Partnership at the Partnership's expense.

10.3 Reports and Notices. The General Partner shall provide all Partners with the following:

(A) By February 15, a written certification, if such certification can be made, that as of the end of the prior fiscal year a Material Default does not exist;

(B) By February 15, a written certification as to whether or not, as of the end of the prior fiscal year, (i) all Loan payments, real estate tax and insurance premium payments are current, (ii) any notice has been received of any defaults under the Loans, Regulatory Agreement, HAP Contract, this Agreement or any related documents and (iii) notice has been received of any building, health, environmental or fire code violation or similar violation of law, regulation or ordinance of a material nature with respect to the Project;

(C) By February 15, a written certification summarizing all transactions during the prior fiscal year between the Partnership and the General Partner or its Affiliates (including the nature of the transaction and the payments involved), other than particular transactions expressly disclosed in this Agreement;

(D) By March 15, all information required for the accountants to prepare IRS Form 1065 and K-1, or similar forms as may be required by the IRS, stating each of the Partner's allocable share of income, gain, loss, deduction or credit for the prior fiscal year;

(E) Within ninety (90) days after the end of the accounting period used to administer the HAP Contract, a balance sheet and related statements of income and Partners' capital and changes in financial position, accompanied by a report of accountants stating that an audit of such financial statement has been made in accordance with generally accepted auditing standards and containing the opinion of the accountants with respect to the financial statements and the accounting principles and practices reflected therein and as to the consistency of the application of the accounting principles and practices, and identifying any matters to which the accountants take exception and stating, to the extent practicable, the effect of each such exception on such financial statement;

(F) Within fifteen (15) days after learning of such an event, written notice of any material event which adversely affects the Project or any defaults or arrearages in the payment of any Partnership debt or obligation of over thirty (30) days duration, including the steps taken to cure any such default or arrearage; and

(G) Within fifteen (1) days after request from a Partner, all reasonably available information necessary to comply with any federal or state reporting requirement, including any applicable requirement of the Securities Acts.

10.4 Partnership Funds. The General Partner shall have total fiduciary responsibility for the safekeeping and use of all funds and assets of the Partnership, whether or not in their direct or indirect possession or control. The funds of the Partnership shall not be commingled with the funds of any other Person and the General Partner shall not employ such funds in any manner except for the benefit of the Partnership. All funds of the Partnership not otherwise invested shall be prudently invested or deposited in one or more accounts maintained in such institutions as the General Partner shall determine, and withdrawals shall be made only in the regular course of the Partnership business on such signatures as the General Partner may, from time to time, determine.

10.5 Partnership Reserves. The General Partner shall set aside from the Partnership funds (i) reserves as may be required by Rhode Island Housing or other government agencies which they shall manage as required by Rhode Island Housing or such other government agencies or (ii) other reasonable reserves as required for the Partnership's business with the consent of the Special Limited Partner.

ARTICLE XI
Miscellaneous Provisions

11.1 Application of Rhode Island Law; Inconsistency with the Act. This Agreement and the application or interpretation hereof, shall be governed exclusively by its terms and by the laws of the State of Rhode Island, and specifically the Act. If and to the extent of any inconsistency between this Agreement and the Act, then, except where expressly prohibited, void or ineffective under the Act, this Agreement shall govern. To the extent any provision of this Agreement is prohibited, void or ineffective under the Act, this Agreement shall be considered amended to the smallest degree possible in order to make the Agreement effective under the Act. In the event the Act is subsequently amended or interpreted such a way as to make any provision of this Agreement that was formerly invalid valid, such provision shall be considered to be valid from the effective date of such interpretation or amendment.

11.2 Amendments. This Agreement may not be amended except by the written agreement of all the Partners.

11.3 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

11.4 Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the Partners and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors and assigns.

11.5 Rights of Creditors and Third Parties under Partnership Agreement. This Agreement is entered into between the Partners for the exclusive benefit of the Partners, and their respective successors and assignees. This Agreement is expressly not intended for the benefit of any creditor of the Partnership or any other Person and no such creditor or third party shall have any rights under this Agreement or any agreement between the Partners with respect to any Capital Contribution or otherwise.

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

11.7 Rhode Island Housing. The partners acknowledged that the Partnership shall be bound by various regulations of Rhode Island Housing so long as Rhode Island Housing shall remain the Lender for the Project.

11.8 Fee Agreements. The partners agree that the following agreements shall be deemed null and void and are no longer in full force and effect.

1. Repurchase Guarantee Agreement dated as of November 1, 1982.
2. Operating Deficit Guarantee Agreement dated as of November 1, 1982.



State of Rhode Island and Providence Plantations

A. Ralph Mollis

Secretary of State

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

I, A. RALPH MOLLIS, Secretary of State of the State of Rhode Island
and Providence Plantations, hereby certify that this document, duly
executed in accordance with the provisions of Title 7 of the General Laws
of Rhode Island, as amended, has been filed in this office on this day:

A. RALPH MOLLIS

Secretary of State

