

State of Rhode Island and Providence Plantations

CERTIFICATE

(LIMITED PARTNERSHIP)

798026

Know all Men by These Presents, That we, RICHARD A. SULLIVAN, RICHARD A. SULLIVAN, JR., MORTON MYERSON and MARK J. WALTCH

desiring to form a limited partnership under and by virtue of the powers conferred by Chapter 7-13 of the General Laws of Rhode Island, do solemnly swear that:

FIRST. The name of the partnership shall be BRISTOL GARDENS COMPANY

SECOND. The character of the business conducted by the partnership shall be To acquire, construct, develop, improve, maintain and operate real property described in a commitment for insurance of advances (FHA Form No. 2432) issued by the Federal Housing Administration for Project No. 016-44030 LDP and in connection with or incidental to the accomplishment of said purpose to enter into any kind of activity and to perform and carry out contracts.

THIRD. The principal place of business of the partnership shall be located at End of Verndale Circle, Bristol, Rhode Island, but mailing address is: 3 School Street, Boston, Massachusetts

FOURTH. General Partners Residence (No. Street, City or Town, State.) Richard A. Sullivan, Old Bartlett Road, Kearsage, New Hampshire Richard A. Sullivan, Jr., Long Lane, Warren, Rhode Island Morton Myerson, 175 Rawson Road, Brookline, Massachusetts Mark J. Waltch, 137 Monadnock Road, Newton, Massachusetts

Class "B" Limited Partners Residence (No. Street, City or Town, State.) Richard A. Sullivan, Old Bartlett Road, Kearsage, New Hampshire Richard A. Sullivan, Jr., Long Lane, Warren, Rhode Island Morton Myerson, 175 Rawson Road, Brookline, Massachusetts Mark J. Waltch, 137 Monadnock Road, Newton, Massachusetts

are the names and places of residence of all members of the partnership, both general and limited, as respectively designated.

FIFTH. The term of existence of the partnership shall be from December 25, 1970, to December 31, 2044, unless sooner terminated

SIXTH. The following items listed immediately below shall be the contribution of each limited partner. (Class "B") - at present there are no Class "A" Limited Partners

Name of Limited Partner	Cash	Property other than Cash	Value
Richard A. Sullivan	cash		24.00
Richard A. Sullivan, Jr.	cash		24.00
Morton Myerson	cash		24.00
Mark J. Waltch	cash		24.00

SEVENTH. The items listed immediately below shall be the additional contributions, agreed to be made by each limited partner.

Name of Limited Partner	Cash	Property other than Cash	Value
		NONE	

and the times at which or the events on the happening of which said contributions shall be made shall be

~~GENERAL PARTNERS MAY DETERMINE~~

EIGHTH. The contribution of each limited partner shall be returned

General Partners may determine

NINTH. Each limited partner shall, by reason of his contribution, receive one capital unit for each One Thousand (\$1,000) Dollars capital contribution, profits and losses to be allocated among all partners on the basis of respective capital units.

TENTH. Each or any limited partner shall have the right to substitute an assignee as contributor in his place, subject to the following terms and conditions: consent of all General Partners; execution by assignee of appropriate documents; and payment by assignee of reasonable expenses of effecting the substitution.

PARTNERSHIP AGREEMENT

THIS PARTNERSHIP AGREEMENT ENTERED INTO AS OF THE 25TH DAY OF DECEMBER, 1970, BY AND AMONG RICHARD A. SULLIVAN, KEARSAGE, NEW HAMPSHIRE, RICHARD A. SULLIVAN JR., WARREN, RHODE ISLAND, MORTON MYERSON, BROOKLINE, MASSACHUSETTS AND MARK J. WALTCH, NEWTON, MASSACHUSETTS.

WHEREAS, THE PARTIES HERETO DESIRE TO FORM A LIMITED PARTNERSHIP FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, DEVELOPING, IMPROVING, MAINTAINING, AND OPERATING REAL PROPERTY DESCRIBED IN A COMMITMENT FOR INSURANCE OF ADVANCES (FHA FORM NO. 2432) ISSUED BY THE FEDERAL HOUSING ADMINISTRATION FOR PROJECT NO. 016-44030-LDP WHICH (AND ALL OF THE RIGHTS APPURTENANT THERETO AND IMPROVEMENTS FROM TIME TO TIME THEREON) IS HEREINAFTER REFERRED TO AS THE "PROPERTY", AND

WHEREAS, THE PARTNERS DESIRE TO CONTRIBUTE CERTAIN AMOUNTS OF CASH AND PROPERTY TO SUCH PARTNERSHIP AS SPECIFIED IN SCHEDULE A, ATTACHED HERETO AND MADE A PART HEREOF,

NOW, THEREFORE, IN CONSIDERATION OF ONE (\$1.00) DOLLAR AND OTHER GOOD AND VALUABLE CONSIDERATION BY EACH OF THE PARTIES HERETO TO THE OTHER OF THEM IN HAND THIS DAY PAID, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY SEVERALLY ACKNOWLEDGED, IT IS AGREED AS FOLLOWS:

ARTICLE I

NAME AND PURPOSE

SECTION 1.1 FORMATION. THE PARTIES HERETO HEREBY FORM A LIMITED PARTNERSHIP (HEREINAFTER CALLED THE "PARTNERSHIP") PURSUANT TO THE TITLE 7 CHAPTER 13 GENERAL LAWS OF RHODE ISLAND 1956 ET SEQ. AS AMENDED, HEREINAFTER REFERRED TO AS THE "UNIFORM LIMITED PARTNERSHIP ACT".

SECTION 1.2 NAME AND OFFICE. THE PARTNERSHIP SHALL BE CONDUCTED UNDER THE NAME AND STYLE OF BRISTOL GARDENS COMPANY. THE PRINCIPAL OFFICE AND PLACE OF BUSINESS OF THE PARTNERSHIP SHALL BE LOCATED IN BRISTOL, RHODE ISLAND, BUT ITS MAIL ADDRESS SHALL BE THREE SCHOOL STREET, BOSTON, MASSACHUSETTS, C/O RICHARD ALBERT SULLIVAN, OR SUCH OTHER PLACE AS THE GENERAL PARTNERS MAY FROM TIME TO TIME DETERMINE ON PRIOR NOTICE TO THE LIMITED PARTNERS.

SECTION 1.3 PURPOSES. THE PURPOSE OF THE PARTNERSHIP IS TO ACQUIRE, CONSTRUCT, DEVELOP, IMPROVE, MAINTAIN AND OPERATE THE PROPERTY AND IN CONNECTION WITH OR INCIDENTAL TO THE ACCOMPLISHMENT OF SAID PURPOSE TO ENTER INTO ANY KIND OF ACTIVITY AND TO PERFORM AND CARRY OUT CONTRACTS. THE PARTNERSHIP SHALL NOT ENGAGE IN ANY OTHER BUSINESS.

SECTION 1.4 TERM. THE PARTNERSHIP SHALL CONTINUE IN FULL FORCE AND EFFECT UNTIL DECEMBER 31, 2044, UNLESS SOONER DISSOLVED AS HEREIN PROVIDED.

SECTION 1.5 NAMES OF THE GENERAL AND LIMITED PARTNERS. GENERAL PARTNERS OF THE PARTNERSHIP SHALL BE RICHARD A. SULLIVAN, RICHARD A. SULLIVAN, JR., MORTON MYERSON, MARK J. WALTCH. THE LIMITED PARTNERS SHALL BE THOSE PERSONS NAMED IN SCHEDULE A. OF THIS PARTNERSHIP AS AMENDED FROM TIME TO TIME.

UNLESS THE CONTEXT OTHERWISE REQUIRES, THE TERM "PARTNERS" AS USED HEREIN SHALL MEAN ALL THOSE PERSONS WHO ARE THEN EITHER GENERAL PARTNERS OR CLASS A OR CLASS B LIMITED PARTNERS, AND THE TERM "PARTNER" AS USED HEREIN SHALL MEAN ANY ONE OF SUCH PERSONS.

UNLESS THE CONTEXT OTHERWISE REQUIRES, THE TERM "LIMITED PARTNERS" AS USED HEREIN SHALL MEAN ALL THOSE PERSONS WHO ARE THEN CLASS A OR CLASS B LIMITED PARTNERS, INCLUDING ORIGINAL CLASS A OR CLASS B LIMITED PARTNERS, ADDITIONAL CLASS A OR CLASS B LIMITED PARTNERS AND SUBSTITUTE CLASS A OR CLASS B LIMITED PARTNERS; THE TERM "LIMITED PARTNER" AS USED HEREIN SHALL MEAN ANY ONE OF THOSE PERSONS WHO ARE THEN EITHER CLASS A OR CLASS B

LIMITED PARTNERS; THE TERM "CLASS A LIMITED PARTNER" AS USED HEREIN SHALL MEAN ANY ONE OF THOSE PERSONS WHO ARE THEN CLASS A LIMITED PARTNERS; AND THE TERM "CLASS B LIMITED PARTNER" AS USED HEREIN SHALL MEAN ANY ONE OF THOSE PERSONS WHO ARE THEN CLASS B LIMITED PARTNERS.

UNLESS THE CONTEXT OTHERWISE REQUIRES, THE TERM "GENERAL PARTNERS" AS USED HEREIN SHALL MEAN ALL THOSE PERSONS WHO ARE THEN GENERAL PARTNERS, INCLUDING ORIGINAL GENERAL PARTNERS AND SUBSTITUTE GENERAL PARTNERS, AND THE TERM "GENERAL PARTNER" AS USED HEREIN SHALL MEAN ANY ONE OF THOSE PERSONS WHO ARE THEN GENERAL PARTNERS.

ARTICLE II

CAPITAL

SECTION 2.1 CAPITAL CONTRIBUTIONS OF THE PARTNERS. THE CAPITAL OF THE PARTNERSHIP SHALL BE THE AGGREGATE AMOUNT OF THE CASH AND OF THE AGREED VALUE OF PROPERTY CONTRIBUTED BY THE PARTNERS, AS SET FORTH IN SCHEDULE A OF THIS PARTNERSHIP AGREEMENT AS AMENDED FROM TIME TO TIME. THE NAMES OF THE PERSONS CONTRIBUTING SUCH CASH AND AGREED VALUE OF PROPERTY ARE AS SET FORTH IN THE SAID SCHEDULE A AS AMENDED FROM TIME TO TIME. THE ORIGINAL CAPITAL ACCOUNT OF EACH SUCH PERSON, AS A PARTNER, SHALL BE THE AMOUNT OF HIS CAPITAL CONTRIBUTION AS SET FORTH IN THE SAID SCHEDULE A AS AMENDED FROM TIME TO TIME.

THE GENERAL PARTNERS ARE AUTHORIZED TO ADMIT TO THE PARTNERSHIP ADDITIONAL LIMITED PARTNERS, WHO SHALL HAVE CLASS A LIMITED PARTNERSHIP INTERESTS, UPON CONTRIBUTION OR SUBSCRIPTION TO CONTRIBUTE TO THE CAPITAL OF THE PARTNERSHIP CASH WHICH SHALL AGGREGATE SUCH AMOUNT AS MAY BE DETERMINED BY THE GENERAL PARTNERS AND APPROVED BY THE CLASS B LIMITED PARTNERS. IN ORDER TO ACCOMPLISH THE PURPOSES OF THIS PARAGRAPH, THE GENERAL PARTNERS ARE AUTHORIZED TO DO ALL THINGS NECESSARY TO EFFECTUATE THE ADMISSION OF SUCH ADDITIONAL LIMITED PARTNERS, EACH OF WHOM SHALL BECOME A SIGNATORY HERETO BY EXECUTING A CONFORMED COUNTERPART OF THIS PARTNERSHIP AGREEMENT, WHICH EACH SUCH ADDITIONAL LIMITED

PARTNER SHALL BE DEEMED TO HAVE ADOPTED, AND EACH OF WHOM SHALL THEREBY AGREE TO BE BOUND BY ALL THE PROVISIONS OF THIS PARTNERSHIP AGREEMENT.

SECTION 2.2 ADDITIONAL CAPITAL.

(A) THE PARTNERSHIP SHALL BORROW WHATEVER AMOUNTS MAY BE REQUIRED FOR CONSTRUCTION OF THE IMPROVEMENTS OR TO MEET OPERATING EXPENSES, SECURED BY A FIRST MORTGAGE LOAN ON THE PROPERTY INSURED BY THE FEDERAL HOUSING ADMINISTRATION (HEREIN SOMETIMES CALLED THE "MORTGAGE LOAN"), ON TERMS PROVIDING THAT NEITHER THE PARTNERSHIP NOR ANY PARTNER SHALL HAVE ANY PERSONAL LIABILITY FOR REPAYMENT OF ALL OR ANY PART OF THE MORTGAGE LOAN.

(B) THE PARTNERSHIP MAY BORROW ADDITIONAL SUMS FROM ANY SOURCES, INCLUDING ANY GENERAL OR LIMITED PARTNER, AND PAY INTEREST THEREON, SO LONG AS NOT PROHIBITED BY FEDERAL HOUSING ADMINISTRATION RULES AND REGULATIONS. TO EVIDENCE SUCH BORROWING OR IN PAYMENT FOR GOODS AND SERVICES FURNISHED TO THE PARTNERSHIP THE PARTNERSHIP MAY, WITH THE APPROVAL OF THE FEDERAL HOUSING COMMISSIONER IF REQUIRED, ISSUE PROMISSORY NOTES (HEREINAFTER CALLED "SURPLUS CASH NOTES") PROVIDING FOR PAYMENT ON OR AFTER THE DATE OF SATISFACTION OF THE MORTGAGE LOAN, WITH NO EARLIER PAYMENT OF PRINCIPAL OR INTEREST TO BE MADE EXCEPT FROM SURPLUS CASH AS DEFINED IN THE REGULATORY AGREEMENT WITH THE FEDERAL HOUSING COMMISSIONER FOR THE PROPERTY OR FROM SOME OTHER SOURCE SUCH THAT SUCH PAYMENT IS NOT IN VIOLATION OF THE SAID REGULATORY AGREEMENT OR OF ANY PROVISIONS OF THE PARTNERSHIP AGREEMENT, INCLUDING THE RESTRICTIONS CONTAINED IN SECTION 4.3, BELOW.

(C) NO LIMITED PARTNER SHALL BE LIABLE FOR ANY OF THE DEBTS OF THE PARTNERSHIP OR BE REQUIRED TO CONTRIBUTE ANY CAPITAL OR LEND ANY FUNDS TO THE PARTNERSHIP OTHER THAN AS SPECIFICALLY PROVIDED IN SECTION 2.1 OR SCHEDULE A OF THIS PARTNERSHIP AGREEMENT. NO GENERAL PARTNER SHALL HAVE ANY PERSONAL LIABILITY FOR THE REPAYMENT OF THE CAPITAL CONTRIBUTIONS OF ANY LIMITED PARTNER.

SECTION 2.3 INTEREST ON CAPITAL. NO INTEREST SHALL BE PAID ON ANY CAPITAL CONTRIBUTED TO THE PARTNERSHIP.

ARTICLE III

RIGHTS, POWERS, AND DUTIES OF PARTNERS

SECTION 3.1 MANAGEMENT OF PARTNERSHIP BUSINESS. THE GENERAL PARTNERS SHALL HAVE THE SOLE RIGHT TO MANAGE THE BUSINESS OF THE PARTNERSHIP. THEY SHALL EACH DEVOTE THERETO SUCH TIME AS THEY IN THEIR ABSOLUTE DISCRETION DEEM NECESSARY.

SECTION 3.2 POWERS OF GENERAL PARTNERS. THE GENERAL PARTNERS SHALL POSSESS AND ENJOY ALL THE RIGHTS AND POWERS OF PARTNERS TO THE EXTENT PERMITTED BY THE APPLICABLE LAWS OF THE STATE OF RHODE ISLAND. THE POWERS OF THE PARTNERS SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOING: TO SELL AND CONVEY ALL OR ANY PART OF THE PROPERTY OWNED BY THE PARTNERSHIP, REAL AND PERSONAL; TO EXECUTE LEASES OR MODIFY LEASES OF THE PROPERTY; TO BORROW MONEY AND AS SECURITY THEREFOR TO MORTGAGE ALL OR ANY PART OF THE PROPERTY OR OTHER ASSETS OWNED BY THE PARTNERSHIP; TO PREPAY IN WHOLE OR IN PART, REFINANCE, RECAST, INCREASE, MODIFY, OR EXTEND ANY MORTGAGES WHICH MAY AFFECT ANY OF THE PROPERTY AND IN CONNECTION THEREWITH TO EXECUTE FOR AND ON BEHALF OF THE PARTNERSHIP ANY EXTENSIONS, RENEWALS OR MODIFICATIONS OF SUCH MORTGAGES ON THE PROPERTY IN LIEU OF THE EXISTING MORTGAGES; TO EMPLOY A MANAGEMENT COMPANY AND TO PAY REASONABLE COMPENSATION THEREFOR. THE GENERAL PARTNERS ARE SPECIFICALLY AUTHORIZED TO EXECUTE A NOTE AND MORTGAGE IN ORDER TO SECURE A LOAN TO BE INSURED BY THE FEDERAL HOUSING COMMISSIONER AND TO EXECUTE A REGULATORY AGREEMENT AND OTHER DOCUMENTS REQUIRED BY THE FEDERAL HOUSING COMMISSIONER IN CONNECTION WITH SUCH LOAN. ANY INCOMING GENERAL PARTNER SHALL AS A CONDITION OF RECEIVING AN INTEREST, IF ANY, IN THE PARTNERSHIP PROPERTY AGREE TO BE BOUND BY THE NOTE, MORTGAGE, AND REGULATORY AGREEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE FEDERAL HOUSING ADMINISTRATION INSURED LOAN TO THE SAME EXTENT AND ON THE SAME TERMS AS THE OTHER GENERAL PARTNERS. UPON ANY DISSOLUTION, NO TITLE OR RIGHT TO POSSESSION AND CONTROL OF THE MORTGAGED PROPERTY, AND NO RIGHT TO COLLECT THE RENTS THEREFROM, SHALL PASS TO ANY PERSON WHO IS NOT BOUND BY THE REGULATORY AGREEMENT IN A MANNER SATISFACTORY TO THE FEDERAL HOUSING COMMISSIONER.

SECTION 3.3 EXERCISE OF RIGHTS AND POWERS BY GENERAL PARTNERS

THE GENERAL PARTNERS SHALL HAVE EQUAL RIGHTS IN THE MANAGEMENT OF THE PARTNERSHIP BUSINESS, AS PROVIDED IN THE PARTNERSHIP LAW OF THE STATE OF RHODE ISLAND, SUBJECT TO THE FOLLOWING QUALIFICATIONS: WITHOUT THE CONSENT OF THE OTHER GENERAL PARTNERS, IF ANY, NO GENERAL PARTNER SHALL ON BEHALF OF THE PARTNERSHIP BORROW OR LEND MONEY, SELL, MORTGAGE, LEASE, OR OTHERWISE TRANSFER ANY INTEREST IN THE PROPERTY, OR EXECUTE ANY AGREEMENT WITH RESPECT TO SUCH BORROWING, LENDING OR TRANSFER.

SECTION 3.4 SPECIAL DUTIES OF GENERAL PARTNERS.

(A) IN ADDITION TO THEIR USUAL AND CUSTOMARY FUNCTIONS, THE GENERAL PARTNERS SHALL PERFORM THE FOLLOWING SPECIAL DUTIES:

(1) THE GENERAL PARTNERS SHALL

(A) MAKE ANY DECISION RELATING TO THE DESIGN OF THE BUILDING (INCLUDING BUT NOT LIMITED TO THE FACADE) OR OF THE LAYOUT OF THE PROJECT;

(B) APPROVE ANY DEVIATION FROM THE ORIGINAL PLANS AND SPECIFICATIONS;

(C) SET PROPER SCHEDULES AND INTEGRATE THE CONSTRUCTION SCHEDULE WITH THE RENTAL SCHEDULE. IN ORDER TO FACILITATE SUCH ACTIVITIES, THE GENERAL PARTNERS SHALL MEET PERIODICALLY WITH THE ARCHITECT AND CONTRACTOR.

(2) THE GENERAL PARTNERS SHALL DETERMINE ALL ADVERTISING POLICIES, APPROVE ALL PROMOTIONAL MATERIAL FOR THE RENTING OF THE APARTMENTS, AND CHOOSE ADVERTISING MEDIA WITH A VIEW TO BRINGING THE PROJECT TO THE ATTENTION OF THE MAXIMUM NUMBER OF LOW AND MODERATE INCOME FAMILIES.

(3) THE GENERAL PARTNERS SHALL ESTABLISH A PROCEDURE TO LIMIT TENANCY OF THE PROJECT TO THOSE FAMILIES AND INDIVIDUALS SPECIFICALLY ALLOWED BY THE REGULATORY AGREEMENT. THE GENERAL PARTNERS SHALL ALSO ADMINISTER SUCH PROCEDURES.

(4) THE GENERAL PARTNERS SHALL ARRANGE FOR FAMILIES OF ALL RACES, COLORS AND CREEDS TO BE GIVEN EQUAL OPPORTUNITY TO THE HOUSING AND RECREATIONAL FACILITIES OF THE PROJECT PURSUANT TO THE REQUIREMENTS OF RHODE ISLAND AND FEDERAL LAW.

(5) THE GENERAL PARTNERS SHALL ACT ON PROBLEMS INVOLVING COMMUNITY RELATIONS AND SHALL IN THIS REGARD, WHENEVER NECESSARY, ARRANGE MEETINGS WITH NEIGHBORHOOD GROUPS, LOCAL CLERGY AND CIVIC LEADERS PRIOR TO AND DURING THE INITIAL STAGES OF OCCUPANCY IN ORDER TO FAMILIARIZE NEARBY RESIDENTS WITH THE CHARACTER AND AIMS OF THE FEDERAL HOUSING PROGRAM, THUS FURTHERING COMMUNITY ACCEPTANCE OF THE PROJECT.

(6) THE GENERAL PARTNERS SHALL TAKE STEPS TO FOSTER SOUND INTERPERSONAL RELATIONS AMONG OCCUPANTS OF THE PROJECT, INCLUDING, WHERE THEY DEEM ADVISABLE, THE ORGANIZATION AND IMPLEMENTATION OF EDUCATIONAL AND RECREATIONAL PROGRAMS.

(7) SUBJECT TO THE CONTROL OF THE MORTGAGEE AND THE FEDERAL HOUSING COMMISSIONER, THE GENERAL PARTNERS SHALL SUPERVISE THE PROPER ESTABLISHMENT, MAINTENANCE AND INVESTMENT OF ANY AND ALL RESERVE FUNDS, WITH A VIEW TO THE REQUIRED DEGREE OF SAFETY AS WELL AS RETURN ON SUCH INVESTED FUNDS.

(B) IN PURSUANCE OF SUCH DUTIES THE GENERAL PARTNERS SHALL PREPARE AND TRANSMIT REPORTS AT LEAST ANNUALLY TO THE LIMITED PARTNERS DETAILING THEIR ACTIVITIES PURSUANT TO THIS SECTION 3.4,

(C) THE GENERAL PARTNERS SHALL RECEIVE ANNUALLY AS COMPENSATION FOR THEIR SERVICES AN AMOUNT NOT IN EXCESS OF ONE (1%) PERCENT OF THE TOTAL ASSETS OF THE PARTNERSHIP; WHICH AMOUNT SHALL BE PAID ONLY FROM SURPLUS CASH AND SHALL BE SUBJECT TO THE LIMITATIONS OF PARAGRAPH 6 OF THE REGULATORY AGREEMENT.

Section 3.5 Other Interests of Partners. Any of the Partners may engage in or possess an interest in other business ventures of every nature and description, independently or with others, including, but not limited to, the real estate business in all its phases, which shall include, without limitation, ownership, operation, management, syndication and development of real property; and neither the Partnership nor the other Partners shall have any rights in and to such independent ventures or the income or profits derived therefrom. The fact that a Partner or a member of his family is employed by, is or is directly interested in or connected with, any person, firm or corporation employed by the Partnership to render or perform a service, or from whom or which the Partnership may buy merchandise or other property, shall not prohibit the General Partners from employing such person, firm or corporation or from otherwise dealing with such entity, and neither the Partnership nor the other Partners shall have any rights in or to any income or profits derived therefrom.

Section 3.6 Limited Partners. To the fullest extent permitted by law, the Limited Partners hereby consent to the exercise by the General Partners of the powers conferred on them by this Agreement. No Limited Partner shall participate in, or have any control over, the Partnership business. None of the Limited Partners shall have the right to withdraw his capital contribution to the Partnership, nor shall any limited Partner have the right to receive any funds or property of the Partnership except pursuant to the provisions of this Agreement or upon dissolution of the Partnership.

ARTICLE IV

Profits & Losses; Distributions; Surplus Cash Notes

Section 4.1 Profits and Losses:

(a) All profits and losses of the Partnership shall be shared by each Partner in the ratio of his capital contribution to the total capital contributions of all Partners, as shown in Schedule A as last amended.

(b) In no event shall a Limited Partner be personally liable for any obligation or liability of the Partnership.

(c) All profits and losses shared by the Partners shall be credited or charged, as the case may be, to their capital accounts.

(d) All profits and losses shall be determined in accordance with the accounting methods followed by the Partnership for federal income tax purposes. The Partnership shall be on the accrual method of accounting and its fiscal year shall be the calendar year.

Section 4.2 Distributions Prior to Dissolution:

(a) Distribution of Net Partnership Receipts: After the final endorsement of the Mortgage Loan and subject to any applicable FHA regulations, Net Partnership Receipts (as hereinafter defined) for each fiscal year shall be distributed to the Partners within a reasonable time after the end of such year (or as soon as possible thereafter as may be permitted by FHA regulations). Provided, however, that the total amount of Net Partnership Receipts which may be so distributed during any fiscal year shall not exceed six percent (6%) of 11.11% of the amount of the Mortgage Loan at the time of final endorsement, as provided by FHA regulations, plus such additional amounts as FHA regulations permit to be distributed.

(b) All distributions of Net Partnership Receipts shall be shared by each Partner in the ratio of his capital contribution to the total capital contributions of all Partners, as shown in Schedule A as last amended.

(c) Definition of Net Partnership Receipts: For all purposes of this Partnership Agreement the term "Net Partnership Receipts" shall mean the profits from the Partnership from and after the final endorsement of the Mortgage Loan, as determined for purposes of subparagraph (a) of Section 4.1 of this Article IV, but subject to any applicable FHA requirements, and further subject to the following:

- (1) Depreciation of buildings, improvements and personal property shall not be considered as a deduction.
- (2) Amortization of any financing fee shall not be considered as a deduction.
- (3) Amortization of the Mortgage Loan shall be considered as a deduction.
- (4) If the General Partners shall so determine, a reasonable reserve shall be deducted to provide for working capital needs, funds for improvements or replacements or for any other contingencies of the Partnership.
- (5) Amounts paid into the reserve fund for replacements pursuant to the Regulatory Agreement shall be considered as a deduction.
- (6) Any amounts paid by the Partnership for capital expenditures or replacements shall be considered as a deduction, except that amounts withdrawn from any reserve fund for capital expenditures or replacements shall not be considered as a deduction.
- (7) Capital contributions to the Partnership, the proceeds of any mortgage refinancing, the profits and losses from any sale, exchange, eminent domain taking, damage or destruction by fire or other casualty, whether insured or uninsured, or other disposition, of all or any part of the Property, shall be included in Net Partnership Receipts.

(d) Distribution of other than Net Partnership Receipts: Prior to dissolution and subject to any applicable FHA regulations, if the General Partners shall determine that cash from sources other than Net Partnership Receipts is available for distribution to the Partners, such cash shall be distributed to the Partners in the ratios of their respective capital contributions to the total capital contributions of all Partners, as shown in Schedule A as last amended.

(e) All distributions to the Partners shall be charged to their capital accounts.

Section 4.3 Surplus Cash Notes

Subject to FHA approval, the Partnership, in the discretion of the General Partners, may at any time make any payment of interest or principal on any Surplus Cash Note issued or assumed by the Partnership, but only from funds available for a fiscal year after distribution to the Partners has been made of Net Partnership Receipts for such fiscal year of at least six percent (6%) of 11.11% of the amount of the Mortgage Loan at the time of final endorsement, or of such amount as may be permitted by FHA regulations if such regulations permit a lesser amount.

Section 4.4 Depreciation.

With respect to all depreciable assets the Partnership shall elect to use, so far as permitted by provisions of the Internal Revenue Code, two hundred percent (200%) declining balance accelerated depreciation; however, on the advice of the independent firm of Certified Public Accountants then serving the Partnership, the General Partners may elect to change to some other method of depreciation so long as such other method is, on balance, in the opinion of such independent Accountants, not less favorable to the Partners than two hundred (200%) percent declining balance accelerated depreciation.

ARTICLE V

Retirement of a General Partner

Section 5.1 Definitions: For purposes of this Partnership Agreement, the following definitions shall apply:

- (a) Retirement of a General Partner shall mean the death, incapacity, bankruptcy, or withdrawal from the Partnership of such General Partner.
- (b) Incapacity shall mean an adjudication of insanity or incompetency.
- (c) Bankruptcy shall occur when a General Partner files a petition in bankruptcy, voluntarily takes any advantage of the bankruptcy or insolvency act, or is adjudicated a bankrupt.

(d) Withdrawal of a General Partner shall occur on the date of withdrawal stated in a written notice from him to all the other then Partners, which date of withdrawal shall be at least thirty (30) days after the mailing of such notice.

Section 5.2 Effect of Retirement of General Partner.

(a) The retirement of a General Partner shall dissolve the Partnership, unless the remaining General Partners elect to continue the business of the Partnership.

(b) In the event that the remaining General Partners elect to continue the Partnership, they may, in their discretion, secure a substitute General Partner to take the place of the retiring General Partner. Such substitute General Partner shall purchase the General Partnership interest of the retiring General Partner as provided in 5.5 (a) of this ARTICLE. Such substitute General Partner shall be any person, so long as approved by Limited Partners whose capital contributions to the Partnership, as shown in Schedule A as last amended, represent Seventy-five (75%) percent or more of the aggregate capital contributions of all Limited Partners. This Partnership Agreement shall constitute written consent of every Limited Partner to admit any person named herein as a General Partner of the Partnership.

(c) If, on the retirement of a General Partner, no General Partner remains, the Partnership shall be dissolved; the assets shall, in such event, be distributed in accordance with the provisions of ARTICLE VIII to transfer the assets of the Partnership to a successor entity.

Section 5.3 Notice. Upon the retirement of a General Partner, by reason other than withdrawal, the remaining General Partners shall promptly give written notice of such retirement to all other Partners. The remaining General Partners shall within thirty (30) days of any retirement give written notice to all other Partners of the dissolution of the Partnership or of their election to continue the business of the Partnership.

Section 5.4 Liability of a Retired General Partner. If, on the retirement of a General Partner, the remaining General Partners shall elect to continue the business of the Partnership, the General Partner who shall have retired shall be and remain liable for all obligations and liabilities incurred by him as General Partner during his membership therein, but he shall be free of any obligation or liability incurred on account of the activities of the Partnership from and after the time as of which he ceased to be a General Partner of the Partnership.

Section 5.5 Effect of Retirement on Partnership Interest of Retiring General Partner.

(a) In the event that the remaining General Partners elect to continue the business of the Partnership after the retirement of a General Partner, and a new General Partner succeeds the retiring General Partner, then such substitute General Partner shall immediately become the owner of the general partnership interest of the retiring General Partner and shall pay the retiring General Partner or his legal representative, in payment for his general partnership interest, an amount to be mutually agreed upon by the substitute General Partner and retiring General Partner or his legal representative, provided that if such parties are unable to agree, the remaining General Partner shall make a final and binding determination as to the proper purchase price for such general partnership interest.

(b) In the event that the remaining General Partners elect to continue the business of the Partnership after the retirement of a General Partner, but no substitute General Partner succeeds to the general partnership interest of the retiring General Partner, then such retiring General

Partner or his legal representative shall become a Class B Limited Partner with the same percentage interest in the Partnership as such retiring General Partner had prior to his retirement.

ARTICLE VI

Dissolution and Liquidation

Section 6.1 Dissolution of this Partnership shall occur upon:

- (a) The sale of substantially all of its assets;
- (b) The retirement of one General Partner, unless the remaining General Partners elect to continue the business of the Partnership, or the retirement of a General Partner if no General Partner remains;
- (c) The expiration of its term; or
- (d) The transfer of the assets and liabilities of the Partnership, including the Property, to a successor entity pursuant to the provisions of ARTICLE VIII.

Section 6.2 Upon dissolution, the General Partners, or the remaining General Partner, or if there is then no General Partner, Limited Partners whose contributions to the Partnership in cash or agreed value of property as shown in Schedule A as last amended, equal or exceed Fifty (50%) percent of all such contributions, shall promptly notify all the Partners of such dissolution and thereafter proceed to cancel the Certificate of Limited Partnership of the Partnership in accordance with the provisions of the Uniform Limited Partnership Act and distribute the assets of the Partnership as follows:

- (a) If dissolution occurs pursuant to Section 6.1(d), above, or if dissolution occurs pursuant to Sections 6.1(a), 6.1(b), or 6.1(c) and written direction is made pursuant to the provisions of ARTICLE VIII, the assets and liabilities, including the Property, shall be transferred to a successor entity pursuant to the provisions of ARTICLE VIII.

(b) If dissolution occurs pursuant to Section 6.1(a), 6.1(b), or 6.1(c), and no written direction is made pursuant to the provisions of ARTICLE VIII, then after adequate provision has been made for the payment of the debts and obligations of the Partnership, including Surplus Cash Notes issued or assumed by the Partnership, the assets of the Partnership (or the proceeds of sales or other dispositions in liquidation of such assets if so determined by the General Partners or the remaining General Partner, or if there shall be no General Partner, by Limited Partners whose contributions to the Partnership as shown in Schedule A, as last amended, equal or exceed Fifty (50%) percent of all such contributions by Limited Partners) shall be distributed to the Partners in accordance with the amounts of their respective capital accounts as adjusted for any credits or charges thereto on account of any profits or losses of the Partnership during liquidation and on account of any distributions in kind, as provided below. If any assets of the Partnership shall be so distributed in kind, the following procedure shall be followed:

- (1) The fair market value of such assets shall be determined by an appraiser selected by the president of the Greater Boston Real Estate Board;
- (2) The capital account of each Partner shall be credited or charged, as the case may be, with the amount of profit or loss which he would be entitled to share under Section 4.1 of this Partnership Agreement, if such assets were sold at such appraised value; and
- (3) Each Partner shall receive an undivided interest in such assets in accordance with the amount of his capital account as so adjusted.

ARTICLE VII

Assignment of Interest of Limited Partner

Section 7.1 Assignment.

(a) No assignee of the whole or any portion of a Limited Partner's interest in the Partnership shall have the right to become a substitute Limited Partner in place of his assignor, unless (i) his assignor shall designate such intention in the instrument of assignment, (ii) the written consent of the General Partners to such substitution shall be obtained, the granting or denial of which shall be within the sole and absolute discretion of the General Partners, and (iii) notwithstanding the granting of the aforementioned consent by the General Partners, the admission of an assignee as a substitute Limited Partner shall be further conditioned on the assignee's written acceptance and adoption of all the terms and provisions of this agreement, as the same may have been amended. In no event shall the consent of any of the other Limited Partners be required to effectuate such substitution.

(b) However, except as provided in subparagraphs (d) and (e) of this Section 7.1, the General Partners' failure or refusal to grant such consent shall not affect the validity and effectiveness of any such instrument as an assignment of the right to receive Partnership profits, losses or distributions applicable to such interest under this Agreement, provided such instrument is in satisfactory form, a duly executed and acknowledged counterpart is filed with the Partnership, and the terms thereof are not in contravention of the provisions of this Agreement.

(c) Any Limited Partner who shall assign or transfer his interest in the Partnership shall cease to be a Limited Partner of this Partnership, and shall no longer have any right or privilege of a Limited Partner.

(d) In no event shall a Limited Partner's interest or any portion thereof be assigned or transferred to a minor or incompetent.

(e) In no event shall an interest in the Partnership representing less than Five Thousand (\$5,000) Dollars of capital contribution be assigned or transferred without written permission of the General Partners. If such written permission is not obtained, the Partnership need not recognize the attempted assignment for any purpose whatsoever.

(f) Upon the admission of a substitute Limited Partner, Schedule A shall be amended to substitute the name of such substitute Limited Partner for the name of his transferor. Upon the assignment of a Limited Partner's interest, Schedule A shall be amended to eliminate the name of such assigning Limited Partner; the assignee of such Limited Partner's interest shall not be named in Schedule A, but any interest which such assignee may have in the profits, losses, or distributions of the Partnership shall be computed as if such assignee's name had been substituted in Schedule A for the interest of the said assigning Limited Partner.

Section 7.2 Right of First Refusal.

(a) The Partnership interest of any Limited Partner in the Partnership (hereinafter referred to as the "Selling Partner") may not be transferred, sold, alienated or assigned, given, bequeathed or otherwise disposed of, whether voluntarily or by operation of law, or at judicial sale or otherwise, to any person, firm, trust or corporation whatsoever, without first offering the same for a period of thirty (30) days to the General Partners, at a price and upon terms no less favorable than those which the Selling Partner certifies he is willing to accept from a third party as evidenced by a bona fide offer received from such third party by such Selling Partner. Such offer by a Selling Partner to sell to the General Partners shall be in writing and shall contain a written certification subscribed by the Selling Partner of the price and terms offered by the third party which he is willing to accept, as well as a statement of the name and address of such third party. Within thirty (30) days after the

receipt of such written offer, one or more of the General Partners may accept such offer in writing and if more than one of the General Partners so accepts, the Selling Partner's interest in the Partnership to be sold shall be equally apportioned between the General Partners, and the Selling Partner and the General Partners so accepting shall promptly thereafter enter into an agreement for sale at the price and on the terms aforesaid, and shall consummate such sale in accordance with such terms. If said offer is not accepted within said thirty (30) day period, the Selling Partner may within forty-five (45) days from the date of expiration of such thirty (30) day period dispose of his Partnership interest at a price not less than the price and on terms not less favorable to the Selling Partner than the terms at which such interest shall have been offered hereunder. If such Partnership interest is not so disposed of within such period of forty-five (45) days, it shall become subject to the restrictions of this ARTICLE.

(b) The provisions of Section 7.2(a) of this ARTICLE shall not apply to the transfer or assignment by a Limited Partner, whether on death or inter vivos, of all or any part of his interest in this Partnership (in trust or otherwise) to or for the benefit of his spouse or any member of his immediate family or to a charitable, religious or educational organization. "Immediate Family," as used herein, shall mean parents, parents-in-law, descendants, nephews and nieces, brothers and sisters, brothers-in-law and sisters-in-law, children-in-law and grandchildren-in-law.

(c) The provisions of Section 7.2(a) of this ARTICLE shall not apply to any transfer or assignment of the Partnership interest of a deceased or incapacitated Limited Partner, or by such a legal representative to accomplish any transfer or assignment described under Section 7.2(b) of this ARTICLE.