

PELHAM STREET ASSOCIATES

AMENDED AND RESTATED

AGREEMENT OF LIMITED PARTNERSHIP

Preliminary Statement

PELHAM STREET ASSOCIATES was formed as a limited partnership under the laws of the State of Rhode Island (the "Partnership") pursuant to a Limited Partnership Agreement, dated August 6, 1985, by and between Ronald E. Kutrieb, Joseph J. Dabek and James J. Beaulieu as General Partners and Capital Growth Companies as Limited Partner (the "Agreement") and a Certificate of Limited Partnership filed in the office of the Secretary of State of said State on August 6, 1985.

The purposes of this amendment to and restatement of the Agreement are (i) to enable the Partnership to admit certain sophisticated investors as Limited Partners, (ii) to provide for the withdrawal of Capital Growth Companies as a Limited Partner, and (iii) to amend and restate fully the rights, obligations and duties of the General Partner and the Limited Partners.

Now, therefore, it is hereby agreed as follows:

ARTICLE I

Defined Terms

The defined terms used in this Agreement shall have the meanings specified below:

"Admission Date" means the date on which the first Limited Partner is admitted to the Partnership in accordance with Section 4.3 hereof.

"Affiliated Person" means any (i) General Partner, (ii) member of the Immediate Family of any General Partner (iii) legal representative, successor or assignee of any person referred to in the preceding clauses (i) and (ii), (iv) trustee of a trust for the benefit of any Person referred to in the preceding clauses (i) and (ii), (v) Entity of which a majority of the voting interests is owned by any one or more of the Persons referred to in the preceding clauses (i) through (iv), (vi) Person who owns 15% or more of common stock of any corporate General Partner, or (vii) a Person who is an officer, director, trustee, employee, stockholder (15% or more) or partner of any Entity or Person referred to in the preceding clauses (i), (iii),

(v) and (vi).

"Agreement" means this Amended and Restated Agreement of Limited Partnership as it may be further amended from time to time.

"Capital Contribution" means the total amount of cash or the fair market value of other property contributed to the Partnership by each Partner as shown in the Schedule. Any reference in this Agreement to the Capital Contribution of a then Partner shall include a Capital Contribution previously made by any prior Partner in respect of the Partnership interest of such then Partner.

"Cash Flow" shall have the meaning provided in Section 10.2(b).

"Class Contribution" means the aggregate Capital Contributions of all members of a particular class of Partners (e.g. the General Partners or Limited Partners).

"Code" means the Internal Revenue Code of 1954, as amended from time to time.

"Commitments" includes the documents related to the Loans, the Mortgages and any other instrument delivered to or required by the lenders in connection with the Mortgages or the transactions contemplated therein.

"Consent of the Limited Partners" means the written consent or approval of Limited Partners whose aggregate Capital Contributions represent at least 51% of the Limited Partner Class Contribution. A Limited Partner shall be deemed to have consented in writing to any proposed action by the General Partner if such Limited Partner fails to respond to a notice from the General Partner requesting his consent thereto within thirty (30) days of the mailing of such notice.

"Entity" means any general partnership, limited partnership, corporation, joint venture, trust, business trust, cooperative or association.

"Event of Bankruptcy" means the bankruptcy or act of bankruptcy (except if such act of bankruptcy is susceptible to cure and has been cured within sixty (60) days), reorganization or arrangement (under the provisions of Chapter 11 of the Bankruptcy Act or a like provision of law), insolvency as determined by court proceedings, filing of a petition to accomplish the same or like event.

"General Partner" or "General Partners" means any Person designated as a General Partner in the Schedule or any Person who becomes a General Partner of the Partnership, and if there be more than one General Partner at any time, such term shall include every such Person.

"Immediate Family" means, with respect to any Person, his spouse, parents, parents-in-law, descendants, nephews, nieces, brothers, sisters, brothers-in-law, sisters-in-law, children-in-law and grandchildren-in-law.

"Improvements" means any buildings, fixtures or any related improvements located on the Land.

"Land" means parcel located in Newport, Rhode Island, described in Exhibit A attached hereto.

"Limited Partner" or "Limited Partners" means any or all of those Persons designated as a Limited Partner in the Schedule or any Person who becomes a Substitute Limited Partner as provided herein, in each such Person's capacity as a Limited Partner of the Partnership. Capital Growth Companies shall not become a Limited Partner.

"Loans" means that certain indebtedness evidenced by notes issued to Rhode Island Hospital Trust National Bank and Pelham Park Partners or any renewal or replacement financing which may be secured by a mortgage on the Project and such other mortgage loan or loans as may exist from time to time.

"Management Agreement" means the agreement between the Partnership and the Management Agent concerning the annual management, maintenance and operation of the Project.

"Management Agent" means Capital Growth Properties, Inc. its successors and assigns, who will act as the managing and rental agent for the Project.

"Management Fee" means the amount payable from time to time by the Partnership to the Management Agent under the Management Agreement.

"Mortgages" means any and all mortgages which from time to time secure the Loans.

"Partner" or "Partners" means any or all of the General Partners and/or Limited Partners.

"Partnership" means the limited partnership governed by this Agreement as said limited partnership may from time to time be constituted.

"Person" means any individual or Entity, and the heirs, executors, administrators, legal representatives, successors and assigns of such Person where the context so admits; and, unless the context otherwise requires, the singular shall include the plural and the masculine gender shall include the feminine and the neuter and vice versa.

"Project Expenses" means all the costs and expenses of any type incurred incident to the acquisition, ownership and operation of the Properties, including, without limitation, taxes, capital improvements, payments of principal and interest on any mortgages, the cost of operations, maintenance, and repairs and the funding of any reserves required to be maintained by the holders of any mortgages. Project Expenses shall be determined on an accrual basis of accounting regardless of the basis upon which the books of the Partnership are kept for other purposes.

"Project", "Property" or "Properties" means the Improvements constructed or to be constructed and the Land.

"Retirement" (including the verb form "Retire" and the adjective form "Retiring") means as to a General Partner, the occurrence of death, adjudication of insanity or incompetence, an Event of Bankruptcy, dissolution, or voluntary or involuntary withdrawal from the Partnership for any reason. Involuntary withdrawal shall occur whenever a General Partner may no longer continue as a General Partner by law or pursuant to any terms of this Agreement.

"Schedule" means the Schedule of Partners annexed hereto as Schedule A amended from time to time and as so amended at the time of reference thereto.

"State" means the State of Rhode Island.

"Substitute Limited Partner" means any Person who is admitted to the Partnership as a Limited Partner under the provisions of Section 8.3.

"Uniform Act" means the Uniform Limited Partnership Act as adopted by the State.

"Unit" means a portion of the Limited Partner Class Contribution representing a Capital Contribution of \$25,000.

ARTICLE II

Section 2.1 Formation

The parties hereto hereby agree to continue the limited partnership known as Pelham Street Associates, formed pursuant to the provisions of the Uniform Act.

Section 2.2 Name and Office

The Partnership shall continue to be conducted under the name and style of Pelham Street Associates. The principal office of the Partnership shall be maintained at 221 Third Street, Newport, RI. The General Partner may at any time change the location of such principal office or usual place of business and shall give due notice of any such change to the Limited Partners.

Section 2.3 Purpose

The purpose of the Partnership is to acquire, construct, rehabilitate, develop, improve, own, maintain, operate, lease, sell, and otherwise deal with the Properties. The Partnership and the General Partner shall use reasonable efforts to operate the Properties in accordance with the terms of the Commitments and any applicable governmental regulations. The Partnership shall not engage in any other business or activity.

Section 2.4 Authorized Acts

In furtherance of its purposes, but subject to all other provisions of this Agreement including, but not limited to, Articles IV and VI, the Partnership is hereby authorized:

(i) To acquire by purchase, lease or otherwise any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purposes of the Partnership.

(ii) To construct, operate, maintain, finance and improve, and to own, sell, convey, assign, mortgage or lease any real estate and any personal property necessary, convenient or incidental to the accomplishment of the purposes of the Partnership.

(iii) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Partnership, and to secure the same by mortgage, pledge or other lien on the Properties or any other assets of the Partnership, including,

without limitation, the Mortgages.

(iv) To prepay in whole or in part, refinance, recast, increase, modify or extend any of the indebtedness secured by the Mortgages or any other notes or mortgages affecting the Properties and in connection therewith to execute any extensions, renewals, or modifications of the Mortgages or any such other mortgages on the Properties.

(v) To employ the Management Agent, to manage the Properties, and to pay reasonable compensation for such services.

(vi) To enter into, perform and carry out leases or other contracts of any kind, including leases or contracts with Affiliated Persons, necessary to in connection with or incidental to, the accomplishment of the purposes of the Partnership, specifically including, but not limited to, the execution and delivery of all agreements, certificates, instruments or documents required by or in connection with the acquisition, construction, development, improvement, maintenance and operation of the Properties or otherwise required by such agencies in connection with the Properties.

(vii) To execute leases of the space located on the Properties.

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

Section 2.5 Term and Dissolution

(a) The Partnership shall continue in full force and effect until December 31, 2050, except that the Partnership shall be dissolved prior to such date upon the happening of any of the following events:

(i) The sale or other disposition of all or substantially all the assets of the Partnership;

(ii) The Retirement of a General Partner if no General Partner remains, and the Partnership is not reconstituted with a successor General Partner pursuant to Section 7.3; or

(iii) The election to dissolve the Partnership made in writing by the General Partner with the Consent of the Limited

Partners.

(b) Upon dissolution of the Partnership, the General Partner (or its trustees, receivers, successors, or legal representatives) shall cause the cancellation of the Partnership's Certificate of Limited Partnership as then in force, and shall, unless the Partnership is reconstituted pursuant to Section 7.3, liquidate the Partnership assets and apply and distribute the proceeds thereof in accordance with Section 10.4 hereof. Notwithstanding the foregoing, in the event such liquidating General Partner shall determine that an immediate sale of part or all of the Partnership's assets would cause undue loss to the Partners, the liquidating General Partner may, in order to avoid such loss, either (i) defer liquidation of, and withhold from distribution for a reasonable time, any assets of the Partnership except those necessary to satisfy the Partnership debts and obligations or (ii) distribute the assets to the Partners in kind.

ARTICLE III

Commitments and Financing

Section 3.1 Authority

(a) Subject to the provisions of this Agreement, the Partnership may borrow whatever amounts may be required for the acquisition, development and financing of the Properties and any Improvements thereto and to meet the expenses of operating the Properties and shall to the extent necessary or desirable secure the same by one or more mortgages on the Properties, including without limitation the Mortgages.

(b) Any General Partner is specifically authorized, except as otherwise limited in this Agreement, to execute such documents as he deems necessary in connection with the acquisition, development, rehabilitation, renovation and financing of the Properties, including without limiting the generality hereof, notes, mortgages, conditional assignments, security agreements and leases.

Section 3.2 Obligations under Commitments

Each General Partner, in his capacity as a General Partner, shall be obligated to abide by and perform the terms and covenants of the Commitments and any other documents executed in connection therewith. Any incoming General Partner shall as a condition of receiving any interest in the Partnership property agree to be obligated to abide by and perform the terms and

covenants of the Commitments and any other documents required by the holders thereof in connection therewith to the same extent and on the same terms as the General Partner. Upon any dissolution of the Partnership or any transfer of the Project while any of the Mortgages are still outstanding, no title or right to the possession and control of the Project or the income therefrom shall pass to any person or Entity who is not, or does not become, bound by the Commitments.

ARTICLE IV

Partners

Section 4.1 General Partner

The General Partners of the Partnership are Ronald E. Kutrieb, Joseph J. Dabek and James J. Beaulieu.

Section 4.2 Limited Partners

The Limited Partners shall be those Persons listed as such on the Schedule. Capital Growth Companies will withdraw as a Limited Partner on the Admission Date.

Section 4.3 Additional Limited Partners

(a) The General Partner shall have the right to admit additional Limited Partners who shall agree to contribute to the capital of the Partnership up to a total of \$600,000 pursuant to the provisions of Article V.

(b) Any incoming Limited Partner shall, as a condition of receiving any interest in the Partnership property, agree to be bound by any documents required in connection therewith to the same extent and on the same terms as all other Limited Partners. Any incoming Limited Partner shall also agree to be bound by the provisions of this Agreement and shall also agree to accept such other terms and conditions set forth in writing to them at the time of admission as the General Partner in his sole discretion may determine.

(c) Upon the admission of any additional Limited Partners, the Schedule shall be amended to reflect the names, addresses and capital contributions of such additional Limited Partners, and an amendment to the Certificate of Limited Partnership, reflecting such admission, shall be filed pursuant to the Uniform Act. Each additional Limited Partner shall become signatory hereto by signing a conformed counterpart of this Agreement or such other agreement appropriate for the purpose, in such manner as the

General Partner shall determine, and, by so signing, such Limited Partner shall be deemed to have adopted and to have agreed to be bound by all the provisions of the Commitments and this Agreement, provided, however, that no such counterpart shall be binding until it has been signed by the General Partner.

Section 4.4 Special Rights of Limited Partners

(a) Notwithstanding any provisions to the contrary herein, and subject to the provisions set forth in this Section 4.4, the Limited Partners, by a vote of the majority in interest of the Limited Partners, shall have the right:

(i) To remove any General Partner who has breached any obligation hereunder or who is found by a court of competent jurisdiction, and such finding is beyond appeal, to have willfully violated his fiduciary responsibility as a General Partner; provided, however, that no such removal of a General Partner shall affect the vested rights (including, without limitation, the right to receive any fees payable to any General Partner, Cash Flow, profits and losses and net proceeds from a sale or refinancing) or increase any of the obligations or liabilities of any General Partner, without his consent;

(ii) To dissolve the Partnership, with the approval of the General Partner;

and, provided, further, that the attempted exercise of rights provided for in subparagraphs (i) and (ii) of this paragraph shall each be ineffective unless and until such consenting Limited Partners shall have first obtained an opinion of counsel in a form satisfactory to 67% in interest of the Limited Partners stating that such action or consent (a) would not affect the classification of or (except in the case of an attempted exercise of the rights under subparagraph (ii)) result in a termination of the Partnership for federal income tax purposes and (b) would not cause the Limited Partners to lose the limited liability under the laws of the State.

(b) Any General Partner removed pursuant to this Section 4.4 shall, upon such removal, become a Limited Partner with restricted rights, and as such shall not have any right to participate in the management of the affairs of the Partnership or vote in any vote requiring the Consent of the Limited Partners, and shall not be entitled to any portion of the profits and losses, Cash Flow or other cash proceeds payable to the class comprised of Limited Partners, but such person shall retain the share of the capital, profits and losses, Cash Flow and the distributions of net cash proceeds which he held in his capacity

as a General Partner hereunder; provided, however, that the Limited Partners or any successor General Partner proposed by them shall have the option, but not the obligation, to acquire the interest in the Partnership of any General Partner so removed upon payment of the agreed or fair market value of such interest. Any dispute as to such value shall be submitted to a committee composed of three persons, one chosen by the removed General Partner, one chosen by the remaining General Partners or if there is no General Partner remaining, the Limited Partners, as the case may be, and the third chosen by the two so chosen. The proceedings of such committee shall conform to the rules of the American Arbitration Association, as far as appropriate, and its decision shall be promptly rendered and shall be final and binding upon the parties hereto and any successor General Partner. Notwithstanding the foregoing provisions of this Section 4.4 the Partnership shall not be required to make payments to a General Partner so removed to the extent of any damages suffered by the Partnership as a result of any material breach of the obligations of such General Partner hereunder. A General Partner so removed will not be liable for any obligations of the Partnership which arise after the effective date of his removal.

Section 4.5 Other Rights of Limited Partners

The Limited Partners shall have all rights conferred to them under the Uniform Act.

ARTICLE V

Capital Contributions

Section 5.1 General Partner's Capital Contributions

The General Partners have contributed \$6,000 to the purchase price of the Properties and have contributed to the Partnership all of their interest in and to the Project, including, without limitation, all commitments and contractual rights pertaining thereto.

Section 5.2 Capital Contributions of Limited Partners

For each Unit purchased the Limited Partner must contribute \$25,000 on the Admission Date.

The obligation of the Limited Partners to make their Capital Contributions hereunder is subject to the condition that the General Partners shall have delivered or mailed their written certificate (the "Certificate") stating that the representations

and warranties set forth in Section 6.6(a) hereof are true and correct in all material respects. The Certificate shall be delivered or mailed to each Limited Partner on the Admission Date as a precondition to payment by the Limited Partners of their Capital Contribution.

Section 5.3 Application of Limited Partner Capital Contributions

The Capital Contributions of the Limited Partners will be applied to such items as the General Partner shall reasonably determine to effect the purposes of the Partnership.

Section 5.4 Liability of Limited Partners

No Limited Partner shall be liable for any debts, liabilities, contracts, or obligations of the Partnership. After his Capital Contribution shall be fully paid, no Limited Partner shall be required to make any further capital contributions or lend any funds to the Partnership.

Section 5.5 Partnership Capital

The capital of the Partnership shall be the aggregate amount of the cash and the agreed value of property contributed by the General Partner and the aggregate amount of the cash contributed by the Limited Partners, as set forth in the Schedule. The Schedule shall be amended from time to time to reflect the withdrawal or admission of Partners, any changes in the Partnership interests held by a Partner arising from the transfer of a Partnership interest to or by such Partner and any change in the amounts to be contributed or agreed to be contributed by any Partner.

Section 5.6 Capital Accounts

The Partnership shall establish for each Partner a capital account which shall be maintained in accordance with Federal income tax principles, shall be credited with each Partner's Capital Contribution, shall be credited or charged, as the case may be, with his distributive share of Partnership profits or losses, and shall be charged with the amounts of any distributions to him pursuant to Article X hereof. Loans by any Partner shall not be considered contributions to the capital of the Partnership. No interest shall be paid on any Capital Contribution.

Section 5.7 Withdrawal of Capital

Except as may be specifically provided in this Agreement, no Partner shall have the right to withdraw from the Partnership all or any part of his Capital Contribution. No Partner shall have any right to demand and receive property (other than cash) of the Partnership in return of his Capital Contribution except as may be specifically provided in this Agreement.

ARTICLE VI

Rights, Powers and Duties of the General Partner

Section 6.1 Restrictions on Authority

Notwithstanding any other provisions of this Agreement, the General Partner shall have no authority to perform any act (i) in violation of any applicable law and regulations, (ii) in violation of any of the Commitments or (iii) required to be approved or ratified by the Limited Partners under the Uniform Act. The General Partner shall not have the authority to do any of the following acts, without the Consent of the Limited Partners and the consents of the holders of the Mortgages if required under the Commitments:

(a) to acquire any real property in addition to the Properties, or

(b) to sell or convey the Project, except in accordance with Section 11.1 hereof.

Section 6.2 Personal Services

Any Partner may engage independently or with others in other business ventures of every nature and description including, without limitation, the ownership, operation, management, syndication and development of real estate whether or not in competition with the Properties, and neither the Partnership nor any Partner shall have any rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom.

Section 6.3 Business Management and Control

The General Partner shall have the exclusive right to manage the business of the Partnership. Except to the extent that one or more General Partners have been delegated authority to act pursuant to Section 6.4 hereof or any other Section of this Agreement, a majority in number of the General Partners shall be required to approve any action subject to the control and discretion of the General Partners. No Limited Partner (except

one who may also be a General Partner, and then only in his capacity as General Partner) shall participate in or have any control over the Partnership business, except as required by law or otherwise provided in this Agreement. The exercise of the rights and powers of the Limited Partners under Sections 4.4, 6.1, 7.3 and 11.1 shall not be deemed to be taking part in the day-to-day affairs of the Partnership or the exercise of control over the Partnership affairs. The Partners hereby consent to the exercise by the General Partners of the powers conferred on them by this Agreement. No Limited Partner (except one who may also be a General Partner, and then only in his capacity as a General Partner) shall have any authority or right to act for or to bind the Partnership.

Section 6.4 Delegation of a General Partner's Authority

If there shall be more than one General Partner serving hereunder, each General Partner may from time to time, by an instrument in writing delegate all or any of his powers or duties hereunder to another General Partner or Partners. Such writing shall fully authorize such other General Partner to act alone without the requirement of any act or signature of the other General Partners, to take any action permitted by the authorization and to do anything and everything which the General Partner is so authorized to take or do thereunder, provided, however, that any such delegation shall not relieve the General Partner making such delegation of his obligations under this Agreement.

Every contract, deed, mortgage, lease and other instrument executed by any General Partner so authorized shall be conclusive evidence in favor of every Person relying thereon or claiming thereunder that at the time of the delivery thereof (a) this Partnership was in existence, (b) this Agreement had not been terminated or cancelled or amended in any manner so as to restrict such authority (except as shown in certificates or other instruments duly filed in the office of the Secretary of State), and (c) the execution and delivery of such instruments were duly authorized by the General Partners. Any Person dealing with the Partnership or the General Partners may always rely on a certificate signed by any General Partner hereunder:

(i) as to who are the General Partner(s) or Limited Partners hereunder,

(ii) as to the existence or nonexistence of any fact or facts which constitute conditions precedent to acts by the General Partner(s) or are in any other manner germane to the affairs of this Partnership,

(iii) as to who is authorized to execute and deliver any instrument or document of the Partnership,

(iv) as to the authenticity of any copy of this Agreement and amendments thereto, or

(v) as to any act or failure to act by the Partnership or as to any other matter whatsoever involving the Partnership or any Partner.

Section 6.5 Duties and Obligations

(a) The General Partner shall promptly take all action which may be necessary or appropriate for the development of the Properties and the proper maintenance and operation of the Properties in accordance with the provisions of this Agreement, the Commitments, and applicable laws and regulations (provided, however, that, except as expressly set forth in this Agreement, no General Partner shall have any duty or obligation to advance any of his own funds for any purpose). The General Partner shall devote to the Partnership such time as he shall reasonably deem to be necessary for the proper performance of his duties.

(b) The General Partner shall obtain and keep in force at Partnership expense during the term of the Partnership fire and extended coverage, workers' compensation and public liability insurance in favor of the Partnership in such companies and in such amounts as shall be satisfactory to the holders of the Mortgages.

Section 6.6 Representation and Warranties

(a) The Partners and the Partnership hereby agree that the Capital Contributions of the Limited Partners shall not be due and payable unless and until the General Partner shall have delivered the Certificate called for under Section 5.2 hereof stating that the following have been satisfied in all material respects or are true and correct in all material respects, as the case may be:

(i) The Partnership is a duly organized limited partnership validly existing under the laws of the State and has complied with all filing and publication requirements necessary for the protection of the Limited Partners.

(ii) No material default has been declared and is continuing under any of the Commitments or any other agreement affecting the Properties, and the same are in full force and effect, provided,

however, that in the event the Partnership has entered into any modification agreement with respect to any of the Commitments or any other material agreement, this covenant shall apply to the terms of such modification agreement where applicable.

(iii) There is no material violation with respect to the Properties of any zoning, environmental or similar regulation applicable to the Properties, which violation may have a material adverse effect on the operation or use of the Project; and the Properties comply in all material respects with all applicable municipal and other laws, ordinances and regulations relating to such construction and use of the Properties.

(iv) The Partnership will acquire the Property subject to no material liens (except those with respect to which an adequate bond has been issued), charges or encumbrances other than those which are noted or excepted in the title policy for the Properties and which have no material adverse effect on the ownership, operation or use of the Project.

(v) The execution and delivery of all instruments and the performance of all acts heretofore or hereafter made or taken or to be made or taken pertaining to the Partnership or the Properties by each Affiliated Person 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 said Affiliated Person or any agreement by which such Affiliated Person or any of its properties is bound, nor constitute a violation of any law, administrative regulation or court decree.

(vi) No Event of Bankruptcy has occurred with respect to the General Partner.

(vii) No occurrence or proceeding has occurred and is continuing, which has (a) materially adversely affected the operation of the Partnership or its properties (except to the extent that funds are available to the Partnership to correct or cure such occurrence or proceeding), or (b) materially adversely affected the ability of the General Partner or any Affiliated Person to perform their respective obligations hereunder or under any other agreement with respect to the Properties. This subparagraph shall be deemed to include, but not be limited to, the following: (1) legal actions or proceedings before any court, commission, administrative body or other governmental authority having jurisdiction over the zoning applicable to the Properties and (2) acts of any governmental authority.

Section 6.7 Indemnification

(a) The General Partner shall have no liability to the Partnership or to any Partner for any loss suffered by the Partnership which arises out of any action or inaction of the General Partner if the General Partner, in good faith, determined that such course of conduct was in the best interests of the Partnership and such course of conduct did not constitute negligence or misconduct of the General Partner. The General Partner shall be indemnified by the Partnership against any losses, judgments, liabilities, expenses and amounts paid in settlement of any claims sustained by it in connection with the Partnership, provided that the same were not the result of negligence or misconduct on the part of the General Partner.

(b) Notwithstanding the above, the General Partner shall not be indemnified for liabilities arising under federal and state securities laws unless (1) there has been a successful adjudication on the merits of each count involving securities law violations; or (2) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction.

(c) The Partnership shall not incur the cost of the portion of any insurance which insures any party against any liability as to which such party is herein prohibited from being indemnified.

Section 6.8 Liability of General Partner to Limited Partners

Except as specifically provided to the contrary by this Agreement with respect to any material misrepresentation or the material breach of any representation, warranty or agreement contained in this Agreement or in any certificate or other document delivered in connection with the same by any General Partner, no General Partner shall be liable to the Partnership or to any Limited Partner for any loss in connection with the affairs of the Partnership so long as he acts in good faith and not with misconduct or in breach of his fiduciary duties hereunder.

Section 6.9 Management

The General Partner shall have responsibility for obtaining and employing a Management Agent for managing the Properties. The Management Agent shall be compensated under the terms of the Management Agreement. The General Partner shall have the duty to manage the Properties during any period when there is no Management Agent and shall be entitled to a management fee for any period during which it so manages in the same amount as that provided under the Management Agreement.

Section 6.10 Obligations of the General Partners

In the event there is more than one General Partner, each obligation of the General Partners hereunder shall be the joint and several obligation of each General Partner.

ARTICLE VII

Retirement of a General Partner; New General Partners

Section 7.1 Retirement

Except as hereinafter provided, no General Partner shall have the right to Retire voluntarily from the Partnership or sell, assign, transfer or encumber his interest as a General Partner without the Consent of the Limited Partners. Each General Partner may assign the proceeds of any Partnership distribution in respect of his interest as a General Partner.

In the event of a Retirement of a General Partner, the Retiring General Partner shall transfer its interest in the Partnership in accordance with Section 7.4. In addition, such Retiring General Partner shall remain liable for the performance of all its obligations under this Agreement, which arose prior to such Retirement.

Section 7.2 Obligation to Continue

Upon the Retirement of a General Partner, any remaining General Partner or General Partners, if any, or, if none, the Retired General Partner or his heirs, successors or assigns, shall immediately send notice of such Retirement (the "Retirement Notice") to each Limited Partner and the Partnership shall be (i) dissolved if there is no remaining General Partner or (ii) continued by the remaining General Partner(s) as provided in the sentence next following. The General Partners shall have the right to, and hereby covenant and agree to, unless there is no remaining General Partner, elect to continue the business of the Partnership.

Section 7.3 Retirement of a Sole General Partner

If, following the Retirement of a General Partner, there is no remaining General Partner of the Partnership, the remaining Partners within sixty (60) days of the mailing of the Retirement Notice may elect to reconstitute the Partnership and continue the business of the Partnership for the balance of the term specified in Section 2.5 by selecting a successor General Partner.

Section 7.4 Interest of Retired General Partner

(a) Each General Partner hereby agrees that at the time of his Retirement all his General Partnership interest shall be automatically converted to that of a Limited Partner upon the terms set forth in Section 4.4(b).

(b) For the purposes of Article X hereof, the effective date of the transfer pursuant to the provisions of Paragraph (a) of this Section 7.4 of the General Partner interest of a Retired General Partner shall be deemed to be the date on which such Retirement occurs.

Section 7.5 Designation of New General Partners

Subject to the provisions of Section 13.1, the General Partners may, subject to the written approval of all the Partners, at any time designate additional General Partners (including a corporation) each with such interest as a General Partner in the Partnership as the General Partners may agree upon. Any such additional designation shall not affect the ownership interests or rights of the Limited Partners.

Any incoming General Partner shall as a condition of receiving any interest in the Partnership Properties, agree to be bound by the Mortgage and any other documents required in connection therewith and by the provisions of this Agreement to the same extent on the same terms as any other then General Partner(s).

Section 7.6 Amendment of Certificate

Upon the admission of an additional General Partner, the Schedule shall be amended to reflect such admission and an amendment to the Certificate of Limited Partnership, also reflecting such admission, shall be filed in accordance with the Uniform Act. Each General Partner is hereby constituted, and empowered to act alone as, the attorney-in-fact of each Limited Partner with authority, to execute, acknowledge, swear to, and deliver such instruments as may be necessary or appropriate to carry out the foregoing provisions of this Article VII, including amendments to the Schedule, amendments to the Certificate of Limited Partnership required by the Uniform Act, business certificates and the like.

ARTICLE VIII

Transferability of Limited Partner Interests

Section 8.1 Right to Assign

Subject to the provisions of this Article VIII and Section 13.1, a Limited Partner may assign or transfer all or any part of his interest in the Partnership. A Limited Partner may, by written instrument, designate any Person to become the assignee or assignees of all his interest as a Limited Partner immediately upon his death. Any such designation must meet the requirements as to testamentary instruments under the laws of the applicable jurisdictions. Such an assignee or assignees shall be entitled to the same rights as would any other assignee of such Limited Partner, and such assignee or assignees if they shall then be living shall become such immediately upon the assignor's death, without requirement of any action on the part of the legal representatives of the assignor Limited Partner; and such legal representatives and the estate of such deceased Limited Partner shall have no interest whatsoever in the Partnership. Any such designation must be filed with the General Partner during such Limited Partner's lifetime. Such designation may be revoked from time to time and a new such designation made and so filed with the General Partner. The Partnership need not recognize such designated assignee or assignees until (i) duly notified in writing of the death of the assignor Limited Partner and (ii) furnished with an opinion of counsel acceptable to the General Partner to the effect that such designation is valid under the applicable laws of descent and distribution.

Section 8.2 Restrictions

(a) No sale or exchange of any interest as Limited Partner in the Partnership may be made if such sale or exchange would violate Section 13.1.

(b) In no event shall all or any part of a Limited Partner interest in the Partnership be assigned or transferred to a minor or to an incompetent.

(c) The General Partner may, in addition to any other requirement it may impose, require as a condition of sale, transfer, exchange or other disposition of any interest in the Partnership, that the transferor (i) assume all costs incurred by the Partnership in connection therewith and (ii) furnish him with an opinion of counsel in form and substance satisfactory to the General Partners that such sale, transfer, exchange or other disposition complies with applicable federal and state securities laws.

(d) Any sale, exchange, transfer or other disposition in

contravention of any of the provisions of this Section 8.2 shall be void and ineffectual and shall not bind or be recognized by the Partnership.

Section 8.3 Substitute Limited Partners

(a) No Limited Partner shall have the right to substitute an assignee as a Limited Partner in his place. The General Partner shall, however, have the right in its exclusive discretion to permit such assignees to become Substitute Limited Partners and any such permission by the General Partner shall be binding and conclusive without the consent or approval of any Limited Partner other than the transferor Limited Partner. Any Substitute Limited Partner shall, as a condition of receiving any interest in the Partnership assets, agree in writing to be bound by the Commitments and other documents required in connection therewith and by the provisions of this Agreement.

(b) Upon the admission of a Substitute Limited Partner, the Schedule shall be amended to reflect the name and address of such Substitute Limited Partner and to eliminate the name and address of the assigning Limited Partner, and an amendment to the Certificate of Limited Partnership reflecting such admission shall be filed in accordance with the Uniform Act. Each Substitute Limited Partner shall execute such instrument or instruments as shall be required by the General Partner to signify his agreement to be bound by all the provisions of this Agreement.

(c) Each General Partner is hereby constituted, and empowered to act alone as, the attorney-in-fact of each Limited Partner with authority to execute, swear to and deliver such instruments as may be necessary or appropriate to carry out the provisions of this Article VIII, including amendments to the Schedule, amendments to the Certificate of Limited Partnership required by statute, business certificates and the like.

(d) Notwithstanding the provisions of Section 8.3(a), the written consent of the General Partner to the substitution of an assignee as a Limited Partner shall not be required in the case of a transfer or assignment (in trust or otherwise) by a Limited Partner, whether on death or inter vivos, of all or any part of his interest in the Partnership (i) to or for the benefit of himself or his Immediate Family or a charitable, religious or educational organization, or (ii) to the legal representatives of a deceased or incapacitated Limited Partner.

Section 8.4 Assignees

(a) In the event of the death or incapacity of any Limited Partner who has not filed a valid designation under Section 8.1, his legal representatives shall have the same status as an assignee of the Limited Partner unless and until the General Partner shall permit such legal representatives to become a Substitute Limited Partner on the same terms and conditions as herein provided for assignees generally. The death of a Limited Partner shall not dissolve the Partnership.

(b) An assignee of a Limited Partner who does not become a Substitute Limited Partner in accordance with Section 8.3 shall have the right to receive the same share of profits, losses and distributions of the Partnership to which the assigning Limited Partner would have been entitled if no such assignment had been made by such Limited Partner.

(c) Any Limited Partner who shall assign all his interest in the Partnership shall cease to be a Limited Partner of the Partnership, and shall no longer have any rights or privileges of a Limited Partner except that, unless and until the assignee of such Limited Partner is admitted to the Partnership as a Substitute Limited Partner in accordance with Section 8.3, said assigning Limited Partner shall retain the statutory rights and be subject to the statutory obligations of an assignor limited partner under the Uniform Act.

(d) In the event any assignment of a Limited Partner's interest as a Limited Partner shall be made, there shall be filed with the Partnership a duly executed and acknowledged counterpart of the instrument making such assignment. Such instrument must evidence the written acceptance of the assignee to all the terms and provisions of this Agreement, and if such an instrument is not so filled, the Partnership need not recognize any such assignment for any purpose.

(e) An assignee of a Limited Partner's interest as a Limited Partner who does not become a Substitute Limited Partner as provided aforesaid and who desires to make a further assignment of his interest shall be subject to all the provisions of this Article VIII to the same extent and in the same manner as any Limited Partner desiring to make an assignment of his interest.

ARTICLE IX

Loans

(a) All Partnership borrowings shall be subject to the terms of this Agreement and the applicable Commitments. To the

extent borrowings are permitted, they may be made from any source, including Partners and Affiliated Persons.

(b) If any Partner shall lend any monies to the Partnership, such loan shall be unsecured and the amount of any such loan shall not be an increase of his Capital Contribution nor affect in any way his share of the profits, losses or distributions of the Partnership. Any loans by a General Partner shall be obligations of the Partnership of equal rank with obligations to unsecured third-party creditors, and shall be repayable as permitted by the terms of this Agreement and the Commitments including but not limited to being repaid from Cash Flow, and any interest payable thereon shall be at a reasonable and competitive rate.

ARTICLE X

Profits & Losses; Distributions; and Capital Accounts

Section 10.1 Profits and Losses

(a)(1) For each fiscal year or portion thereof, profits, losses and tax credits incurred and/or accrued from and after the Admission Date other than those arising from (i) the sale or other disposition of all or substantially all of the assets of the Partnership, or (ii) any other transaction the proceeds of which do not constitute Cash Flow, shall be shared, if there are no Cash Flow distributions, 99% by the Limited Partners as a class and 1% by the General Partner. If there are Cash Flow distributions for such fiscal year or portion thereof, all profits, losses, and tax credits, other than those arising from transactions described in Clauses (i) and (ii), shall be allocated in accordance with the Cash Flow distributed or distributable for such period to the General and Limited Partners, but in no event shall the General Partner's share of such profits, losses and tax credits be less than 1%.

(a)(2) In the event that an allocation of profits and losses pursuant to subsection (a)(1) of this Section 10.1 would cause the sum of the negative capital account balances of all Partners having such balances to exceed the Minimum Gain (as hereinafter defined), profits shall be allocated to the Partners having such balances until the sum of their negative capital account balances equals the Minimum Gain. Allocations of profits under this subsection to Partners having negative capital account balances shall be made in proportion to the negative amounts of such balances. For purposes of this subsection the term "Minimum Gain" shall have the same meaning as it is given in Proposed Treasury Regulations section 1.704-1(b)(4), which was issued on

March 8, 1983.

(b) All profits arising from (i) the sale or other disposition of all or substantially all the assets of the Partnership, or (ii) any other transaction the proceeds of which do not constitute Cash Flow, shall be shared by the Partners as follows: first, allocated pro rata to the Partners that have negative balances in their capital accounts immediately prior to such sale or other disposition to the extent of such negative balances, second, 99% to the Limited Partners as a class and 1% to the General Partners as a class to the extent of their original investments net of any prior distribution of refinancing proceeds, third, 75% to the Limited Partners as a class and 25% to the General Partners as a class until the Limited Partners have received any aggregate shortfall in the 8% preferred return during the investment period and, fourth, 50% to the Limited Partners and 50% to the General Partners as a class. Losses arising out of the sale, exchange or other disposition of property of the Partnership will be allocated 99% to the Limited Partners and 1% to the General Partners.

(c) Any depreciation recapture arising out of any such sale, exchange, or other disposition will be allocated among the Partners in the same proportion as were the depreciation deductions that gave rise to such recapture. In no event shall any Partner, either upon his admission to the Partnership or subsequently, or as a result of any change in the Partners' percentage interests in Partnership profit or loss, assume any or all of the share of depreciation recapture that is allocable to another Partner under the preceding sentence.

(d) All profits and losses shall be shared by each Limited Partner in the ratio which his paid-in Capital Contribution bears to the paid-in Limited Partner Class Contribution. In the event there shall be more than one General Partner serving hereunder, all profits and losses shared by the General Partners shall be shared by each General Partner in the ratio which his or its Capital Contribution bears to the paid-in General Partner Class Contribution.

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

(f) The term "profits" and "losses" as used in this Agreement shall mean taxable income and losses as determined with the accounting methods followed by the Partnership for federal income tax purposes.

Section 10.2 Payments and Distributions out of Cash Flow Prior to Dissolution

(a) Cash Flow of the Partnership during each fiscal year (or fractional portion thereof) from and after the date hereof shall be applied in the following order of priorities:

(i) to any reserves required to be maintained by the Partnership pursuant to the Commitments or any other documents binding the Partnership; then

(ii) 99% to the Limited Partners and 1% to the General Partners until the Limited Partners receive an 8% preferred return per annum on that amount of their original investment remaining after deducting therefrom any payments of net sale or refinancing proceeds to the Limited Partners; then

(iii) 50% to the Limited Partners as a class and 50% to the General Partners as a class, provided however, that in no event shall the Limited Partners receive, as a single class, more than 99% of the amounts of profits and losses otherwise allocated and cash otherwise distributed to the Partners, nor shall the General Partners receive as a class, less than 1% thereof.

Distributions of Cash Flow are to be made, as available, on a quarterly basis commencing with period ending on March 31, 1986.

(b) For all purposes of this Agreement, the term "Cash Flow" shall mean the profits of the Partnership from and after the Admission Date (as determined for purposes of Section 10.1(a), but subject to the following:

(i) Interest accruals and depreciation of building, improvements and personal property and amortization of any financing fee shall not be considered as a deduction.

(ii) Mortgage amortization (principal) shall be considered as a deduction.

(iii) If the General Partner 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.

(iv) Any amounts paid by the Partnership for capital expenditures shall be considered as a deduction, unless paid by cash withdrawal from any replacement reserve for capital expenditures.

(v) Capital Contributions to the Partnership, the proceeds of any mortgage refinancing, and gain or loss from any sale, exchange, eminent domain taking, damage or destruction by fire or other casualty, or other disposition, of all or any part of the Properties (other than the proceeds of any business or rental interruption insurance) shall not be included in determining Cash Flow.

(vi) Payments of insurance on account of rental interruption shall be included as income in Cash Flow.

Cash Flow shall be determined separately for each fiscal year or portion thereof.

Section 10.3 Distributions of Refinancing Proceeds

Prior to dissolution, if the General Partner shall determine from time to time that there is cash available for distribution from a refinancing of any mortgage, the proceeds of which do not constitute Cash Flow, such cash shall be distributed, subject to the Commitments to the extent available as follows:

First, to the discharge of the Mortgages as required by the Commitments (except the first mortgage unless it has matured or is nearing maturity) and, to the extent required by any lender or creditor, of debts and obligations of the Partnership;

Second, to fund reserves for contingent liabilities to the extent deemed reasonable by the General Partner and the accountants for the Partnership;

Third, to each Partner with a positive balance in his Capital Account, after taking into account distributions pursuant to clauses First and Second above, up to the amount of such positive balance;

Fourth, any balance thereafter shall be distributed to the Partners as follows: 99% to the Limited Partners and 1% to the General Partners until such Partners have received a return of their original investment, then 50% to the Limited Partners and 50% to the General Partners as a class.

Section 10.4 Distributions of Sale Proceeds

Upon sale of the Property prior to dissolution, if the General Partner shall determine that there is cash available for distribution, the proceeds of which do not constitute Cash Flow, such cash shall be distributed, subject to the Commitments to the

extent available as follows:

First, to the discharge of the Mortgages as required by the Commitments (except the first mortgage unless it has matured or is nearing maturity) and, to the extent required by any lender or creditor, of debts and obligations of the Partnership;

Second, to fund reserves for contingent liabilities to the extent deemed reasonable by the General Partner and the accountants for the Partnership;

Third, to each Partner with a positive balance in his Capital Account, after taking into account distributions pursuant to clauses First and Second above, up to the amount of such positive balance;

Fourth, any balance thereafter shall be distributed to the Partners as follows: 99% to the Limited Partners and 1% to the General Partners until such Partners have received a return of their original investment, then 75% to the Limited Partners and 25% to the General Partners as a class until the Limited Partners have received any shortfall in their 8% preferred return, then 50% to the Limited Partners and 50% to the General Partners as a class.

Section 10.5 Distributions Upon Dissolution

Upon Dissolution, after payment of, or adequate provision for, the debts and obligations of the Partnership, the remaining assets of the Partnership as may be determined by the General Partners shall be distributed to the Partners in the priority set forth in Section 10.4 Third and Fourth. Any General Partner with a deficit Capital Account following the distribution of liquidation proceeds shall restore such amount to the Partnership, except that the General Partners shall not be required to restore more than \$6,000 in the aggregate.

Section 10.6 Allocation of Distributions Among Partners

(a) All distributions to the Limited Partners shall be shared by each Limited Partner in the ratio which his paid-in Capital Contribution bears to the paid-in Limited Partner Class Contribution. In the event there shall be more than one General Partner serving hereunder, all distributions to the General Partners shall be shared by each General Partner in the ratio which his capital Contribution bears to the General Partner Class Contribution. The capital account of each Partner shall be charged with his allocable share of each distribution.

(b) If any assets of the Partnership are to be distributed in kind, such assets shall be distributed on the basis of the fair market value thereof and any Partner entitled to any interest in such assets shall receive such interest therein as a tenant-in-common with all other Partners so entitled. The fair market value of such assets shall be determined by an appraiser to be selected by the then Chief Judge of the United States District Court for the District of Rhode Island.

ARTICLE XI

Sale of the Properties

Section 11.1 Sale of the Properties

The General Partner may solicit offers for the purchase of the Properties, but may not accept any such offer except with the Consent of the Limited Partners, unless the amount which would be distributed to the Limited Partners is at least equal to the pro rata amount of their Capital Contributions plus an amount equal to any aggregate shortfall in the annual 8% preferred return during the investment period in which event such Consent shall not be required.

ARTICLE XII

Books and Records, Accounting, Tax Elections, Etc.

Section 12.1 Books and Records

The General Partner shall keep or cause to be kept complete and accurate books and records of the Partnership which shall be maintained in accordance with sound accounting practices and shall be maintained and be available at the principal office of the Partnership for examination by any Partner, or his duly authorized representatives, at any and all reasonable times. The Partnership may maintain such books and records and may provide such financial or other statements, including those required from time to time by any other appropriate administrative agency, as the General Partner deems advisable.

Section 12.2 Bank Accounts

The bank accounts of the Partnership shall be maintained in such banking institutions permitted by the Commitments as the General Partner shall determine, and withdrawals shall be made only in the regular course of business on such signature or signatures as the General Partner shall determine. All deposits (including security deposits and other funds required to be

escrowed by the holders of the Mortgages) and other funds not needed in the operation of the business shall be deposited, to the extent permitted by applicable Mortgage requirements, in interest-bearing accounts or invested in short-term obligations maturing within one year which the General Partner deems appropriate.

Section 12.3 Accountants

The accountants for the Partnership shall be such firm of certified public accountants as shall be engaged by the General Partner. The accountant(s) shall prepare, for execution by the General Partner, all tax returns of the Partnership.

Section 12.4 Reports to Limited Partners

Within 75 days after the end of each fiscal year, the General Partner shall cause to be delivered to the Limited Partners and to all Persons who were Limited Partners at any time during the fiscal year, all necessary tax information and within 120 days after the end of each fiscal year (i) a financial report of the Partnership for the prior fiscal year including a balance sheet and profit and loss statement; (ii) a certification by the General Partner (a) as to the status of all Mortgage payments and taxes and insurance payments with respect to the Properties as of the date of the year-end report, (b) that there is no default under the Commitments, Management Agreement or Partnership Agreement, or if there be any default, a description thereof. (c) that the General Partner has no knowledge of any material building, health or fire code violation or similar violation of a governmental law, ordinance or regulation against the Properties or, if there be such knowledge, a description of such violation.

Section 12.5 Depreciation and Elections

The Partnership shall elect to use the method of depreciation or cost recovery with respect to depreciable assets of the Partnership from time to time selected by the General Partners.

Section 12.6 Other Expenses

The Partnership shall treat as an expense for federal income tax purposes all charges incurred during or relating to the construction of improvements which may, for federal income tax purposes, be considered as expenses.

Section 12.7 Special Basis Adjustments

In the event of a transfer of all or any part of the interest of any Partner, the Partnership may elect, pursuant to Section 754 of the Internal Revenue Code of 1954 (or corresponding provisions of succeeding law), to adjust the basis of the Partnership Properties. Notwithstanding anything contained in Article X of this Agreement, any adjustments made pursuant to said Section 754 shall affect only the successor in interest to the transferring Partner. Each Partner will furnish the Partnership with all information necessary to give effect to such election.

Section 12.8 Fiscal Year and Accounting Method

The fiscal year of the Partnership shall be the calendar year. The books of the Partnership shall be kept on the accrual method of accounting.

Section 12.9 Ronald E. Kutrieb Responsible for Tax Matters

Ronald E. Kutrieb is hereby designated by the Partnership as the so-called "Tax Matters" Partner for purposes of executing the duties described in Sections 6221-6232 of the Code and any Regulations adopted thereunder.

ARTICLE XIII

General Provisions

Section 13.1 Restrictions

(a) Notwithstanding any other provision of this Agreement, except as otherwise provided in this paragraph, no sale or exchange of any Partner's interest in the Partnership may be made if the interest sought to be sold or exchanged, when added to the total of all other interests in the Partnership sold or exchanged within the period of twelve consecutive months prior to the proposed date of sale or exchange, would result in the termination of the Partnership under Section 708 of the Internal Revenue Code (or any successor Statute). However, such a sale or exchange may be made if, prior to the date of transfer a ruling of the Internal Revenue Service (or its successors) to the effect that such proposed sale or exchange transfer will not result in such termination shall have been published in the Internal Revenue Bulletin or a private ruling to the same effect shall have been granted to the transferring Partner or the Partnership upon the application and at the expense of the Partner desiring to sell or exchange his interest in the Partnership.

(b) No sale, transfer, exchange or other disposition of any

interest in the Partnership may be made except in compliance with the then applicable rules and regulations of the governmental authority with jurisdiction over such disposition, and the General Partner may require as a condition of any transfer of such interest that the transferor furnish an opinion of counsel in form and substance satisfactory to counsel to the Partnership that the proposed transfer complies with applicable federal and state securities laws.

(c) Any sale, exchange or other transfer in contravention of any of the provisions of this Section 13.1 shall be void and ineffectual, and shall not bind or be recognized by the Partnership.

Section 13.2 Appointment of General Partner as Attorney-in-Fact

(a) Without limiting the effect of provisions elsewhere in this Agreement appointing each General Partner and the President and Vice-President, Treasurer, Secretary and Assistant Secretary of any corporate General Partner as attorney-in-fact for all those who become Limited Partners (including substitute or additional Limited Partners) under this Agreement in connection with the doing of certain acts and the filing of certain papers, each Limited Partner) hereby irrevocably appoints and empowers each General Partner, and the President, any Vice-President, Treasurer, Secretary and Assistance Secretary of any corporate General Partner, his true and lawful attorney-in-fact and agent to effectuate, with full power and authority to act in his name place and stead in effectuating and requisite to carrying out the intention and purposes of the Partnership and this Agreement, including, but not limited to, the execution, acknowledgement, swearing to, delivering, filing and recording of all certificates (including the Certificate of Limited Partnership) and amendments thereto, documents, conveyances, leases, contracts, loan documents and/or counterparts thereof, the execution and filing of appropriate documents with the holders of the Mortgages or any other mortgages, and all other documents which the General Partner deems necessary or reasonably appropriate:

(i) To qualify or continue the Partnership as a Limited Partnership;

(ii) To reflect a modification of the Partnership or an amendment of this Agreement and/or the Certificate of Limited Partnership;

(iii) To accomplish the purposes and carry out the powers of the Partnership as set forth in Article II and in

Article IV; or

(iv) To reflect the dissolution and termination of the Partnership.

(b) No General Partner shall take any action as an attorney-in-fact for any Limited Partner which would in any way increase the liability of said Limited Partner beyond the liability expressly set forth in this Agreement.

(c) The appointment by each Limited Partner of each General Partner and the aforementioned corporate officers of any corporate General Partner as aforesaid as attorneys-in-fact shall be deemed to be a power coupled with an interest in recognition of the fact that each of the Limited Partners and the General Partners under this Agreement will be relying upon the power of each General Partner and the said officers to act as contemplated by this Agreement in such filing and other action by them on behalf of the Partnership. The foregoing power of attorney shall be irrevocable and shall survive the assignment by any Limited Partner of the whole or any part of his interest hereunder, shall be binding on any assignee or vendee of a Limited Partnership interest hereunder or any portion thereof, including any assignee or vendee of only the distribution rights relating thereto, and shall survive the death, incompetency or legal disability of any Limited Partner.

Section 13.3 Amendments to Certificate of Limited Partnership

Within 120 days after the end of any fiscal year in which the Limited Partners shall have received any distributions under Article X hereof, the General Partner shall file as required under the law of the State and elsewhere as the General Partner deem appropriate or required an amendment to the Certificate of Limited Partnership reducing by the amount of his allocable share of such distribution the amount of Capital Contribution of each Limited Partner as stated in the last previous amendment to the Certificate of Limited Partnership. Nothing in the Section 13.3 shall authorize, however, any change in the Schedule to this Agreement.

Section 13.4 Notices

Any and all notices called for under this Agreement shall be deemed adequately given only if in writing and sent by registered or certified mail, postage prepaid, to the party or parties for whom such notices are intended.

All such notices in order to be effective shall be addressed to the last address of record on the Partnership books when given by the General Partner and intended for the other Partners; and to the address of the Partnership when given by the Limited Partners and intended for the General Partner.

Section 13.5 Word Meanings

The words such as "herein", "hereinbefore", "hereinafter", "hereof" and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires. The singular shall include the plural and the masculine gender shall include the feminine and neuter, and vice versa, unless the context otherwise requires.

Section 13.6 Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors, and assigns of the respective parties hereto.

Section 13.7 Applicable Law

This Agreement shall be construed and enforced in accordance with the laws of the State.

Section 13.8 Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart, except that no counterpart shall be binding unless signed by the General Partner.

Section 13.9 Mortgage Requirements

So long as any Mortgages are outstanding, (a) each of the provisions of this Agreement shall be subject to, and the General Partner covenants to act in accordance with each Mortgage; (b) the Mortgage documents, as amended or supplemented, shall govern, to the extent expressly provided therein, the rights and obligations of the Partners, their heirs, executors, administrators, successors and assigns; (c) upon any dissolution of the Partnership or any transfer of the Properties, no title or right to the possession and control of the Properties and no right to collect the rent therefrom shall pass to any Person who is not, or does not become, bound by each Mortgage in a manner satisfactory to

the holder thereof; and (d) no amendment of this Agreement shall be made which would affect the rights of the holders of the Mortgages without the prior written consent of such holders.

Section 13.10 Separability of Provisions

Each provision of this Agreement shall be considered separable and (a) if for any reason any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid, or (b) if for any reason any provision or provisions herein would cause the Limited Partners to be bound by the obligations of the Partnership under the laws of the State as the same may now or hereafter exist, such provision or provisions shall be deemed void and of no effect.

Section 13.11 Investment Representation

Each person who becomes a Limited Partner pursuant to Section 4.2 or Section 4.3 does hereby represent and warrant by the signing of a counterpart of this Agreement that (a) the interest acquired by him was acquired for investment and not for resale or distribution, (b) he is qualified by his personal experience to analyze the risks and the advantages and disadvantages of an investment in such interest or has relied upon the advice of a Person so qualified, and (c) he has not relied on the advice of the General Partner in making his investment decision.

Section 13.12 Paragraph Titles

Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of the Agreement as set forth in the text.

Section 13.13 Amendments and Other Actions

(a) This Agreement may not be amended or modified except by the General Partner with the Consent of the Limited Partners, provided, however, that all the Limited Partners must give their consent in writing to any amendment which would (i) extend the term of the Partnership as set forth in Section 2.5 hereof, (ii) amend this Section 13.13, (iii) increase the liability of the Partners or (iv) amend any Section of this Agreement under which any action requires the consent of all Partners.

(b) Notwithstanding any other provision of this Agreement, no action may be taken under the Agreement unless such action is

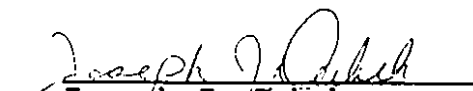
taken in compliance with the provisions of the Uniform Act.

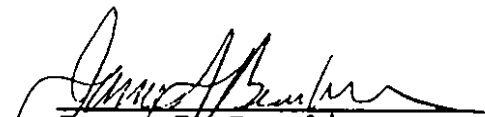
Section 13.14 Restrictive Transfer

The Units hereby bear the following restrictive transfer legend: "The Units represented by this Agreement have not been registered under the Securities Act of 1933 pursuant to Section 4(2) thereof and the Rules promulgated thereunder, and have been acquired pursuant to an investment representation on the part of the purchaser thereof, and the Units shall not be assigned or transferred whether or not for consideration, by the purchaser except in accordance with the requirements of this Agreement, which shall include the issuance to the Partnership of a favorable opinion of its counsel and/or the submission to the Partnership of such other evidence as may be satisfactory to counsel to the Partnership, in either case, to the effect that any such transfer shall not be in violation of the Securities Act of 1933, as amended, and applicable state securities law."

WITNESS the execution hereof under seal as of this 30th day of December, 1985.

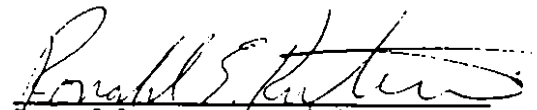

Ronald E. Kutrieb
General Partner


Joseph J. Dabek
General Partner


James J. Beaulieu
General Partner

CAPITAL GROWTH COMPANIES
Withdrawing Limited Partner


Ronald E. Kutrieb
Chairman & CEO

A handwritten signature in cursive script, appearing to read "Ronald E. Kutrieb", written over a horizontal line.

Ronald E. Kutrieb as At-
torney-in-Fact for all of
the Limited Partners lis-
ted on Schedule A at-
tached hereto.

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Newport on this 31st day of December, 1985, before me personally appeared Ronald E. Kutrieb to me known and known by me to be the person executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed.


Notary Public
MY COMMISSION EXPIRES 6-30-86

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Newport on this 31st day of December, 1985, before me personally appeared Joseph J. Dabek to me known and known by me to be the person executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed.


Notary Public
MY COMMISSION EXPIRES 6-30-86

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Newport on this 31st day of December, 1985, before me personally appeared James J. Beaulieu to me known and known by me to be the person executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed.


Notary Public
MY COMMISSION EXPIRES 6-30-86

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Newport on this 31st day of December, 1985, before me personally came the above-named Capital Growth Companies, by Ronald E. Kutrieb, its Chairman, who swore and acknowledged that being authorized and directed to do so he did sign the foregoing instrument, and that the same is the free act and deed of said corporation and his free act and deed personally as such officer.


Notary Public
MY COMMISSION EXPIRES 6-30-86

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Newport on this 31st day of December, 1985, before me personally appeared Ronald E. Kutrieb as Attorney-in-Fact for all of the Limited Partners listed on Schedule A attached hereto to me known and known by me to be the person executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed.


Notary Public
MY COMMISSION EXPIRES 6-30-86

EXHIBIT A

That certain parcel of land, with all buildings and improvements thereon, situated on the northerly side of Pelham Street in the City and County of Newport, State of Rhode Island, bounded and described as follows:

Beginning at a point in the northerly line of Pelham Street at the southeasterly corner of the within-described premises, being also the southwesterly corner of land now or formerly of Newport Restoration Foundation;

thence running westerly, bounding southerly on Pelham Street, a distance of forty and 60/100 (40.60) feet to land now or formerly of Clemant Weaver, et als.;

thence turning an interior angle of $97^{\circ} - 07' - 05''$ and running northerly, bounding westerly on said Weaver land, a distance of one hundred fourteen and 39/100 (114.39) feet to other land now or formerly of Newport Restoration Foundation;

thence turning an interior angle of $86^{\circ} - 49' - 02''$ and running easterly, bounding northerly on said last-named land, a distance of forty-seven and 00/100 (47.00) feet to the first-described land of Newport Restoration Foundation;

thence turning an interior angle of $89^{\circ} - 55' - 45''$ and running southerly, bounding easterly on said last-named land, a distance of one hundred seventeen and 00/100 (117.00) feet to Pelham Street at the point of beginning, the first-described course forming an interior angle of $86^{\circ} - 08' - 03''$ with the last-described course and containing 5,054 square feet of land, more or less.

Meaning and intending to convey all the property conveyed by Pelham Park Partnership to Pelham Street Associates in a Deed dated August 9, 1985 and recorded with the Newport Land Evidence Records on August 9, 1985 at 1:43 p.m.

SCHEDULE A

The Partners of Pelham Street Associates

GENERAL PARTNERS		CASH	PERCENT
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RONALD E. KUTRIEB 97 Highland Avenue Warwick	RI 02886	3,060.00	0.51
JOSEPH J. DABEK Rhode Island Road Little Compton	RI 02837	1,500.00	0.25
JAMES J. BEAULIEU RR2 Box 641 Purgatory Road	RI 02822	1,440.00	0.24

LIMITED PARTNERS	UNITS	CASH	PERCENT
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L. SAUL ALPERT 93 Clarendon Avenue Providence	1.0	25,000.00	4.13
	RI 02906		
RICHARD P. BEAULIEU 124 Gilbert Stuart Drive Warwick	1.0	25,000.00	4.13
	RI 02886		
DENNIS BENT 47 Spooner Street Plymouth	1.0	25,000.00	4.13
	MA		
RICHARD P. BRISSON 173 Rockdale Avenue South Dartmouth	1.0	25,000.00	4.13
	MA 02748		
JOHN N. CALVINO 373 Elmwood Ave. Providence	3.0	75,000.00	12.38
	RI 02907		

LIMITED PARTNERS -----	UNITS -----	CASH -----	PERCENT -----
JOHN B. CASEY 40-1 Cranberry Knoll Dennis MA 02638	1.5	37,500.00	6.19
ANDREW C. CORSINI White Hill Lane Cumberland RI 02864	0.5	12,500.00	2.06
THOMAS H. CUDDY 7 North Main Stret Attleboro MA 02707	0.5	12,500.00	2.06
GREGORY G. DEMETRAKAS 105 Valley Street East Providence RI 02914	2.0	50,000.00	8.25
JAMES & REBECCA DENTON 220 Pine Street East Bridgewater MA	1.0	25,000.00	4.13
BURTON & LOIS FAIN 68 Lorraine Avenue Providence RI 02906	1.0	25,000.00	4.13
RICHARD J. HAYES 25 College Park Court Warwick RI 02886	1.0	25,000.00	4.13
GOMER E. KROPA 252 Main Street Centerville MA 02632	1.5	37,500.00	6.19
ANTHONY G. MARDIO 15 Heritage Drive East Greenwich RI 02818	1.0	25,000.00	4.13
ANTHONY F. MERLINO 2 Countryside Drive North Providence RI 02904	1.0	25,000.00	4.13
RAYMOND & ANN MILLS 156 Rhode Island Avenue Newport RI 02840	1.0	25,000.00	4.13

0 LIMITED PARTNERS -----	UNITS -----	CASH -----	PERCENT -----
DAVID J. MYTELKA 172 New Providence Road Mountainside NJ 07092	1.0	25,000.00	4.13
RICHARD F. SACCOCCIA 25 College Park Court Warwick RI 02886	1.0	25,000.00	4.13
WILLIAM E. SANTOS 249 Ashley Blvd. New Bedford MA 02746	1.0	25,000.00	4.13
DANIEL P. SWEENEY 539 Adams Street Milton MA 02186	1.0	25,000.00	4.13
THOMAS & MARY WILLIAMS 100 Washington Park Newtonville MA 02160	1.0	25,000.00	4.13
----- LIMITED PARTNER TOTALS	----- 24.0	----- 600,000.00	

TOTAL NUMBER OF LIMITED PARTNERS: 21

0114

CP50 50.00
CHEY 38.00
12/31/85 PAID 0309A901

DEC 31 1985 