

AMENDED CERTIFICATE OF LIMITED PARTNERSHIP
OF
TAUNTON PLAZA ASSOCIATES

The undersigned, in compliance with the provisions of the Uniform Limited Partnership Act of the State of Rhode Island, Title 7, Chapter 13, Rhode Island General Laws, 1956, as amended, do hereby certify, acknowledge and submit as to the amendment of Taunton Plaza Associates, a limited partnership formed by a Certificate of Limited Partnership filed with the Secretary of State of Rhode Island on October 17, 1978, and amended by a First Amendment to the Certificate of Limited Partnership filed with the Secretary of State of Rhode Island on January 11, 1979, that the:

- (1) name of the limited partnership;
- (2) character of the business of the limited partnership;
- (3) location of the limited partnership's principal place of business;
- (4) names and places of residence of the General and Limited Partners;
- (5) term for which the limited partnership is to exist;
- (6) amount of each Limited Partner's cash contribution;

- (7) additional contributions agreed to be made by each Limited Partner and times at which or events on the happening of which such contributions shall be made;
- (8) time when the contribution of each Limited Partner is to be returned;
- (9) share of the profits or other compensation by way of income which each Limited Partner shall receive by reason of his contribution;
- (10) right of a Limited Partner to substitute an assignee as a contributor in his place and terms and conditions of the substitution;
- (11) right of Partners to admit additional Limited Partners;
- (12) rights of priority among the Limited Partners;
- (13) right of the remaining General Partner or Partners to continue the business on the death, retirement, or insanity of a General Partner;
- (14) the right of Limited Partners to demand and receive property other than cash in return for their contributions; and other terms and conditions of the limited partnership are all as set forth in the copy of the Amended and Restated Limited Partnership Agreement annexed hereto as Exhibit A and made a part hereof.

IN WITNESS WHEREOF, the undersigned have signed and sworn to this Certificate of Limited Partnership as of the 31st day of July, 1979.

GENERAL PARTNERS

KELLY & PICERNE, INC.

By: Ronald R. S. Picerne
Ronald R. S. Picerne,
President

KELLY & PICERNE VENTURE CORP.

By: Ronald R. S. Picerne
Ronald R. S. Picerne,
President

WITHDRAWING LIMITED PARTNER

PICERNE INVESTMENT CORPORATION

By: Ronald R. S. Picerne
Ronald R. S. Picerne,
President

LIMITED PARTNERS

Barry Cohen

Leonard Decof

Harold D. Fine

Albert L. Gordon

Herbert E. Kaplan

Edward W. Ricci

Dennis J. Roberts

Carroll M. Silver, M. D.

Michael H. Silverman

Edwin S. Soforenko

Arthur L. Kramer
Arthur L. Kramer, as attorney-in-fact for the Limited Partners named above

Ronald R. S. Picerne
Ronald R. S. Picerne

STATE OF RHODE ISLAND

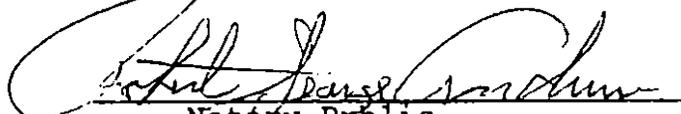
COUNTY OF Providence

In Providence, in said County, on July 31,

1979, personally appeared before me RONALD R. S. PICERNE to me

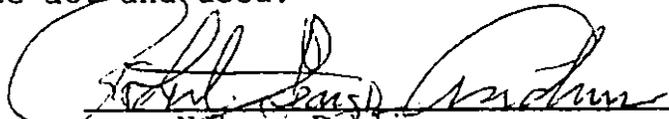
known and known by me to be the President of KELLY & PICERNE, INC.,

KELLY & PICERNE VENTURE CORP. and PICERNE INVESTMENT CORPORATION and the party executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed and the free act and deed of KELLY & PICERNE, INC., KELLY & PICERNE VENTURE CORP. and PICERNE INVESTMENT CORPORATION, and swore to the truth of the above.


Notary Public

STATE OF RHODE ISLAND
COUNTY OF *Providence*

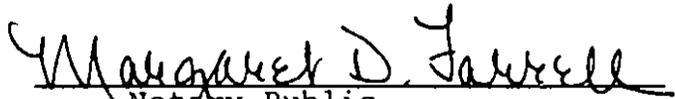
In the City of *Providence* in said County, this *31st* day of *July*, 1979 appeared before me RONALD R. S. PICERNE to me known and known by me to be the party executing the foregoing instrument and he acknowledged said instrument by him executed to be his free act and deed.


Notary Public

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In Providence, in said County, on *July 31*, 1979, personally appeared before me ARTHUR L. KRAMER to me known and known by me to be the party executing the foregoing instrument as attorney-in-fact for the Limited Partners, namely, Barry Cohen, Leonard Decof, Harold D. Fine, Albert L. Gordon,

Herbert E. Kaplan, Edward W. Ricci, Dennis J. Roberts,
Caroll M. Silver, M. D., Michael H. Silverman, Edwin S.
Soforenko, and he acknowledged said instrument by him executed
to be his free act and deed as attorney-in-fact for the said
Limited Partners, and swore to the truth of the above.


Notary Public

**My Commission Expires
June 30, 1981**

EXHIBIT A

Amended and Restated Limited Partnership Agreement
of Taunton Plaza Associates

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TAUNTON PLAZA ASSOCIATES

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TAUNTON PLAZA ASSOCIATES

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

Preliminary Statement

TAUNTON PLAZA ASSOCIATES was formed as a limited partnership under the laws of the State of Rhode Island (the "Partnership") pursuant to an Agreement of Limited Partnership dated October 13, 1978, by and between KELLY & PICERNE, INC., a Rhode Island corporation, as General Partner, and Ronald R. S. Picerne of Cranston, Rhode Island, and PICERNE INVESTMENT CORPORATION, a Rhode Island corporation, as Limited Partners, and a Certificate of Limited Partnership was filed with the Secretary of State of Rhode Island on October 17, 1978.

Pursuant to a First Amendment to the Agreement of Limited Partnership dated January 10, 1979, KELLY & PICERNE VENTURE CORP., a Rhode Island corporation, became an additional General Partner of the Partnership, and a First Amendment to the Certificate of Limited Partnership was filed with the Secretary of State of Rhode Island on January 11, 1979.

The purposes of this amendment to said Agreement are:

- (i) to provide for the withdrawal of PICERNE INVESTMENT CORPORATION as a Limited Partner;
- (ii) to enable the Partnership to admit certain sophisticated investors as Class A Limited Partners; and
- (iii) to amend and restate fully the rights, obligations and duties of the General Partners and the Limited Partners;

NOW, THEREFORE, in consideration of the premises and the agreements contained herein and for other valuable consideration, the receipt whereof is hereby acknowledged, the parties hereto hereby restate and amend in its entirety said Agreement of Limited Partnership, and hereby agree, as follows:

ARTICLE I

Defined Terms

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

1. "Accountant" or "Accountants" means Laventhal & Horwath or such other nationally recognized accountant or firm of independent certified public accountants as may be engaged from time to time by the General Partners.

2. "Admission Date" means the date on which the first Class A Limited Partner is admitted to the Partnership in accordance with Section 4.4 hereof.

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

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

5. "Annual Distribution" means an amount of cash equal to 6 percent of the "Equity in the Development" as established by RIHMFC at the time of making the final advance on the Mortgage Loan pursuant to Paragraph 20(d) of the Regulatory Agreement, if the period for which a distribution is made is a complete fiscal year. If the distribution is for a period which is less than a fiscal year, then Annual Distribution means the pro rata portion of the amount determined in accordance with the foregoing sentence which such period bears to an entire fiscal year.

6. "Building Loan Agreement" means the Construction Loan Agreement dated April 2, 1979, between the Partnership and RIHMFC, providing for a loan to finance construction of the Project, as such Agreement may from time to time be amended.

7. "Capital Contribution" means the total amount of cash contributed or agreed to be 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 for the Partnership interest of such then Partner.

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

9. "Class A Limited Partners" means those Limited Partners admitted under the provisions of Section 4.4 hereof or their successors in interest.

10. "Class B Limited Partner" means Ronald R.S. Picerne or his successor or successors in interest.

11. "Class Contribution" means the aggregate Capital Contributions of all members of a particular class of Partners (i.e., the General Partners, Class A Limited Partners or Class B Limited Partner).

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

13. "Commitments" means the commitments of RIHMFC under the terms of the Mortgage Loan and shall also include the Building Loan Agreement, the Note, the Mortgage, the Regulatory Agreement, the Housing Assistance Payments Contract, and any other instruments delivered to, or required by, RIHMFC in connection with the closing of the Mortgage or in connection with the Project.

14. "Completion Date" means the date by which a certificate of occupancy for the Project is issued, and the supervising architect certifies that the construction of the Project is substantially completed.

15. "Consent of the Limited Partners" means the written consent or approval of Limited Partners whose Capital Contributions represent 67 percent of the Class A Limited

Partners Class Contributions (excluding any interest held by any General Partner or by a Class B Limited Partner as a Class A Limited Partner).

16. "Construction Contract" means the Construction Contract dated April 2, 1979, between the Partnership and A. F. Lusi Construction, Inc., a Rhode Island corporation, to construct the Project for a maximum price of \$3,035,000.

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

18. "General Partner" or "General Partners" means any or all of those Persons designated as General Partners in the Schedule or any Person who becomes a General Partner as provided herein, in such Person's capacity as a General Partner of the Partnership.

19. "Housing Assistance Payments Contract" means the contract providing for rent subsidy payments to the Partnership to be executed upon completion of the Project pursuant to and in accordance with the terms of the "Agreement to Enter into Housing Assistance Payments Contract" executed by RIHMFC and the Partnership on November 6, 1978, and approved by the Secretary of HUD on December 11, 1978.

20. "HUD" means the United States Department of Housing and Urban Development.

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

22. "Limited Partner" or "Limited Partners" means any or all of those Persons designated as Limited Partners in the Schedule or any Person who becomes a Substitute Limited Partner.

23. "Management Agent" means KELLY & PICERNE, INC., or such other firm as provided herein.

24. "Mortgage" means the mortgage indebtedness in the amount of \$3,825,000 of the Partnership evidenced by the note issued to RIHMFC dated April 2, 1979 (the "Note"), and secured by a mortgage on the Project from the Partnership to RIHMFC as such indebtedness may be increased or decreased on

or before the Completion Date. If the Mortgage is replaced by any subsequent mortgage or mortgages, such term shall refer to any such subsequent mortgage or mortgages.

25. "Partner" means any General Partner or Limited Partner.

26. "Partnership" means the limited partnership continued in accordance with this Agreement by the parties hereto, as said limited partnership may from time to time be constituted.

27. "Person" means any individual or Entity, and the heirs, executors, administrators, legal representatives, successors and assigns of such persons 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.

28. "Project" means the real property owned by the Partnership on the corner of Taunton Avenue and South Broadway, East Providence, Rhode Island and the proposed 103-unit apartment building and related facilities to be rehabilitated and constructed thereon pursuant to the approved plans and specifications.

29. "Project Expenses" means all the costs and expenses of any type incurred incident to the ownership and operation of the Project, including, without limitation, taxes, capital improvements, payments of principal (if amortization of the Mortgage has commenced) and interest on the Mortgage (without forbearance), the cost of operations, maintenance, and repairs. For the purposes of Section 6.10 hereof, 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.

30. "Project Expense Loan" means a loan made by the General Partners (or on their behalf) to the Partnership pursuant to Section 6.10 or Section 6.9 hereof (to the extent utilized for operating purposes and for portions of the Project as to which permission for occupancy has been granted), repayable only as provided in Article X hereof and which shall bear interest at the rate of eight percent (8%) per annum.

31. "RIHMFC" means Rhode Island Housing and Mortgage Finance Corporation, an independent corporation

organized and existing under the provisions of Chapter 262, Public Laws of Rhode Island, as amended, and its successors or assigns.

32. "Regulatory Agreement" means the Regulatory Agreement dated April 2, 1979 between the Partnership and RIHMFC.

33. "Residual Receipts Notes" means promissory notes of the Partnership not secured by any liens or other charges upon the property of the Partnership, which notes shall not bear interest and shall be payable with the approval of RIHMFC at any time prior to the execution of the Housing Assistance Payments Contract in the discretion of the General Partners and thereafter only as provided in Section 6.9 and Article X of this Agreement.

34. "Retirement" means as to a General Partner, the occurrence of death, adjudication of insanity or incompetence, bankruptcy, dissolution or liquidation or voluntary or involuntary withdrawal for any reason or such other events as may result in the dissolution of the Partnership under the Uniform Act. Involuntary withdrawal shall be deemed to have occurred whenever a General Partner may no longer continue as a General Partner by law or pursuant to any provision of this Agreement. Bankruptcy shall be deemed to have occurred whenever a General Partner shall be adjudicated a bankrupt or shall execute an assignment for the benefit of creditors, or shall become subject to the direction and control of a receiver which receivership proceedings are not dismissed within 90 days of such receiver's appointment or shall file a petition for an arrangement.

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

36. "State" means the State of Rhode Island.

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

38. "Uniform Act" means the Uniform Limited Partnership Act as embodied in Title 7, Chapter 13 of the General Laws of Rhode Island, 1956, as amended.

39. "Unit" means a portion of the Class A Limited Partner Class Contribution representing a Capital Contribution of \$32,500.

ARTICLE II

Formation, Name, and Purpose

Section 2.1 Formation

The parties hereto hereby agree to continue the Limited Partnership known as TAUNTON PLAZA 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 of TAUNTON PLAZA ASSOCIATES. The principal office of the Partnership shall be 1265 Reservoir Avenue, Cranston, Rhode Island. The General Partners may at any time change the location of such principal office by giving due notice of any such change to the Limited Partners.

Section 2.3 Purpose

The purpose of the Partnership is to hold, own, rehabilitate, construct, develop, improve, maintain, lease, manage, operate and otherwise deal with the Project. The Partnership and the General Partners shall use their best efforts to operate the Project in accordance with the Commitments and all 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, the Partnership is hereby authorized to:

(a) 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;

(b) construct, renovate, rehabilitate, 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;

(c) 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 Project or any other assets of the Partnership, including, without limitation, the Mortgage;

(d) prepay in whole or in part, refinance, recast, increase, modify or extend the Mortgage or any other mortgages affecting the Project and in connection therewith to execute any extensions, renewals or modifications of the Mortgage or any such other mortgages on the Project;

(e) employ a management company, including an Affiliated Person, to manage the Project, and to pay reasonable compensation for such services;

(f) enter into, perform and carry out contracts of any kind, including 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 the Commitments, and all other agreements, certificates, instruments or documents required by RIHMFC, in connection with the Commitments and the acquisition of the property and construction, rehabilitation, development, improvement, maintenance and operation of the Project or otherwise required by such agencies in connection with the Project;

(g) execute contracts with RIHMFC and/or the State or any subdivisions thereof to make apartments available for publicly-subsidized rent supplement programs;

(h) execute leases of some or all of the apartments and facilities of the Project to a public housing authority and/or to a nonprofit corporation, cooperative or other nonprofit Entity; and

(i) enter into any kind of activity and to perform and carry out contracts of any kind neces-

sary 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 force and effect until December 31, 2029, 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 of 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; or

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

(b) Upon dissolution of the Partnership, the General Partners (or their trustees, receivers, successors, or legal representatives), in accordance with the Uniform Act, shall cause the cancellation of the Partnership's Certificate of Limited Partnership, liquidate the Partnership assets and apply and distribute the proceeds thereof in accordance with Section 10.3 hereof. Notwithstanding the foregoing, in the event the General Partners 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 Partners 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 (except Project Expense Loans and Residual Receipts Notes) or (ii) distribute the assets to the Partners in kind.

ARTICLE III

Commitments and Financing

Section 3.1 Authority

The Partnership shall borrow whatever amounts may be required for the construction and development of the Project and to meet the expenses of operating the Project until the Completion Date and shall, to the extent necessary or desirable, secure the same with mortgages including the Mortgage. The General Partners are specifically authorized to execute the Commitments and such other documents as they deem necessary in connection with the acquisition, construction, development, rehabilitation, renovation, and financing of the Project, including, without limitation (but subject to the other terms of this Agreement), notes, mortgages, conditional assignments, security agreements and leases.

Section 3.2 Obligations under Commitments

The General Partners shall be bound by the terms of the Commitments and any other documents required in connection therewith, but in no event shall the Partnership or any Partner be personally liable under the Mortgage or any indebtedness secured thereby. Any incoming General Partner shall, as a condition of receiving any interest in the Partnership, agree to be bound by the Commitments to the same extent and on the same terms as the General Partners. Upon any dissolution of the Partnership or any transfer of the Project while the Mortgage is still outstanding, no title or right to the possession and control of the Project and no right to collect rents therefrom shall pass to any Person or Entity who is not, or does not become, bound by the Commitments in a manner satisfactory to RIHMFC.

Section 3.3 Modification of Mortgage Indebtedness

The Partnership may decrease, increase, or refinance the Mortgage at or before the Completion Date. After the Completion Date and prior to January 1, 1990, the Partnership may not refinance the Mortgage or transfer or convey any assets of the Partnership for security or mortgage purposes, or sell, lease, exchange, or otherwise transfer or convey all or substantially all of the assets of the Partnership without the prior Consent of the Limited Partners. Notwithstanding the foregoing, no such Consent shall be required for the leasing of apartments to tenants in the normal course of operations or leases or concessions of facilities related to the operation of the Project.

ARTICLE IV

Partners

Section 4.1 General Partners

The General Partners of the Partnership shall be KELLY & PICERNE, INC. and KELLY & PICERNE VENTURE CORP., both corporations organized under the laws of the State of Rhode Island.

Section 4.2 Limited Partners

The Limited Partners shall be divided into two classes, designated "Class A" and "Class B." Limited Partners of both classes shall have the same rights, privileges and immunities, except as is otherwise provided with respect to (i) the prior option of Class A Limited Partners to purchase a defaulting Limited Partner's interest as a Class A Limited Partner under Section 5.4 hereof, (ii) the obligation of the General Partners to repurchase the interests of Class A Limited Partners in certain circumstances under Section 6.11 hereof, and (iii) the allocation of profits and losses and the order of priority of payment of any distributions out of Cash Flow under Article X hereof.

Section 4.3 Withdrawing Limited Partner

PICERNE INVESTMENT CORPORATION shall withdraw as a Limited Partner and shall cease to be a Limited Partner upon the Admission Date.

Section 4.4 Additional Limited Partners

(a) The General Partners shall have the right to admit additional Limited Partners who shall be Class A Limited Partners and who shall make or agree to make Capital Contributions up to a total of \$650,000, subject to and in accordance with the provisions of Section 5.3 hereof. After Class A Limited Partners have been admitted who have made or agreed to make Capital Contributions up to a total of \$650,000 (or such amount as provided in Section 5.3 hereof), the General Partners may admit additional Class A Limited Partners only with the written consent of all Partners.

(b) Each person who now is or who becomes a Limited Partner shall, by reason thereof, be deemed to have agreed; and hereby does agree, to be bound by (i) the Com-

mitments, (ii) any other documents required in connection with the Commitments, and (iii) the provisions of this Agreement. Each Limited Partner shall accept such other terms and conditions set forth in writing to them at the time of admission as the General Partners may determine and shall execute and deliver such documents and instruments as the General Partners may reasonably request in order to confirm or carry out the provisions of this Agreement.

(c) Upon the admission of any additional Limited Partner, the Schedule shall be amended to reflect the name, address and Capital Contribution of such additional Limited Partner, and an amendment to the Certificate of Limited Partnership, reflecting such admission, shall be filed with the Secretary of State of the State. Each additional Limited Partner admitted under the provisions of this Section 4.4 shall become a party hereto by signing either a conformed counterpart of this Agreement or such other agreement appropriate for the purpose, in such manner as the General Partners 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 or agreement shall be binding until it has been signed by the General Partners.

ARTICLE V

Capital Contributions

Section 5.1 General Partners' Capital Contribution

The General Partners have previously made advances to the Partnership and contributed to the Partnership all of their interest in and to the Project, including, without limitation, all commitments and contractual rights pertaining thereto, for which the General Partners have received a credit of \$117,346. to their capital account. The General Partners shall have no obligation to make any additional Capital Contributions to the Partnership.

Section 5.2 Class B Limited Partner's Capital Contribution

The Class B Limited Partner contributed \$100. in cash to the Partnership at the formation of the Partnership, for which he has received the interest in the Partnership allocated to him under Article X hereof. The Class B Limited

Partner shall have no obligation to make additional Capital Contributions to the Partnership.

Section 5.3 Capital Contributions of Class A Limited Partners

(a) Except as hereinafter provided, Class A Limited Partners to be admitted under the provisions of Section 4.4 hereof shall make their Capital Contributions in 20 Units of \$32,500 each or multiples or fractions thereof. Each such Unit shall be paid in seven (7) installments as follows:

(i) \$2,500 per Unit (the "First Installment") shall be payable on the Admission Date;

(ii) \$1,750 per Unit (the "Second Installment") shall be payable on the later to occur of January 15, 1980 or twenty-five percent (25%) completion of the Project, as determined by the architect for the Project;

(iii) \$4,750 per Unit (the "Third Installment") shall be payable on the later to occur of September 15, 1980 or the date following the Completion Date on which housing assistance payments from HUD have commenced;

(iv) \$7,500 per Unit (the "Fourth Installment") shall be payable on the first anniversary of the due date of the Third Installment;

(v) \$7,500 per Unit (the "Fifth Installment") shall be payable on the later to occur of the first anniversary of the due date of the Fourth Installment, or the date on which the Project has achieved 95 percent occupancy as certified by the Management Agent;

(vi) \$5,000 per Unit (the "Sixth Installment") shall be payable on the later of the first anniversary of the due date of the Fifth Installment or 95 percent occupancy of the Project maintained for a period of six consecutive months as certified by the Management Agent; and

(vii) \$3,500 per Unit (the "Final Installment") shall be payable on the later to occur of the first

anniversary of the due date of the Sixth Installment or Cash Breakeven.

For purposes of this Agreement, the term "Cash Breakeven" shall be the first point in time which, as certified by the General Partners, based upon at least six (6) consecutive months of operation after the due date for the Sixth Installment, the income of the Partnership, determined on an accrual basis, from apartment rents, lease payments, subsidy payments, releases from reserves for operating deficits and for repairs and replacements and from any other sources relating to the Project other than receipts from sales or other dispositions or refinancings of the Project or other Partnership assets shall equal or exceed all expenses of the Partnership on an accrual basis, including, on an annualized basis, all projected expenses which might reasonably be expected to be incurred during the annual period of operation.

(b) The obligation of the Class A Limited Partners to make each of the Installments of Capital Contribution hereunder is subject to the condition that the General Partners shall have delivered to the Class A Limited Partners a written certificate (the "Certificate") (i) listing all preconditions, representations and warranties applicable to such Installment as provided in Section 6.6 hereof and (ii) stating that all such preconditions, representations, warranties and agreements have been satisfied, or are true and correct, as the case may be. The Certificate shall be delivered on the Admission Date as a precondition to payment by the Class A Limited Partners of the First Installment. As to all other Installments, the General Partners shall give the Class A Limited Partners not less than 15 days' advance written notice (from the date of mailing, if mailed) of the due date therefor and shall deliver the Certificate to them not less than 10 days prior to the due date set forth in said notice.

(c) If, as of the date when the Second, Third, Fourth, Fifth, Sixth or Final Installment would otherwise be due hereunder, any of the General Partners shall be in default under the Construction Contract, under the Commitments, or under Sections 6.9 or 6.10 hereof, or the General Partners are unable to deliver the Certificate required hereunder, the Class A Limited Partners shall not be required to make such Second, Third, Fourth, Fifth, Sixth or Final Installment; provided, however, that, if subsequently the General Partners shall cure any such default and/or shall deliver such Certifi-

cate and the General Partners shall not otherwise be in default hereunder, then the Limited Partners shall pay the amount of such Installment (and all future Installments as otherwise required) to the Partnership 15 days after the delivery of such Certificate by the General Partners.

(d) The obligation of the Limited Partners to pay the First Installment is subject, in addition to the conditions specified above, to the issuance of a favorable opinion by counsel to the Partnership with respect to the taxation of the Partnership for Federal income tax purposes.

Section 5.4 Defaults by Limited Partners

(a) In the event any Class A Limited Partner fails to pay any Installment of his Capital Contribution on or prior to the time therefor set forth in Section 5.3, he shall be deemed to be in default hereunder (the "Defaulting Limited Partner"). Upon the occurrence of such default, the General Partners shall promptly give notice of such default to all Class A Limited Partners ("Default Notice") specifying the nature of the default and the aggregate amount of Capital Contributions theretofore contributed by the Defaulting Limited Partner. The nondefaulting Class A Limited Partners shall have the option to acquire, in the manner hereinafter specified, the Defaulting Limited Partner's entire interest as a Class A Limited Partner, including all profits, losses and distributions attributable to such interest accruing or payable from and after the date of such default. Such option may be exercised by a Class A Limited Partner (the "Purchasing Limited Partner") by mailing to the Partnership (within 15 days of the mailing by the General Partners of the Default Notice) written notice of his desire to acquire all or part of the Defaulting Limited Partner's interest as a Class A Limited Partner (the "Purchase Notice") specifying the percentage which the Purchasing Limited Partner desires to acquire. Whether or not this option is exercised, the Defaulting Limited Partner shall have no right to receive such profits, losses, and distributions, but any successor to his interest shall, to the extent allowable for Federal income tax purposes, receive the benefits of the same.

(b) In the event one or more Purchasing Limited Partners desire to acquire all or part of the Defaulting Limited Partner's interest as a Class A Limited Partner and the total of the percentages they desire to acquire (the "Total Percentage") is equal to or less than the total of

such interest of the Defaulting Limited Partner, each Purchasing Limited Partner shall be allowed to acquire the percentage specified in the Purchase Notice on the terms listed below. If any part of such interest is not so acquired by Purchasing Limited Partners then, first the Class B Limited Partner, and then the General Partners, shall have the option to acquire on the same terms and conditions such remaining part of such interest as a Class A Limited Partner of the Defaulting Limited Partner.

(c) In the event two or more Purchasing Limited Partners desire to acquire a Total Percentage greater than the interest as a Class A Limited Partner of the Defaulting Limited Partner, and they are unable to agree as to the apportionment thereof, they shall be entitled to acquire portions of such interest based on the ratio which the Capital Contribution of each Purchasing Limited Partner bears to the total Capital Contribution of all the Purchasing Limited Partners. Any Purchasing Limited Partner and/or any purchasing Class B Limited Partner or General Partner shall become a Substitute Class A Limited Partner to the extent of any portion of any interest as a Class A Limited Partner which they, or any of them, may acquire hereunder. The interest of any Class A Limited Partner acquired by a Class B Limited Partner or General Partner shall be deemed an interest as a Class A Limited Partner.

(d) The purchase price to be paid to the Defaulting Limited Partner pursuant to this Section 5.4 shall be an amount of cash equal to 50 percent of the amount of the paid-in Capital Contribution of the Defaulting Limited Partner less the sum of (i) the total amount of distributions, if any, theretofore made to the Defaulting Limited Partner under Article X of this Agreement, for the years prior to the year of default, (ii) an amount equal to 50 percent of the net losses attributable to or previously allocated to the interest of such Defaulting Limited Partner, (iii) any reasonable expenses incurred by the purchaser of the interest in question or the Partnership in connection with such purchase, and (iv) the Defaulting Limited Partner's share of distributions under Article X of this Agreement during the year of default to the extent such distributions, based on advice of counsel, may not for Federal income tax purposes be allocated to the Purchasing Limited Partner or the nondefaulting Limited Partners. Each purchaser shall also (i) pay to the Partnership his pro rata share of the Installment as to which the default occurred and (ii) assume all other obligations of the Defaulting Limited Partner, if any, to the Partnership.

(e) Notwithstanding the foregoing, the obligations of the Defaulting Limited Partner to the Partnership hereunder shall not be extinguished by the existence of any such option, or by its exercise, but only by, and to the extent of, the Capital Contributions made in his place by the purchaser of his interest hereunder. If such option shall not be exercised within the foregoing periods, unless and until such default shall be cured, all distributions pursuant to Article X hereof in respect of the interest of the Defaulting Limited Partner shall be applied first to interest on the defaulted amount at the maximum legal rate and then to the defaulted amount, and the profits and losses in respect thereof shall be allocated to the General Partners. After such distributions equal the defaulted amount, future distributions shall be shared by the Partners without regard to the interest of the Defaulting Limited Partner. Exercise of the options provided by this Section 5.4 shall be suspended during any period in which exercise hereof would cause a termination of the Partnership referred to in Section 13.1 hereof.

Section 5.5 Liability of Limited Partners

No Limited Partner shall be liable for any debts, liabilities, contracts or obligations of the Partnership. A Limited Partner shall only be liable to make payments of his Capital Contribution as and when due hereunder. After his Capital Contribution shall be fully paid, no Limited Partner shall, except as otherwise required by the Uniform Act, be required to make any further Capital Contributions or to loan any funds to the Partnership.

Section 5.6 Capital Accounts

The Partnership shall establish for each Partner a capital account which shall be credited with his 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 and Returns of Capital

(a) Except as specifically provided in this Agreement, or as otherwise provided by and in accordance with law, no Partner shall have the right to withdraw all or any

part of his Capital Contribution. Except as otherwise provided herein, no Partner shall have any right to demand and receive property (other than cash) of the Partnership in return of his Capital Contribution.

(b) The General Partners shall receive a return of their contributions to the capital of the Partnership as follows:

(i) \$15,030. shall be paid upon receipt by the Partnership of the Second Installment of Capital Contributions of the Class A Limited Partners described in Section 5.3(a) hereof;

(ii) \$45,095. shall be paid upon receipt by the Partnership of the Third Installment of Capital Contributions of the Class A Limited Partners described in Section 5.3(a) hereof; and

(iii) \$57,221. shall be paid upon receipt by the Partnership of the Fourth Installment of Capital Contributions of Class A Limited Partners described in Section 5.3(a) hereof.

ARTICLE VI

Rights, Powers and Duties of the General Partners

Section 6.1 Restrictions on Authority

(a) Notwithstanding any other provisions of this Agreement, the General Partners shall have no authority to perform any act in violation of any applicable law or regulation or any agreement between the Partnership and RIHMFC. The General Partners shall not have any authority to do any of the following acts without the Consent of the Limited Partners:

(i) following completion of the Project, to construct other capital improvements, or to replace any existing capital improvements, which construction or replacement would substantially alter the character or use of the Project;

(ii) to acquire any real property in addition to that used for the Project;

(iii) to become personally liable on, or in respect of, or to guarantee, the Mortgage;

(iv) to do any act required to be approved or ratified by the Limited Partners under the Uniform Act; or

(v) to refinance, sell or convey the Project prior to January 1, 1990.

(b) Notwithstanding the foregoing, the General Partners shall be authorized to increase, decrease or refinance the Mortgage at or prior to the Completion Date without the consent of any Partner.

Section 6.2 Personal Services

The General Partners shall receive no compensation for services rendered to the Partnership except as otherwise provided in Section 6.13, Section 12.4 or Article XI hereof. 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 and/or apartment complexes, and neither the Partnership nor any Partner shall have any rights in and to such independent ventures or the income or profits derived therefrom.

Section 6.3 Business Management and Control

The General Partners shall have the exclusive right to manage the business of the Partnership and, except as hereinafter provided, shall have equal rights with respect thereto as provided by the partnership law of the State, and shall act by unanimous vote or assent. 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. The Limited Partners hereby consent to the exercise by the General Partners of the powers conferred on them by this Partnership 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 bind the Partnership.

Section 6.4 Delegation of General Partner Authority

(a) 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 its powers or duties hereunder to another General Partner or Partners. Such writing shall fully authorize such other General Partner to act alone, without requirement of any other act or signature of the General Partner, to take any action of any type and to do anything and everything which the General Partners may be authorized to take or do hereunder, and specifically, without limitation of such authority, to execute, sign, seal and deliver in the name and on behalf of the Partnership:

(i) any note, mortgage or other instruments or documents in connection with the Mortgage, the Regulatory Agreement and all other agreements, certificates, instruments or documents required by RIHMFC or any mortgage in connection with the acquisition, ownership, rehabilitation, construction, development and operation of the Project;

(ii) any deed, lease, mortgage, mortgage note, bill of sale, contract or any other instrument purporting to convey or encumber the real or personal property of the Partnership;

(iii) any rent supplement or interest subsidy contracts or agreements providing for public or non-public financial assistance, directly or indirectly, to tenants or occupants of the Project;

(iv) any and all agreements, contracts, documents, certifications and instruments whatsoever involving the construction, development, management, maintenance and operation of the Project, including the employment of such Persons or other Entities as may be necessary therefor; and

(v) any and all instruments or documents requisite to carrying out the intention and purpose of this Agreement, including, without limitation, the filing of all business certificates, Certificates of Limited Partnership, all amendments thereto and documents required, or deemed advisable by the General Partners, in connection with any financing;

provided, however, that any such delegation shall not relieve the General Partner making such delegation of its obligations under this Agreement.

(b) Every contract, deed, mortgage, lease and other instrument executed by any General Partner so authorized shall be conclusive evidence in favor of every Person or Entity relying thereon or claiming thereunder that at the time of the delivery thereof (i) this Partnership was in existence, (ii) 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 of the State), and (iii) the execution and delivery of such instruments were duly authorized by the General Partners. Any Person or Entity dealing with the Partnership or a General Partner may rely on a certificate signed by any General Partner hereunder:

(A) as to who are the General or Limited Partners hereunder;

(B) as to the existence or nonexistence of any fact or facts which constitute conditions precedent to any act by the General Partners or in any other manner germane to the affairs of this Partnership;

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

(D) as to the authenticity of any copy of the Partnership Agreement and amendments thereto; or

(E) 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 Partners shall promptly take all actions which may be necessary or appropriate for the development of the Project and the proper maintenance and operation of the Project 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 its own funds for any purpose). The General Partners shall devote to the Partnership such time as may be necessary for the proper performance of their duties.

(b) The General Partners shall obtain and keep in force during the term of the Partnership, fire and extended coverage, workmen's compensation and public liability insurance in favor of the Partnership in such companies and in such amounts as may be required by the Commitments or, in the absence of such requirements, in amounts which are commercially reasonable in the circumstances.

Section 6.6 Representations and Warranties

(a) The General Partners hereby represent and warrant to each Class A Limited Partner that as of the date hereof the Project is properly zoned for its intended use and the following are true and will be true on the due date for any Installment of the Capital Contributions of the Class A Limited Partners and at all times thereafter (except as otherwise provided):

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

(ii) construction on the Project will be completed (and after the Completion Date, will have been completed) in substantial conformity with the Commitments and the Construction Contract;

(iii) all payments and expenses required to be made or incurred in order to complete construction of the Project in conformity with the Commitments and in order to satisfy all requirements under the Commitments and/or which form the basis for determining the principal sum of the Mortgage, including, without limitation, interest during construction and any escrow payment, will be paid or provided for by, or for the account of, the Partnership utilizing only (A) the funds available from the Mortgage, (B) the Capital Contributions of the Partners, (C) the net proceeds, if any, from rental and fee income earned by the Project prior to the Completion Date, and (D) loans of the General Partners made pursuant to Section 6.9 hereof;

(iv) no event, occurrence or proceeding is pending or threatened which would (A) materially

adversely affect the Partnership or its properties or (B) materially adversely affect the ability of the General Partners or any Affiliated Person to perform their respective obligations hereunder or under any other agreement with respect to the Project or (C) prevent the completion of construction of the Project in conformity with the Commitments and the Construction Contract other than legal proceedings which have been bonded against in such manner as to indemnify the Partnership against loss. This subparagraph shall be deemed to include the following: (Y) legal actions or proceedings before any court, commission, administrative body or other governmental authority having jurisdiction over the zoning applicable to the Project and (Z) acts of any governmental authority;

(v) no material default (or event which, with the giving of notice or the passage of time or both, would constitute a default) has occurred and is continuing under the Commitments or any other agreement affecting the Project, 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 other agreement, this covenant shall apply to the terms of such modification agreement where applicable;

(vi) neither the Partnership nor any of its Partners, will have any personal liability on the Note or the Mortgage, and the General Partners shall not permit any Person to become personally liable for the payment of any part of the Mortgage;

(vii) there is no material violation by the Partnership or the General Partners of any environmental or similar regulation applicable to the Project, which violation would have a material adverse effect on the construction, operation or use of the Project; all necessary building and other applicable permits have been obtained to permit the construction of the Project; and the Partnership has complied in all material respects with all applicable municipal and other laws, ordinances and regulations relating to such construction and use of the Project and the acquisition of the land upon which it is being constructed; and

(viii) The General Partners meet the net worth requirements (either jointly or solely) which are set forth in Rev. Proc. 72-13, 1972-1 C.B. 735.

(b) The General Partners agree that they will not at any time become personally liable for the payment of any part of the Mortgage, and will not permit any other Partner to become personally liable for the payment of any part of the Mortgage.

Section 6.7 Indemnification

Each General Partner shall be entitled to indemnity from the Partnership for any act performed by it within the scope of the authority conferred upon it by this Agreement, except for acts of willful misconduct or gross negligence or for damages arising from any misrepresentation or breach of covenant or warranty, provided that any indemnity under this Section 6.7 shall be provided out of and to the extent of Partnership assets only and no Limited Partner shall have any personal liability on account thereof.

Section 6.8 Liability of General Partners to Limited Partners

The General Partners shall not be liable, responsible or accountable for damages or otherwise to the Partnership or to any Limited Partner for any act performed or omitted within the scope of the authority conferred by this Agreement, except for acts of willful misconduct or gross negligence or for damages arising from any misrepresentation or breach of covenant or warranty contained in this Agreement or in any certificate or other document delivered in connection with the same by any General Partner.

Section 6.9 Obligation to Complete Construction

The Partnership and the General Partners shall use their best efforts to cause the Project to be constructed in the manner set forth in the Construction Contract (as such Contract may be modified from time to time with the approval of RIHMFC). In the event the proceeds of the Mortgage, the paid-in Capital Contributions of the Limited Partners and available net rental income of the Project prior to the Completion Date are insufficient to complete construction of the Project in accordance with the Commitments, and to meet all development and other fees and expenses, including escrow payments, required to (i) successfully complete the

Project and (ii) pay all Project Expenses of the Project until the Completion Date, the General Partners shall loan to the Partnership all such funds which shall be necessary to successfully complete the Project and pay all Project Expenses until the Completion Date. Such loans shall be evidenced by Residual Receipts Notes and shall be repayable only as provided in Article X hereof; provided, however, that funds provided pursuant to the foregoing obligation and expended for operating purposes rather than for construction purposes and for portions of the Project as to which permission for occupancy has been granted by HUD (Form 2485), shall be treated as Project Expense Loans and shall be credited against the maximum amount of Project Expense Loans set forth in Section 6.10 hereof.

Section 6.10 Obligation to Provide for Project Expenses

The General Partners agree that, in the event that during the five (5) years immediately following the Completion Date the Partnership requires any funds for Project Expenses, they will loan funds to the Partnership up to a cumulative total amount of \$75,000. Such loans shall be Project Expense Loans and shall be payable only in accordance with the provisions of Article X hereof.

Section 6.11 Repurchase Obligation of the General Partners

(a) If (i) the Completion Date shall not have occurred on or before December 1, 1980, provided, however, that such date shall automatically be extended to any date up to a maximum of twelve months, if the Commitments, to the extent necessary, have similarly been extended and remain in full force and effect, or (ii) prior to the Completion Date, any of the Commitments shall have been terminated or withdrawn and shall not have been reinstated or replaced by a similar commitment within 120 days of such termination or withdrawal, or (iii) prior to the Completion Date, RIHMFC shall have commenced proceedings to foreclose the Mortgage and such proceedings have not been stayed or abandoned within 120 days, then, within 15 days after the occurrence of such event, the General Partners shall send written notice of such event to each Class A Limited Partner and offer to purchase the entire interest as a Class A Limited Partner of each such Class A Limited Partner. Any Class A Limited Partner desiring to sell his interest to the General Partners shall send written notice (the "Election Notice") thereof to

the Partnership at any time with 30 days after the receipt of the General Partner's notice. The purchase shall be made by the General Partners within 60 days after receipt of such Election Notice; provided, however, that if Class A Limited Partners having in the aggregate fifty percent (50%) or more of the interest in Partnership profits shall give Election Notices within said 30-day period, the General Partners shall give notice of such fact to all other Class A Limited Partners, and the General Partners shall afford such other Class A Limited Partners an additional fifteen (15) days, after the latter notice from them is given, to give the General Partners an Election Notice hereunder.

(b) Notwithstanding any of the above, if Class A Limited Partners having in the aggregate 50 percent or more of the interest in Partnership profits shall give such Election Notices within said 30-day period, the General Partners shall have the right, within 60 days of the last Election Notice, to notify the remainder of the Class A Limited Partners that they intend to repurchase the interest of all Class A Limited Partners. The Class A Limited Partners shall thereafter be obligated to sell their interests to the General Partners and such repurchase shall be made within 60 days after the General Partners have given the Class A Limited Partners notice of their election.

(c) The purchase price shall be an amount in cash, without interest, equal to the paid-in Capital Contribution of each Class A Limited Partner desiring to sell his interest, less the aggregate amount of cash theretofore distributed to each such Limited Partner pursuant to Article X of this Agreement. Upon receipt of such payment, the interest as a Class A Limited Partner of each such Limited Partner shall terminate, and such Limited Partner shall have no further obligation to pay any subsequent Installments of his Capital Contribution. For all purposes including the sharing of profits, losses and distributions, the interest of any Class A Limited Partner acquired by the General Partners under this Section 6.11 shall be deemed to belong to the General Partners as Class A Limited Partners. Neither the General Partners nor any Affiliated Person shall be liable to the Class A Limited Partners for any taxes imposed on the Class A Limited Partners as a result of such purchase or for any loss of tax benefits by reason thereof.

Section 6.12 Joint and Several Obligations

Each obligation of the General Partners shall be the joint and several obligation of each General Partner.

Section 6.13 Certain Payments to General Partners

(a) The Partnership shall be required to pay to KELLY & PICERNE, INC. (or any Person designated by KELLY & PICERNE, INC. providing services on behalf of KELLY & PICERNE, INC.) a salary in the total amount of \$63,100 for its services from the Admission Date through Cash Breakeven (as defined in Section 5.3(a) hereof), in connection with the administration of Partnership affairs and management of the Project (which services shall include rendering accounting and bookkeeping services, transmitting information and reports to Limited Partners, supervising the Partnership's compliance with all contractual obligations and its payment of financial obligations, obtaining the services and supervising the activities of a competent, HUD-approved property manager, assisting and coordinating the Partnership's affairs with governmental authorities and maintaining good working relationships with the community and its officials, RIHMFC and HUD). Said salary shall be payable in the following calendar years in the following amounts:

<u>Calendar Year</u>	<u>Salary</u>
1980	\$ 6,310
1981	18,930
1982	18,930
1983	18,930

(b) The Partnership shall also be required to pay KELLY & PICERNE, INC. (or any Person designated by KELLY & PICERNE, INC. providing services on behalf of KELLY & PICERNE, INC.) an initial rent-up fee in the total amount of \$47,850 for its services in supervising the initial renting of the Project (which services include developing a tenant selection and qualification program, scheduling move-in and coordinating activities of the staff and workmen, implementing procedures to minimize tenant discomfort, inconvenience and complaints and staffing the Project with competent, trained personnel to assist initial rent-up). Such initial rent-up fee shall be payable as follows: \$31,275 prior to December 31, 1979 and the balance of \$16,575 prior to December 31, 1980.

(c) For their services in (i) guaranteeing to fund the Operating Reserve Fund required by RIHMFC under paragraph 5(c) of the Regulatory Agreement and (ii) agreeing to make Project Expense Loans, the Partnership shall also be required to pay the General Partners (or to any other Person designated by the General Partners providing services on behalf of the General Partners) a standby fee in the total

amount of \$39,050. Such standby fee shall be payable for services rendered during the following calendar years in the following amounts:

<u>Calendar Year</u>	<u>Standby Fee</u>
1980	\$ 8,740
1981	11,170
1982	11,070
1983	8,070

(d) For its efforts and expenses incurred prior to the Admission Date and its services in (i) supervising the construction of the Project to completion, (ii) selecting and supervising consultants and professionals, and (iii) guaranteeing completion of construction, the Partnership shall be required to pay to KELLY & PICERNE VENTURE CORP. (or to any other Person designated by KELLY & PICERNE VENTURE CORP. providing services on behalf of KELLY & PICERNE VENTURE CORP.) a total development fee equal to \$248,100. Such fee shall be paid by delivery of four promissory notes of the Partnership on the Completion Date. The first such note shall be in the amount of \$56,000 and shall be payable one year after issuance together with interest of \$6,679. The second such note shall be in the amount of \$95,600 and shall be payable two years after issuance together with interest of \$24,400. The third such note shall be in the amount of \$52,000 and shall be payable three years after issuance together with interest in the amount of \$21,000. The fourth such note shall be in the amount of \$44,500 and shall be payable four years after issuance together with interest in the amount of \$25,500. Such notes shall be otherwise in the form of Exhibit A attached hereto. If and to the extent at the due date of any such note the Partnership shall have insufficient funds to pay the same and the interest thereon, the deficiency shall be converted to a Residual Receipts Note. Such development fee will be in addition to any amounts the General Partners or any Affiliated Person may receive under the management agreement or under the Construction Contract between the general contractor and the Partnership; provided, however, such fee shall be reduced by any fees for services payable by the Partnership under the Construction Contract in excess of the original amount thereof except to the extent permitted by subsection (f) hereof.

(e) The General Partners shall be paid an incentive fee equal to the amount of any rental income collected prior

to the Completion Date and any undisbursed Mortgage proceeds resulting from interest savings during the construction period due to a shorter than anticipated construction time which rental income or interest savings may be used to fund the "Operating Reserve Fund" required under Paragraph 5(c) of the Regulatory Agreement, provided that in no event shall such incentive fee exceed \$38,250.

(f) Except as otherwise provided in this Agreement, neither the General Partners nor any other Affiliated Person shall be entitled to any other fee or allowance (for example, the Builder's and/or Sponsor's Profit and Risk Allowance) except that the General Partners or any Affiliated Person shall be entitled to any other fees or allowances, including, but not limited to, architectural, legal, organizational, management, general construction, construction overhead, and management costs, which are permitted by RIHMFC as flat allowances or certifiable costs of the Project payable out of mortgage proceeds or income prior to the Completion Date, and to any refund of deposits or escrows advanced by them on behalf of the Partnership to the extent Mortgage proceeds or income prior to the Completion Date is available therefor.

ARTICLE VII

Retirement of a General Partner, New General Partners

Section 7.1 Retirement of a General Partner

(a) KELLY & PICERNE VENTURE CORP. may withdraw as a General Partner at any time subject to obtaining the written consent of the other General Partner. Upon its withdrawal KELLY & PICERNE VENTURE CORP. shall transfer its interest to the remaining General Partner in accordance with the provisions of Section 7.4 hereof.

(b) No other General Partner shall have the right to voluntarily retire from the Partnership or sell, assign, transfer or encumber his interest as a General Partner without the Consent of the Limited Partners. Notwithstanding the above, in the event of an act of Retirement as to a General Partner, such General Partner shall automatically be deemed to have withdrawn as a General Partner of the Partnership. In the event of the voluntary withdrawal of a General Partner in violation of this Section 7.1(b) or an involuntary withdrawal due to Bankruptcy or pursuant to the provisions of Section 7.6 hereof, the withdrawing General Partner shall

forfeit all interest in the Partnership as provided in Section 7.4 hereof and, without otherwise limiting the rights of the Partnership and the Limited Partners, shall forfeit to the Partnership its right to be repaid for any sums advanced to the Partnership under Sections 6.9 and 6.10 hereof. Notwithstanding any such forfeiture, such withdrawing General Partner shall remain liable for the performance of all its obligations under this Agreement and shall be liable to the Limited Partners for all damages suffered by them as a result of the withdrawal of such General Partner occurring without the Consent of the Limited Partners.

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 its successors or assigns, shall immediately send notice of such Retirement 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 following sentence. The General Partners shall have the right to, and hereby covenant and agree to, elect to continue the business of the Partnership, unless there is no remaining General Partner.

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, then the Limited Partners representing one hundred percent (100%) in interest of both the Class A and Class B Limited Partners Class Contributions (excluding the interests of General Partners who may also be Limited Partners) 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. If the Limited Partners elect to reconstitute the Partnership pursuant to this Section 7.3, and admit a successor General Partner, the relationship among the then Partners shall be governed by this Agreement. Each Limited Partner who does not desire to participate in such reconstituted Partnership with such General Partner shall be paid with nonrecourse notes of the reconstituted partnership, without interest, with a term not in excess of three (3) years, in a principal amount equal to the fair market value of his interest in the Partnership, as determined by the Limited Partners, or in case of failure to agree, as determined by a committee of three qualified appraisers, one selected by the remaining Limited Partners, one selected by the selling Limited Partner

or Partners, and a third appraiser selected by the two appraisers so selected. Such principal amount shall be payable in equal quarter-annual installments.

Section 7.4 Interest of Retired General Partner

(a) Each General Partner hereby agrees to transfer, at the time of its Retirement, to a successor General Partner selected in accordance with Section 7.3 hereof, or to the remaining General Partner or Partners, as the case may be, its General Partner interest, such transfer to be made in consideration of the payment by the remaining General Partner or Partners or the successor General Partner to the transferring General Partner of the fair market value of such interest (including without limitation, its pro-rata share of payments pursuant to Section 5.3 hereof) as determined by mutual agreement of the General Partners or, if they cannot agree, by a committee of three qualified real estate appraisers, one selected by the Retired General Partner, or its legal representative, one selected by the proposed successor General Partner, and a third selected by the two appraisers so selected. The General Partner interest transferred in accordance with the provisions of this Section 7.4(a) shall be transferred in a manner sufficient to ensure the continued treatment of the Partnership as a partnership under the then applicable provisions of the Code and any applicable regulations, rules and rulings (including published private rulings) thereunder. Notwithstanding the foregoing provisions of this Section 7.4(a), in the event of a Retirement by a General Partner from the Partnership in violation of the provisions of Section 7.1(b) hereof, its entire interest in the Partnership shall be forfeited and deemed to be automatically transferred to the successor General Partner or the remaining General Partner or General Partners without the payment of any consideration therefor.

(b) For the purposes of Article X hereof, the effective date of the transfer pursuant to the provisions of Section 7.4(a) of all or any portion of the General Partner interest of a Retired General Partner shall be deemed to be the date of Retirement, but the Partnership shall not make any distributions to the designated transferee until the transfer has been made. Any portion of the General Partner interest of a Retired General Partner which is not transferred to a successor General Partner pursuant to the provisions of Section 7.4(a) shall be deemed to be the interest of an assignee of a General Partner with the same interest in the profits, losses and distributions of the Partnership as were

allocable to such portion of such interest prior to the Retirement in question.

Section 7.5 Designation of New General Partners

Subject to the provisions of Section 13.1 hereof, the General Partners may, with the consent of all of the Limited Partners, at any time designate additional General Partners each with such interest as a General Partner in the Partnership as the General Partners may agree. Any incoming General Partner shall, as a condition of receiving any interest in the Partnership, agree to be bound by the Commitments and any other documents required in connection therewith and by the provisions of this Agreement and shall provide such financial statements, guarantees or other assurances as required by counsel to the Partnership or the Accountants.

Section 7.6 Partnership Tax Status

Notwithstanding any provision in this Agreement to the contrary, any General Partner which is a corporation shall immediately cease to be a General Partner (and be deemed to have automatically withdrawn) if its continuance as a General Partner might (in the reasonable opinion of legal counsel to the Partnership or the Accountants) adversely affect the status of the Partnership under the then applicable provisions of the Code or any regulation or ruling thereunder.

Section 7.7 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 reflecting such admission shall be filed in accordance with the Uniform Act. Each General Partner, including the President, Senior Vice President or Secretary of any corporate General Partner, is hereby constituted and empowered to act alone as the attorney-in-fact of all the other General Partners and all Limited Partners 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 hereof, the Limited Partners shall have the right to assign and transfer all or any part of their interest in the Partnership. A Limited Partner may, by written instrument, designate one or more members of his Immediate Family to become the assignee or assignees of all of his interest as a Limited Partner immediately upon his death. Such 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 Partners 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 Partners. 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 Partners 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 a Limited Partner in the Partnership may be made if such sale or exchange would violate the provisions of Section 13.1 hereof.

(b) In no event shall all or any part of a Limited Partner interest in the Partnership be assigned or transferred to a minor (other than to a member of a Limited Partner's Immediate Family by reason of death) or to an incompetent.

(c) The General Partners may 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 them with an opinion of counsel satisfactory to counsel to the Partnership 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 who is not already a Limited Partner as a Limited Partner in his place without the prior written consent of the General Partners. The General Partners shall have the right in their exclusive discretion to permit such assignees to become Substitute Limited Partners. Any Substitute Limited Partner shall, as a condition of receiving any interest in the Partnership assets, agree to be bound by the Commitments, other documents binding the Partnership 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 such 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 Partners to signify his agreement to be bound by all the provisions of this Agreement.

(c) Each General Partner, including the President, Senior Vice President or Secretary of any corporate General Partner, is hereby constituted and empowered to act alone as the attorney-in-fact of all Limited Partners 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.

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 hereof, his legal representative shall have the same status as an assignee of the Limited Partner unless and until the Partners shall permit such legal representative 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 hereof 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.

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

Section 8.5 Right of Refusal

(a) No Limited Partner may transfer, sell, alienate, assign or otherwise dispose of all or any part of his interest in the Partnership, whether voluntarily, involuntarily or by operation of law, or a judicial sale or otherwise, without first offering the same to the other Partners, at a price and upon terms no less favorable than those which the selling Limited Partner would receive from such sale, assignment or other disposition. Such price and terms and the name of the proposed transferee shall be set forth in a written offer signed by the selling Limited Partner and delivered to all

the Partners. Within 10 days after the receipt of such written offer, any Partner may in writing reject or accept such offer and if the Partner so accepts, he shall consummate the purchase and sale of such interest at the price and on the terms of said offer with the Limited Partner at the principal office of the Partnership no later than 90 days thereafter. Such offer and notice shall be deemed to constitute a valid and enforceable purchase and sale agreement of such Limited Partner interest. In the event two or more Partners so accept such offer, and they are unable to agree as to the apportionment thereof, each such Partner shall be entitled to purchase that portion of the interest in the Partnership's profits and losses that bears to the total interest in the Partnership's profits and losses of all the Limited Partners desiring to purchase such interest. If the Partners do not accept such offer within such 10-day period, the selling Limited Partner may at any time within 90 days from the expiration of such 10-day period dispose of such interest to such proposed transferee at a price and on terms not less favorable than those set forth in such offer, and if such interest is not so disposed of within such period, it shall again become subject to the provisions of this Section 8.5(a).

(b) The provisions of Section 8.5(a) shall not apply to the 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 to:

(i) or for the benefit of himself or his Immediate Family; or

(ii) the legal representatives of a deceased or incapacitated Limited Partner.

ARTICLE IX

Loans

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. If any Partner shall loan 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,

except to the extent obligatory under Sections 6.9 or 6.10 hereof, shall be obligations of the Partnership of equal rank with obligations to unsecured third-party creditors, and shall be repayable as permitted by RIHMFC, 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) All profits and losses 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 allocated to the Partners as follows:

FIRST, to the Limited Partners, an amount of such profits equal to the amount, if any, by which (1) the aggregate losses and distributions charged to their capital accounts prior to the time as of which such allocation is made exceed (2) the sum of the aggregate profits and Capital Contributions credited to their capital accounts immediately prior to the time as of which such allocation is made;

SECOND, to the General Partners, an amount of such profits equal to the amount, if any, by which (1) the aggregate losses and distributions charged prior thereto to their capital accounts exceed (2) the sum of the aggregate profits and Capital Contributions credited to the capital accounts of the General Partners immediately prior to the time as of which such allocation is made;

THIRD, to the Class A Limited Partners, an amount equal to the Class A Limited Partner Class Contributions;

FOURTH, to the Class B Limited Partner an amount equal to the Class B Limited Partner Class Contributions;

FIFTH, to the General Partners an amount equal to the cash equity amount for the Project required by RIHMFC; and

SIXTH, any remaining profits and losses, thirty-seven and one-half percent (37.5%) to the Class A Limited Partners, twelve and one-half percent (12.5%) to the Class B Limited Partner and fifty percent (50%) to the General Partners.

(b) All profits and losses arising from operations and from transactions not described in Section 10.1(a) hereof shall be allocated seventy-five percent (75%) to the Class A Limited Partners, twenty-three percent (23%) to the Class B Limited Partner and two percent (2%) to the General Partners.

(c) All profits and losses allocated to a particular class of Partners (e.g., General Partners, Class A Limited Partners or Class B Limited Partner) shall be shared by each Partner in such class in the same proportion as such Partner's paid-in Capital Contribution to the Partnership bears to the paid-in Capital Contributions of all Partners in such class. All profits and losses shared by the Partners shall be credited or charged, as the case may be, to their capital accounts. The terms "profits" and "losses" as used in this Agreement shall mean taxable income and losses as determined in accordance 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 Project during each fiscal year (or fractional portion thereof) from and after the Completion Date shall be applied in the following order of priorities:

(i) to any reserves required at final closing by RIHMFC to be maintained by the Partnership;

(ii) to repayment of all loans other than Residual Receipts Notes;

(iii) to the Annual Distribution of which amount seventy-five percent (75%) shall be paid to the Class A Limited Partners, twenty-three percent (23%) shall be paid to the

Class B Limited Partner and two percent (2%) shall be paid to the General Partners. The Partnership shall pay the Annual Distribution for the preceding year prior to April 15 of each year; and

(vi) to the payment of Residual Receipts Notes.

In the event that less than the full Annual Distribution is available for distribution hereunder in any one year, the Class A Limited Partners shall have the right to receive seventy-five percent (75%) of such full Annual Distribution before any distribution shall be made hereunder to the Class B Limited Partner or the General Partners.

(b) For all purposes of this Agreement, the term "Cash Flow" shall mean the profits of the Partnership from and after the date of execution of the Housing Assistance Payments Contract subject to the following:

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

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

(iii) 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;

(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) proceeds from any refinancing of the Mortgage or gains or losses 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 Project (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; and

(vii) rent supplement or interest subsidy payments shall be included as income in Partnership receipts.

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

(c) Distributions of Other than Cash Flow

If, prior to dissolution, the General Partners shall determine from time to time that there is cash available for distribution from sources other than Cash Flow (such as, for example, from a refinancing of the Mortgage or a sale or disposition of any part of or all of the Project or from any other transaction, the proceeds of which do not constitute Cash Flow), such cash shall be distributed as follows:

First, to the discharge, to the extent required or permitted by RIHMFC, of debts and obligations of the Partnership, not including Project Expense Loans or Residual Receipts Notes;

Second, to fund reserves for contingent liabilities to the extent deemed reasonable by the General Partners and the Accountants;

Third, to the General Partners an amount equal to their Project Expense Loans;

Fourth, to the Class A Limited Partners, an amount equal to the Class A Limited Partner Class Contributions not theretofore returned to the Class A Limited Partners pursuant to this clause Fourth;

Fifth, to the Class B Limited Partner, an amount equal to the Class B Limited Partner Class Contributions not theretofore returned to the Class B Limited Partner pursuant to this clause Fifth;

Sixth, to the General Partners, an amount equal to the cash equity amount for the Project required by RIHMFC, reduced by any similar prior payment;

Seventh, to the Partners, an amount, if any, equal to the sum of the Annual Distributions for each fiscal year or portion thereof between the Completion Date and the date of the distribution in question which they would have been entitled to receive if the full Annual Distribution were available for distribution in each such year or portion thereof, less the aggregate amount theretofore actually distributed to the Partners pursuant to Section 10.2(a) hereof and this clause Seventh;

Eighth, to the General Partners, an amount equal to their Residual Receipts Notes; and

Ninth, the balance thereof, thirty-seven and one-half percent (37.5%) to the Class A Limited Partners, twelve and one-half percent (12.5%) to the Class B Limited Partner and fifty percent (50%) to the General Partners.

Notwithstanding the foregoing, in no event shall the General Partners receive as an aggregate distribution under this Section 10.2(c) less than 1 percent of the aggregate of the amounts distributed to the Limited Partners under this Section 10.2(c). In order to carry the immediately preceding sentence into effect, in the event that the amount distributable to the General Partners shall not equal 1 percent of the aggregate amount distributable to the Limited Partners, the amount distributable to the Limited Partners shall be reduced in order to assure the class of General Partners of their 1 percent share.

(d) All distributions to a particular class of Partners (i.e., General Partners, Class A Limited Partners and Class B Limited Partner) shall be shared by each Partner in such class in the same proportion as such Partner's paid-in Capital Contributions to the Partnership bears to the

paid-in Capital Contributions of all Partners in such class. The capital account of each Partner shall be charged with his allocable share of each distribution.

Section 10.3 Distributions Upon Dissolution

Upon dissolution, after payment of, or adequate provision for, the debts and obligations of the Partnership, excluding Project Expense Loans and Residual Receipts Notes, the remaining assets of the Partnership [or the proceeds of sales or other dispositions in liquidation of the Partnership assets, as may be determined by the remaining or surviving General Partners (or General Partner)] shall be distributed to the Partners in the priority set forth in Section 10.2(c) hereof, Third through Ninth. All distributions to the Partners under this Section 10.3 shall be shared by the Partners according to the provisions of Section 10.2(d) hereof. 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 independent appraiser to be selected by the General Partners who shall be a person of recognized integrity and good standing within his profession.

Section 10.4 Adjustment of Shares of Profits, Losses and Distributions

Notwithstanding the foregoing provisions of this Article X, if and during such time as the Partnership shall have admitted Class A Limited Partners whose aggregate Capital Contributions (made or agreed to be made) are less than \$650,000, the share of the profits, losses and distributions allocated hereunder to the Class A Limited Partners shall be reduced by the same percentage by which such aggregate Capital Contributions of the Class A Limited Partners is less than said amount, and the share of the profits, losses and distributions allocated hereunder to the class of General Partners shall be proportionately increased.

ARTICLE XI

Management Agent

KELLY & PICERNE, INC., shall be the initial Management Agent and shall be entitled to a fee equal to the

maximum fee permitted by RIHMFC. The General Partners shall cause the Partnership to enter into a Management Agreement with the Management Agent in form satisfactory to RIHMFC and HUD, if required, and may replace the Management Agent from time to time with a management agent of recognized integrity and good standing in the business community.

ARTICLE XII

Books and Records, Accounting, Tax Elections, Etc.

Section 12.1 Books and Records

The General Partners 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 RIHMFC or any other appropriate administrative agency, as the General Partners deem advisable.

Section 12.2 Bank Accounts

The bank accounts of the Partnership shall be maintained in such banking institutions as the General Partners shall determine, and withdrawals shall be made only in the regular course of business on such signature or signatures as the General Partners shall determine. All deposits (including security deposits and other funds required to be escrowed by RIHMFC and other funds not needed in the operation of the business) shall be deposited in interest bearing accounts or invested in short-term United States Government or municipal obligations maturing within one year.

Section 12.3 Tax Returns

The Accountants shall prepare for execution by the General Partners all tax returns of the Partnership and shall audit and certify all annual financial reports to the Partners in accordance with generally accepted accounting principles.

Section 12.4 Reports to Limited Partners

(a) Prior to the Completion Date, the General Partners shall within 45 days after the end of each quarterly period occurring after the Admission Date, cause to be prepared and sent to each Limited Partner a report which shall state (i) the percentage of completion furnished to RIHMFC in the most recent submission for a construction loan advance; (ii) the anticipated date of completion of construction of the Project; (iii) a narrative summary of any material deviations from the original construction plan; (iv) other matters material to the completion of construction or commencement of operations of the Project; and (v) (after the commencement of operations of the Project), the information specified in clauses (i) and (ii) of Section 12.4(b) hereof.

(b) After the Completion Date, the General Partner shall cause to be prepared and sent to each Limited Partner on or before August 15 in each year a report which shall state (i) the average occupancy level of the Project for the immediately preceding semi-annual period and (ii) a narrative summary of the results of the immediately preceding semi-annual period of operations, and of the projected results for the full year of operations.

(c) Within 75 days after the end of each fiscal year, the General Partners shall deliver 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) an audited financial report of the Partnership including a balance sheet, a profit and loss statement, together with a certification report of the Accountant covering the results of their audit of the books of the Partnership; (ii) a certification by the General Partners that: (A) all payments required by RIHMFC under the Mortgage are current as of the date of the year-end report and (B) they have not been notified of any default under the Mortgage or Regulatory Agreement, or if they have been notified of any such default, a description thereof; and (iii) the average monthly occupancy for such year. Upon the written request of any Limited Partner for further information with respect to any matter covered in items (ii) or (iii) above, the General Partner shall furnish such information within 15 days of receipt of such request.

(d) Prior to November 1 of each year, the General Partners shall send to each Limited Partner an estimate of each Limited Partner's share of the profits or losses of the

Partnership for Federal income tax purposes for the current fiscal year and a projection of such profits or losses for the next fiscal year.

(e) In fiscal years beginning after December 31, 1984, the Partnership shall pay to the General Partners, out of the Cash Flow (as determined before deduction of the service fee) available after payment of the Annual Distribution to the Partners pursuant to Section 10.2(a) hereof, an annual service fee of \$2,500 for their services in connection with transmitting information and reports to the Limited Partners (which fee shall be considered an expense of the Partnership regardless of its treatment for RIHMFC purposes). Such service fee shall be noncumulative and shall be payable prior to May 1 of each year.

Section 12.5 Depreciation and Elections

With respect to all depreciable assets the Partnership shall elect to use, so far as permitted by the provisions of the Code, accelerated depreciation methods. However, on the advice of the Accountants then serving the Partnership, the Partnership shall elect or change to some other method of depreciation so long as such other method is, in the opinion of the Accountants, most advantageous to the Limited Partners. Subject to the provisions of Section 12.7 hereof, all other elections required or permitted to be made by the Partnership under the Code shall be made by the General Partners in such manner as will, in the opinion of the Accountants, be most advantageous to the Limited Partners.

Section 12.6 Other Expenses

The Partnership shall treat as expenses for Federal income tax purposes all amounts incurred by it for real estate taxes, interest and other charges 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 shall elect, pursuant to Section 754 of the Code (or corresponding provisions of succeeding law), to adjust the basis of the Partnership property. However, the determination of profits, losses, distributions and capital accounts, for purposes of Article X of this Agreement, shall be made without taking

into account any such special basis adjustments. Each Partner shall 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 begin January 1. The books of the Partnership shall be kept on an accrual basis.

Section 12.9 Notice to Limited Partners Of Certain Tax Adjustments and Audits of the Partnership's Tax Returns

(a) The General Partners shall give written notice to each of the Limited Partners of the following matters within a reasonable time after the General Partners receive notice thereof:

(i) the commencement of an audit of the Partnership's returns either by the Internal Revenue Service or the Rhode Island Division of Taxation, which event for purposes of this Agreement will be deemed to have commenced on the date the General Partners first received written notice of such audit; or

(ii) the receipt by the General Partners of written notice from either the Internal Revenue Service or the Rhode Island Division of Taxation of a disallowance or modification of any of the items of income, deduction or credit reported on the Partnership's returns or a finding that such items were improperly allocated amongst the Partners.

(b) In the event the General Partners receive written notice from any of the Limited Partners:

(i) that the items of income, deduction or credit allocated to such Limited Partner have been modified by either the Internal Revenue Service or the Rhode Island Division of Taxation, other than a disallowance resulting solely from the fact that the losses or deductions allocated to such Limited Partner were in excess of his basis for his interest in the Partnership; or

(ii) that a determination, as provided in Section 1313(a) of the Code, has been made modifying the income, deductions and credits allocated to such Partner;

the General Partners shall, within a reasonable time following the receipt of such notice, give written notice of such events to each of the Limited Partners.

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 12 consecutive months prior to the proposed date of sale or exchange, would result in the termination of the Partnership under Section 708 of the 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 or 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. This Section 13.1(a) shall not impair the right or obligation of the General Partners to purchase the interests of the Limited Partners provided in Section 6.11 hereof.

(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 any governmental authority with jurisdiction over such disposition, and the General Partners may require as a condition of transfer of such interest that the transferor furnish an opinion of counsel satisfactory to the Partnership both as to counsel and opinion, 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 ineffective, and shall not bind, or be recognized by, the Partnership.

Section 13.2 Appointment of General Partners as Attorneys-in-Fact

Without limiting the effect of provisions elsewhere in this Agreement appointing each General Partner as attorney-in-fact for the other General Partners and all those who become Limited Partners (including a Substitute Limited Partner) under this Agreement in connection with the doing of certain acts and the filing of certain papers, each General Partner hereby irrevocably constitutes, and empowers to act alone, each other General Partner, and each Limited Partner (including a Substitute Limited Partner) hereby irrevocably constitutes and empowers to act alone, each General Partner and the President, Senior Vice President, Treasurer and Secretary of any corporate General Partner, as his attorney-in-fact with authority to execute, acknowledge and swear to all instruments and file all documents requisite to carrying out the intention and purpose of this Agreement, including, without limitation, the filing of all business certificates and necessary Certificates of Limited Partnership and amendments thereto from time to time in accordance with all applicable laws and the filing and execution of appropriate documents with RIHMFC. The foregoing appointment shall be deemed to be a power coupled with an interest in recognition of the fact that each of the Partners under this Agreement will be relying upon the power of the General Partners 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 survive the assignment by any Limited Partner of the whole or any part of his interest hereunder or the Retirement of any General Partner and 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 related thereto and shall survive the death, incompetency or legal disability of any Limited Partner.

Section 13.3 Amendments to Certificate of Limited Partnership

In any year that cash distributions to any Limited Partner exceed the portion of Partnership profits credited to his respective capital account, the General Partners shall, within 120 days after the end of the fiscal year in which such distributions are made, file as required under the law of the State and elsewhere as the General Partners

deem appropriate an amendment to the Certificate of Limited Partnership reducing by the amount of such excess (or the total amount of such distribution in the event that the Partnership has incurred losses in respect of the year in question) the amount of Capital Contribution of each such Limited Partner as stated in the last previous amendment to the Certificate of Limited Partnership with respect to any year. Nothing in this Section 13.3 shall authorize, however, any change in the Schedule to this Agreement.

Section 13.4 Notices

Any and all notices required 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 Partners and intended for the other Partners and to the address of the Partnership when given by the Limited Partners and intended for the General Partners as a group.

Section 13.5 Word Meanings

The words such as "herein", "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 of the parties have not signed the original or the same counterpart, except that no counterpart shall be binding unless signed by the General Partners.

Section 13.9 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 (other than the rules and regulations of RIHMFC), 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 13.10 Investment Representation

Each person who becomes a Limited Partner pursuant to Section 4.4 hereof 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 professional advisers with respect to making his investment, and (c) he has not relied on the advice of a General Partner in making his investment decision.

Section 13.11 Paragraph Titles

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

Section 13.12 Amendments and Other Actions

(a) This Agreement may not be amended or modified except by the General Partners with the Consent of the Limited Partners; provided, however, that all 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 13.12, (iii) increase the amount of Capital Contributions payable by the

Limited Partners or change or accelerate the date for payment of any Installment of said Capital Contributions of the Limited Partners, or (iv) otherwise increase the liability of the Limited 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.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the 31 day of July, 1979.

GENERAL PARTNERS

KELLY & PICERNE, INC.

By Ronald R.S. Picerne
Ronald R.S. Picerne,
President

WITHDRAWING LIMITED PARTNER

PICERNE INVESTMENT CORPORATION

By Ronald R.S. Picerne
Ronald R.S. Picerne,
President

KELLY & PICERNE VENTURE CORP.

By Ronald R.S. Picerne
Ronald R.S. Picerne,
President

LIMITED PARTNER

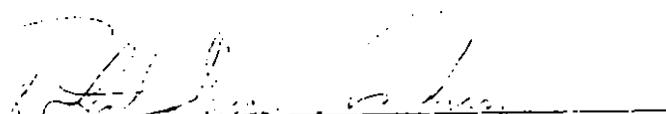
Ronald R.S. Picerne
Ronald R.S. Picerne

STATE OF RHODE ISLAND

COUNTY OF PROVIDENCE

In Providence, in said County, on July 31, 1979, personally appeared before me RONALD R.S. PICERNE to me known and known by me to be the President of KELLY & PICERNE, INC., KELLY & PICERNE VENTURE CORP. and PICERNE INVESTMENT CORPORATION and the party executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed and the free act and deed of said KELLY & PICERNE, INC., KELLY & PICERNE VENTURE

CORP. and PICERNE INVESTMENT CORPORATION and swore to the truth of the above.


Notary Public

STATE OF RHODE ISLAND

COUNTY OF PROVIDENCE

In Providence, in said County, on , 1979, personally appeared before me RONALD R.S. PICERNE to me known and known by me to be the party executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed and swore to the truth of the above.


Notary Public

Providence, R.I., ss

July 30, 1979

Then personally appeared Barry Cohen who being duly sworn, acknowledged the foregoing instrument to be his free act and deed, and that the statements contained therein are true and correct, before me.

Margaret D. Farrell
Notary Public

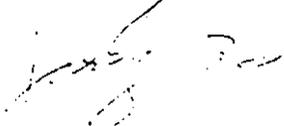
My Commission Expires
June 30, 1981

TAUNTON PLAZA ASSOCIATES

LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated:  , 1979

Maximum
Capital Contribution:

\$130,000.

Not to be filled in by
Limited Partner


Signature Limited Partner

Barry Cohen
Name of Limited Partner
(please print)

112 Tupello Hill Drive
Cranston, Rhode Island
Residence

TAUNTON PLAZA ASSOCIATES

LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

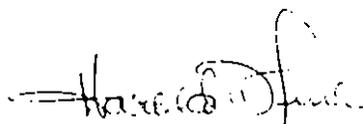
WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated: July 31, 1979

Maximum
Capital Contribution:

\$32,500.

Not to be filled in by
Limited Partner



Signature Limited Partner

Harold D. Fine

Name of Limited Partner
(please print)

66 Bay State Road
Rehoboth, Massachusetts
Residence

TAUNTON PLAZA ASSOCIATES

LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated: July 25, 1979

Maximum
Capital Contribution:

\$65,00.

Not to be filled in by
Limited Partner



Signature Limited Partner

Leonard Decof
Name of Limited Partner
(please print).

80 Tupello Hill Drive
Cranston, Rhode Island
Residence

Providence

, SS

July 25 , 1979

Then personally appeared Leonard Decof who
being duly sworn, acknowledged the foregoing instrument to be
his free act and deed, and that the statements contained therein
are true and correct, before me.

Magrath C. Fred.

Notary Public

, SS

July 31, 1979

Then personally appeared Harold D. Fine who being duly sworn, acknowledged the foregoing instrument to be his free act and deed, and that the statements contained therein are true and correct, before me.

Margaret D. Farrell
Notary Public

TAUNTON PLAZA ASSOCIATES

LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated: 7/20, 1979

Maximum
Capital Contribution:

\$97,500
Not to be filled in by
Limited Partner

Albert L. Gordon
Signature Limited Partner

Albert L. Gordon
Name of Limited Partner
(please print)

21 Dean St Providence RI
Residence

6/2/66

Notary Public, SS

July 25, 1979

Then personally appeared Albert L. Gordon who being duly sworn, acknowledged the foregoing instrument to be his free act and deed, and that the statements contained therein are true and correct, before me.

Margaret D. Farrell
Notary Public

My Commission Expires
June 30, 1981

TAUNTON PLAZA ASSOCIATES
LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated: July 30, 1979

Maximum
Capital Contribution:

\$32,500.

Not to be filled in by
Limited Partner

Arthur L. Kramer
Signature Limited Partner

ARTHUR L. KRAMER
Name of Limited Partner
(please print)

64 Stephen Hopkins Court
Providence, Rhode Island
Residence

Providence, Rhode Island, ss

July 30, 1979

Then personally appeared Herbert E. Kaplan who being duly sworn, acknowledged the foregoing instrument to be his free act and deed, and that the statements contained therein are true and correct, before me.

Margaret D. Farrell
Notary Public

My Commission Expires
June 30, 1981

TAUNTON PLAZA ASSOCIATES

LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

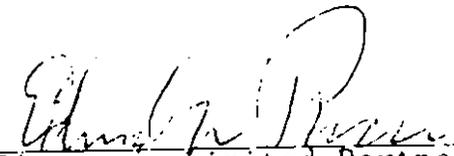
WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated: July 31, 1979

Maximum
Capital Contribution:

\$65,000.

Not to be filled in by
Limited Partner


Signature Limited Partner

Edward W. Ricci
Name of Limited Partner
(please print)

201 Lorimer Avenue
Providence, RI 02906
Residence

PROVIDENCE

, SS

July

, 1979

Then personally appeared Edward W. Ricci who
being duly sworn, acknowledged the foregoing instrument to be
his free act and deed, and that the statements contained therein
are true and correct, before me.

Magdalena C. [Signature]

Notary Public

TAUNTON PLAZA ASSOCIATES
LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated: July 27, 1979

Maximum
Capital Contribution:

\$32,500.
Not to be filled in by
Limited Partner


Signature Limited Partner

DENNIS J. ROBERTS
Name of Limited Partner
(please print)

234 IRVING AVE. P.O. BOX 1006
Residence

PROCESSED, SS

JULY 31, 1979

Then personally appeared DONALD J. CASERTS who being duly sworn, acknowledged the foregoing instrument to be his free act and deed, and that the statements contained therein are true and correct, before me.



Notary Public

TAUNTON PLAZA ASSOCIATES
LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated: July 31, 1979

Maximum
Capital Contribution:

\$32,500.

Not to be filled in by
Limited Partner

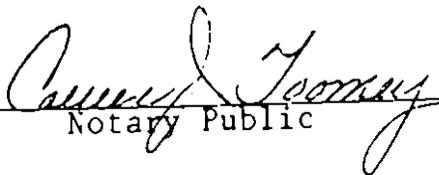
Carroll M. Silver, M.D.
Signature Limited Partner

Carroll M. Silver, M. D.
Name of Limited Partner
(please print)

400 Laurel Avenue
Providence, Rhode Island
Residence

Providence, Rhode Island , SS July 31, , 1979

Then personally appeared Carol M. Silver, M. D. who being duly sworn, acknowledged the foregoing instrument to be his free act and deed, and that the statements contained therein are true and correct, before me.


Notary Public

TAUNTON PLAZA ASSOCIATES
LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated: 7/30, 1979

Maximum
Capital Contribution:

\$32,500.
Not to be filled in by
Limited Partner

Michael H. Silverman
Signature Limited Partner

Michael H. Silverman
Name of Limited Partner
(please print)

340 Spring Valley Drive
East Greenwich, Rhode Island
Residence

Providence, Rhode Island, ss

July 30, 1979

Then personally appeared Michael H. Silverman who being duly sworn, acknowledged the foregoing instrument to be his free act and deed, and that the statements contained therein are true and correct, before me.

Margaret D. Jarrett
Notary Public

My Commission Expires
June 30, 1981

TAUNTON PLAZA ASSOCIATES

LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to enter into the Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Taunton Plaza Associates, a Rhode Island limited partnership (the "Partnership"), in or substantially in the form attached as Exhibit A to the Confidential Memorandum of Taunton Plaza Associates dated July 20, 1979, hereby agrees to all of the terms of the Partnership Agreement and agrees to be bound by the terms and provisions thereof. The undersigned hereby constitutes and appoints Arthur L. Kramer, Senior Vice President of Kelly & Picerne, Inc., a General Partner of Taunton Plaza Associates, his true and lawful attorney-in-fact, with all the powers and authorities as set forth in Section 13.2 of such Partnership Agreement, including without limitation, in his name, place and stead to make, execute, sign, acknowledge, swear to, deliver and file such Partnership Agreement, and amendment or amendments to the Partnership Agreement and to the Certificate of Limited Partnership for the purpose of admitting the undersigned and others as Limited Partners in the Partnership. The undersigned hereby joins and executes the Partnership Agreement, hereby authorizing this Signature Page to be attached to any such documents. The power of attorney hereby granted shall be deemed to be coupled with an interest and shall be irrevocable and survive the death of the undersigned.

WITNESS, the execution hereby by the undersigned, as Limited Partners of Taunton Plaza Associates and individually.

Dated: July 30, 1979

Maximum
Capital Contribution:

\$65,000.

Not to be filled in by
Limited Partner

Edwin S. Soforenko
Signature Limited Partner

Edwin S. Soforenko
Name of Limited Partner
(please print)

62 Grotto Avenue
Providence, Rhode Island
Residence

Providence, Rhode Island, SS

July 30, 1979

Then personally appeared Edwin S. Soforenko who being duly sworn, acknowledged the foregoing instrument to be his free act and deed, and that the statements contained therein are true and correct, before me.

Margaret D. Farrell
Notary Public

My Commission Expires
June 30, 1981

TAUNTON PLAZA ASSOCIATES

Schedule A

<u>Name and Address</u>	<u>Maximum Aggregate Capital Contribution</u>
<u>GENERAL PARTNERS</u>	
KELLY & PICERNE, INC.) 1265 Reservoir Avenue) Cranston, Rhode Island)	\$117,436*
KELLY & PICERNE VENTURE CORP.) 1265 Reservoir Avenue) Cranston, Rhode Island)	
<u>CLASS A LIMITED PARTNERS</u>	
Barry Cohen 112 Tupello Hill Drive Cranston, Rhode Island	130,000
Leonard Decof 80 Tupello Hill Drive Cranston, Rhode Island	65,000
Harold D. Fine 66 Bay State Road Rehoboth, Massachusetts	32,500
Albert L. Gordon 21 Glen Drive Providence, Rhode Island	97,500
Herbert E. Kaplan 64 Stephen Hopkins Court Providence, Rhode Island	32,500

* The Amended and Restated Limited Partnership Agreement provides that the General Partners will be repaid their capital contribution out of the Second, Third and Fourth Installment of the Class A Limited Partner's Capital Contributions.

Edward W. Ricci 201 Lorimer Avenue Providence, Rhode Island	65,000
Dennis J. Roberts 234 Irving Avenue Providence, Rhode Island	32,500
Caroll M. Silver, M. D. 400 Laurel Avenue Providence, Rhode Island	32,500
Michael H. Silverman 340 Spring Valley Drive East Greenwich, Rhode Island	32,500
Edwin S. Soforenko 82 Grotto Avenue Providence, Rhode Island	65,000
<u>CLASS B LIMITED PARTNER</u>	
Ronald R. S. Picerne 1265 Reservoir Avenue Cranston, Rhode Island	100

AMENDED CERTIFICATE OF
LIMITED PARTNERSHIP

Taunton Plaza Associates

Dated: July 31, 1979

7 31 79 3191A02...5000BL

TILLINGHAST, COLLINS & GRAHAM

COUNSELLORS AT LAW

2000 HOSPITAL TRUST TOWER

PROVIDENCE, RHODE ISLAND 02903

RECEIVED & FILED JUL 31 1979

