

12-31-1985

FIRST AMENDED AND RESTATED
AGREEMENT AND CERTIFICATE
OF LIMITED PARTNERSHIP
OF
SMITHFIELD AVENUE ASSOCIATES

This First Amended and Restated Agreement and Certificate of Limited Partnership, dated as of the 31st day of December, 1985, is entered into by and among Robert R. Gaudreau (the "General Partner"), Property Advisory Group, Inc., a Rhode Island corporation, Robert R. Gaudreau (collectively, Robert R. Gaudreau in his capacity as a limited partner and Property Advisory Group, Inc. are referred to as the "Initial Limited Partners"), and the persons listed on Schedule A hereto (the "Additional Limited Partner") under the following circumstances:

A. The General Partner and the Initial Limited Partners formed a Rhode Island limited partnership under the name "Smithfield Avenue Associates" on December 13, 1985 (the "Partnership") for the purpose of acquiring a 97% limited partnership interest (the "Interest") in Chatham Village Associates, a Rhode Island limited partnership ("Chatham Village") which is engaged in the business of owning and operating a forty unit apartment project located in Providence, Rhode Island (the "Project").

B. The parties wish to provide for the the admission of the Additional Limited Partners to the Partnership and to set

forth their agreement with respect to their respective interests in the Partnership.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Name.

The name of the Partnership shall continue to be "Smithfield Avenue Associates".

2. Filing of Certificate of Limited Partnership.

The parties shall sign and acknowledge this Agreement and the General Partner shall cause it to be filed as the Partnership's Certificate of Limited Partnership, as required by law.

3. Location of Principal Office.

The location of the principal place of business of the Partnership shall be as follows:

Warwick Executive Park
250 Centreville Road
Building No. 3
Warwick, Rhode Island 02886

4. Purpose.

The purpose and business of the Partnership shall be to hold title to the Interest and to undertake such other activities related to the foregoing as may be necessary, advisable, or convenient to the promotion or conduct of the business of the Partnership.

5. Identity of Partners.

The name and place of residence of the General Partner is as follows:

Robert R. Gaudreau
3 Iron Forge Road
Lincoln, Rhode Island 02865

The names and places of residence of the Initial Limited Partners are as follows:

Property Advisory Group, Inc.
Warwick Executive Park
250 Centreville Road
Building No. 3
Warwick, Rhode Island 02886

Robert R. Gaudreau
3 Iron Forge Road
Lincoln, Rhode Island 02865

The names and place of residence of the Additional Limited Partners are as set forth on Schedule A.

6. Duration of Partnership.

The Partnership shall remain in existence until dissolved and terminated:

- (a) by consent of all of the Partners;
- (b) as otherwise provided in this Agreement;
- (c) on December 31, 2013; or
- (d) by operation of law.

7. Capital Contributions.

(a) There shall be ten (10) units of additional limited partnership interests in the Partnership

("Units"). Each of the Additional Limited Partners hereby subscribes to such number of Units as set forth on Schedule A. The subscription price is \$32,560.00 per Unit or \$325,600.00 in the aggregate. The subscription price shall be payable as follows:

<u>Due Date</u>	<u>Amount Per Unit</u>	<u>Total</u>
December 31, 1985	\$6,260	\$62,600
January 1, 1987	\$5,260	\$52,600
January 1, 1988	\$5,260	\$52,600
January 1, 1989	\$5,260	\$52,600
January 1, 1990	\$5,260	\$52,600
January 1, 1991	\$5,260	\$52,600
	<u>\$32,560</u>	<u>\$325,600</u>

(b) The \$1,078.00 contributed initially by Robert R. Gaudreau as a limited partner shall be credited to his capital account as the General Partner. Property Advisory Group, Inc. has contributed \$11.00 to the capital of the Partnership which amount will be credited to its capital account.

(c) No interest shall be paid on contributions to the capital of the Partnership.

(d) In the event the maximum marginal individual Federal income tax rate (the "Maximum Rate") is reduced below 50%, each remaining outstanding installment of the Additional Limited Partners capital contributions shall be reduced to an amount equal to the amount of the installment as specified in subparagraph (a) of this Section 7 times a

fraction, the numerator of which shall be the Maximum Rate as of the date such installment is due, but in no event less than 35%, and the denominator of which shall be 50%. The first installment due following a reduction in the Maximum Rate, in addition to being adjusted as provided in the preceding sentence, shall be pro rated so as to reflect the reduction in the Maximum Rate from the effective date of such a reduction through the date such Installment is due.

(e) In the event the Maximum Rate is subsequently increased after being reduced as contemplated in subsection (d) of this Section 7, the remaining outstanding installments shall be correspondingly increased so as to reflect such subsequent increase in the Maximum Rate but in no event shall any remaining installment be increased to an amount in excess of \$52,600.

8. Allocations of Profits, Losses and Cash Available for Distribution.

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 with the accounting methods followed by the Partnership for Federal income tax purposes.

All profits, losses and cash distributions will be allocated to, and cash flow available for distribution will be distributed to, the General Partner, the Initial Limited Partners and the Additional Limited Partners as follows:

General Partner	1%
Initial Limited Partners	
Property Advisory Group, Inc.	.01%
Robert R. Gaudreau (as an Initial Limited Partner)	.01%
Additional Limited Partners	98.98% (i.e. 9.898% per unit)

Liquidation proceeds will be distributed according to capital accounts.

9. Additional Contributions.

Neither the Initial Limited Partners nor the Additional Limited Partners, in their capacity as limited partners, shall be required to contribute to the Partnership any amounts in addition to the amount set forth in paragraph 7 above; provided, however, that any Partner with a deficit capital account following the distribution of liquidation proceeds shall be required to restore the amount of such deficit to the Partnership.

10. Right to Grant Right to Become a Limited Partner.

Neither the Initial Limited Partners nor the Additional Limited Partners shall have the right to grant the right to become a limited partner to an assignee of any part of their Partnership interest.

11. Authorization to Acquire and Maintain Interest in Chatham Village.

The Partnership has acquired, and shall be authorized to maintain, a 97% interest in Chatham Village. The Partnership paid the following consideration in exchange for the interest in Chatham Village:

(a) \$1,000.00; and

(b) A non-recourse promissory note in the aggregate principal amount of \$370,000.00, which is due and payable in its entirety no later than the earlier of fifteen years from the date of delivery of such promissory note or the date Chatham Village distributes to the Partnership proceeds from the sale, condemnation or refinancing of the Project.

In addition, the Partnership shall be authorized to contribute \$285,600.00, in the aggregate, to the capital of Chatham Village in accordance with the following schedule:

<u>Date</u>	<u>Amount</u>
December 31, 1985	\$47,600.00
January 1, 1987	\$47,600.00
January 1, 1988	\$47,600.00
January 1, 1989	\$47,600.00
January 1, 1990	\$47,600.00
January 1, 1991	\$47,600.00
	<u>\$285,600.00</u>

The General Partner is hereby authorized to take any and all actions as he, in his sole discretion, shall deem necessary or appropriate to accomplish the foregoing.

12. Management.

(a) The business shall be managed and controlled by the General Partner who shall devote such time as he, in

his absolute discretion, deems necessary to conduct the business and affairs of the Partnership; and, neither Initial Limited Partners (with respect to Robert R. Gaudreau, in his capacity as an Initial Limited Partner) nor the Additional Limited Partners shall take part in the management or control of the business. The consent of neither the Initial Limited Partners (with respect to Robert R. Gaudreau, in his capacity as an Initial Limited Partner) nor the Additional Limited Partners shall be required for the General Partner to take any action or sign any document within the scope of his authority as set forth in Section 11.

(b) The General Partner is hereby designated as the so-called "tax-matters" Partner for the purpose of executing the duties described in Sections 6221-6232 of the Internal Revenue Code of 1954, as amended, and the rules and regulations promulgated thereunder.

13. Salaries and other Compensation.

(a) The Partnership shall be authorized to pay to the General Partner a salary of \$5,000 on January 1 of each year from 1986 through 1991 for his services in managing the activities and responsibilities of the Partnership. In the event the Maximum Rate is reduced below 50%, the salary payable each year to the General Partner shall be reduced

to an amount equal to \$5,000 times a fraction, the numerator of which shall be the Maximum Rate as of the date such salary payment is due, but in no event less than 35%, and the denominator of which shall be 50%. The first salary payment due following a reduction in the Maximum Rate shall, in addition to being adjusted as provided in the preceding sentence, be prorated so as to reflect the reduction in the Maximum Rate from the effective date of such a reduction through the date such salary payment is due. In the Event the Maximum Rate is subsequently increased after being reduced as contemplated above, the remaining outstanding salary payment shall be correspondingly increased so as to reflect such subsequent increase in the Maximum Rate but in no event shall any remaining salary payment be increased to an amount in excess of \$5,000.

(b) the General Partner shall receive a salary of \$10,000 on January 1, 1986 for his services in managing the Partnership's activities during the initial start-up phase of the investment in the Interest.

14. Bank Accounts.

Bank accounts of the Partnership shall be maintained by the Partnership in the bank or banks designated by the General Partner. All funds of the Partnership shall be deposited in

its name in the checking account or accounts designated by the General Partner. All withdrawals from bank accounts shall be made by checks or other documents signed by the General Partner or such other person who may be designated in writing from time to time by the General Partner.

15. Books of Account.

(a) Proper and usual books of account for the Partnership shall be maintained by the Partnership on the accrual basis. The books of account shall be retained at the principal office of the Partnership, unless otherwise determined by the General Partner, and shall be available at all reasonable times for examination and inspection by any Partner or his representative.

(b) The General Partner shall provide or obtain, at the expense of the Partnership, legal services related to the business of the Partnership and accounting and book-keeping services necessary to the Partnership.

(c) The General Partner shall furnish to any other Partner, on request, full information about any and all transactions and matters related to the Partnership which the General Partner may acquire without unreasonable effort or expense.

16. Fiscal Year.

The Partnership shall have a fiscal year ending December 31.

17. Power of Attorney.

(a) Each of Property Advisory Group, Inc. and the Additional Limited Partners hereby irrevocably constitutes and appoints Robert R. Gaudreau his true and lawful attorney, in his name, place, and stead, to make, execute, acknowledge, file, or record:

(i) This First Amended and Restated Certificate of Limited Partnership of Smithfield Avenue Associates in accordance with the Uniform Act, all subsequent amended Certificates of Limited Partnership, and such other instruments as may be required to be filed under the laws of the State of Rhode Island to give effect to the admission of the Additional Limited Partners, and to give effect to other changes authorized by this Agreement; and

(ii) All documents which may be required to record the dissolution and termination of the Partnership as provided for in Section 6.

(b) It is expressly understood and intended by each of Property Advisory Group, Inc. and the Additional Limited Partners that the grant of the foregoing power of attorney is coupled with an interest and shall survive the delivery of an assignment of any limited partnership interest in the Partnership.

18. Investment Representation.

Each Additional Limited Partner hereby represents and warrants as follows:

(i) Each Additional Limited Partner understands that, in offering and selling the Units, the Partnership is relying upon an exemption from registration under the Securities Act of 1933, as amended, and under the General Laws of the State of Rhode Island.

(ii) Each Additional Limited Partner has received, and read in their entirety, this Agreement and the Chatham Village Third Amended Limited Partnership Agreement, dated as of December 31, 1985, by and between United States Investment and Development Corporation, a Rhode Island corporation and the Partnership, and understands the information and provisions contained herein and therein.

(iii) Each Additional Limited Partner has had access to and has thoroughly reviewed all documents and other information which he deems relevant to an investment in the Units and the Partnership and has had the opportunity to ask all questions of, and receive answers from, the General Partner which he deems relevant in order to evaluate the merits and risks of an investment in the Units and the Partnership.

(iv) Each Additional Limited Partner is purchasing the Units for his own account and for investment only and

not with a view to sale, pledge, hypothecation, or other distribution or disposition thereof or of any interest therein.

(v) Each Additional Limited Partner is aware that an investment in the Units and the Partnership involves substantial economic and business risks. Each Additional Limited Partner is also aware that his investment in the Units will not be readily marketable. Because of this fact, each Additional Limited Partner is prepared and financially able to hold such Units for an indefinite period of time.

(vi) Each Limited Partner understands that no state or Federal governmental authority has made any finding or determination relating to the fairness of an investment in the Units and the Partnership.

19. This Agreement shall be governed by the laws of the State of Rhode Island.

20. This Agreement shall be binding upon and inure to the benefit of the executors, administrators, successors and assigns of the respective parties.

21. This Agreement may be executed in several counterparts, all of which together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have signed and sworn to this Agreement and Certificate of Limited Partnership the day and year first above written.

THE GENERAL PARTNER:



Robert R. Gaudreau

THE INITIAL LIMITED PARTNERS:

Property Advisory Group, Inc.

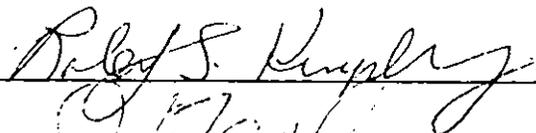
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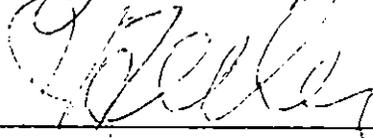
Robert R. Gaudreau, President

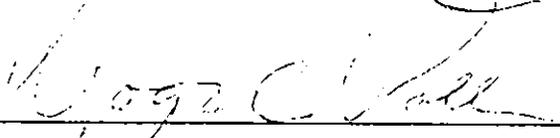


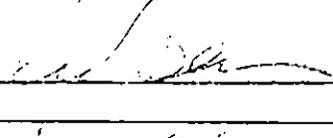
Robert R. Gaudreau

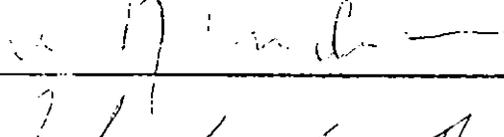
THE ADDITIONAL LIMITED PARTNERS

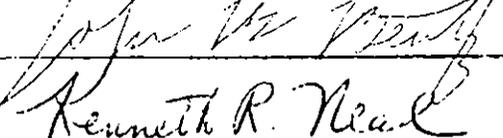












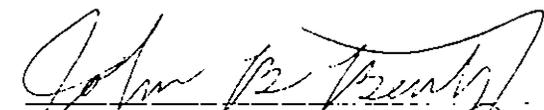
Kenneth R. Neal

SCHEDULE A

<u>Additional Limited Partners</u>	<u>Number of Units Subscribed To</u>
Robert S. Kingsbury 115 Emeline Street Providence, RI 02906	5 Units .
Joseph Feller 72 Manning Street Providence, RI 02906	1 1/2 Units
Roger C. Polk 216 Adams Street Warwick, RI 02888	1/2 Unit
Eric Oldsman and Kim Triedman 77 Pemberton Street Cambridge, MA 02140	1 Unit
Leonard J. Triedman 348 Doyle Avenue Providence, RI 02906	1/2 Unit
Kenneth R. Neal 16 Oak Manor Drive Barrington, RI 02806	1 Unit
John B. Bentz Melody Lane Cumberland, RI 02864	1/2 Unit

STATE OF RHODE ISLAND
COUNTY OF *PROVIDENCE*

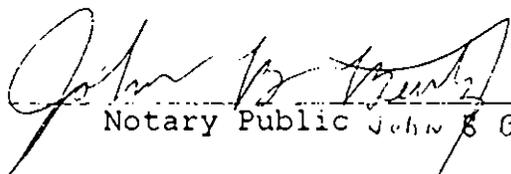
In *PROVIDENCE* on the *31ST* day of December, 1985, before me personally appeared Robert R. Gaudreau to me known and known by me to be the party executing the foregoing instrument, and he acknowledged said instrument, by him executed, to be his free act and deed.


Notary Public *John B. Bertiz*

My Commission Expires June 30, 1986

STATE OF RHODE ISLAND
COUNTY OF *PROVIDENCE*

In *PROVIDENCE* on the *31ST* day of December, before me personally appeared Robert R. Gaudreau to me known and known by me to be the party executing the foregoing instrument as the President of Property Advisory Group, Inc., the corporation named in the foregoing instrument as an initial Limited Partner, and he acknowledged said instrument, by him executed, to be his free act and deed and the free act and deed of Property Advisory Group, Inc.


Notary Public *John B. Bertiz*

My Commission Expires June 30, 1986

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In PROVIDENCE on the 31ST day of December, 1985, before me personally appeared Robert R. Gaudreau 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 JOHN B. BENTZ
My Commission Expires June 30, 1986

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

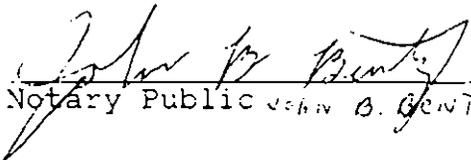
In PROVIDENCE on the 31ST day of December, 1985, before me personally appeared KENNETH R. NEAL to me known and known by me to be the party executing the foregoing instrument, and he acknowledged said instrument, by him executed, to be his free act and deed.


Notary Public JOHN B. BENTZ
My Commission Expires June 30, 1986

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In PROVIDENCE on the 21ST day of December, 1985, before me personally appeared LEONARD J. TRIEDMAN to me known and known by me to be the party executing the foregoing

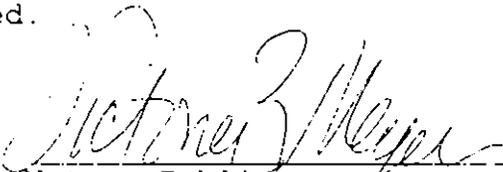
instrument, and he acknowledged said instrument, by him executed, to be his free act and deed.


Notary Public JOHN B. BENTE

My Commission Expires June 30, 1986

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

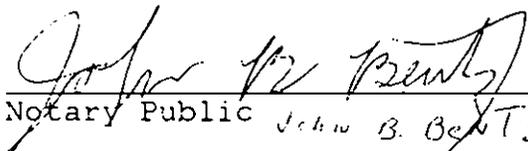
In PROVIDENCE on the 31ST day of December, 1985, before me personally appeared JOHN B BENTE to me known and known by me to be the party executing the foregoing instrument, and he acknowledged said instrument, by him executed, to be his free act and deed.


Notary Public

VICTORIA Z. MEYER, Notary Public
My Commission Expires June 30, 1986

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In PROVIDENCE on the 21ST day of December, 1985, before me personally appeared ROBERT S. KINGSBURY 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.

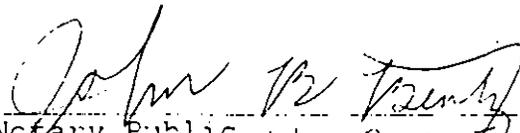

Notary Public JOHN B. BENTE

My Commission Expires June 30, 1986

STATE OF RHODE ISLAND

COUNTY OF PROVIDENCE

In PROVIDENCE on the 21ST day of December, 1985, before me personally appeared Joseph Feller 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 John B. Gentile

My Commission Expires June 30, 1988

STATE OF RHODE ISLAND

COUNTY OF PROVIDENCE

In PROVIDENCE on the 21ST day of December, 1985, before me personally appeared Roger C. Polk 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 John B. Gentile

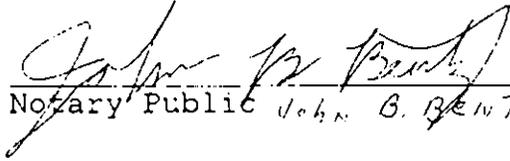
My Commission Expires June 30, 1988

STATE OF RHODE ISLAND

COUNTY OF PROVIDENCE

In PROVIDENCE on the 21ST day of December, 1985, before me personally appeared Eric Olosman 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 John B. Beitz

My Commission Expires June 30, 1986