

(b) in addition to the business of the partnership as set forth in this Agreement, the partnership shall be specifically empowered and authorized to (i) apply for and obtain from the Department of Housing and Urban Development, acting by and through the Federal Housing Commissioner, contracts of mortgage insurance pursuant to the National Housing Act, and (ii) enter into, with the Department of Housing and Urban Development, acting by and through the Federal Housing Commissioner, a Regulatory Agreement governing the operation and maintenance of the project, and (iii) enter into, with the Department of Housing and Urban Development, an Agreement To Enter Into Housing Assistance Payments Contract or Housing Assistance Payments Contract pursuant to Section 8 of the United States Housing Act of 1937, as amended.

(c) the partnership, through the General Partner, shall have the right to apply for and obtain from the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, a contract or contracts of mortgage insurance pursuant to the provisions of Section 221(d)(4) or any other Section of the National Housing Act, covering bonds, notes and other evidences of indebtedness issued by the partnership and any indenture of mortgage or security deed securing the same. The partnership is authorized to execute a note, or notes, and mortgage, or mortgages (the term "mortgage" being hereby defined to include "security deed") in order to secure a loan or loans to be insured by the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, and to execute one or more Regulatory Agreements and other documents required by the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, in connection with such loan or loans. Any incoming partner shall, as a condition of receiving an interest in the partnership, agree to be bound by the Regulatory Agreement, Agreement To Enter Into Housing Assistance Payments Contract or Housing Assistance Payments Contract, and other documents required in connection with the provisions of Section 8 of the United States Housing Act of 1937, as amended, or the loan insured under the National Housing Act, as amended, to the same extent and on the same terms as the other partners. Upon any dissolution of the partnership, no title or right to possession and control of the rental housing project or projects, and no right to collect the rents therefrom shall pass to any person who is not bound by the Regulatory Agreement in a manner satisfactory to the Secretary of Housing and Urban Development while any mortgage on partnership Property is insured under the National Housing Act. The General Partner is authorized and empowered, on behalf of the partnership, to negotiate, obtain and comply with such amendments of the contract of mortgage insurance, mortgage, note, Regulatory Agreement, Agreement To Enter Into Housing Assistance Payment Contract or Housing Assistance Payment Contract, plans and specifications, and related documents as may be acceptable to the Department of Housing and Urban Development. The aforesaid Regulatory Agreement, Agreement To Enter Into Housing Assistance Payment Contract or Housing Assistance Payment Contract shall be binding upon the partnership, its successors and assigns, so long as a mortgage on the Property of the partnership, which is insured or held by HUD, is outstanding. The partnership shall comply in every respect with the Regulatory Agreement To Enter Into Housing Assistance Payments Contract or Housing Assistance Payments Contract, and all applicable federal, state and local statutes and regulations including, without limitation, HUD regulations applicable to a partnership mortgagor. Any requirements imposed on a partnership mortgagor under the United States Housing Act of 1937, as amended, the National Housing Act, the Regulatory Agreement, Agreement To Enter Into Housing Assistance Payments Contract or Housing Assistance Payment Contract, if inconsistent with any provision of this Agreement, shall be controlling and shall govern the rights and obligations of the parties hereto.

IN WITNESS WHEREOF, the partners have executed and sealed this Agreement as of the date first above written.

GENERAL PARTNER

JOHN LAING AMERICA INC.

By: George L. Aulbach Pres.

Attest: E. Stanley Kemwell
Assistant Secretary

(CORPORATE SEAL)

LIMITED PARTNER

George L. Aulbach
George L. Aulbach

Signed, sealed and delivered as to all partners, both general and limited, in the presence of:

Laurie Reeves
Unofficial Witness

Paul S. Stinson
Notary Public



Notary Public, Georgia, State At Large
My Commission Expires Dec. 22, 1978

(NOTARIAL SEAL)



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