

15.4 Fiscal Year

The fiscal year of the Partnership shall be the calendar year.

15.5 Legal Counsel

Legal Counsel for the Partnership for all matters shall be designated by the General Partner; provided, however, this initial document shall be prepared and filed for record in Greenville, South Carolina, by R. Wayne Byrd, Attorney at Law.

15.6 All such statements shall be prepared by Certified Public Accountants retained for that purpose by the General Partner.

15.7 All elections under the Internal Revenue Code with respect to the reporting of allowable depreciation on the Federal Income Tax Returns of the Partnership shall be made and determined by the General Partner in such manner as it believes will be most advantageous to the Limited Partners. It is understood and agreed that all of the partners now elect to report two hundred (200%) percent declining balance depreciation. The Partnership shall, at the request of any Limited Partner, make an election under Section 754 of the Internal Revenue Code.

ARTICLE XVI

REGULATORY AGREEMENT AND APPROVAL
BY SECRETARY OF HOUSING AND URBAN DEVELOPMENT

In the event of any conflict between the provisions of this Agreement and the provisions of the Regulatory Agreement executed with the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, the provisions of the Regulatory Agreement shall control. So long as there is an outstanding mortgage insured, held or owned by the Secretary of Housing and Urban Development, any amendment or revision of this Agreement, or transfer of a Partnership Interest, shall be subject to the written approval of the Secretary of Housing and Urban Development, and any amendment made without the prior written approval of the Secretary of Housing and Urban Development shall be subject to later amendment to comply with the requirements of the Secretary of Housing and Urban Development.

ARTICLE XVII

MISCELLANEOUS17.1 Amendments

Amendments to these Articles which (a) are of an inconsequential nature and do not affect the rights of the Limited Partners in any material respect or (b) are required or contemplated by these Articles, or (c) are, in the opinion of counsel to the General Partner, necessary to conform to the requirements of the South Carolina Limited Partnership Act, as amended, may be made by the General Partner under the Power of Attorney granted. Any amendment made pursuant to subsection (c) of the last preceding sentence shall be deemed effective as of the date of these Articles. Any other amendment requires the signatures of all General and Limited Partners.

17.2 Other Ventures

Any of the Partners, or any shareholder, officer, director, employee, or other person holding a legal or beneficial interest in an entity which is