14 – OWNERSHIP ENTITY FORMATION

The Owner of the Oliver Gardens Apartments project will be Oliver Gardens II Limited Dividend Housing Association Limited Partnership. The partners are as follows:

- The general partner is Oliver Gardens GP, LLC. Lansing Housing Commission is the sole member of this LLC.
- The limited partner is currently the Lansing Housing Commission. It is anticipated that this limited partner will be replaced upon closing with a Cinnaire tax credit investment partnership.

The Certificate of Limited Partnership, Limited Partnership Agreement and Good Standing Certificate for the ownership entity are included in this Exhibit.

UNITED STATES OF AMERICA

The State of Michigan

Department of Licensing and Regulatory Affairs

Lansing, Michigan

This is to certify:

Entity Name: OLIVER GARDENS II LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP
Entity ID#: 900082911
Entity Type: Domestic Limited Partnership
Initial Filing Date: 08/22/2025
Delayed Effective Date:
Formation Jurisdiction: Michigan
Act Formed Under: 213-1982 Michigan Revised Uniform Limited Partnership Act

That the above referenced entity was validly formed on 08/22/2025, for a term expiring 12/31/2077.

I FURTHER CERTIFY that the Certificate of Limited Partnership has not been canceled and is in full force and effect as of this date.

This certificate is in due form, made by me as the proper officer, and is entitled to have full faith and credit given it in every court and office within the United States.

In testimony whereof, I have hereunto set my hand, in the City of Lansing, on September 18, 2025.

Linda Clegg

Linda Clegg, Director
Corporations, Securities & Commercial Licensing Bureau

Certificate Number: 26368
Verify this certificate at: www.michigan.gov/corpverifycertificate

27411444

C0535-8538 08/21/2025 Received by Michigan Corporations Division

STATE OF MICHIGAN
CSCL/CD- 401 - CERTIFICATE OF LIMITED PARTNERSHIP - DOMESTIC LIMITED PARTNERSHIP

Corporations Division Administrator

FILED

Entity #: 900082911
Filed Date: 8/22/2025

Certificate of Limited Partnership for use by Domestic Limited Partnerships *Pursuant to the provisions of Act 213, Public Acts of 1982, the undersigned execute the following Certificate.*	
Section 1 Michigan Limited Partnership Name	OLIVER GARDENS II LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP
Section 2 The general character of the business is:	The Partnership has been organized exclusively to provide housing facilities for persons of low and moderate income, or for persons whose income does not exceed limits established in Act No. 346 of the Public Acts of 1966 of the State of Michigan, as amended (the Act), and Section 42 of the Internal Revenue Code of 1986, as amended, and for social, recreational, commercial, and communal facilities as may be necessary to serve and improve a residential area in which Authority-aided or federally-aided housing is located or is planned to be located, thereby enhancing the viability of the housing.
Section 3 *The address of the office at which the limited partnership records are kept is:* 419 CHERRY STREET LANSING, MI 48933 *The name of the agent for service of process is:* DOUGLAS E FLEMING *The address for the agent of service of process is:* 419 CHERRY STREET LANSING, MI 48933 ☒ I certify the above individual/company has agreed to serve as the agent for service of process for this entity.	
Section 4 The power of a limited partner to grant the right to become a limited partner to an assignee of any part of the partnership interest, and the terms and conditions of the power, are as follows:	None.

C0535-8539 08/21/2025 Received by Michigan Corporations Division

Section 5 a. Describe the times or events when a general partner may terminate membership in the limited partnership, and the terms and conditions of the termination:	If there is only one General Partner, it shall not have the right to retire or withdraw voluntarily from the Partnership without the prior written consent of the Limited Partners. If there is more than one General partner, it shall have the right to retire or voluntarily withdraw from the Partnership with the prior written consent of all other General Partners, provided that the Partnership has received an opinion of counsel (which counsel may be counsel to the Partnership) to the effect that the withdrawal will not affect the classification of the Partnership as a partnership by the Internal Revenue Service under the Code, Treasury Regulations thereunder or administrative guidelines or interpretations related thereto.
b. Describe the times or events when a limited partner may terminate membership in the limited partnership. Include the amount or method of determining any distribution the limited partner is entitled to receive upon termination of their membership:	A Limited Partner may terminate membership in the event of termination and dissolution of the Partnership pursuant to Article VII of the Partnership Agreement. A Limited Partner shall have the right to withdraw its capital account upon the termination of the Partnership as provided in the Partnership Agreement; provided, however, that no part of the capital account of any Limited partner shall withdraw unless all liabilities of the Partnership, except liabilities to Partners on account of their contributions have been paid to or unless the Partnership has the assets sufficient to pay them. Upon termination and dissolution of the Partnership, the then General Partners or General Partner shall proceed to the liquidation of the Partnership, and the proceeds of such liquidation shall be applied and distributed in accordance with the provisions of the Article VIII of the Partnership Agreement.
Section 6 The right of the limited partner to receive distributions of property, including cash, from the limited partnership, other than the indicated in 5(b), is:	Distributions to the Limited Partnership(s) from cash flow shall be made in accordance with their respective capital accounts. The net cash proceeds resulting from the refinancing of any mortgage on, or sale, exchange, condemnation (or similar eminent taking), casualty or other disposition of all or any substantial part of the Partnership property or from the liquidation of the Property of the Partnership following a dissolution of the Partnership, shall be distributed and applied as set forth in the Partnership Agreement.
Section 7 The right of the limited partner to receive, or a general partner to make to a limited partner, distributions of property, which include a return of all or any part of the limited partner's contribution, other than indicated in 5(b), is:	None.
Section 8 The times or events at which the limited partnership is to be dissolved and its affairs wound up are:	See Attached.
Section 9 The right of the remaining general partner(s) to continue the business upon the event of withdrawal of a general partner is:	In the event of death, dissolution, retirement or adjudication of bankruptcy, or incompetency (hereinafter collectively referred to as an event of termination) of any General Partner, the Partnership shall dissolve unless if at the time of the event termination, there is at least one other General Partner, then the remaining General Partner(s) shall continue the business of the partnership and shall give notification to the Limited Partners and make and file those amendments necessary to reflect the termination of the General Partner.

Section 10

Enter any other matters the partners may desire to include. If additional space is required attach a supplement below. See Attached.

cert of lp attachment.pdf

Filing Effective Date

The filing will be effective: when filed by the Corporations Division Administrator.

Section 11

Please enter the General Partners below:

Name of individual or organization	Address
OLIVER GARDENS GP, LLC	419 CHERRY STREET LANSING, MI 48933

Please enter the Limited Partners below:

Name of individual or organization:	Lansing Housing Commission
Address:	419 CHERRY STREET LANSING, MI 48933-2101
Party Title:	Limited Partner
Cash Contributions Previously Made:	$99.99
Other Contributions Previously Made:	
Future Cash Contributions to be Made:	
Future Other Contributions to be Made:	
Description of Contributions Other than Cash: (Include all property or services contributed or to be contributed):	
Times or Events Requiring Future Contributions: (Cash, Property or Services):	

Attestations

☒ I understand that the information I enter into the online system is public information and will appear online and on copy requests exactly as I enter it into the system.

☒ I have been authorized by the business entity to file this document online.

☒ I, HEREBY SWEAR AND/OR AFFIRM, under penalty of law, including criminal prosecution, that the facts contained in this document are true. I certify that I am signing this document as the person(s) whose signature is required, or as an agent of the person(s) whose signature is required, who has authorized me to place his/her signature on this document.

Partner Signatures

Signer's Capacity	On behalf of	Date
Authorized Agent	*Douglas E. Fleming* On behalf of OLIVER GARDENS GP, LLC	*08/21/2025*
Authorized Agent	*Douglas E Fleming* On behalf of Lansing Housing Commission	*08/21/2025*

C0535-8540 08/21/2025 Received by Michigan Corporations Division

C0535-8541 08/21/2025 Received by Michigan Corporations Division

Oliver Gardens II Limited Dividend Housing Association Limited Partnership
Attachment to Certificate of Limited Partnership

SECTION 8

The term of the Partnership shall be until December 31, 2077, unless the Partnership shall terminate upon the happening of any of the following events: 1. The bankruptcy, death, dissolution or adjudication or incompetence of a sole General Partner, subject to the Partnership Agreement; 2. The satisfaction of payment of an amount due to the Partnership pursuant to the sale of the last remaining Partnership asset; 3. The election by the General Partner pursuant to the Partnership Agreement;
4. The happening of any other event causing the dissolution of the Partnership under the laws of the State of Michigan and not otherwise addressed specifically in the Partnership Agreement.

Dissolution of the Partnership shall be effective on the day on which the event occurs giving rise to the dissolution, but the Partnership shall not terminate until the Partnership's certificate of limited partnership shall have been cancelled and the assets of the Partnership have been distributed as provided herein. Notwithstanding the dissolution of the Partnership, prior to the termination of the Partnership, the business of the Partnership and the affairs of the Partners, as such, shall continue to be governed by the Partnership Agreement.

SECTION 10

Michigan State Housing Development Authority Provisions

1. Supervision of Authority. Notwithstanding any other provisions of the Partnership Agreement, the operations of the Partnership may be supervised by the Authority or by any other governmental body as the Authority directs, and the Partnership shall enter into agreements with the Authority or with the governmental body as the Authority from time to time requires. The Agreements shall provide for regulation by the Authority or the governmental body of the planning, development and management of the housing development undertaken by the Partnership and the disposition of the property and franchises of the Partnership.

2. Right to Appoint Managing Agent. Notwithstanding any other provisions of the Partnership Agreement, the Authority shall have the power to appoint a managing agent of the Partnership and its partners, who may be an officer, employee, or agent of the Authority, and such managing agent shall have complete power to act as agent and attorney in fact for the Partnership and its partners, in connection with any assets or liability of the Partnership, to fulfill any obligations the Partnership may have to the Authority if:

(a) The Partnership has received a loan or advance as provided in the Act and the Authority determines that the loan or advance is in jeopardy of not being repaid;

(b) The Partnership has received a loan or advance as provided for in the Act and the Authority determines that the proposed housing development for which the loan or advance was made is in jeopardy of not being constructed;

(c) The Authority determines that some part of the net income or net earnings of the Partnership, in excess of that permitted by other provisions of the Act, shall inure to the benefit of any private individual, firm, corporation, partnership, trust or association;

(d) The Authority determines that the Partnership is in violation of the rules promulgated under Section 22 of the Act; or

(e) The Authority determines that the Partnership is in violation of any agreements entered into with the Authority providing for regulation by the Authority of the planning, development and management of any housing development undertaken by the Partnership or the disposition of the property and franchises of such Partnership.

3. Return. Notwithstanding any other provisions of the Partnership Agreement, by acceptance of a beneficial interest in the Partnership or by executing the document of basic organization, every partner of the Partnership shall be deemed to have agreed that he or she at no time shall receive from the Partnership, any return in excess of the face value of the investment attributable to his or her respective interest plus cumulative dividend payments at a rate which the Michigan State Housing Development Authority (the "Authority") determines to be reasonable and proper, computed from the initial date on which money was paid or property delivered in consideration for the interest; and that upon the dissolution of the Partnership, any surplus in excess of those amounts shall be paid to the Authority or to any other regulating governmental body as the Authority directs.

As used in the foregoing paragraph, the terms "surplus" and "return" are defined as follows:

(a) The term "surplus" as used herein shall not be deemed to include any increase in assets of the Partnership by reason of reduction of a mortgage, by amortization or similar payments, or realized from the sale or disposition of any assets of the Partnership to the extent such surplus can be attributed to any increase in market value of any real property or tangible personal property accruing during the period the assets were owned and held by the Partnership.

(b) Any payment to a person having a beneficial interest in the Partnership shall not be deemed a "return" to such person if the funds with which such payment is made are funds contributed to the Partnership by persons purchasing a beneficial interest in the Partnership.

4. Authority's Reliance on Continuing Effect of Provisions. Notwithstanding any other provisions of the Partnership Agreement, the partners of the Partnership agree that the Authority may rely upon the continuing effect of the Partnership Agreement in this form as approved by the Authority and, by the execution of the Partnership Agreement, such partners agree not to amend, alter or change the provisions the Partnership Agreement without the prior written consent of an Authorized Officer of the Authority.

Except as otherwise defined, all capitalized words and phrases used in this certificate of Limited Partnership (other than the full names and addresses of the Partners and governmental subdivisions and agencies) shall have the meanings set forth in the Partnership Agreement.

OLIVER GARDENS II LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP AGREEMENT OF LIMITED PARTNERSHIP

This is an Agreement of Limited Partnership dated as of August 21, 2025, (referred to herein as the "Partnership Agreement") among **OLIVER GARDENS GP, LLC**, a Michigan limited liability company, as General Partner ("General Partner"); and **LANSING HOUSING COMMISSION,** as the Initial Limited Partner (the "Initial Limited Partner").

ARTICLE I. STATEMENT OF AGREEMENT

Pursuant to the terms, covenants and conditions set forth in this Partnership Agreement and in consideration of the mutual promise made, the parties, intending to be legally bound, agree as follows:

ARTICLE II. FORMATION, NAME, PLACE OF BUSINESS PURPOSE AND TERM

A. Formation. By executing this Agreement the parties intend to enter into a limited partnership agreement pursuant to the provisions of the Michigan Revised Uniform Limited Partnership Act ("Act"). The rights and liabilities of the Partnership and the Partners shall be as provided in the Act except as provided in this Agreement.

B. Name, Place of Business. The name of the Partnership is OLIVER GARDENS II LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP. The place of business and principal office of the Partnership, unless changed by the General Partners, is 419 Cherry Street, Lansing, Michigan. Notification of any change in the Partnership's place of business and principal office shall be given to the Limited Partners.

C. Character and Purpose of Business. The Partnership has been organized exclusively to provide housing facilities for persons of low and moderate income, or for persons whose income does not exceed limits established in Act No. 346 of the Public Acts of 1966 of the State of Michigan, as amended (the "Act"), and Section 42 of the Internal Revenue Code of 1986, as amended, and for social, recreational, commercial, and communal facilities as may be necessary to serve and improve a residential area in which Authority-aided or federally-aided housing is located or is planned to be located, thereby enhancing the viability of the housing.

D. Term. The Partnership shall continue in full force and effect until December 31, 2077, or until Dissolution prior to that date pursuant to this Agreement.

ARTICLE III. PARTNERS AND CAPITAL

A. General Partner. The interest of the General Partner in the Partnership is in consideration of its Capital Contribution. The General Partner may acquire a limited partnership interest from the Partnership or from a Limited Partner and, in that event, shall have all the rights and obligations of a Limited Partner, including the right to vote, except to the extent provided by law.

B. Limited Partners. The General Partner is authorized to admit investment limited partners to the Partnership by offering and selling limited partnership interests via the syndication of low income housing tax credits.

1. Upon the admission of the Limited Partners to the Partnership, the Initial Limited Partner shall withdraw and it shall have no further interest in the Partnership except to the extent of its interest as a General Partner.

2. The General Partner, its Capital Contributions and its Percentage Interest are set forth in Article IV. The General Partner shall maintain a minimum of 5% financial and ownership interest in the Partnership, in accordance with RD Instruction 1944-E, such requirement currently being satisfied by the General Partner's financial and ownership interest as set forth in Article IV.

C. Partnership Capital.

1. No Partner shall be paid interest on any Capital Contribution.

2. No Partner shall have the right to withdraw, or receive any return of, its Capital Contribution, except as may be specifically provided in this Partnership Agreement.

3. Under circumstances requiring a return of any Capital Contribution, no Party shall have the right to receive property other than cash except as may be specifically provided in this Agreement.

D. Capital Accounts.

1. The term "Capital Account" as to any Partner means an account maintained on the Partnership's books in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv).

2. The term "Capital Contribution" means the total amount of money and the fair market value (determined net of liabilities secured by such contributed property that the Partnership is considered to assume or take subject to and determined consistently with Section 752(c) of the Internal Revenue Code of 1986 as amended (the "Code") and without regard to Section 7701(g) of the Code) of any property contributed to the Partnership by any Partner (or the predecessor holders of the Partnership Interest of any Partner).

3. The terms "Net Income" or "Net Loss" mean the income or loss of the Partnership for each Fiscal Year as determined for federal income tax purposes, including those items of income, gain, loss, or deduction required to be separately stated under Code Section 703(a)(1), but excluding income (and gain) or loss attributable to a Terminating Sale.

4. Notwithstanding any other provision in this Agreement, each Partner's Capital Account shall be maintained and adjusted in accordance with this Section and the Code and the Treasury Regulations thereunder, including Treasury Regulation Section 1.704-1(b)(2)(iv).

(a) The General Partner may increase or decrease the Capital Accounts of the Partners to reflect a revaluation of Partnership Property on the Partnership's books and records. No adjustment to Capital Accounts, however, shall be made unless the conditions of Treasury Regulation Section 1.704-1(b)(2)(iv)(f) are satisfied.

(b) A Partner's Capital Account shall be reduced by the fair market value (determined without regard to Section 7701(g) of the Code) of any property (net of liabilities secured by such contributed property that the Partner is considered to assume or take subject to and determined consistent with Section 752(c) of the Code) distributed by the Partnership to such Partner, whether in connection with a liquidation of the Partnership or of such Partner's interest or otherwise. Accordingly, Capital Accounts first shall be adjusted to reflect the manner in which the unrealized income, gain, loss and deduction inherent in such property (that has not been previously reflected in Capital Accounts) would be allocated, pursuant to this Agreement, among the Partners if there were a taxable disposition of such property for its fair market value (taking Section 7701(g) of the Code into account) on the date of distribution.

5. Liability of Partners. No Limited Partner shall be liable for the debts, liabilities, contracts or any other obligations of the Partnership. No Limited Partner with a negative balance in its Capital Account, shall have any obligation to the partnership or other Partners to restore a negative Capital Account. No General Partner shall have personal liability for the repayment of the Capital Contribution of any Limited Partner. For purposes of this section, it is the intent of the Partners that no distribution (or any part of any distribution) made to any Limited Partner pursuant to this Agreement shall be deemed a return or withdrawal of capital, even if the distribution represents (in full or in part) a distribution of depreciation or any other non-cash item accounted for as a loss or deduction from or offset to the Partnership's income, and that no Limited Partner shall be obligated to pay any such amount to or for the account of the Partnership or any creditor of the Partnership.

ARTICLE IV.
ALLOCATION OF PROFITS, LOSSES AND TAX CREDITS

A. Profit and Loss Allocations.

Except as otherwise provided herein, Profits and Losses for any fiscal year of the Partnership shall be allocated among the Partners in accordance with the following percentages:

GENERAL PARTNER	**CAPITAL CONTRIBUTION**	**PERCENTAGE**
Oliver Gardens GP, LLC	$0.99	1 %

INITIAL LIMITED PARTNER	**CAPITAL CONTRIBUTION**	**PERCENTAGE**
Lansing Housing Commission	$99.99	99 %
TOTAL	**$100.00**	**100 %**

B. Special Allocations. Notwithstanding anything to the contrary contained herein, the following special allocations shall in all events apply in determining the allocation of Profits and Losses among the Partners and shall be made prior to the allocations required herein.

1. Partnership Minimum Gain Chargeback. Notwithstanding any other provision of this Article, if there is a net decrease in Partnership Minimum Gain during any Partnership fiscal year, then each Partner shall be specially allocated items of Partnership income or gain for such fiscal year (and, if necessary, subsequent fiscal years) in an amount equal to the portion of such Partner's share of the net decrease in the Partnership Minimum Gain (determined in accordance with 1.704-2(g) of the Regulations). Any allocations made pursuant to this subparagraph shall be made in proportion to the respective amounts required to be allocated to each of the Partners pursuant thereto. The items of Partnership income or gain to be specially allocated under this subparagraph shall be determined in accordance with §1.704 2(f) of the Regulations. This subparagraph is intended to comply with the minimum gain chargeback requirements of 51.704-2(f) of the Regulations and shall be interpreted consistently therewith.

2. Partner Minimum Gain Chargeback. If there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any Partnership fiscal year, then each Partner who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse

Debt (as determined in accordance with 51.704-2(i)(5) of the Regulations) shall be specially allocated items of Partnership income and gain for such fiscal year (and if necessary, subsequent fiscal years) in an amount equal to the portion of such Partner's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt (as determined in accordance with 51.704-2(i)(4) of the Regulations). Any allocations made pursuant to this subparagraph shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items of Partnership income or gain to be specially allocated under this subparagraph shall be determined in accordance with 51.704-2(i)(4) of the Regulations and shall be interpreted consistently therewith.

3. Nonrecourse Deductions. Nonrecourse Deductions shall be specially allocated among the Partners in accordance with the same percentages set forth in 3.1 with respect to Profits and Losses.

4. Partner Nonrecourse Deductions. Partner Nonrecourse Deductions shall be specially allocated to the Partner who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with 51.704-2(i) of the Regulations.

5. 754 Adjustment. To the extent an adjustment to the adjusted tax basis of any Partnership Property undertaken pursuant to §734(b) or §743(b) of the Code is required to be taken into account in determining the Capital Accounts of the Partners under §1.704 l(b)(iv)(m) of the Regulations, then the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to the aforementioned section of the Regulations.

6. Curative Allocations. The special allocations set forth herein are intended to comply with the requirements of §51.704-l(b) of the Regulations. These special allocations may lead to results which are inconsistent with the Partners' intentions concerning their sharing in Partnership distributions. Accordingly, the General Partner is hereby authorized and directed to specially allocate other items of Partnership income, gain, loss and deduction among the Partners so as to prevent the special allocations required herein from distorting the Partners' understanding of the manner in which Partnership distributions are to be made to the Partners upon the dissolution and termination of the Partnership.

C. Timing of Allocation. Except as otherwise expressly provided herein, all allocations of Profits, Losses and Syndication Fees shall be made as of the last day of each fiscal year of the Partnership.

Notwithstanding anything to the contrary contained in this Article IV, income, gain, loss, deduction and credit with respect to any Partnership Property contributed to the capital of the Partnership by any Partner shall, solely for tax purposes, be allocated among the Partners so as to take into account any variation between the adjusted tax basis of such Partnership Property to the Partnership for federal income tax purposes and the value assigned to such Partnership Property for the purposes of the computation of the Partners' Capital Accounts. All allocations required under this paragraph are solely for purposes of federal, state and local income taxes and shall not affect or in any way be taken into account in computing any Partner's Capital Account or any Partner's share of Profits, Losses, Tax Credits or other items or distributions required or permitted to be made pursuant to any provision of this Partnership Agreement.

ARTICLE V.
RIGHTS, POWERS AND DUTIES OF GENERAL PARTNER

A. Management and Control of the Partnership.

1. Subject to the consent of the Limited Partner where otherwise required by this Agreement, the General Partner shall have the exclusive right to manage the business of the Partnership and is authorized to take any action of any kind and to do anything and everything they deem necessary to carry out the purposes of the Partnership set forth in Article II, paragraph C.

2. No Limited Partner (except one who may also be a General Partner, and then only in his capacity as General Partner within the scope of his authority under this Agreement) shall participate in or have any control over the Partnership business or shall have any authority or right to act for or bind the Partnership.

3. The Partnership shall be responsible for paying all direct costs and expenses of organizing, syndicating, holding, owning, constructing, and operating the Project, including without limitation, debt service, compensation of personnel employed by the General Partner, costs of maintenance and repair of buildings, grounds and facilities, insurance premium, taxes, legal expenses paid to third parties, and all other fees, costs and expenses directly attributable to the operation of the Project. If any costs and expenses are or have been paid by the General Partner on behalf of the Partnership, then, except as expressly provided to the contrary in this Agreement, the General Partner shall be entitled to be reimbursed at cost for such payment or expense as long as such payment is reasonably necessary for the business of the Partnership and is reasonable in amount.

4. The General Partner is authorized to establish Reserves for the Partnership.

B. Authority of the General Partner.

1. The General Partner, on behalf of the Partnership, is authorized to:

(a) Acquire by purchase, lease, exchange or otherwise any real or personal property (including the Project) that may be necessary, convenient or incidental to the accomplishment of the purposes of the Partnership; provided, however, that real property shall not be acquired at a cost to the Partnership (which cost shall include any fees in acquiring the Project) in excess of its market value as reasonably determined by the General Partner;

(b) Design, construct, operate, maintain, finance, improve, own, grant options with respect to, sell, convey, assign, mortgage, exchange or lease and cause to have e constructed any real estate and any personal property necessary, convenient or incidental to the accomplishment of the Purposes of the Partnership;

(c) Execute any and all agreements, contracts, documents, certifications and instruments necessary or convenient in connection with the management, maintenance and operation of the project;

(d) Borrow money and issue evidences of indebtedness (including from a Partner) necessary, convenient or incidental to the accomplishment of the purposes of the Partnership, and to secure the same by mortgage, pledge or other lien on the Project, or other assets of the Partnership to consent of the Limited Partners when required pursuant to this Agreement;

(e) Execute, in furtherance of any or all of the purposes of the Partnership, any deed, lease, mortgage, mortgage note, bill of sale, contract or other instrument conveying, exchanging or encumbering the real or personal property of the Partnership;

(f) Repay in whole or in part, refinance, recast, increase, modify or extend any mortgages or other indebtedness affecting the Project and in connection therewith to execute any extensions or renewals of such indebtedness on the Project, subject: to consent of the Limited Partners when required pursuant to Article;

(g) Deal with, or otherwise engage in business with, or provide services to and receive compensation therefor from, any Person who has provided or may in the future provide any services to, lend money to, sell property to, or purchase property from, any General Partner or any Affiliate of a General Partner; provided, however, that no such dealing, engaging in business or providing services may involve any direct or indirect payment by the Partnership of any rebate or any reciprocal arrangement that would have the effect of circumventing any restriction set forth in this Agreement upon dealings by the General Partner with Affiliates of the General Partner; and

(h) Engage in any kind of activity and perform and carry out contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of the purposes of the Partnership, as may be lawfully carried on or performed by partnership under the laws of the State of Michigan and any other jurisdiction where the Partnership carries on its business.

2. Any Person dealing with the Partnership or the General Partner may rely upon a certificate signed by the General Partner that:

(a) The identity of the General Partner or any Limited Partner;

(b) The existence or nonexistence of any fact or facts which constitute a condition precedent to acts by the General Partner or which are in any other manner germane to the affairs of the Partnership;

(c) The Persons who are authorized to execute and deliver any instrument or document of the Partnership; or

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

C. Authority of Partners to Deal with Partnership.

1. Without limitation upon the other powers set forth in this Agreement, and in addition to the General Partner's interest in the Partnership, the General Partner is expressly authorized to:

(a) Enter a fixed price construction contract to construct the Project;

(b) Cause the Partnership to enter into an agreement to provide certain management services in exchange for a percentage fee of the Partnerships gross income from the Project; or

(c) Enter into the agreements and engage in the transactions to syndicate the tax credits.

D. Restrictions on Authority of General Partner.

1. Without the written consent or ratification of the specific act by all Partners, the General Partner shall not have the authority to:

(a) Do any act in contravention of this Agreement;

(b) Do any act that would make it impossible to carry on the ordinary business of the Partnership;

(c) Confess a judgment against the Partnership that would have a material adverse effect on the Partnership;

(d) Possess Partnership property or assign its rights in specific Partnership property for other than a Partnership purpose;

(e) Admit a Person as a General Partner, except as provided in this Agreement;

(f) Admit a person as a Limited Partner except as provided in this Agreement;

(g) Continue the Partnership's business with Partnership property on the death, retirement, withdrawal, dissolution or insanity of any General Partner, except as provided in this Agreement;

(h) Sell or otherwise dispose of at one time all or substantially all the assets of the Partnership, except for a liquidating sale of all remaining Partnership assets after the sale of the Project; or

(i) Elect to dissolve the Partnership.

The General Partner may purchase property in its own name, and assume loans in connection therewith and temporarily hold title thereto for the purpose of facilitating the acquisition of such property or the borrowing of money or obtaining of financing for the Partnership, or completion of construction of the property, or any other purpose related to the business of the Partnership, provided that such property is purchased by the Partnership for a cash investment (including any accrued interest payments) no greater than the cash investment in such property by the General Partner and that no other payment directly or indirectly arising out of such transaction is received by the General Partner or Affiliated person thereof apart from compensation otherwise permitted by this Agreement.

E. Compensation of General Partner. The General Partner shall not in its capacity as General Partner receive any salary, fees, profits or distributions except profits, distributions, fees and allocations to which it may be entitled under this Agreement.

F. Other Business of Partners. Any Partner may engage independently or with others in other business ventures of every nature and description, including, without limitation, the rendering of advice or services of any kind to other investors and the making or management of other investments. Nothing in this Agreement shall be deemed to prohibit a General Partner or any Affiliate of a General Partner from dealing, or otherwise engaging in business, with persons transacting business with the Partnership or from providing services relating to the purchase, sale, management, development or operation of real property and receiving compensation therefor, not involving any rebate or reciprocal arrangement which would have the effect of circumventing any restriction set forth in this Agreement upon dealing with Affiliates of a General Partner. Neither a General Partner nor any Affiliate of a General Partner shall be obligated to present any particular investment opportunity to the Partnership even if such opportunity is of a character which, if presented to the Partnership, could be taken by the Partnership and each of them shall have the right to take for its own account or to recommend to others any such particular Investment opportunity.

G. Limitation on Liability of General Partner; Indemnification. No General Partner shall be liable, responsible or accountable in damages or otherwise to any of the Partners for any act or omission performed or omitted by it in good faith provided that the General Partner was not guilty of fraud, bad faith or gross negligence. The Partnership shall indemnify and save harmless the General Partner, its officers, directors, partners, agents, Affiliates, subsidiaries and assigns against any loss or damage, including costs and attorneys' fees (which fees may be paid as incurred) and any amounts expended in settlement of such claims or liability, loss or damage incurred by such person on behalf of the Partnership or in furtherance of the Partnership's interests arising out of any act or failure to act by such General Partner, if such act or failure to act (a) was in the best interests of the Partnership, (b) was in good faith, and (c) was not attributable to gross negligence, fraud or bad faith. The satisfaction of any indemnification and any saving harmless shall be from and limited to Partnership assets, and no Limited Partner shall have any personal liability on account thereof.

ARTICLE VI.
ADMISSION OF SUCCESSOR AND ADDITIONAL GENERAL PARTNERS

A. Withdrawal of and Admission of Successor or Additional General Partners.

1. If there is only one General Partner, it shall not have the right to retire or withdraw voluntarily from the Partnership without the prior written consent of the Limited Partners. If there is more than one General Partner, it shall have the right to retire or voluntarily withdraw from the Partnership with the prior written consent of all other General Partners, provided that the Partnership has received an opinion of counsel (which counsel may be counsel to the Partnership) to the effect that the withdrawal will not affect the classification of the Partnership as a partnership by the Internal Revenue Service under the Code, Treasury Regulations thereunder or administrative guidelines or interpretations related thereto.

2. Subject upon the withdrawal or retirement of a General Partner the business of the Partnership shall be continued by the remaining General Partners unless there shall be no remaining General Partner.

3. Upon the withdrawal or retirement of a General Partner and the continuance of the Partnership as provided for herein, its general partnership interest in the Partnership shall be transferred to, and paid for by, any remaining or successor General Partner on terms as shall be agreed to by such General Partner and the remaining or successor General Partner.

4. If a General Partner's withdrawal violates this Agreement, such General Partner shall be entitled to receive only the amount of cash previously contributed to the Capital of the Partnership by that General Partner upon liquidation of the Partnership.

5. The General Partner may, after receiving the written consent of a majority in interest of the Limited Partners, at any time designate additional General Partners with such interest in the General Partner's interest in the Partnership as the General Partner and the additional General Partners may agree upon. Each such designee shall become an additional General Partner upon compliance with this Partnership Agreement.

B. Insanity, Dissolution or Death of a General Partner.

1. Upon the bankruptcy, insanity, dissolution or death of a General Partner that General Partner shall immediately cease to be a General Partner and its interest in the Partnership as a General Partner shall terminate. General Partner shall be deemed converted to a special class of Limited Partner which shall be designated as a Class B Limited Partner. The Class B Limited

Partner shall be entitled to all rights granted other Limited Partners, but shall be entitled to receive distributions and allocations only as previously distributed or allocated to the Class B Limited Partner as a General Partner.

2. If, at the time of the bankruptcy, insanity, dissolution or death of a General Partner, that General Partner was not the sole General Partner, the remaining General Partner or Partners shall continue the business of the Partnership and shall (i) give Notification to the Limited Partners of the event, and (ii) make those amendments to this Agreement and execute and file for recordation the documents or instruments necessary to reflect the termination of the interest of the bankrupt, insane, dissolved or deceased General Partner in the Partnership.

C. Liability of a Withdrawn General Partner. Any General Partner who shall voluntarily or involuntarily for any reason (including bankruptcy, dissolution, insanity or death) withdraw from the Partnership or sell, transfer or assign its interest shall be and remain liable for actions and liabilities incurred by it as General Partner prior to the time such withdrawal, sale, transfer or assignment shall have become effective, but he shall be free of any obligation or liability incurred on account of the activities of the Partnership from and after the time such withdrawal, sale, transfer or assignment shall have become effective.

ARTICLE VII.
TRANSFERABILITY OF PARTNERS' INTERESTS

A. Restrictions on Transfer of Partnership Interests.

1. No sale or exchange of any Partnership Interest may be made if the Partnership Interest sought to be sold or exchanged, when added to the total of all other Partnership Interests sold or exchanged within the period of twelve (12) consecutive months prior thereto, would, in the opinion of counsel for the Partnership, result in the Partnership being considered to have been terminated within the meaning of Section 708 of the Code, or any successor Provision.

2. No transfer or assignment of any Partnership Interest may be made if counsel for the Partnership shall be of the opinion that the transfer or assignment would be in violation of the Securities Act of 1933, as amended, or of any state securities or "Blue Sky" laws (including any investment suitability standards) applicable to the Partnership.

B. Assignees and Substituted Limited Partners.

1. If a Limited Partner dies, his personal representative, executor, administrator or trustee, or, if he is adjudicated incompetent or insane, his guardian or conservator, or, if he becomes bankrupt, the receiver or trustee of his estate, shall have all the rights of a Limited Partner for the purpose of settling or managing his estate and such power as the decedent or incompetent possessed to assign all or any part of his Partnership Interest and to join with the assignee thereof in satisfying conditions precedent to such assignee becoming a Substituted Limited Partner. The death, dissolution, adjudication of incompetence or bankruptcy of a Limited Partner shall not dissolve the Partnership.

2. Except as provided below, the Partnership need not recognize for any purpose any assignment of all or any fraction of a Partnership Interest unless there shall have been filed with the Partnership a duly executed and acknowledged counterpart of the instrument making the assignment and the instrument evidences the written acceptance by the assignee of all of the terms and pro visions of this Agreement and represents that the assignment was made in accordance with all applicable laws and regulations. The Partnership shall recognize the assignment of all or any fraction of a Partnership Interest of a Limited Partner by the trustee of a Limited Partner or the Limited Partner's personal representative, executor, heir, devisee, or beneficiary. Any such transferee who accepts such assignment shall be deemed to have accepted all of the terms and

provisions of this Agreement.

3. Any Limited Partner who shall assign his entire Partnership Interest shall cease to be a Limited Partner of the Partnership, except that unless and until a Substituted Limited Partner is admitted in his stead, such assigning Limited Partner shall retain the statutory rights of an assignor of a limited partnership interest under the Act.

4. Any Person who is an assignee of all or any fraction of a Partnership Interest who has satisfied the requirements of this Partnership Agreement shall be recognized as a Substituted Limited Partner when such Person shall have satisfied the conditions of this Partnership Agreement and shall have paid all reasonable legal fees and filing costs in connection with his substitution as a Limited Partner; provided, however, that the substitution of any assignee of a Partnership Interest as a Substituted Limited Partner shall be subject to the consent of the General Partner, which consent may be granted or withheld in their sole discretion, for any reason or without reason, with or without cause. Notwithstanding the foregoing, the rights of an assignee of a Partnership Interest who does not become a Substituted Limited Partner by reason of nonconsent by the General Partner shall be limited to receipt of his share of distributions and allocations as determined herein, and the assignment to such an assignee shall be recognized on the date that the General Partner receives the instrument of assignment provided herein.

5. A Person who is the assignee of all or any fraction of a Partnership Interest, but does not become a Substituted Limited Partner and desires to make a further assignment of such Partnership Interest, shall be subject to all the provisions of this Article VII to the same extent and in the same manner as any Limited Partner desiring to make an assignment of his Partnership Interest.

6. Partnership Interests of Limited Partners are not assignable unless all of the General Partners consent to the assignment.

ARTICLE VIII.
DISSOLUTION AND LIQUIDATION OF THE PARTNERSHIP

A. Events Causing Dissolution. The Partnership shall terminate upon the happening of any of the following events:

1. The bankruptcy, death, dissolution or adjudication of incompetence of a sole General Partner, subject to this Partnership Agreement;

2. The satisfaction of payment of an amount due to the Partnership pursuant to the sale of the last remaining Partnership asset;

3. The election by the General Partner pursuant to this Partnership Agreement; or

4. The happening of any other event causing the dissolution of the Partnership under the laws of the State of Michigan and not otherwise addressed specifically in this Agreement.

Dissolution of the Partnership shall be effective on the day on which the event occurs giving rise to the dissolution, but the Partnership shall not terminate until the Partnership's certificate of limited partnership shall have been canceled and the assets of the Partnership shall have been distributed as provided herein. Notwithstanding the dissolution of the Partnership, prior to the termination of the Partnership, the business of the Partnership and the affairs of the Partners, as such, shall continue to be governed by this Agreement.

B. Liquidation. Upon a dissolution and final termination of the Partnership, the General Partner, or if there is no remaining General Partner, any other person or entity selected by the Limited

Partners (a "Liquidator"), shall take account of the Partnership assets and liabilities, and the assets shall be liquidated as promptly as is consistent with obtaining their fair market value, and the proceeds of the liquidation, to the extent sufficient, together with assets distributed in kind, shall be applied and distributed in accordance with this Partnership Agreement.

Distributions pursuant to this Partnership Agreement may be made in cash or kind as the General Partner in their sole discretion or the Liquidator in its sole discretion shall determine. The Partners' Capital Account balances shall be appropriately adjusted before any distributions pursuant to this Partnership Agreement (i) to reflect sales or other dispositions by the Partnership giving rise to Capital Account adjustments and (ii) to reflect the Capital Account adjustments that would have occurred had any Property to be distributed in kind to the Partners been sold for fair market value by the Partnership prior to distribution.

C. No Liability for Return of Capital. The General Partners shall not be personally liable for the return of all or any portion of the Capital Contributions of the Limited Partners. Any such return shall be made solely from Partnership assets. No Partner shall have any right to demand or receive property other than cash upon dissolution and termination of the Partnership.

ARTICLE IX.
BOOKS AND RECORDS, ACCOUNTING REPORTS, TAX ELECTIONS, ETC.

A. Books and Records.

1. The books and records of the Partnership shall be maintained at the principal office of the Partnership. The records required by the Act to be kept at the Partnership's principal office are subject to inspection and copying by any Partner or his duly authorized representative during ordinary business hours at the reasonable request and expense of such Partner. The Partnership may maintain such other books and records and may provide such financial or other statements as the General Partner in its sole discretion deems advisable.

2. The General Partner shall prepare or have prepared annual financial statements and reports to the Partners and shall prepare or have prepared all tax returns of the Partnership.

B. Fiscal Year. The fiscal year of the Partnership shall end on December 31 in each year.

C. Demand Accounts. The demand and other financial accounts of the Partnership shall be maintained in such institutions as the General Partner shall determine, and withdrawals shall be made only in the regular course of Partnership business on such signature or signatures as the General Partner may determine. All deposits and other funds not needed in the operation of the business may be invested as the General Partner deems appropriate.

D. Reports. Within ninety (90) days after the end of each fiscal year, the General Partner shall send to each Partner at any time during the fiscal year then ended such tax information as shall be necessary for the preparation by the Partners of their federal income tax return, and any other required state income tax or other tax returns.

E. Depreciation and Elections.

1. With respect to all depreciable assets of the Partnership, the Partnership may elect to use, so far as permitted by the provisions of the Code, accelerated depreciation methods; however, the Partnership may change to or elect some other method of depreciation so long as such other method is, in the opinion of the General Partners, most advantageous to a majority in interest of the Limited Partners.

2. In the case of the transfer of a Partner's interest in the Partnership pursuant to any

provisions hereof, the Partnership may, but is not required to, if requested by the transferee hereunder, file the election specified by Section 754 of the Code.

F. Partnership Representative

1. For the purposes of Subchapter C, Chapter 63 of the Code, Douglas E. Fleming shall serve as "Partnership Representative" of the Partnership and timely designate an individual that is an employee or officer of the Partnership Representative (or an Affiliate thereof) to act in the name and on behalf of the Partnership Representative (the "Designated Individual"), in each case in accordance with the Code and all applicable Treasury Regulations or other administrative guidance promulgated from time to time. The Partnership Representative shall provide the Investor Limited Partner with the identity of and contact information for, the Designated Individual for each tax year. The Partnership Representative and Designated Individual shall have and perform all of the duties required under the Code with respect to a "partnership representative" (as such term is defined in Section 6223(a) of the Code, as modified by the Bipartisan Budget Act of 2015 (the "Budget Act")), including the obligations under Section 5.03(c) and the following duties:

a. Furnish the name, address, profits interest, and taxpayer identification number of each Partner to the IRS; and

b. Within five (5) calendar days after the receipt of any correspondence or communication relating to the Partnership or a Partner from the IRS, the Partnership Representative and Designated Individual shall forward to each Partner a photocopy of all such correspondence or communication(s). The Partnership Representative or Designated Individual shall, within five (5) calendar days thereafter, advise each Partner in writing of the substance and form of any conversation or communication held with any representative of the IRS.

2. Neither the Partnership Representative, nor the Designated Individual shall without the consent of the Investor Limited Partner:

a. Extend the statute of limitations for assessing or computing any tax liability against the Partnership (or the amount or character of any Partnership tax items);

b. Settle any audit with the IRS concerning the adjustment or readjustment of any Partnership tax item(s);

c. File a request for an administrative adjustment with the IRS at any time or file a petition for judicial review with respect to any such request;

d. Initiate or settle any judicial review or action concerning the amount or character of any Partnership tax item(s);

e. Intervene in any action brought by any other Partner for judicial review of a final adjustment; or

f. Take any other action not expressly permitted by this §5.4(c) on behalf of the Partners or the Partnership in connection with any administrative or judicial tax proceeding or under Subchapter C of Chapter 63 of the Code (as then in effect).

3. In the event of any Partnership-level proceeding instituted by the IRS pursuant to Sections 6221 through 6223 of the Code, the Partnership Representative and Designated Individual shall consult with the Investor Limited Partner regarding the nature and content of all action and

defense to be taken by the Partnership in response to such proceeding. The Partnership Representative and Designated Individual shall also consult with the Investor Limited Partner regarding the nature and content of any proceeding pursuant to Sections 6221 through 6233 of the Code instituted by or on behalf of the Partnership (including the decision to institute proceedings, whether administrative or judicial, and whether in response to a previous IRS proceeding against the Partnership or otherwise).

4. The Partnership Representative and Designated Individual will consult with the Investor Limited Partner prior to engaging counsel to represent the Partnership in any action, proceeding or filing concerning any Partnership tax item, including, without limitation, all elections required or allowed under the Code or the Treasury Regulations.

5. Douglas E. Fleming, in his role as "partnership representative" of the Partnership, shall be bound by the obligations of and restrictions on the Partnership Representative and Designated Individual under this Agreement.

6. For any taxable year that Subchapter 63C of the Code, as amended by the Budget Act (as so amended, "New Subchapter 63C") applies to the audit of any tax return of the Partnership (an "Affected Tax Return"), and notwithstanding anything herein to the contrary:

a. Subject to the receipt of the Consent of the Investor Limited Partner, the partnership representative of the Partnership shall have the authority to duly and timely elect under Code Section 6226 to require each Person who was a Partner during the taxable year of the Partnership that was audited to personally bear any tax, interest and penalty resulting from adjustments based on such audit and shall notify each such Person (and the IRS) of its share of such audit adjustments; provided, however, that such election shall not require the Consent of the Investor Limited Partner if the General Partners have paid, or are deemed under this Agreement to have paid, in full any Credit Adjuster Advance relating to such audit adjustments.

b. If, after taking into account §5.4(c)(6)(A), for any reason the Partnership is liable for any tax, interest or penalty as a result of such audit, each Person who was a Partner during the taxable year of the Partnership that is the subject of such audit shall pay to the Partnership an amount equal to such Person's proportionate share of such liability, based on the amount each such Person should have borne (computed at the tax rate used to compute the Partnership's liability) had the Partnership's tax return for such taxable year reflected the audit adjustment, and the expense for the Partnership's payment of such tax, interest, addition to tax and penalty been specially allocated to such Persons (or their successors) in such proportions; *provided however*, that if and to the extent that the Partnership's liability results from a loss, disallowance or recapture of Credits for which a Credit Adjuster Advance is due to such Person and has not been paid, the amount otherwise payable by such Person to the Partnership under this §5.4(c)(6)(B) shall be reduced by the amount of the unpaid Credit Adjuster advance payable to such Person.

c. Unless prohibited by applicable Treasury Regulations, notices or other rules or guidance issued by the IRS, the partnership representative shall not, without the Consent of the Investor Limited Partner, take any action described in §5.4(c)(2) above with respect to the Affected Tax Return.

d. The Partners acknowledge and agree that the provision of this §5.4(c)(6) shall continue to apply even after a Person ceases to be a Partner for any reason.

7. The General Partners shall cooperate with the other Partners in good faith to amend this Agreement if the Investor Limited Partner determines that an amendment to this Agreement is required after promulgation of Treasury Regulations or other guidance or rules issued by the IRS implementing New Subchapter 63C in order to maintain the intent of the Partners with respect to the obligations and limitations of the Person who is acting as the "partnership representative" of the Partnership and the responsibility for the federal income tax obligations of the Partnership.

8. The Partnership Representative and the Designated Individual shall not elect to have the provisions of New Subchapter 63C apply to the Partnership for any Partnership taxable year beginning on or before January 1, 2018.

9. <u>Expenses of Partnership Representative</u>. The Partnership shall indemnify and reimburse the Partnership Representative and Designated Individual for all expenses, including reasonable legal and accounting fees, claims, liabilities, losses and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Partners unless caused by the negligence, gross negligence or willful misconduct of the Partnership Representative or the Designated Individual. The payment of all such expenses shall be made before any distributions are made from Net Cash Flow or any discretionary reserves are set aside by the General Partner. The General Partner shall have the obligation to provide funds for such purpose to the extent that the Partnership funds are not otherwise available therefor.

ARTICLE X.
<u>MISCELLANEOUS PROVISIONS</u>

A. <u>Appointment of General Partner as Attorney-in-Fact</u>

1. Each Limited Partner including each substituted Limited Partner, by the execution of this Partnership Agreement, constitutes and appoints the General Partner its true and lawful attorney-in-fact with full power and authority in his name and place to execute, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to carry out the provisions of this Agreement, including but not limited to:

(a) All certificates and other instruments (including counterparts of this Partnership Agreement), and any amendment thereof, that the General Partner deems appropriate to form, qualify or continue the Partnership as a Limited Partnership in the State of Michigan or other jurisdiction in which the General Partner deems such filing appropriate; development undertaken by the Partnership and the disposition of the property and franchises of the Partnership.

B. <u>Michigan State Housing Development Authority Provisions</u>

1. <u>Supervision of Authority</u>. Notwithstanding any other provisions of this Agreement, the operations of the Partnership may be supervised by the Authority or by any other governmental body as the Authority directs, and the Partnership shall enter into agreements with the Authority or with the governmental body as the Authority from time to time requires. The Agreements shall provide for regulation by the Authority or the governmental body of the planning, development and management of the housing development undertaken by the Partnership and the disposition of the property and franchises of the Partnership.

2. <u>Right to Appoint Managing Agent</u>. Notwithstanding any other provisions of this Agreement, the Authority shall have the power to appoint a managing agent of the Partnership and its partners, who may be an officer, employee, or agent of the Authority, and such managing agent shall have complete power to act as agent and attorney in fact for the Partnership and its partners, in connection with any assets or liability of the Partnership, to fulfill any obligations the Partnership

may have to the Authority if:

(a) The Partnership has received a loan or advance as provided in the Act and the Authority determines that the loan or advance is in jeopardy of not being repaid;

(b) The Partnership has received a loan or advance as provided for in the Act and the Authority determines that the proposed housing development for which the loan or advance was made is in jeopardy of not being constructed;

(c) The Authority determines that some part of the net income or net earnings of the Partnership, in excess of that permitted by other provisions of the Act, shall inure to the benefit of any private individual, firm, corporation, partnership, trust or association;

(d) The Authority determines that the Partnership is in violation of the rules promulgated under Section 22 of the Act; or

(e) The Authority determines that the Partnership is in violation of any agreements entered into with the Authority providing for regulation by the Authority of the planning, development and management of any housing development undertaken by the Partnership or the disposition of the property and franchises of such Partnership.

3. Return. Notwithstanding any other provisions of this Agreement, by acceptance of a beneficial interest in the Partnership or by executing the document of basic organization, every partner of the Partnership shall be deemed to have agreed that he or she at no time shall receive from the Partnership, any return in excess of the face value of the investment attributable to his or her respective interest plus cumulative dividend payments at a rate which the Michigan State Housing Development Authority (the "Authority") determines to be reasonable and proper, computed from the initial date on which money was paid or property delivered in consideration for the interest; and that upon the dissolution of the Partnership, any surplus in excess of those amounts shall be paid to the Authority or to any other regulating governmental body as the Authority directs.

As used in the foregoing paragraph, the terms "surplus" and "return" are defined as follows:

(a) The term "surplus" as used herein shall not be deemed to include any increase in assets of the Partnership by reason of reduction of a mortgage, by amortization or similar payments, or realized from the sale or disposition of any assets of the Partnership to the extent such surplus can be attributed to any increase in market value of any real property or tangible personal property accruing during the period the assets were owned and held by the Partnership.

(b) Any payment to a person having a beneficial interest in the Partnership shall not be deemed a "return" to such person if the funds with which such payment is made are funds contributed to the Partnership by persons purchasing a beneficial interest in the Partnership.

4. Authority's Reliance on Continuing Effect of Provisions. Notwithstanding any other provisions of this Agreement, the partners of the Partnership agree that the Authority may rely upon the continuing effect of this Agreement in this form as approved by the Authority and, by the execution of this Agreement, such partners agree not to amend, alter or change the provisions of this Agreement without the prior written consent of an Authorized Officer of the Authority.

C. Amendments.

1. Each Limited Partner, Substituted Limited Partner, additional General Partner and successor General Partner shall become a signatory of this Agreement by signing such number of

counterpart signature pages to this Agreement or such other instrument or instruments, and in a manner and at a time, the General Partner shall determine. By so signing, each Limited Partner, Substituted Limited Partner, additional General Partner or successor General Partner, as the case may be, shall be deemed to have adopted, and to have agreed to be bound by all the provisions of, this Agreement, as amended from time to time in accordance with the provisions of this Agreement; provided, however, that no such counterpart shall be binding until it shall have been accepted by the General Partner pursuant to the provisions of this Partnership Agreement.

2. In addition to the amendments otherwise authorized in this Agreement, amendments may be made to this Agreement from time to time by the General Partner provided, however, that without the permission of the Partners to be adversely affected by the amendment, this Agreement may not be amended so as to (i) convert a Limited Partner's interest in the Partnership into a General Partner's interest in the Partnership; (ii) modify the limited liability of a Limited Partner; or (iii) alter the interest of a Partner in distributions and allocations provided in Article IV and Article VIII.

3. In addition to any amendments otherwise authorized in this Agreement, amendments may be made to this Agreement from time to time by the General Partners without the consent of the Limited Partners, (i) to add to the representations, duties or obligations of the General Partners or surrender any right or power granted to the General Partners in this Agreement, for the benefit of the Limited Partners; and (ii) to cure any ambiguity, to correct or supplement any provision in this Agreement which may be inconsistent with any other provision in this Agreement, or to make any other provisions with respect to matters or questions arising under this Agreement which will not be inconsistent with the provisions of this Agreement;

4. If this Agreement shall be amended as a result of adding or substituting a Limited Partner, the amendment to this Agreement shall be signed by the General Partners and by the Person to be substituted or added, and, if a Limited Partner is to be substituted, by the assigning Limited Partner. If this Agreement shall be amended to reflect the designation of an additional General Partner, the amendment shall be signed by the other General Partner or General Partners and by the additional General Partner. If this Agreement shall be amended to reflect the withdrawal of a General Partner when the business of the Partnership is being continued, the amendment shall be signed by the withdrawing General Partner (and such General Partner so agrees) and by the remaining or successor General Partner or Partners.

5. In making any amendments, there shall be prepared and filed by the General Partner for recording the documents and certificates as shall be required to be prepared and filed under the Act.

D. <u>Parties in Interest</u>. The covenants and agreements contained in this Agreement shall be binding upon, and inure to the benefit of, the heirs, executors, administrators, personal representatives, successors and assigns of the respective parties to this Agreement. Nothing in this Agreement, expressed or implied, is intended to confer on any person any rights or remedies under or by this Agreement.

E. <u>Governing Law</u>. The validity of this Agreement, the terms of this Agreement, and all duties, obligations and rights existing from this Agreement, shall be governed by and interpreted in accordance with the local laws of the State of Michigan.

Any action to enforce, arising out of, or relating in any way to, any of the provisions of this Agreement shall be brought and prosecuted in the courts of and for the State of Michigan as is provided by law; the parties consent to the jurisdiction of those courts of and for the State of Michigan and to the service of process by registered mail, return receipt requested or by any other manner provided by law.

F. <u>Severability of Provisions</u>. Each provision of this Agreement shall be considered separable and if for any reason any provision or provisions hereof are determined to be invalid and contrary to any existing or future law, that invalidity shall not impair the operation of or affect those portions of this Agreement which are valid.

G. Captions. The captions contained in this Agreement (including exhibits and schedules) are for convenience only, form no part of this Agreement and shall not in any manner amplify, limit, modify or otherwise affect the interpretation of this Agreement.

H. Gender and Number. As used in this Agreement (including exhibits and schedules, the masculine, feminine or neuter gender and the singular or plural number shall be deemed to include the others whenever the context so indicates or requires.

Signature page to follow.

The Partners have executed this Partnership Agreement as of the date set forth at the beginning hereof.

WITNESSES:

GENERAL PARTNER:

Oliver Gardens GP, LLC, a Michigan limited liability company

By: Lansing Housing Commission, a Michigan public housing agency, Sole Member

By: Douglas E. Fleming

Douglas E. Fleming, Executive Director

INITIAL LIMITED PARTNER:

LANSING HOUSING COMMISSION, a Michigan public housing agency

By: Douglas E. Fleming

Douglas E. Fleming, Executive Director