

CERTIFICATE OF LIMITED PARTNERSHIP

OF

ROBERTSON SQUARE, LTD.

203367

The undersigned being desirous of forming a Limited Partnership (the "Partnership") under The Uniform Limited Partnership Act of the State of Kentucky (the "Act") hereby execute the following certificate in compliance with said Act (KRS 362.420):

1. The name of the Partnership is ROBERTSON SQUARE, LTD.
2. The character of the business of the Partnership is:
 - (a) To acquire and own certain real estate and to construct and operate on such real estate a rental apartment complex to be known as the Robertson Square Apartments, located in Mount Olivet, Robertson County, Kentucky (the "Project"); and
 - (b) To conduct such other business as shall be incidental to the above.

The Partnership may engage in such other business as the general partner and a majority in interest of the limited partners may from time to time determine; provided that the Partnership shall not engage in any business prohibited by the Act or by The Uniform Partnership Act of Kentucky.

3. The location of the principal place of business of the Partnership shall be Mount Olivet, Robertson County, Kentucky, and the principal office of the Partnership shall be 2230 Idle Hour Building, Richmond Road, Lexington, Kentucky 40502.

4. The name and residence of the general partner of the Partnership is R. A. Williams, 989 Turkeyfoot Rd., Lexington, Kentucky 40502.

5. The name and residence of each limited partner of the Partnership and their respective initial cash contributions and agreed to additional contributions are as follows:

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SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY

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James H. Hille
SECRETARY OF STATE

Limited Partner

Initial Contribution

Gayle Williams
989 Turkeyfoot Rd.
Lexington, Kentucky 40502.

\$10.00

and such others who from time to time become limited partners by executing the Limited Partnership Agreement and an Amendment to this Certificate.

6. The term of the Partnership shall commence on the date hereof and shall continue for a period of fifty (50) years from such date of commencement unless sooner terminated as provided in the Limited Partnership Agreement.

7. A limited partner may only demand the return of his capital contribution to the Partnership at the end of the term of the Partnership as provided in the Limited Partnership Agreement; provided, however, that a limited partner shall not be paid any part of his capital contribution until all liabilities of the Partnership, except liabilities to the general partner and to the limited partners on account of their capital contributions, have been paid. The general partners will be required to maintain a minimum of five percent (5%) financial interest in the organization.

8. For purposes of this Certificate, the term "Profits" and "Losses" shall mean net income or net loss as determined under generally accepted accounting principles applied on a consistent basis and taking into account all ordinary and extraordinary items. Allocations of Profits and Losses shall be made as of the close of each fiscal year as follows:

- (a) Allocation of Losses: Ninety-Five Percent (95%) of all Losses sustained by the Partnership shall be allocated to, and charged against the limited partners in accordance with their Relative Limited Partners' Percentages (as defined in the Limited Partnership Agreement). Five Percent (5%) of all Losses sustained by the Partnership shall be allocated, and charged against, the general partners in equal shares.

- (b) Allocation of Profits: Ninety-Five Percent (95%) of all Profits shall be allocated and credited to the limited partners in accordance with their Relative Limited Partners' Percentages and Five Percent (5%) of all Profits shall be allocated and credited to the general partners in equal shares.

After the determination of reasonable and adequate reserves for cash, all remaining cash shall be allocated and distributed at the end of each fiscal year on the same basis as Profits and Losses are allocated above.

Upon any sale or refinancing of all or any part of the Project, the proceeds derived from any such sale or refinancing will, to the extent available, be applied in the following order:

- (a) To payment of debts and liabilities of the Partnership, including expenses of the sale or refinancing;
- (b) In the case of a sale, to the establishment of reasonable reserves necessary to meet contingent liabilities;
- (c) To the payment of debts and liabilities of the Partnership to the partners;
- (d) To the payment of the limited partners of an amount equal to One Hundred Percent (100%) of their capital contributions of the Partnership in accordance with their Relative Limited Partners' Percentages, taking into account all previous distributions to the limited partners;
- (e) The balance, if any, would be distributed as follows: Fifty Percent (50%) to the general partner in equal shares and Fifty Percent (50%) to the limited partners as a group in accordance with their Relative Limited Partners' Percentages.

9. No limited partner shall, directly or indirectly, sell, assign, pledge, transfer, or in any other manner whatsoever dispose of all or any part of his or its interest in the Partnership without obtaining the prior written consent of the general partners after having first furnished to the general partner the identity of the proposed transferee, the terms of the proposed transaction and such other information as the general partners may reasonably request. A limited partner who assigns all or any part of his interest in the Partners in accordance with the

above shall have the right to designate his assignee a substituted limited partner.

10. Additional limited partners may from time to time be admitted to the Partnership by the general partner upon the consent of a majority in interest of the existing limited partners. However, general partners agree that new partners can be brought into the partnership only with consent of government as outlined in the loan resolution, and such consent will not be unreasonably withheld.

11. There is no right of one or more of the limited partners to priority over the other limited partners as to contributions or as to compensation by way of income.

12. Upon the death, retirement or insanity (and certain other events set forth in the Limited Partnership Agreement) of a general partner, the Partnership shall be dissolved; provided, however, a majority in interest of the limited partners shall have the right and power to admit a new general partner and to continue the business of the partnership in a reconstituted Partnership with all the old limited partners and the new general partner.

13. The limited partners are not restricted to a receipt of cash in return for their contributions, although they are granted in specific terms the right to demand and receive property other than cash.

14. The general partner on behalf of the Partnership is hereby authorized and empowered to execute a note and mortgage in order to secure a loan to be insured by the United States Department of Agriculture, Farmers Home Administration (FmHA) and to execute a regulatory agreement and such other documents required by FmHA in connection with such loan. Any incoming general partner shall, as a condition of receiving an interest in the Partnership property agree to be bound by the note, mortgage and regulatory agreement and other documents required in connection with such insured loan to the same extent and on the

