

(iv) The assignee executes and delivers such instruments, in form and substance satisfactory to the General Partner, as the General Partner may deem necessary or desirable to effect such substitution and to confirm the agreement of the assignee to be bound by all of the terms and provisions of this Agreement.

(c) Upon the admission of any Substitute Limited Partner, an amendment to this Agreement, reflecting such admission, shall be executed by the Partners. Such amendment shall reflect the name, address and Capital Contribution of such Substitute Limited Partner, and anything else required by the Act, and shall set forth the agreement of such Substitute Limited Partner to be bound by all the provisions of this Agreement. The General Partner shall file such amended Certificate as the Act requires.

(d) The Partnership and the General Partner shall be entitled to treat each Person set forth on Exhibit A as the absolute owner of its Interest in all respects, and shall incur no liability for distributions of cash or other property made in good faith to such owner until such time as a written assignment of such Interest has been received and accepted by the General Partner and recorded on the books of the Partnership. The General Partner may refuse to accept an assignment until the end of the next successive quarterly accounting period.

ARTICLE XI

Management Agent

11.01 General Partner to Engage Management Agent

The General Partner shall have responsibility for engaging a management agent (which may be an Affiliate of the General Partner) acceptable to the Limited Partner, the Mortgagees and any other governmental authority having jurisdiction over the Project. The Management Agent shall manage and operate the Partnership Property in accordance with the requirements of the Mortgagees, any other lenders and any other governmental authority having jurisdiction with respect thereto. The Property Management Agreement attached as Exhibit F shall provide that if the General Partner is removed pursuant to Section 9.02 and the Management Agent is an Affiliate of such removed General Partner, the Property Management Agreement will terminate. Any removal of the Management Agent in accordance with Article IX hereof or hiring of a new Management Agent shall be made only upon obtaining the consents or approvals, if any, required by the Loan Documents or Project Documents. If the General Partner shall at any time select a management agent other than the Management Agent, such successor to the Management Agent may (subject to any required consent or approval of the Limited Partner or the Mortgagees) be an Affiliate of the General Partner, but shall not be the General Partner. The Management Agent shall be entitled to receive such management fees as are included in the Budget and that are acceptable to the Mortgagees. Any successor management agent shall be entitled to receive such management fees as may be agreed upon between the General Partner and such agent consistent with the Budget, and which shall be acceptable to the Mortgagees if their consent is required.

ARTICLE XII

Dissolution of Partnership

12.01 Dissolution

The Partnership shall be dissolved, and the business of the Partnership shall be terminated in accordance with the Act, upon the occurrence of any of the following events:

(a) The dissolution, liquidation, withdrawal, retirement, removal, death, insanity, disability and/or Event of Bankruptcy of a General Partner, under such circumstances where no other remaining General Partner desires to continue the Partnership; *provided, however*, that the Partnership shall not be dissolved as aforesaid if the Limited Partner shall, within the maximum number of days permitted by the Act, elect to continue the Partnership and the Partnership business, and shall designate a successor General Partner, which upon its admission to the Partnership shall immediately obtain all of the General Partner's rights to receive Net Cash Flow, Sale and Refinancing Proceeds, and the unpaid portion of any fees pursuant to this Agreement, to the extent not already earned by the General Partner, for a purchase price of one hundred dollars (\$100);

(b) An election to dissolve the Partnership made in writing by all of the Partners in accordance with the Act;

(c) The sale or other disposition of all or substantially all of the Partnership Property;

(d) The expiration of the Term; or

(e) The occurrence of any other event causing the dissolution of a limited partnership under the laws of the State of Oregon.

12.02 Distribution of Partnership Assets

Upon the dissolution of the Partnership, the Partnership business shall be wound up and its assets liquidated; and the net proceeds of such liquidation shall be distributed in the following order of priority (but in all events in accordance with the Act):

(a) To the payment of the debts and liabilities of the Partnership (including any amounts that may be owed to any Partner) and the expenses of liquidation;

(b) To establishing any reserves that the General Partner or liquidator, in accordance with sound business judgment, deems reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership, which reserves may be paid over to an escrow agent to be held by such agent for the purpose of (A) distributing such reserves in payment of the aforementioned contingencies, and (B) upon the expiration of such period as the General Partner or such liquidator may deem advisable, distributing the balance thereof in the manner provided in this Section 12.02; and

(c) To the Partners in accordance with the then remaining balances in their respective Capital Accounts after all allocation of gain and all capital account adjustments have been made pursuant to Article VII.

Notwithstanding any other provision of this Agreement, upon liquidation of a Partner's entire Interest in the Partnership, whether in liquidation of the Partnership or otherwise, such Partner shall receive a distribution in accordance with the positive balance in its Capital Account no later than the end of the taxable year of such liquidation or, if later, within ninety (90) days of such liquidation.

12.03 Termination of the Partnership

The Partnership shall terminate when all Partnership Property shall have been disposed of (except for any liquid assets not so disposed of), and the net proceeds therefrom, as well as any other liquid assets of the Partnership, have been distributed to the Partners as provided in this Article XII and in accordance with the Act.

ARTICLE XIII

Accounting and Reports

13.01 Bank Accounts

The General Partner shall deposit the funds of the Partnership in the name of the Partnership in such separate bank account or accounts, and with such bank or banks whose deposits are insured by an agency of the federal government, as shall be determined by, and in the sole discretion of, the General Partner. The General Partner shall arrange for the appropriate conduct and operation of such account or accounts; provided, however, that the General Partner shall not utilize electronic banking for any Partnership accounts.

13.02 Books of Account

There shall be kept at the principal office of the Partnership true, correct, and complete books of account, maintained in accordance with generally accepted accounting principles, consistently applied, in which shall be entered fully and accurately each and every transaction of the Partnership. For federal income tax and financial reporting purposes, the Partnership shall use the accrual method of accounting. Each Partner shall have access thereto to inspect and copy such books of account at all reasonable times. Any Partner shall further have the right to a private audit of the books and records of the Partnership, provided that such audit is made at the expense of the Partner desiring the same and is made at reasonable times during normal business hours after due Notice. The Partnership shall retain all books and records for the longest of the period required by applicable laws and regulations, Section 42 of the Code, the Project Documents and Loan Documents.

13.03 Reports

(a) The General Partner shall cause to be prepared and delivered to the Limited Partner and, when required, shall cause the Partnership to file with relevant governmental agencies, each of the following:

(i) *Quarterly Financial Reports of the Partnership.* As soon as available and in any event not later than thirty (30) days after the end of the second and third quarters of each year to be completed using the Limited Partner's standard template and transmitted electronically to the Limited Partner via the designated reporting website (except that bank statements and rent rolls can be submitted electronically or as hard copy):

(A) unaudited financial statements of the Partnership, certified by the General Partner as presenting fairly the financial condition of the Partnership at the date of such statements including 1) the balance sheet as of the end of such quarter, 2) the year-to-date statement of operations, 3) year to date statement of changes in Partners' capital accounts, and 4) disclosure of any compensation paid to or for the benefit of the General Partner or its Affiliates. Such unaudited financial statements shall be prepared in accordance with generally accepted accounting principles applied on a consistent basis; and

(B) copies of 1) the rent rolls for the Project indicating the rent, family size, family income and area median income for each tenant, 2) bank statements, 3) reserve activity, 4) status report and narrative description of material developments and 5) vacancy report.

(ii) *Annual Audited Financial Statements of the Partnership.* As soon as available and in any event not later than sixty (60) days after the end of each year to be completed using the Limited Partner's standard template and transmitted electronically to the Limited Partner via the designated reporting website (except that bank statements and rent rolls can be submitted electronically or as hard copy):

(A) the audited financial statements of the Partnership, as of the end of such year, including the balance sheet, and the related statement of operations, statement of changes in Partners' capital accounts and statement of cash flows and disclosure of any compensation paid to or for the benefit of the General Partner or its Affiliates with the report of the Accountants thereon to the effect that such statements present fairly the financial position at the end of such year and the results of its operations and changes in financial position for the year then ended in conformity with generally accepted accounting principles applied on a consistent basis. The General Partner shall provide the Limited Partner at least 30 days to review and approve such financial statements; and

(B) Copies of (1) the rent rolls for the Project indicating the rent, family size, family income and area median income for each tenant, (2) the bank statements, (3) status report and narrative description of material developments and (4) vacancy report.

(iii) *Annual Audited Financial Statements of the General Partner.* As soon as available and in any event not later than one hundred eighty (180) days after the end of the General Partner's fiscal year, the audited financial statements of the General Partner as of the end of each such year, including the balance sheets, related statement of operations, statement of changes in Partners' capital accounts and statements of cash flows, with the report of certified public accountant thereon to the effect that such statements present fairly the financial position at the end of such year and the result of its operations and changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

(iv) *Annual Partnership Return.* As soon as available and in any event not later than sixty (60) days after the end of each year, all information necessary for the preparation of the Limited Partner's federal income tax return for each year in respect of income, gains, losses, deductions, or credits and the allocation thereof to each Partner, including a Form K-1 (or other comparable form subsequently required by the IRS) and a copy of the federal "Partnership Return" and any state or local Partnership tax return required to be filed by the Partnership. The General Partner shall not file such Partnership return without providing the Limited Partner at least 30 days to review and approve such return.

(v) *Periodic Reports Requiring Limited Partner Approval.* Any and all periodic reports required to be provided to the Limited Partner by any federal, state, or local government agency having jurisdiction over the Project, the Partnership Property, or the Partnership.

(vi) *Notice of Defaults, IRS Proceedings, Significant Developments.* Immediately upon receipt thereof (A) notice of any default under any Loan or financial obligation of the Partnership, (B) notice of any IRS proceeding involving the Partnership, or (C) any payment or draw made under any operating deficit guaranty, construction completion guaranty, performance bond or letter of credit, and any other significant developments affecting the Partnership, its business or assets.

(vii) *Construction and Lease-up Progress.* As soon as available, and in no event later than fifteen (15) days after the end of each month, a monthly report on the progress of construction and lease-up in the form attached as Exhibit K to this Agreement.

(viii) *Deficits; Draws on Bonds, Guaranties, or Reserves.* Within five (5) business days of the exercise thereof, notice of any draw, call or demand for payment of any Operating Deficit, contractor performance bonds or construction completion guarantee, and any draw on the Operating Reserve.

(ix) *Nonrecourse Liabilities.* As soon as possible, notice of any contemplated repayment or guarantee of any nonrecourse obligation of the Partnership or any other conversion of such nonrecourse obligation to a recourse obligation.

(x) *Filings.* Within ten (10) days of filing or receipt, copies of all annual reports or other filings (including the Extended Use Agreement) submitted to the Authority and copies of all IRS Form 8823 or correspondence with the Authority with respect to the Partnership or the Project.

(xi) *Information Requested by the Limited Partner.* Such other information regarding the state of the business, financial condition and affairs of the Partnership, as the Limited Partner, from time to time, may reasonably request, including, but not limited to, a certification by the General Partner that (A) all Loan payments and taxes and insurance payments with respect to the Project are current as of the date of the year-end report, (B) there is no default under any material provision of the Loan or Project Documents or this Agreement, or if there is any default, a description thereof, and (C) there is no building, health or fire code violation or, to the best of its knowledge, similar violation of a governmental law, ordinance or regulation against the Project or, if there is such violation, a description thereof.

(b) The General Partner shall promptly respond to all reasonable requests for information made by the Limited Partner.

(c) The General Partner shall deliver to the Limited Partner from time to time, and within ten (10) days after request therefore, all such further statements and information as the Limited Partner may request in order to enable the Limited Partner to determine or verify the amounts of all payments that the General Partner shall be required to make to the Partners and the amounts of credits, and all such statements and information needed by the Limited Partner in connection with reports and forms required to be filed by the Limited Partner pursuant to federal or state securities law.

13.04 Tax Matters Partner

(a) The Tax Matters Partner shall have and perform all of the duties required under the Code, including the following duties:

(i) Furnish the name, address, profits interest, and taxpayer identification number of each Partner to the IRS; and

(ii) Within five (5) calendar days after the receipt of any correspondence or communication relating to the Partnership or a Partner from the IRS, the Tax Matters Partner shall forward to each Partner a photocopy of all such correspondence or communication(s). The Tax Matters Partner 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.

(b) The Tax Matters Partner shall not without the Consent of the Limited Partner:

(i) 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);

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

(iii) 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;

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

(v) Intervene in any action brought by any other Partner for judicial review of a final adjustment; or

(vi) Take any other action not expressly permitted by this Section 13.04 on behalf of the Partners or the Partnership in connection with any administrative or judicial tax proceeding.

(c) In the event of any Partnership-level proceeding instituted by the IRS pursuant to Sections 6221 through 6233 of the Code, the Tax Matters Partner shall consult with the Limited Partner regarding the nature and content of all action and defense to be taken by the Partnership in response to such proceeding. The Tax Matters Partner also shall consult with the 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).

ARTICLE XIV

Buyout Option and Right of First Refusal

14.01 Buyout Option

At all times after the Compliance Period, and only if at such time or times the General Partner represents and warrants that (a) all of the buildings comprising the Project have been maintained in a decent, safe and sanitary condition and in a rentable state of repair, all in accordance with the Project rules and regulations and local codes, (b) the Units comprising the Project are operated as low-income housing in accordance with the provisions of Section 42 of the Code, and (c) the General Partner is not in default under any of the Project Documents, the Loan Documents or this Agreement, and no Event of Bankruptcy has occurred or is impending with respect to the General Partner or any of its Affiliates, the General Partner shall have the option (the "**Buyout Option**"), to purchase the Limited Partner's entire Interest in the Partnership for the "**Buyout Price**." The Buyout Option shall be exercisable upon at least thirty (30) days and not more than ninety (90) days prior written Notice to the Limited Partner. The Buyout Price shall equal the greater of (i) the Fair Market Value of the Limited Partner's Interest, subject to continued use of the Project for low-income housing for at least fifteen (15) years after the end of the Compliance Period, and at least through the end of the Extended Use Period, as of the date of

the closing of the Buyout, or (ii) all federal, state and local taxes attributable to such sale, including those incurred or to be incurred by the partners of the Limited Partner.

The General Partner's Notice to the Limited Partner (the "*Buyout Notice*") shall include (i) an appraisal of all of the assets of the Partnership (the "*Appraised Value*") by an appraiser selected by the General Partner, and (ii) a calculation by the Accountants of (A) the value of the Limited Partner's Interest based on such Appraised Value and (B) the Buyout Price, all calculated as of the closing date proposed by the General Partner in its Buyout Notice. The Limited Partner shall have thirty (30) days after receipt of the Buyout Notice in which either to accept the Buyout Price set forth in the Buyout Notice or to notify the General Partner of its desire to appoint a second appraiser to evaluate the Buyout Price. In the event that the Limited Partner fails to notify the General Partner within the aforesaid thirty (30) day period that it desires to appoint a second appraiser, it shall be deemed to have accepted the Buyout Price, in which event the Buyout Price shall be the price calculated by the Accountants and set forth in the Buyout Notice, and the General Partner shall purchase the Interest of the Limited Partner on the date specified in the Buyout Notice. In the event that the Limited Partner notifies the General Partner of its desire to appoint a second appraiser, the Limited Partner shall appoint such appraiser within thirty (30) days after it notifies the General Partner of its election, and the two appraisers shall together appoint a third appraiser within fifteen (15) days after the appointment of the second appraiser. The three appraisers so appointed shall each determine the Appraised Value of the assets of the Partnership within thirty (30) days after the appointment of the third appraiser, and the Appraised Value of such assets for the purpose of determining the Buyout Price shall be the average of the three appraisers' determinations; provided that if one or more of the appraisers' determinations is more than ten percent (10%) higher or lower than the average of the three determinations, such appraiser's determination shall be disregarded in determining the Appraised Value of the assets, and provided, further, that if none of the appraisers' determinations is equal to or less than ten percent (10%) higher or lower than the average of the three determinations, the Appraised Value shall be the middle of the three determinations.

The Accountants shall determine the Buyout Price within fifteen (15) days after the three appraisers complete their determinations and prong (i) of the Buyout Price formula set forth in the first paragraph of this Section 14.01 shall be based on the amount of Sales Proceeds the Limited Partner would receive if the Property were sold for its Appraised Value, and the closing of the sale of the Limited Partner's Interest to the General Partner shall occur within sixty (60) days after the Accountants determine the Buyout Price. The entire Buyout Price shall be paid to the Limited Partner at the closing in cash or immediately available funds. The Limited Partner shall be responsible for the costs of the second appraiser and fifty percent (50%) of the costs of the third appraiser, if any, and for its own attorneys' fees incurred in connection with the closing. All other costs associated with the exercise of the Buyout Option, including the costs of the appraiser appointed by the General Partner, the Accountants' fees and any filing fees, shall be paid by the General Partner.

14.02 Right of First Refusal

In accordance with the Right of First Refusal attached as Exhibit J to this Agreement, the Partnership will not transfer, sell, alienate, assign, give, bequeath or otherwise dispose of the Partnership Property to any Person without first offering the Partnership Property for a period of one hundred eighty (180) days to the General Partner (if it then qualifies as an organization described in Section 42(h)(5)(C) of the Code) (the "*Purchaser*") at a price equal to the sum of (i) the principal amount of all outstanding indebtedness secured by the Partnership Property, all other loans from the General Partner or its Affiliates, and any accrued interest on any of such debt; and (ii) all federal, state and local taxes attributable to such sale, including those incurred or to be incurred by the partners of the Limited Partner; *provided, however*, that such right of first refusal shall be conditioned upon an agreement by the Purchaser to maintain the Project for low-income use for at least fifteen (15) years after the later of the end of the Compliance Period (but in no event can such low-income use terminate before the end of the Extended Use Period) under Section 42 of the Code or the date of the buyout and provided, further, that such restriction shall be recorded as a restriction against the Partnership Property.

14.03 Required Purchase Right

In the event neither the Right of First Refusal provided in Section 14.02 or the option provided in Section 14.01 is exercised within one year after the end of the Compliance Period, the General Partner, at the request of the Limited Partner at any time after the completion of the Compliance Period, agrees to submit a written request to the Authority to find a buyer for the Project or the Limited Partner's Interest pursuant to a qualified contract under Section 42(h)(6)(E)(i)(II) of the Code. Any proposal approved by the Limited Partner must be accepted by the General Partner.

ARTICLE XV

Miscellaneous Provisions

15.01 Amendments to Agreement

(a) Each Partner, including any additional Limited Partner and Substitute Limited Partner, additional General Partner, and successor General Partner shall become a signatory hereto by signing counterpart signature pages to this Agreement or an amendment to this Agreement or by granting a power of attorney to the General Partner therefor, and by signing any other instrument or instruments deemed necessary by the General Partner. By so signing, each Partner, including any additional Limited Partner and Substitute 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.

(b) No amendments shall be adopted pursuant to this Section 15.01 unless, pursuant to an opinion of counsel for the Partnership if requested as hereinafter provided, the adoption of such amendment does not affect the limited liability of the Limited Partner under the Act or the

status of the Partnership as a partnership for federal income tax purposes, or cause loss or recapture of the Credit for any partner that has not transferred its Partnership Interest.

(c) In making any amendments, there shall be prepared and timely filed for recordation by the General Partner all documents and certificates required to be prepared and filed under the Act and under the laws of any other jurisdiction in which the Partnership is then formed or qualified.

(d) The proposal of an amendment may only be made:

(i) By the General Partner, upon Notice to the Limited Partner which shall include (A) the text of the amendment, (B) a statement of the purpose of the amendment, and (C) an opinion of counsel to the Partnership obtained by the General Partner at the request of the Limited Partner (which counsel shall have been approved by the Limited Partner in advance) to the effect that such amendment is permitted by the Act and conforms with the requirements of the Act, such amendment will not affect the limited liability of the Limited Partner, such amendment will not adversely affect the classification of the Partnership as a partnership for federal income tax purposes, and such amendment will not result in any loss or recapture of the Credit for any Partner that has not transferred its Partnership Interest.

(ii) By the Limited Partner, upon Notice to the General Partner which shall include (A) the text of such amendment, (B) a statement of the purpose of the amendment, and (C) an opinion of counsel to the Partnership obtained by the Limited Partner at the request of the General Partner to the effect that such amendment is permitted by the Act and conforms with the requirements of the Act, and such amendment will not adversely affect the classification of the Partnership as a partnership for federal income tax purposes.

(e) Within thirty (30) days after Notice is given pursuant to Section 15.01(d), each Partner shall consent to or reject, in writing, the proposed amendment. Amendments to this Agreement shall become effective only upon the Consent of the General Partner and the Consent of the Limited Partner unless such Consent has been given under the terms of this Agreement. Consent may be withheld in the sole discretion of any Partner.

(f) The cost of the opinions of counsel described in this Section 15.01 shall be borne by the Partnership.

15.02 Notices

All Notices to be given under this Agreement shall be sent to the Persons shown on Exhibit A-5. Any Partner may change its Notice address by providing Notice thereof to all other Partners.

15.03 Meetings of the Partnership

Meetings of the Partnership may be called by the General Partner or by the Limited Partner for any matters upon which the Partners may vote, as set forth in this Agreement. The calling of a meeting shall be made:

(a) By the General Partner, which shall give Notice to the Limited Partner, which Notice shall include (i) a statement of the purposes of the meeting, and (ii) the date of the meeting which shall be a date no fewer than fifteen (15) days and no more than thirty (30) days after the date of the Notice;

(b) By the Limited Partner, which shall give Notice to the General Partner, which Notice shall include a statement of the purposes of the meeting. No more than fifteen (15) days after receipt of such Notice, the General Partner shall provide Notice of the meeting to the Limited Partner in accordance with Section 15.03(a).

15.04 Action for Breach

The representations, warranties, covenants, agreements, and duties of the General Partner contained in this Agreement are being made in order to induce, and in consideration of, the Limited Partner's acquisition of its Interest. Upon the breach of any representation, warranty, covenant, agreement, or duty, the Limited Partner, if decided by Consent of the Limited Partner, may pursue any available legal or equitable remedy against the General Partner without being required to dissolve the Partnership and notwithstanding the availability of any other remedy.

15.05 Consent and Voting

No vote or Consent of the Limited Partner shall ever be construed to make the Limited Partner liable as a general partner or cause the Limited Partner to be liable for Partnership obligations.

15.06 Survival of Representations

All representations, warranties, and indemnifications contained herein shall survive the dissolution and final liquidation of the Partnership.

15.07 Entire Agreement

This Agreement contains the entire understanding between and among the parties and supersedes any prior understandings and agreements between and among them respecting the subject matter of this Agreement.

15.08 Applicable Law

It is the intention of the parties hereto that all questions with respect to the construction, enforcement, and interpretation of this Agreement and the rights and liabilities of the parties

hereto shall be determined in accordance with the laws of the State of Oregon without regard to principles of conflicts of laws.

15.09 Severability

This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable statutes, laws, ordinances, rules, and regulations. If any provision of this Agreement or the application thereof to any Person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law. In the event that any provision of this Agreement or the application thereof shall be invalid or unenforceable, the Partners agree to negotiate (on a reasonable basis) a substitute valid or enforceable provision providing for substantially the same effect as the invalid or unenforceable provision.

15.10 Binding Effect

When entered into by the parties hereto, this Agreement is binding upon, and inures to the benefit of, the parties hereto and their respective spouses, heirs, executors and administrators, personal and legal representatives, successors and assigns.

15.11 Counterparts

This Agreement and any amendments hereto may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

15.12 Successor Statutes and Agencies

Any reference contained in this Agreement to specific statutory or regulatory provisions or to specific governmental agencies or entities shall include any successor statute or regulation, or agency or entity, as the case may be.

15.13 No Implied Waiver

No failure on the part of any Partner to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise thereof or the exercise of any other right. No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or excuse shall be in writing and signed by the party claimed to have so waived or excused.

**MUNSEL PARK LIMITED PARTNERSHIP
FIRST AMENDED AND RESTATED AGREEMENT
OF LIMITED PARTNERSHIP**

Signature Page

WITNESS/ATTEST:

Enterprise Housing Partners X Limited
Partnership
Limited Partner

By: The Enterprise Social Investment
Corporation
General Partner

By: _____

Name: _____

Title: _____

STATE OF _____)

) ss.

CITY/COUNTY OF _____)

I hereby certify that on this ____ day of July, 2004 before me personally appeared _____, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that she/he is duly authorized to execute the same.

My term of office expires: _____

Notary Public

Munsel Park Limited Partnership

Exhibit A

**PARTNERS; PERCENTAGE INTERESTS;
CAPITAL CONTRIBUTION COMMITMENTS**

	<u>Percentage Interests</u>	<u>Capital Contributions*</u>
General Partner		
Housing Authority and Community Services Agency of Lane County	0.01%	\$616
Limited Partner		
Enterprise Housing Partners X Limited Partnership	99.99%	\$476,986
TOTALS	<u>100%</u>	<u>[\$477,602]</u>

*The Capital Contribution of the Limited Partner will be paid in installments as described on the following page. Each installment, except for the first installment, is due on the later of the scheduled due date or thirty (30) days after the General Partner gives the Notice Certifications, in accordance with Section 3.02(c). In addition, the Capital Contributions are subject to reduction as provided in this Agreement.

Munsel Park Limited Partnership

Exhibit A-1 Capital Contribution Installments

<u>Installment</u>	<u>Amount of Installment</u>	<u>Due Date of Contribution</u>
<u>First</u>	\$10,000	Admission Date.
<u>Second</u>	\$170,993	During Construction within 7 business days after receipt by ESIC of an acceptable draw request but no more than \$128,245 shall be paid prior October 1, 2004.
<u>Third</u>	\$195,993	Latest of: (a) Completion Date (including, without limitation, receipt of temporary Certificates of Occupancy for 100% of the Units); (b) receipt and approval of Cost Certification by ESIC; (c) receipt by ESIC of evidence that there are no recorded mechanics liens that have not been released or bonded against so as to preclude the holder of such lien from having any recourse to the Partnership Property, the Project, any of the Units, or the Partnership for the debt secured thereby; (d) receipt by ESIC of copies of all insurance binders (including title insurance) on the Partnership Property acceptable to ESIC; (e) delivery of the Partnership's tax returns (including K-1s) and audited financial statements for 2003; (f) receipt by ESIC of the Partnership's projection of the Projected Credits prepared pursuant to Sections 3.03(a) and 3.03(c); (g) the delivery to ESIC of all post-closing items, satisfaction of the conditions to all prior Capital Contributions and receipt by ESIC of all outstanding reporting items; or (h) December 1, 2004.

Fourth

\$100,000

Latest of: (a) receipt and approval by ESIC of IRS Form 8609; (b) achievement of the Stabilization Date (including 3 months of Break-even and 3 months following 95% occupancy and 95% rent potential); (c) achievement of Required Debt Service Coverage; (d) the end of the Lease-up Period (including achievement of 100% Qualified Occupancy); (e) ESIC's receipt and approval of all initial Tenant Income Certifications (including first and last page of lease and third party confirmation); (f) achievement of Loan Conversion and delivery of all executed loan documents related thereto; (g) receipt by ESIC of evidence that the Extended Use Agreement has been recorded in the land records of the city/county in which the Property is located; (h) ESIC's receipt of executed PILOT agreement or evidence that application for tax abatement for the Property has been filed with the appropriate party in a timely manner; (i) receipt by ESIC of evidence that all Partnership reserve accounts required on Exhibit A-6 have been established; (j) receipt of permanent Certificates of Occupancy for 100% of the Units; (k) the satisfaction of all the conditions to all prior Capital Contributions and receipt by ESIC of all outstanding reporting items; or (l) December 15, 2004.

TOTAL

\$476,986

Note: Defined terms used in this Exhibit A-1 have the meanings set forth in the Partnership Agreement.

**Exhibit A-2
Fixed Dollar Amounts**

<u>Reference Term</u>	<u>Section Reference</u>	<u>Amount</u>
Annual Credit Allocation	5.10(aa)	\$58,188
LH Target Amount	3.03(a)	\$581,820
Lease-up Projection	3.03(c)(i)	2004: \$11,460
Maximum Operating Deficit Contribution	5.14	\$45,000
Operating Reserve Amount	5.14	\$41,000
Owner's Title Policy Amount	2.01	\$2,401,492
Rehab/NC Basis Amount	5.10(aa)	\$568,107
Acquisition Basis Amount	5.10(aa)	\$1,532,432

[NOTE: Basis amounts may change depending on resolution of the RD escrow and transferred reserve issues]

**Exhibit A-3
Loans to the Project**

<u>Mortgage Priority</u>	<u>Lender</u>	<u>Loan Amount</u>
First	United States Department of of Agriculture, Rural Development (the "First RD Loan")	\$190,830
Second	United States Department of Agriculture, Rural Development (the "Second RD Loan")	\$366,551
Third	United States Department of of Agriculture, Rural Development (the "Third RD Loan")	\$41,600
Fourth	HACSA (the "Sponsor Loan")	\$770,725
	TOTAL PERMANENT LOANS	\$1,369,706

**Exhibit A-4
Fees and Guaranties**

Fees

<u>Fee</u>	<u>Governing Agreement</u>	<u>Fee Recipient</u>
Development Fee	Development Services Agreement	General Partner
Property Management Fee	Property Management Agreement	Neel Management Team, Inc.
Investor Services Fee	Investor Services Agreement	ESIC
Partnership Administration Fee	Partnership Administration Agreement	General Partner

Payment of fees and other expenses contingent on Cash Flow shall be made in the following order of priority:

First, to the Limited Partner, an amount equal to the Credit Deficiency;

Second, to the Limited Partner, an amount sufficient to pay federal income taxes on taxable income allocated to the Limited Partner for such Fiscal Year by the Partnership, assuming the highest marginal tax rates applicable to corporations.

Third, to pay the Investor Services Fee in accordance with the Investor Services Agreement, attached hereto as Exhibit J;

Fourth, to fund Operating Reserves after the Capital Contributions of the Limited Partner have been paid up to the Operating Reserve Amount.

Fifth, to the General Partner to repay any Operating Deficit Contribution;

Sixth, to pay the Partnership Administration Fee in accordance with the Partnership Administration Agreement, attached hereto as Exhibit E; and

Any remaining Cash Flow shall constitute Net Cash Flow which is distributable to the Partners in accordance with Section 8.01 of this Agreement.

Guaranties

<u>Guaranty Agreement</u>	<u>Guarantor</u>
Unconditional Construction Completion Guaranty Agreement	General Partner

**Exhibit A-5
Notice Addresses**

General Partner

Housing Authority and Community Services
Agency of Lane County (“HACSA”)
James R. McCoy
177 Day Island Road
Eugene, Oregon 97401
Tel: (541) 682-3755; Fax: (541) 687-3411
Attention: Jim McCoy

With a copy to:
Douglas C. Blomgren, Esquire
Preston Gates & Ellis
3200 U.S. Bancorp Tower
111 S.W. Fifth Avenue
Portland, Oregon 97212
Tel: (503) 228-3200; Fax: (503) 248-9085

Limited Partner

Enterprise Housing Partners X Limited
Partnership
c/o The Enterprise Social Investment
Corporation
10227 Wincopin Circle, Suite 810
Columbia, Maryland 21044
Tel: (410) 964-0552; Fax: (410) 964-1376
Attention: Senior Vice President – National
Equity Initiatives

With a copy to:
Craig A. Emden, Esq.
Venable LLP
575 7th Street, N.W.
Washington, D.C. 20004
Tel: (202) 344-8521; Fax: (202) 344-8300

Exhibit A-6 Partnership Reserves

The General Partner shall establish the following reserves in the name of the Partnership:

(i) *Operating Reserve.* An Operating Reserve equal to the Operating Reserve Amount to be funded on the due date of the fourth installment of the Limited Partner's Capital Contribution. In addition, the General Partner shall fund the Operating Reserve from Cash Flow (calculated for this sole purpose prior to deducting contributions to the Operating Reserve) in order to maintain, to the extent possible, a balance at all times in the Operating Reserve equal to the Operating Reserve Amount. The Operating Reserve shall be deposited in an interest-bearing account in a bank approved by the Limited Partner with ESIC as a cosignatory on the account. The Operating Reserve account instructions shall provide that no withdrawal may be made from the account without the signature of ESIC permitting such withdrawal. Interest earned on the Operating Reserve shall be added to the Operating Reserve. The General Partner may use funds in the Operating Reserve (but only after the Stabilization Date), with the Consent of the Limited Partner, for any Partnership purpose, but only to the extent the revenues of the Partnership are insufficient to accomplish such purposes. The Operating Reserve shall be maintained throughout the Term of the Partnership. Upon termination and winding up of the Partnership, subject to the provisions of Section 12.02, the balance in the Operating Reserve shall be used to (a) pay any tax (including exit and transfer taxes imposed) on the Partnership, Limited Partner and its partners as a result of the sale of the Partnership Property and winding up of the Partnership or (b) for other uses approved by the Limited Partner.

(ii) *Replacement Reserve.* A Replacement Reserve to be funded initially in the amount of \$34,000 on due date of the fourth installment of the Limited Partner's Capital Contribution and beginning upon the execution of this Agreement, in the amount of \$209 per unit per year, increasing at 3% annually. The Partnership shall utilize amounts in the Replacement Reserve to fund major repair, capital expenditures and replacement of capital items in the Project. The Partnership may not utilize the Replacement Reserve for any capital expenditure which causes total withdrawals from the Replacement Reserve during any calendar year to exceed \$5,000 unless the Partnership has obtained Consent of ESIC, which Consent shall not be unreasonably withheld, to make such an expenditure. The Replacement Reserve shall be deposited in an interest-bearing bank account with ESIC as co-signatory on the account for disbursements in excess of \$5,000. Interest earned on the Replacement Reserve shall be added to the Replacement Reserve. Upon any sale of the Project, amounts in the Replacement Reserve shall be utilized to make any capital expenditures, repairs or improvements in connection with such sale or other uses approved by the Limited Partner.

(iii) *Investment of Reserve Accounts.* Funds in the reserve accounts shall be deposited in a banking institution whose deposits are insured by an agency of the federal government. If funds in Partnership reserve accounts deposited in any banking institution exceed \$100,000, the Partnership accounts shall be deposited in a commercial bank having combined capital and surplus of not less than \$100,000,000. The General Partner (or the Management Agent, as directed by the General Partner) may invest funds in the reserve accounts in domestic

bank certificates which are insured by an agency of the federal government; in direct obligations of the federal government; in federal government agencies with an AA rating or better, federally guaranteed agencies, or in repurchase agreements which are direct obligations of the federal government or federal agencies, or which are specifically collateralized by federal government obligations; or in short term commercial paper receiving one of the two highest ratings from Moody's or Standard and Poor's. Any exceptions to the above policy must be approved by ESIC. The General Partner (or the Management Agent as directed by the General Partner) shall select investment vehicles and maturities on such investment so as to maximize the Partnership's return taking into account the anticipated need for available cash in the reserve account(s). The term of any investment shall not exceed five (5) years.

(iv) Beginning in year 14 of the Compliance Period, provided that (i) the General Partner is not in default under this Agreement and (ii) such payments do not result in a default of any of the Loan Documents, the General Partner may use any of the amounts in the Replacement Reserve established pursuant to this Exhibit A-6 to either pay down the Mortgage Loans or to improve the Project.

Exhibit A-7

Notice Certifications

The General Partner hereby certifies that the following representations and warranties remain true, correct, and not misleading on the due date for the _____ Installment of the Limited Partner's Capital Contribution in the amount of \$ _____. The following certifications (i) - (xii) in this Exhibit A-7 are hereinafter referred to as "*Notice Certifications*."

(i) *Occupancy*. After the occurrence of the Completion Date, each Unit is either (A) occupied by Qualifying Tenants or (B) held available for occupancy by Qualifying Tenants after having been rented to Qualifying Tenants, at the time of payment of each Additional Capital Contribution, and the operation of the Project and each Unit in all respects complies with the provisions of Section 42 of the Code.

(ii) *No Defaults; Documents in Force; No Jeopardizing Events*. No default (or event that, with the giving of notice or the passage of time or both, would constitute a default) has occurred and is continuing under any Loan Document, Project Document, or the Agreement; the Loan Documents, the Project Documents, and the Agreement are in full force and effect; and no event has occurred and is continuing that materially jeopardizes or is likely to materially jeopardize the ability of the Partnership to continue to operate the Project as housing eligible for the Credit.

(iii) *No Liens*. The Partnership owns the Partnership Property, the Project, and each of the Units free and clear of any liens (including mechanics' liens), charges, or encumbrances other than matters set forth in the Title Policy.

(iv) *No Bankruptcies*. No Event of Bankruptcy has occurred and is continuing, and no event has occurred that, with the passage of time, could become an Event of Bankruptcy, with respect to the General Partner or any of its Affiliates.

(v) *No Breach*. The General Partner is not in breach in any material respect of any provision of the Agreement to be observed or performed by it including, but not limited to, all representations, warranties, and covenants given by the General Partner, pursuant to this Agreement and all representations and warranties herein remain true and correct in all material respects.

(vi) *Advances Paid*. All Credit Adjuster Advances, Additional Advances, Development Advances, Operating Reserve deposits, Replacement Reserve deposits, Operating Deficit Contributions and any other deposits, advances, or contributions required to be made by the General Partner or its Affiliates pursuant to this Agreement (and any exhibits attached hereto) have been made.

(vii) *Environmental*. To the best knowledge of the General Partner after due inquiry, the Partnership Property contains no, and is not adversely affected by the presence of,

any Environmental Hazard, nor is it in violation of any federal, state, or local law, regulation, rule, or ordinance, and no violation of any Environmental Law has occurred or is continuing. The General Partner has not received any notice from any source whatsoever of the existence of any Environmental Hazard or of a violation of any federal, state, or local law, regulation, rule or ordinance with respect to the Partnership Property. If any Environmental Hazard (including lead-based paint and asbestos) was found to exist or be present, it has been either removed from the Partnership Property and disposed of or encapsulated and/or otherwise corrected, contained and made safe and inaccessible, all in strict accordance with federal, state, and local statutes, laws, rules and regulations, any recommendations set forth in the Environmental Reports, and any requirements in the Loan Documents.

(viii) *Document Compliance.* All documents required by Section 13.03 of the Agreement to be provided to the Limited Partner as of such date have been delivered to the Limited Partner.

(ix) *No Audit.* There is no ongoing audit by the IRS in which the IRS is asserting, by means of a thirty day letter, that the Credit available to the Partnership for any taxable year is less than ninety-five percent (95%) of the amount of Credit claimed by the Partnership for that year or that all or a portion of the Credit claimed with respect to any prior taxable year(s) must be recaptured pursuant to Section 42(j) or other relevant sections of the Code, or is unavailable to the Partnership.

(x) *Conformity with Laws.* The Project conforms in all material respects with applicable law.

(xi) *Prior Qualification.* The Partnership qualified for, and subject to adjustment as provided in the Agreement, has received all prior Additional Capital Contributions.

(xii) *All Prerequisites Satisfied.* The preconditions to payment of the Additional Capital Contribution described on Exhibit A-1 to the Agreement have occurred.

Date: _____

Housing Authority and Community Services
Agency of Lane County

By: _____

Name: _____

Title: _____

Exhibit A-8

Significant Accounting Information

<u>Information Required</u>	<u>Data</u>
Taxpayer Identification Numbers	
Partnership	
Limited Partner	03-0386841
Quarterly Reporting Deadlines	
2 nd quarter	08/01/xx
3 rd quarter	11/01/xx
Annual Reporting Deadline	
Draft tax return and audited financial statements	02/15/xx
Final tax return and audited financial statements	03/01/xx
EReporting website address	
http://www.enterprisefoundation.org/esic/ereporting/ereporting.asp	
Tax return and financial statement Prep guide website	
http://www.enterprisefoundation.org/esic/finance/prepguides.asp	
Depreciable lives	
Building	40 years
Site Improvements	15 years
FF&E	7 years
Other elections required:	
Elect to use 40 year Depreciation under Section 168(g)	

Exhibit B
DESCRIPTION OF PROJECT

[Reserved].

FIRST AMENDED AND RESTATED AGREEMENT
OF
LIMITED PARTNERSHIP
OF
MUNSEL PARK LIMITED PARTNERSHIP
FIRST AMENDED AND RESTATED AGREEMENT
OF
LIMITED PARTNERSHIP
OF
MUNSEL PARK LIMITED PARTNERSHIP

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- K Monthly Construction and Lease-up Status Report
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Exhibit C

DEVELOPMENT SERVICES AGREEMENT

THIS DEVELOPMENT SERVICES AGREEMENT (this "*Agreement*"), dated and effective as of the ____ day of July, 2004, is made by and between Munsel Park Limited Partnership, a limited partnership formed under the laws of the state of Oregon (the "*Partnership*") and Housing Authority and Community Services Agency of Lane County ("HACSA"), a public corporation and housing authority under ORS 456 of the State of Oregon (the "*Developer*").

Recitals

The Partnership was formed for the purpose of acquiring, owning, developing, rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of a 44 unit residential project in 10 buildings located on one site in Florence, Oregon (the "*Project*"). The Partnership is operating by a First Amended and Restated Agreement of Limited Partnership in the form to which this Agreement is attached as an Exhibit (the "*Partnership Agreement*").

The Partnership desires that the Developer provide certain services with respect to the development of the Project.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Appointment and Term.** The Partnership hereby appoints the Developer to render services in overseeing the development of the Project for the Partnership as herein contemplated and the Developer hereby accepts such appointment. The term of this Agreement shall begin on the date hereof and shall end on December 31, 2014.

2. **Authority and Obligations.** Subject to the provisions of the Partnership Agreement, the Developer shall have the authority and obligation to:

(a) Obtain construction financing on behalf of the Partnership in an amount sufficient to fund the construction of the Project pursuant to the Projections.

(b) Prepare or cause to be prepared such environmental and neighborhood impact studies or reports, engineering surveys, and plans and specifications as may be required in connection with the construction of the Project.

(c) Prepare and submit to the Partnership for approval a construction budget and make recommendations to the Partnership regarding any necessary modifications thereto.

(d) Make available to the Partnership upon request copies of all contracts, option agreements, construction financing commitments, budgets, plans and specifications or other items prepared or obtained.

(e) Obtain a construction contract (the "**Construction Contract**") in an amount not to exceed the amount provided therefor pursuant to the Projections from a reputable general contractor (the "**Contractor**"), which may be an affiliate of Developer, which Construction Contract shall require the Contractor to post a payment and performance bond in the full amount of the Construction Contract or letter of credit in an amount acceptable to the Partnership.

(f) Perform or cause to be performed, in a diligent and efficient manner, general administration and supervision of construction of the Project, including but not limited to the following:

(i) administration and supervision of the activities of the Contractor and all other contractors, subcontractors and others employed in connection with the construction of the Project;

(ii) preparation of construction schedules pursuant to which all phases of construction are to be completed on or before the Completion Date and supervision of the scheduling of construction in conformity with such construction schedules;

(iii) periodic inspection of construction in progress, including but not limited to inspection at completion, for defects in construction and to assure compliance with the plans and specifications, and supervision of correction of any and all deficiencies noted pursuant to such inspections.

(iv) processing and payment of applications for progress payments made by the Contractor, including verification of such applications against the progress of construction as indicated by the aforementioned periodic inspections; and

(v) analysis of requests for any and all change orders to or variations from the Projections and the plans and specifications and submission of such requests to the Partnership for approval.

(g) Perform, or cause to be performed, in a diligent and efficient manner, preparation of contracts, letter agreements, purchase orders, and similar documents as are necessary to complete timely the construction of the Project in accordance with the plans and specifications.

(h) Cause the Project to be completed on or before the Completion Date in a manner consistent with good workmanship, in compliance with the following:

(i) the plans and specifications;

(ii) all obligations of the Partnership under any documents executed by the Partnership under the Loan Documents; and

(iii) all municipal, state, and other governmental laws, ordinances, and regulations governing the construction of the Project and the use thereof for its intended purposes and all other requirements of law applicable to construction of the Project.

(i) Maintain, or cause to be maintained, builders risk, contractor's liability, and workers' compensation insurance required by law or by the Limited Partner with the Partnership named as an additional insured, the limits of such coverage to be reasonable under the circumstances, but no less than that required by construction lenders or applicable statutes.

(j) Keep or cause to be kept separate project accounts and cost records and prepare and furnish upon request financial and progress reports and statements with respect to construction of the Project.

(k) Make available to the Partnership upon request copies of all contracts and subcontracts.

(l) Deliver to the Partnership copies of all inspection reports and applications for payment given any lender providing a loan to the Partnership.

3. **Accrual Schedule.** The Development Fee shall be earned as follows:

(a) \$10,000 shall be earned upon the execution of this Agreement.

(b) The balance of the Development Fee shall be earned pro rata in accordance with the percentage completion of the Project.

(c) Once a portion of the Development Fee has been earned, it shall be payable by the Partnership in all events.

4. **Development Fee.** For development services to be performed under this Agreement, the Partnership shall pay the Developer a fee (the "*Development Fee*") as follows:

(a) \$50,000 from Capital Contributions, as follows:

(i) \$25,000 on the due date of the Limited Partner's third installment of its Capital Contribution as set forth on Exhibit A-1 of the Partnership Agreement;

(ii) \$25,000 on the due date of the Limited Partner's fourth installment of its Capital Contribution as set forth on Exhibit A-1 of the Partnership Agreement; and

(b) Any amounts of the Development Fee that has not been paid in full on or before December 31, 2014 shall be paid no later than such date.

(c) In addition to the Development Fee payable under this Paragraph 4, the Partnership shall pay to the Developer from loan proceeds an additional development fee (the "*Incentive Development Fee*"), payable at the Completion Date. The Incentive Development

Fee shall be the amount, if any, that the projected development costs of items eligible for the Credit exceed the Partnership's actual aggregate expenditures for such items.

4. **Partnership Agreement.** Except as expressly provided herein, this Agreement shall be subject to the applicable terms and conditions of the Partnership Agreement.

5. **Burden and Benefit.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. No party may assign this Agreement without the consent of the other party.

6. **Severability of Provisions.** Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

7. **No Continuing Waiver.** None of the parties hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

8. **Defined Terms.** Except as expressly provided herein, terms used in this Agreement with initial capital letters shall have the meanings set forth in the Partnership Agreement.

9. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Oregon, without regard to principles of conflicts of laws.

10. **Binding Agreement.** This Agreement shall be binding on the parties hereto, and their heirs, executors, personal representatives, successors and assigns.

11. **Headings.** All headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any provision of this Agreement.

12. **Terminology.** All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

13. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

[signatures begin on the following page]

IN WITNESS WHEREOF, the parties have executed this Development Services Agreement as of the date first written above.

WITNESS/ATTEST:

Munsel Park Limited Partnership
By: Housing Authority and Community Services
Agency of Lane County
General Partner

By: _____
Name: _____
Title: _____

Housing Authority and Community Services
Agency of Lane County
Developer

By: _____
Name: _____
Title: _____

Exhibit D

GUARANTY AGREEMENT

Intentionally Omitted.

Exhibit E

PARTNERSHIP ADMINISTRATION AGREEMENT

THIS PARTNERSHIP ADMINISTRATION AGREEMENT (this "*Agreement*"), dated and effective as of the ____ day of July, 2004, is made by and between Munsel Park Limited Partnership, a limited partnership formed under the laws of the state of Oregon (the "*Partnership*") and Housing Authority and Community Services Agency of Lane County, a public corporation and housing authority under ORS 456 of the State of Oregon (the "*Administrator*").

Recitals

The Partnership was formed for the purpose of acquiring, owning, developing, rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of a 44 unit residential project in 10 buildings located on one site in Florence, Oregon (the "*Project*"). The Partnership is operating by a First Amended and Restated Agreement of Limited Partnership in the form to which this Agreement is attached as an Exhibit (the "*Partnership Agreement*").

The Partnership has agreed to make certain payments to Administrator as an inducement for the efficient administration of the Project.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Services.** Subject to the applicable provisions of the Partnership Agreement, the Administrator shall:

(a) Provide any and all supervisory services designed to cause the Project to operate efficiently, including reviewing and evaluating programs, policies and procedures instituted by the Management Agent for advertising and tenant recruitment, screening and selection;

(b) Investigate and make recommendations with respect to the selection and conduct of relations with consultants and technical advisors (including, without limitation, accountants, depositories, custodians, agents for collection, insurers, insurance agents and banks) if necessary at any given time; and

(c) Formulate programs for owner, tenant, public and government relations.

2. **Partnership Administration Fee.** Subject to the applicable terms and conditions of the Partnership Agreement and the Loans and Project Documents, the Partnership shall pay to the Administrator, over the term of this Agreement, an annual Partnership Administration Fee of up to \$15,000. After 2004, the Partnership Administration Fee shall increase at the rate of three percent (3%) per year. The Partnership Administration Fee shall be payable from Cash Flow available for payment of such fee pursuant to Exhibit A-4 of the Partnership Agreement. If not

paid, the Partnership Administration Fee shall accumulate from year to year; provided, however, that no amount of such Partnership Administration Fee shall be deducted as an expense by the Partnership until such amount is actually paid.

3. **Partnership Agreement.** Except as expressly provided herein, this Agreement shall be subject to the applicable terms and conditions of the Partnership Agreement.

4. **Burden and Benefit.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, personal representatives, successors and assigns. No party may assign this Agreement without the consent of the other party.

5. **Severability of Provisions.** Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

6. **No Continuing Waiver.** None of the parties hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

7. **Defined Terms.** Except as expressly provided herein, terms used in this Agreement with initial capital letters shall have the meanings set forth in the Partnership Agreement.

8. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Oregon, without regard to principles of conflicts of laws.

9. **Headings.** All headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any provision of this Agreement.

10. **Terminology.** All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

11. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

[signatures begin on the following page]

IN WITNESS WHEREOF, the parties hereto have executed this Partnership Administration Agreement as of the date first written above.

WITNESS/ATTEST:

Munsel Park Limited Partnership
By: Housing Authority and Community Services
Agency of Lane County
General Partner

By: _____
Name: _____
Title: _____

Housing Authority and Community Services
Agency of Lane County
Administrator

By: _____
Name: _____
Title: _____

Exhibit F

PROPERTY MANAGEMENT AGREEMENT

Intentionally Omitted.

Exhibit G

UNCONDITIONAL CONSTRUCTION COMPLETION GUARANTY AGREEMENT

FOR VALUE RECEIVED, and to induce Enterprise Housing Partners X Limited Partnership, a Maryland limited partnership (the "*Limited Partner*") to become a limited partner of Munsel Park Limited Partnership, a limited partnership formed under the laws of the state of Oregon (the "*Partnership*"), by entering into a First Amended and Restated Agreement of Limited Partnership (the "*Partnership Agreement*") and to induce the Partnership to obtain financing for the construction of a 44 unit residential project in 10 buildings located on one site in Florence, Oregon (the "*Project*"), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Housing Authority and Community Services Agency of Lane County, a public corporation and housing authority under ORS 456 of the State of Oregon (the "*Guarantor*"), as of the ____ day of July, 2004, hereby undertake, guarantee, and agree as follows:

1. **Completion of Construction.** The Guarantor hereby absolutely and unconditionally guarantees the due and punctual construction (the "*Work*") of the Project in accordance with the terms and requirements of the Partnership Agreement (including the payment of Development Advances by the General Partner under Section 5.13 of the Partnership Agreement), the Loan Documents and the Project Documents, free and clear of any liens or claims of liens (except for the liens specifically permitted by the Partnership Agreement, the Loan Documents and the Project Documents), in the manner and within the time necessary to comply with all of the terms, covenants and conditions of the Partnership Agreement, the Loan Documents and the Project Documents, including all future amendments thereto. Should the cost of completion of the Work exceed the amounts available therefor in loan proceeds and Partnership funds, or should any liens be filed against the Partnership Property or the Project (except for liens specifically permitted by the Partnership Agreement, the Loan Documents and the Project Documents) prior to completion of or in connection with the Work, Guarantor hereby absolutely and unconditionally guarantees the prompt, absolute, and unconditional payment of such sums necessary to complete the Work and discharge such liens. All sums due and payable hereunder by Guarantor shall be payable on demand of the Partnership. Any amounts paid by Guarantor shall not be refundable to Guarantor, but shall be treated as a payment to the Partnership in consideration for the Guarantor's receipt of the Development Fee.

2. **Continuing Guaranty.** It is expressly understood and agreed that this is a continuing guaranty and that the obligations of Guarantor hereunder are and shall be absolute under any and all circumstances, without regard to the validity, regularity, or enforceability of the Partnership Agreement, the Loan Documents, the Project Documents, or any other instruments executed in connection therewith.

3. **Certain Waivers.** To the extent permitted by law, Guarantor hereby waives notice of the acceptance hereof, presentment, demand for payment, protest, notice of protest, and any and all notices of nonpayment, non-performance, and non-observance, and other proof, and

notice of demand, and Guarantor hereby waives all suretyship defenses and defenses in the nature thereof.

4. **Defenses Not Valid.** Guarantor further agrees that the validity of this Guaranty and the obligations of Guarantor hereunder shall in no way be terminated, affected, or impaired (a) by reason of the assertion by the Partnership or any Partner thereof of any rights or remedies under or with respect to the Partnership Agreement, or any other instruments executed in connection therewith, against any Person obligated thereunder, (b) by reason of any failure to exercise, or delay in exercising, any such right or remedy or any right or remedy hereunder or in respect to this Guaranty, or (c) by reason of the adjudication in bankruptcy of this Guaranty or any guarantor hereunder, any Person obligated under the Partnership Agreement, or the filing of a petition for any relief under any federal, state, or local bankruptcy law by any such Person.

5. **Effect of Certain Assignments, Etc.** Guarantor further covenants that this Guaranty shall remain and continue in full force and effect as to any assignment, modification, extension, or renewal of the Loan Documents, the Project Documents or the release or exchange of any property covered by the Loan Documents or other collateral for any of the Loans, and notwithstanding any amendment of the Partnership Agreement or transfer of the Interest of any Partner thereunder, and that indulgences or forbearance may be granted under any or all of such documents, all of which may be made, done, or suffered without notice to or further consent of the Guarantor.

6. **Enforcement.** Guarantor hereby agrees that this is a guaranty of payment, not collection, and that this Guaranty may be enforced by the Partnership or any Partner thereof against Guarantor without first resorting to or exhausting any other right or remedy; *provided, however,* that nothing herein contained shall prevent the Partnership or any Partner from suing to enforce the provisions of the Partnership Agreement or from exercising any rights thereunder.

7. **Reimbursement of Expenses.** Guarantor agrees that, in the event this Guaranty is placed in the hands of an attorney for enforcement, Guarantor will reimburse the Partnership and the Partners seeking such enforcement for all expenses incurred in enforcing this Guaranty, including reasonable attorneys' fees (whether or not suit is brought hereon) and all such expenses incurred in connection with any trial, appeal, arbitration, or bankruptcy proceedings.

8. **Default.** If Guarantor shall fail or refuse to perform or continue performance of all of Guarantor's obligations under this Guaranty, then the Partnership and/or the Partners thereof shall, at their option, have the right to take all necessary action to complete the Work in accordance with the terms of the Partnership Agreement, the Loan Documents, and the Project Documents to discharge any liens filed against the Project or the land underlying the Project and to take any other actions necessary or advisable to cure the Guarantor's default hereunder, either before or after the exercise of any other remedy. The amounts of any and all expenditures and advances so made by the Partnership or any Partner shall be due and payable by Guarantor immediately upon the incurring or advancement thereof and, if not then paid, shall bear interest at two percent (2%) above the prime rate then in effect in The Wall Street Journal.

9. **Term.** Except as provided herein, this Guaranty shall terminate three (3) months after the last to occur of the following:

(a) A final certificate of occupancy is issued for the Project following the completion of construction of the Project in accordance with the Loan Documents and Project Documents;

(b) Final payment is made under the construction contracts, and the contractor acknowledges in writing that the contractor and all subcontractors have been paid in full and have no further claims under the construction contracts;

(c) The statutory period within which the contractor and any subcontractors under the construction contracts may file liens against the Partnership Property or the Project has expired; and

(d) Loan Conversion.

Notwithstanding the foregoing, at any time within three (3) months after the termination of this Guaranty as provided in this Paragraph 9, the Partnership or any Partner thereof may give written notice (the "**Guaranty Notice**") to Guarantor of any outstanding or disputed amount due to any third party that relates to the construction of the Project and may reserve its rights hereunder with respect to such outstanding amount. In the event the Partnership or any Partner thereof gives such Guaranty Notice to the Guarantor, this Guaranty shall survive to the extent of the matters described in such Guaranty Notice and until such matters have been fully paid or resolved to the satisfaction of the Partnership and the Partners that gave such notice.

10. **Notices.** All notices to the parties hereto shall be given in the manner and (where applicable) to the addresses specified on Exhibit A-6 to the Partnership Agreement, as the same may be amended from time to time by Notice to the parties hereto. Notices to the Partnership shall be sent in care of the General Partner of the Partnership with a copy to the Limited Partner. Notices to Guarantor shall be sent to:

177 Day Island Road
Eugene, Oregon 97401
Telephone: (541) 682-3755
Facsimile: (541) 687-3411
Attn: James R. McCoy

11. **Intended Beneficiary.** The parties intend that the Limited Partner of the Partnership be a third party beneficiary of this Agreement and that the Limited Partner, in such capacity, may enforce the Guarantor's obligations hereunder. No person other than the Limited Partner and the Partnership may directly or indirectly rely upon or enforce the provisions of the Agreement, whether as a third party beneficiary or otherwise.

12. **Partnership Agreement.** Except as expressly provided herein, this Agreement shall be subject to the applicable terms and conditions of the Partnership Agreement.

13. **Burden and Benefit.** This Guaranty and each covenant and agreement contained herein shall be binding upon Guarantor, its successors and assigns, and shall inure to the benefit of the Partnership, the Partners thereof, and their respective successors and assigns.

14. **Severability of Provisions.** Each provision of this Guaranty shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of this Guaranty is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Guaranty that are valid.

15. **No Continuing Waiver.** None of the parties hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Guaranty shall not operate or be construed to be a waiver of any subsequent breach.

16. **Defined Terms.** Except as expressly provided herein, terms used in this Agreement with initial capital letters shall have the meanings set forth in the Partnership Agreement.

17. **Governing Law.** This Guaranty shall be governed, construed, and interpreted as to validity and enforcement and in all other respects in accordance with the laws of the State of Oregon and cannot be modified, amended, or terminated orally.

18. **Binding Agreement.** This Agreement shall be binding on the parties hereto, and their heirs, executors, personal representatives, successors and assigns.

19. **Headings.** All headings in this Guaranty are for convenience of reference only and are not intended to qualify the meaning of any provision of this Guaranty.

20. **Terminology.** All personal pronouns used in this Guaranty, whether used in the masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

21. **Counterparts.** This Guaranty may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

[signatures begin on the following page]

IN WITNESS WHEREOF, Guarantor has duly executed this Unconditional Construction Completion Guaranty Agreement as of the date first above written.

WITNESS/ATTEST:

Housing Authority and Community Services
Agency of Lane County
Guarantor

By: _____
Name: _____
Title: _____

Exhibit H

PROJECTIONS

[INSERT PROJECTIONS PRODUCED BY ESIC]

Exhibit I

INVESTOR SERVICES AGREEMENT

THIS INVESTOR SERVICES AGREEMENT (this "*Agreement*"), dated and effective as of the ____ day of July, 2004, is made by and between Munsel Park Limited Partnership, a limited partnership formed under the laws of the state of Oregon (the "*Partnership*") and The Enterprise Social Investment Corporation, a Maryland corporation ("*ESIC*").

Recitals

The Partnership was formed for the purpose of acquiring, owning, developing, rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of a 44 unit residential project in 10 buildings located on one site in Florence, Oregon (the "*Project*"). The Partnership is operating by a First Amended and Restated Agreement of Limited Partnership in the form to which this Agreement is attached as an Exhibit (the "*Partnership Agreement*").

The Partnership desires that ESIC provide certain services with respect to the operation of the Partnership.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Appointment and Term.** The Partnership hereby retains ESIC to provide services to the Partnership as herein contemplated. The term of this Agreement shall begin on the date hereof and shall end on the earlier of the termination of the Partnership or the date on which neither ESIC nor any of its Affiliates continues to be the general partner of any Limited Partner of the Partnership.

2. **Authority and Obligations.** Subject to the provisions of the Partnership Agreement, ESIC shall have the authority and obligation to:

(a) Review and comment each year on the content and format of reports to be provided by the Partnership to the Limited Partner in order to assist the Partnership in providing useful, timely and appropriate information to the Limited Partner; and

(b) Take such other actions as it deems appropriate and as authorized or contemplated by the Partnership Agreement in order to promote efficient communications and favorable relationships between the Partnership and the Limited Partner.

3. **Investor Services Fee.** For services performed under this Agreement, the Partnership shall pay ESIC, over the term of this Agreement, an annual Investor Services Fee of Five Thousand Dollars (\$5,000). For each year after 2004, the fee shall increase at the rate of three percent (3%) per year. The Investor Services Fee shall be paid from Cash Flow available for payment of such fee pursuant to Exhibit A-4 of the Partnership Agreement. If Cash Flow is

not sufficient to pay the fee provided above, then any unpaid fees shall accumulate and shall be payable out of the next available Cash Flow or Capital Proceeds; provided, however that no amount of such Investor Services Fee shall be deducted as an expense by the Partnership until such amount is actually paid.

4. **Partnership Agreement.** Except as expressly provided herein, this Agreement shall be subject to the applicable terms and conditions of the Partnership Agreement.

5. **Burden and Benefit.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. No party may assign this Agreement without the consent of the other party.

6. **Severability of Provisions.** Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

7. **No Continuing Waiver.** None of the parties hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

8. **Defined Terms.** Except as expressly provided herein, terms used in this Agreement with initial capital letters shall have the meanings set forth in the Partnership Agreement.

9. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland, without regard to principles of conflicts of laws.

10. **Binding Agreement.** This Agreement shall be binding on the parties hereto, and their heirs, executors, personal representatives, successors and assigns.

11. **Headings.** All headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any provision of this Agreement.

12. **Terminology.** All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

13. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

[signatures begin on the following page]

IN WITNESS WHEREOF, the parties have executed this Investor Services Agreement as of the date first written above.

WITNESS/ATTEST:

Munsel Park Limited Partnership
By: Housing Authority and Community Services
Agency of Lane County
General Partner

By: _____
Name: _____
Title: _____

WITNESS/ATTEST:

The Enterprise Social Investment Corporation

By: _____
Name: _____
Title: _____

Exhibit J

RIGHT OF FIRST REFUSAL AGREEMENT

THIS RIGHT OF FIRST REFUSAL AGREEMENT (this "*Agreement*"), dated and effective as of the ____ day of July, 2004, is made by and between Munsel Park Limited Partnership, a limited partnership formed under the laws of the state of Oregon (the "*Partnership*") and Housing Authority and Community Services Agency of Lane County, a public corporation and housing authority under ORS 456 of the State of Oregon (the "*Purchaser*").

Recitals

The Partnership was formed for the purpose of acquiring, owning, developing, rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of a 44 unit residential project in 10 buildings located on one site in Florence, Oregon (the "*Project*"). The Partnership is operating by a First Amended and Restated Agreement of Limited Partnership in the form to which this Agreement is attached as an Exhibit (the "*Partnership Agreement*").

The Partnership desires to give, grant, bargain, sell, and convey to Purchaser certain rights to purchase the Property on the terms and subject to the conditions set forth herein.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Right of First Refusal.** After the end of the Compliance Period, the Partnership will not sell the Project or any portion thereof to any Person without first offering the Project for a period of forty-five (45) days to Purchaser (if it then qualifies as an organization described in Section 42(h)(5)(C) of the Code) (the "*Buyout*"), at a price (the "*Buyout Price*") equal to the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, all other loans from the General Partner or its Affiliates, and any accrued interest on any of such debts, and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners of the Limited Partner; *provided, however*, that such right of first refusal shall be conditioned upon an agreement by Purchaser to maintain the Project for low-income use for at least fifteen (15) years after the later of the end of the Compliance Period (but in no event can such low-income use terminate before the end of the Extended Use Period) under Section 42 of the Code or the date of the buyout and provided, further, that such restriction shall be recorded in the real property records as a restriction against the Partnership Property. All costs of the Buyout including any filing fees, shall be paid by Purchaser. In the event that Purchaser does not purchase the Partnership Property on the terms set forth above, then the right of first refusal granted herein shall lapse.

2. **Partnership Agreement.** Except as expressly provided herein, this Agreement shall be subject to the applicable terms and conditions of the Partnership Agreement.

3. **Burden and Benefit.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. No party may assign this Agreement without the consent of the other party.

4. **Severability of Provisions.** Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

5. **No Continuing Waiver.** None of the parties hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

6. **Defined Terms.** Except as expressly provided herein, terms used in this Agreement with initial capital letters shall have the meanings set forth in the Partnership Agreement.

7. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Oregon, without regard to principles of conflicts of laws.

8. **Binding Agreement.** This Agreement shall be binding on the parties hereto, and their heirs, executors, personal representatives, successors and assigns.

9. **Headings.** All headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any provision of this Agreement.

10. **Terminology.** All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

11. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

[signatures begin on the following page]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal Agreement as of the date first above written.

WITNESS/ATTEST:

Munsel Park Limited Partnership
By: Housing Authority and Community Services
Agency of Lane County
General Partner

By: _____
Name: _____
Title: _____

Housing Authority and Community Services
Agency of Lane County
Purchaser

By: _____
Name: _____
Title: _____

Exhibit K

MONTHLY CONSTRUCTION AND LEASE-UP STATUS REPORT

Enterprise Housing Partners X Limited Partnership

This report is to be completed during the first week of each month and sent to: Jamie Jung, Construction Manager, at The Enterprise Social Investment Corporation, 10227 Wincopin Circle, Suite 810, Columbia, Maryland 21044.

ATTACH THE DRAW SUMMARY AND THE APPROVED AIA SCHEDULE FROM EACH DRAW.

MONTH	PROJECTED PERCENT COMPLETE	ACTUAL PERCENT COMPLETE	TOTAL CONSTRUCTION FUNDS EXPENDED TO DATE	CONTINGENCY EXPENDED TO DATE	NUMBER OF UNITS OCCUPIED TO DATE
	(Start Date _____ Complete Date _____)	(_____ Buildings)	(Construction Contract Budget: _____)	(Initial Contingency: _____)	(Total Units: _____)

1. HAVE THERE BEEN ANY CHANGES IN THE CONSTRUCTION SCHEDULE (DELAYS, ETC)? Please specify and explain effect on construction completion date.

2. EXPLAIN HERE ANY LARGE DRAWS FROM CONTINGENCY.

COMPLETED BY: _____
 Title: _____
 Date: _____

Exhibit L

INSURANCE REQUIREMENTS CHECKLIST

A. Construction Phase

- ___ 1. *Owner's Commercial General Liability (Bodily Injury and Property Damage) Insurance* of the real estate development class in amounts not less than \$2,000,000 combined single limits (per occurrence/per location and in the aggregate).
- ___ 2. *General Contractor's Commercial General Liability and Property Damage Insurance* of the construction exposure class in the same amounts set forth above. Automobile liability, and workers' compensation in the statutory amount.
- ___ 3. *All-Risk Builder's Risk Insurance* ("All-Risk or "Special" form, NOT "NAMED PERIL" POLICY) providing replacement cost coverage in an amount equal to completed construction value, including soft cost coverage, with an agreed amount endorsement per the attached worksheet. For rehabilitation projects, the building acquisition cost is to be included in the Builder's Risk policy.
- ___ 4. *Architect's Errors and Omissions Insurance* for the greater of \$250,000 or 10% of the construction contract, in a form satisfactory to the Limited Partner.

B. Permanent Insurance (after construction)

- ___ 1. *Owner's Commercial General Liability (Bodily Injury and Property Damage) Insurance* in amounts not less than \$2,000,000 combined single limits (per occurrence per location and in the aggregate).
- ___ 2. *Owner's Special Form* ("All-Risk or "Special" form, NOT "NAMED PERIL" POLICY) *Property Insurance* on buildings and personal property in an amount not less than the full insurable replacement value of such buildings and personal property, but in no event less than the principle amount of all outstanding loans for the project.
- ___ 3. *Rental Interruption Insurance* in amounts required by all lenders, but not less than the equivalent of six (6) month's gross rental income.
- ___ 4. *Special Hazard Insurance* for boiler and machinery, flood, wind, mudslide and/or earthquake areas, in form and amount deemed necessary by all lenders and acceptable by the Limited Partner.

C. Evidence of Insurance

Insurance coverage must be evidenced by Certificates of Insurance and properly endorsed policies certified as true and correct by the insurance agent, but may not be evidenced solely by Certificates. All evidence of insurance must satisfy the following requirements:

1. **Munsel Park Limited Partnership** should be the named insured.
2. **Enterprise Housing Partners X Limited Partnership** should be named as an additional insured.
3. Policies must be written with an A.M. Best rated company of "A-V" or better.
4. All binders and policies should contain a cancellation clause stating that the policy will not be canceled without at least **thirty (30)** days prior written notice to the Limited Partner. The Clause should not state that the insurer will "endeavor" to send such notice or that no liability attaches to the insurer for failure to send such notice.
5. Certificates must document the amount of all deductibles.
6. All binders and policies must be accompanied by evidence of premium payment.

Builder's Risk Insurance Replacement Cost Worksheet

A. *Completed Construction Value*

Permanently installed furnishings and Fixtures	\$	
Construction Costs	\$	
Contingency	\$	
 <i>Subtotal</i>	 \$	

B. *Plus Building Acquisition*
 (Rehab Projects only, not less than \$50 per gross square foot of building area) \$ _____

C. *Plus Soft Cost Coverage*

Architect Supervision	\$	
Construction Monitoring	\$	
Construction Security	\$	
Real Estate Taxes	\$	
Insurance	\$	
Legal	\$	
Marketing	\$	
Accounting	\$	
Construction Period Interest	\$	
Permits & Fees	\$	
Title & Recording Fees (i.e. bldg, tap fees, etc.)	\$	
Other _____	\$	
Other _____	\$	
 <i>Subtotal of Soft Costs</i>	 \$	

Total Replacement Costs **\$ _____**