

MANZANITA GARDEN ASSOCIATES,
A LIMITED PARTNERSHIP

An Idaho Limited Partnership

Certificate of Limited Partnership

This Certificate of Limited Partnership is prepared and recorded pursuant to the requirements of the Uniform Limited Partnership Act of the State of Idaho and to reflect the Limited Partnership Agreement.

NOTICE

The information contained in this Certificate is that which is required by statute. Persons intending to rely upon the information contained in this Certificate are advised that certain terms of the Certificate may be conditioned or modifiable under the terms of the Restated Limited Partnership Agreement. To the extent that those conditions or modifications apply, liability of the partnership or any of the partners may only be predicated upon the terms of the Limited Partnership Agreement which may be obtained by qualified persons at the office of the Partnership.

1. Name

The name of the Partnership is Manzanita Garden Associates, A Limited Partnership.

2. Character

The character of the business of the Partnership is to acquire, develop, own, operate, maintain and lease for investment purposes certain real property and improvements located in San Jacinto, California.

3. Place of Business

The location of the principal place of business of the Partnership will be located at P.O. Box 360, Sun Valley, Idaho 83353, or such other place as the General Partner determine in the future. Registered Agent: Blair Reiley, 191 River Street, Ketchum, Idaho 83340.

4. Names, Residences, and Contributions of Partners

The names and addresses of the General Partners are as follows:

BLAIR REILEY	P. O. Box 360 Sun Valley, Idaho 83353	\$100.00
JERRY MORRIS	4973 South Alondra Las Vegas, Nevada 89118	\$100.00
JAMES CHASE	1555 East Flamingo Road Suite 253 Las Vegas, Nevada 89109	\$100.00
DAVID CORDES	P. O. Box 666 Sunset Beach, California 90742	\$100.00

Names, Residences, and Contributions of Partners

The names and addresses of the Original Limited Partners are as follows:

BLAIR REILEY	P. O. Box 360 Sun Valley, Idaho 83353	\$100.00
JERRY MORRIS	4973 South Alondra Las Vegas, Nevada 89118	\$100.00
JAMES CHASE	1555 East Flamingo Road Suite 253 Las Vegas, Nevada 89109	\$100.00
DAVID CORDES	P. O. Box 666 Sunset Beach, California 90742	\$100.00

5. Term

The Partnership will commence when this Certificate is recorded and will continue until December 31, 2035, or until it is otherwise terminated by law or the Partnership Agreement.

6. Additional Contributions

Except as stated above, no additional contributions are required from the Limited Partners.

7. Return of Contribution

No time is agreed on when the contribution of any Limited Partner, other than the Original Limited Partners, is to be returned.

8. Share of Profits

The net income, net losses and cash distributions, if any, will be allocated between Limited Partners and General Partners in the ratio of 95% to the Limited Partners and 5% to the General Partners.

Allocations to the Limited Partners will be made in proportion to the number of units owned by each, taking into account any variance of Partnership interest during the tax year.

9. Substitute Contributor

No assignee of a Limited Partner's interest in the Partnership may become a Substitute Limited Partner in place of his assignor unless all of the following conditions have been satisfied:

- (a) An executed and acknowledged instrument of assignment has been filed with the Partnership setting forth the intention of the assignor that the assignee become a Substitute Limited Partner in his place;
- (b) The assignor and assignee execute and acknowledge any other documents the General Partner may require to effect such admission (subject to FmHA approval), including the written acceptance of an agreement to be bound by the Partnership Agreement including any power of attorney;
- (c) The written consent of the General Partner for which the grant or denial will be within the sole and absolute discretion of the General Partner;
- (d) A transfer fee has been paid to the Partnership which is sufficient to cover all reasonable expenses connected with the assignment and substitution.

The General Partner may treat an assignee who has not become a Substitute Limited Partner as a Substitute Limited Partner in the place of his assignor if it decides it is in the best interest of the Partnership.

No consent of any other Limited Partner is required to effect the Substitution of a Limited Partner.

10. Additional Partners

The General Partner may admit Additional Limited Partners to substitute for the Original Limited Partner.

11. Priority

No right is given any Limited Partner to priority over other Limited Partners as to return of contributions or as to compensation by way of income.

12. Dissolution

The Partnership will be dissolved by:

- (a) the retirement, dissolution death, adjudication of bankruptcy or insolvency of a General Partner, unless within a period of six months from the date of such event, any remaining General Partner elects to reform the Partnership or, if there is no remaining General Partner, the Limited Partners elect a Successor General Partner;
- (b) the expiration of the term of the Partnership;
- (c) the sale of the Partnership property and the receipt in cash of the proceeds;
- (d) the expulsion of a sole remaining General Partner unless, prior to the effective date upon which he is to be expelled, a successor General Partner is elected;
- (e) the written decision of Limited Partners holding more than 75% of the then outstanding units and all of the General Partners to dissolve.

13. Property Other Than Cash

No right is given a Limited Partner to demand and receive property other than cash in return for his/her contribution.

14. Limited Partners' Right to Vote

Limited Partners may vote only upon the following matters and only if the right will not adversely affect the classification of the Partnership as a partnership for federal income tax purposes or the limited liability of the Limited Partners:

- (1) Removal of a General Partner;
- (2) Election of a successor General Partner;
- (3) Termination of the Partnership;
- (4) Approval of a sale or refinancing (other than a refinancing of the interim construction loan by the FmHA permanent loan) of the Property;
- (5) Amendment of this Agreement. However, the General Partners may admit additional or substitute Limited Partners. An amendment which would adversely affect the rights, privileges or preferences of any Partner will also require the approval of the Partner affected.

GENERAL PARTNERS

ORIGINAL LIMITED PARTNERS

Blair Reiley
BLAIR REILEY

Blair Reiley
BLAIR REILEY

Jerry Morris
JERRY MORRIS

Jerry Morris
JERRY MORRIS

James Chase
JAMES CHASE

James Chase
JAMES CHASE

Dr. David Cordes
DR. DAVID CORDES

Dr. David Cordes
DR. DAVID CORDES

State of *Mass*)

County of *Barn*)

On *December 30*, 1983, before me, the undersigned, A Notary Public in and for said State, personally appeared BLAIR REILEY, known to me to be the person who executed the within instrument as a General Partner and an Orginal Limited Partner, and acknowledged to me that he executed the same.

Subscribed and sworn to on December 30,
1983.

WITNESS my hand and official seal,

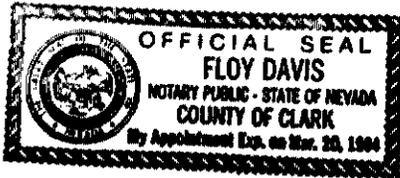
Bernard P. Dixon

State of NEVADA)

County of CLARK)

On January 10, 1984, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared JERRY MORRIS, known to me to be the person who executed the within instrument as a General Partner and an Original Limited Partner, and acknowledged to me that he executed the same. Subscribed and sworn to on January 10, 1984, 1983.

WITNESS my hand and official seal.



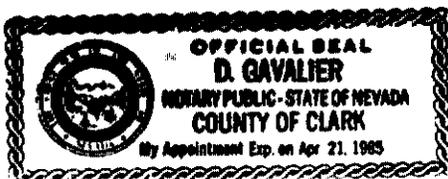
Floy Davis

State of Nevada)

County of Clark)

On January 10, 1984 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared JAMES CHASE, known to me to be the person who executed the within instrument as a General Partner and an Original Limited Partner, and acknowledged to me that he executed the same. Subscribed and sworn to on January 10, 1984, 1983.

WITNESS my hand and official seal.



D. Cavalier

State of Idaho)

County of Blaine)

On December 30, 1983, before me, the undersigned, a Notary Public in and for said State personally appeared Dr. David Cordes, known to me to be the person who executed the within instrument as a General Partner and an Original Limited Partner, and acknowledged to me that he executed the same. Subscribed and sworn to on December 30 1983.

WITNESS my hand and official seal.

Suzanne P. Dyer