

**CERTIFICATE OF LIMITED PARTNERSHIP**

**DBSI/TRI II LIMITED PARTNERSHIP**

NOV 1 1983

We, the undersigned, desiring to form a Limited Partnership pursuant to the laws of the State of Idaho hereby sign and swear to the following:

1. The name of the Partnership shall be DBSI/TRI II Limited Partnership.
2. The purpose of the Partnership is to own, maintain and operate an apartment complex in Newberg, Oregon.
3. The name and address of the registered agent of the Partnership is DBSI Inc., 1070 N. Curtis Road, Suite 270, Boise, Idaho 83706.
4. The name and place of residence or business of each General and Limited Partner in the Partnership and amount of cash or agreed value of any other property or services contributed are as follows:

<u>Name</u>	<u>Place of Residence or Business</u>	<u>Cash Contribution</u>
DBSI Inc. (General Partner)	1070 N. Curtis Rd., Ste. 270 Boise, Idaho 83706	0
Mark A. Ellison (Initial Ltd. Partner)	1070 N. Curtis Rd., Ste. 270 Boise, Idaho 83706	\$100

5. Upon admission of additional Limited Partners, the Initial Limited Partner shall withdraw from the Partnership and receive a refund of the cash contributed.
6. Additional Limited Partners shall be admitted by making payment for a full interest of \$49,000 for each 12.5% interest in Partnership profits and losses in cash installments as follows:
  - (a) \$4,750 immediately upon the signing by the investor of the subscription agreement of the Partnership; and
  - (b) \$11,500 on May 1, 1984,
  - (c) \$10,500 on May 1, 1985
  - (d) \$9,500 on May 1, 1986
  - (e) \$7,000 on May 1, 1987

(f) \$5,750 on May 1, 1988

Limited Partners shall have no liability to creditors of the Partnership beyond their cash contributions. Upon the admission of additional limited partners this Certificate of Limited Partnership shall be amended to state each Limited Partner's name, address and cash contributions. Limited Partners can be admitted for an aggregate contribution of \$24,500 or a multiple thereof up to \$392,000.

7. There is no agreed upon time by which the contributions of each Limited Partner are to be returned other than that of the Initial Limited Partner as stated above.
8. No limited partner may sell, assign, or transfer, in whole or in part, his Interest in the Partnership without obtaining the consent of the General Partners or if such a sale or transfer would cause a termination of the Partnership for tax purposes. As a condition to the admission of a Substituted Limited Partner, the person or entity so to be substituted shall execute and acknowledge such instruments (in form and substance satisfactory to the General Partners) as the General Partners may deem necessary or desirable to effect such substitution, and to confirm that the person or entity to be substituted as such Substituted Limited Partner, is bound by all covenants, terms and conditions of the Limited Partnership Agreement, as the same may have been further amended. Provided, however, that if a Limited Partner sells or assigns his Interest in the Partnership without the consent of the General Partners the assignee of said Interest shall not be entitled to exercise any rights as a Limited Partner but shall be entitled to share in the profits and losses and distributions to which the Limited Partner would have been entitled had the assignment not been made.

There are no other times or events upon which an individual Limited Partner may terminate his membership in the Limited Partnership.

9. The rights of partners to receive distributions from the Partnership are as follows:
  - a. Distributions of Net Cash Receipts (as defined in Article IV of the Partnership agreement) will be as follows:

- (1) 99% to the Limited Partners, and 1% to the General Partners, until the Limited Partners have received their remaining Outstanding Capital Contributions.
  - (2) Thereafter, 70% to the Limited Partners and 30% to the General Partners.
- b. Distributions of Proceeds upon sale, exchange, or other disposition or refinancing of the project will be as follows:
  - (1) To the extent and in the amount of any cash distributed under Paragraphs (3) and (4) below, gain or loss shall be allocated to persons receiving cash to the same extent and in the same amount cash is distributed; and to the extent and in the amount any gain is allocated without the receipt of cash, it shall be allocated in accordance with (a) above. Any taxable loss shall be allocated 100% to the Limited Partners to the extent of Capital Contributions. In the event that any Partner has a negative Capital Account at the time of Dissolution and winding up of the Partnership, he shall be obligated to contribute capital in the amount of such deficit.
  - (2) To the payment of any voluntary loans or advances that may have been made by any of the Partners to the Partnership;
  - (3) To the Limited Partners, to the extent necessary to return their remaining Outstanding Capital Contributions. The return of Capital Contributions is not guaranteed by the General Partners.
  - (4) To the extent of any balance remaining, 70% thereof the Limited Partners; to the General Partners the remaining 30% thereof.
10. The term of the Partnership is from November 1, 1983 to continue until December 31, 2035 unless sooner dissolved and affairs wound up earlier by:
  - a. Bankruptcy, dissolution, removal or withdrawal of the last remaining General Partner unless the Limited Partners elect to continue the business of the Partnership and elect a new General Partner;
  - b. The sale of all or substantially all of the

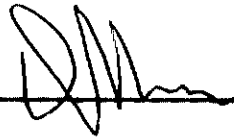
assets of the Partnership or

- c. Majority vote of all Limited Partners to dissolve the Partnership.

The withdrawal of any one of the General Partners shall not cause dissolution of the Partnership if within sixty (60) days of such withdrawal the remaining General Partner(s) elects to continue the business of the Partnership. The Partnership, however, shall cease existence with the cessation of the existence or withdrawal of the last General Partner.

Dated, executed and sworn to this 14<sup>th</sup> day of November, 1983, Boise, Idaho.

DBSI Inc.  
(General Partner)



By: Douglas L. Swenson  
President

INITIAL LIMITED PARTNER



Mark A. Ellison

STATE OF IDAHO       )  
                              ) ss.  
County of Ada        )

On this 14<sup>th</sup> day of November, 1983, before me, a Notary Public in and for said State, personally appeared Douglas L. Anderson, known to me to be the President of the corporation that executed the within instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Carolyn R. Marsh  
Notary Public for Idaho  
Residence: Boise, Idaho

STATE OF IDAHO       )  
                              ) ss  
County of Ada        )

On this 14<sup>th</sup> day of November, 1983, before me, a Notary Public in and for said State, personally appeared Mark A. Ellison, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Carolyn R. Marsh  
Notary Public for Idaho  
Residence: