

AGREEMENT OF LIMITED PARTNERSHIP OF

TCT PARTNERSHIP, A LIMITED PARTNERSHIP 1 59

SECRETARY OF STATE
This document shall constitute both the limited partnership agreement and the certificate of limited partnership. The general partners shall cause this document to be recorded as required by the State of Idaho.

By this agreement the signers form a limited partnership under the laws of the State of Idaho, as of April 1, 1983, and agree to the following terms and conditions.

1. NAME:

The name of the partnership shall be "TCT Partnership", a Limited Partnership.

2. MEMBERS:

The names and places of residence of the members of the partnership are:

General Partners:

Pat Crosgrove
John Timmermann

1800 Colorado, Boise, Idaho
202 Hanan Drive, Boise, Idaho

Limited Partner:

(W)

WILLIAM F.

~~John~~ Timmermann

2-2-1 HONKOMAGOME, BUNKYO-KU, TOKYO, JAPAN

~~100 Quail Run, Boise, Idaho~~

Registered Agents: John Timmermann, Pat Crosgrove

3. PLACE OF BUSINESS:

The partnership's principal place of business shall be at Lot 1 and Lot 2, Block 1, Crosgrove-Timmermann Townhouse Subdivision, Boise, Idaho, or other place as the partners determine in the future.

4. PURPOSE:

The partnership is formed for the sole purpose of developing, constructing and selling two townhouse dwellings (Hereafter referred to as the "Project") or as mutually agreed by all partners in the future. The project is to be constructed on Lots 1 and 2, Block 1, of the Crosgrove-Timmermann Townhouse Subdivision, Boise, Idaho, said property having been purchased with TCT Partnership funds and deeded to Pat Crosgrove and John Timmermann as agents of the partnership.

5. TERM:

The partnership shall continue until the project is completed and sold at which time its affairs are to be wound up or until a date mutually agreed to by all general and limited partners.

6. FORMALITIES:

A. The general partners shall do what is needed to:

1. Record a Certificate of Limited Partnership
2. Record a Fictitious Business Name Statement
3. Deliver to the limited partner within 60 days of the final completion and sale of the project, the financial report of the partnership's activities for the project.

B. The limited partner appoints each general partner as his attorney in fact, with the power to execute, acknowledge, and file any of the following documents in his name.

1. The original and any amendent of the Certificate of Limited Partnership, and any other instrument that may be required to be recorded or filed by the partnership.
2. All documents that may be required to effectuate the dissolution and termination of the partnership.
3. A Fictitious Business Name Statement.

7. ACCOUNTING AND RECORDS:

A. The partnership shall use the cash method of accounting.

B. At all times during the term of this partnership the general partners shall keep books of accounts in which each partnership transaction shall be fully and accurately entered. These books of account shall be kept at the partnership's principal office and shall be available for inspection and examination by the limited partner or his representative.

C. The general partners shall account on a daily basis, the hours contributed to the project, briefly describing activities for hours spent with the same provisions as stated in B. above.

8. CONTRIBUTIONS OF PARTNERS:

Capital Contributions:

Pat Crosgrove, General Partner	\$ 20,000
John Timmermann, General Partner	\$ 20,000
Bill Timmermann, Limited Partner	\$ 30,000

(25)

WILLIAM F.

8. CONTRIBUTIONS OF PARTNERS: (continued)

Capital Contributions: (continued)

During the course of the project, equal amounts of cash capital shall be contributed by all partners until the cash contributions of the general partners is completed. At such time, the limited partner shall contribute his remaining cash contribution at dates decided by the general partners.

Service Contributions: (General Partners only)

Each general partner shall contribute labor, administration and related services to the project. The value of this contribution shall be based upon the rate of \$9.00/hour for each general partner with a maximum service contribution for each partner set at \$10,000. The general partners shall account for their service contribution as described in item 7. above.

9. RETURN OF INVESTMENTS AND DISTRIBUTION OF PROFITS:

- A. An individual account shall be maintained for each partner. Each partner's account shall consist of his total contribution to the partnership (capital and service).
- B. Upon completion and selling of the project, each partner's total contribution (capital and service) shall be returned to him and the remaining profits shall be distributed as follows:

General Partners

Pat Crosgrove	33 1/3%
John Timmermann	33 1/3%

Limited Partner

WFO
~~William F.~~ Timmermann 33 1/3%

Profits are to distributed as described above whether or not either of the general partner's service contribution reaches the \$10,000 limit referred to in item 8. above.

- C. If a net loss occurs on the project, contributions shall be returned in following percentages:

General Partners	cash contribution - 100%
	service contribution - 50%

Limited Partner	cash contribution - 100%
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Any remaining revenue, after these percentages are returned, is to be divided between the general partners in porportion to their unreturned service contribution.

9. RETURN OF INVESTMENTS AND DISTRIBUTION OF PROFITS: (continued)

C. (continued)

If revenues are not adequate to return contributions to percentages noted above, each partner's portion thereof shall be diminished by 1/3 of the net loss.

- D. No return of investments or distribution of profits shall take place until all expenses, contract labor, loans, etc. have been paid and all service contributions to the entire project are accounted for. If one dwelling is sold before the other is completed, monies received from that sell shall be held or distributed as deemed reasonable and prudent by the general partners until completion of the entire project. No monies shall be paid to any partner unless distributed to all partners.
- E. If the limited partners shall, with the general partners' consent, make any loan to the partnership or advance money on its behalf, the loan or advance shall not increase the lending partner's capital account, nor entitle the lending partner to any greater share of the partnership's distributions nor subject him to any greater proportion of the partnership's losses. The amount of the loan or advance shall be a debt owned by the partnership to the lending partner, repayable on the terms and conditions and bearing interest at the rate agreed on by the lending partner and general partners.

10. MANAGEMENT:

- A. The partnership business shall be managed by the general partners. Each general partner shall have an equal voice in the management of the partnership. The limited partner shall have no right to take part in the management of the partnership or to transact any business on its behalf.
- B. The general partners shall agree upon and establish a selling price for each dwelling in the project. The general partners shall notify the limited partner upon receipt of any acceptable offer to purchase a dwelling. The limited partner shall then have the option, for a reasonable amount of time, to purchase the dwelling at that price plus \$1.00.
- C. The general partners are required to devote the majority of their time to the partnership project, until the project is 100% completed and ready for sale.

11. ASSIGNMENTS:

The limited partners interest in the partnership shall not be assignable without the written consent of both general partners. If the limited partner shall assign his interest without receiving the consent of the general partners, his assignee shall have no right to

11. ASSIGNMENTS:

(continued)

an accounting of partnership transactions or to inspect the partnership books. On giving notice of assignment to the general partners, the assignee shall be entitled to receive only a return of the assignor's contribution to capital and the share of profits to which the assignor would have been entitled or diminished by the assignor's share of losses, if any.

12. CONTINUATION OF BUSINESS AND BUYOUT CLAUSE:

Upon the death or insanity of a general partner or limited partner, the remaining partners shall purchase that partner's interest in the project and the partnership shall be continued by the remaining general partner(s). The value of the interest of the deceased or insane partner shall be determined to be the total value of his contribution (capital and services) to the project. The remaining partners shall divide the buyout cost equally unless otherwise agreed.

13. DISPUTE RESOLUTION CLAUSE:

The partners agree that any dispute arising out of this agreement of the partnership shall be resolved by mediation. The partners are aware mediation is a voluntary process, and pledge to cooperate fully and fairly with the mediator in an attempt to reach a mutually satisfactory compromise of any dispute.

The mediator shall be Greg Allen, 3599 Norfolk Way, Boise, Idaho.

If any party to a dispute feels it cannot be resolved by the partners themselves, he shall so notify the other partners and the mediator in writing.


Mediation shall commence within 7 days of this notice of request for mediation.

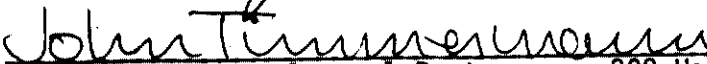
If the parties cannot reach a decision by mediation, the dispute shall be arbitrated by Greg Allen (the mediator/arbitrator), whose decision will be binding.

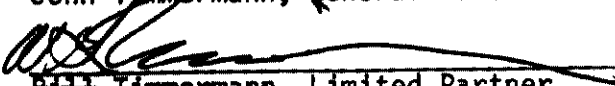

14. SIGNATURES: (continued page 6)

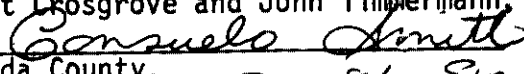
14. SIGNATURES

The parties to this limited partnership agreement hereby execute it effective as of the day and year first written above.

 date 6-7-83
Pat Crosgrove, General Partner 1800 Colorado, Boise, Idaho

 date 6-7-83
John Timmermann, General Partner 202 Hanan Drive, Boise, Idaho

 date 6-16-83
 ~~Bill~~ Timmermann, Limited Partner ~~100 Quail Run, Boise, Idaho~~
WILLIAM F. 2-2-1 HONKOMAGOME, BUNKYO-KU, TOKYO, JAPAN

On this date of June 7, 1983, Pat Crosgrove and John Timmermann,
these persons sworn before me, 
notary for the State of Idaho, Ada County. 3-5-86 Esp.

Certificate of Acknowledgment of Execution of an Instrument

(Country)
JAPAN
CITY OF TOKYO
EMBASSY OF THE UNITED STATES OF AMERICA } SS

(County and/or other political division)

(County and/or other political division)

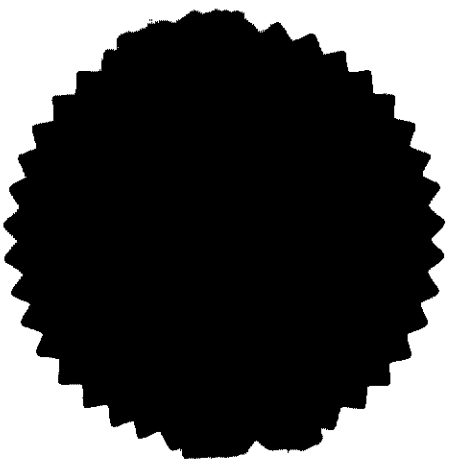
(Name of foreign service office)

SS:

I, Frances T. Lide Consul
of the United States of America at Tokyo, Japan
duly commissioned and qualified, do hereby certify that on this sixteenth
day of June, 1983, before me personally appeared _____
(DATE)
***** William F. TIMERMANN *****

to me personally known, and known to me to be the individual--described in, whose
name is subscribed to, and who executed the annexed instrument, and being
informed by me of the contents of said instrument he duly acknowledged to me
that he executed the same freely and voluntarily for the uses and purposes therein
mentioned.

In witness whereof I have hereunto set my hand and
official seal the day and year last above written.


Frances T. Lide

Frances T. Lide

Consul of the United States of America.