

CERTIFICATE OF LIMITED PARTNERSHIP

DBSI/TRI VII LIMITED PARTNERSHIP

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SECRETARY OF STATE

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 VII Limited Partnership.
2. The purpose of the Partnership is to acquire, hold, sell, dispose of and otherwise deal with four apartment complexes: two in Twin Falls, Idaho (80 units); and two in John Day, Oregon (43 units).
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 to be Contributed</u>
DBSI Inc. (General Partner)	1070 N. Curtis Rd., Ste. 270 Boise, Idaho 83706	0
Tomlinson Realty Investment (General Partner)	P.O. Box 108 Boise, Idaho 83701	0
David L. Palfreyman (Initial Ltd. Partner)	1070 N. Curtis Road, Suite 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 \$51,600 for each 3.96% interest in Partnership current profits and losses in six cash installments over a five year period as follows:

- a. \$4,000 immediately upon signing by the investor of the subscription agreement of the Partnership; and
- b. \$15,000 on May 1, 1985;
- c. \$10,800 on May 1, 1986;
- d. \$9,600 on May 1, 1987;
- e. \$7,200 on May 1, 1988;
- f. \$5,000 on May 1, 1989;

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 \$25,800 or a multiple thereof up to \$1,290,000.

- 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, except as otherwise provided in the Partnership Agreement, without obtaining the consent of the General Partners. Additionally, no consent will be given if such a sale or transfer would cause a termination of the Partnership for tax purposes or would be in violation of any Federal or state securities laws. 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 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 receive 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 withdraw from or terminate his membership in the Limited Partnership.

9. The rights of partners to receive distributions from the Partnership are as follows:
 - a. Distributions of Cash Flow (as defined in Article II of the Partnership agreement) shall be made 99% to the Limited Partners, and 1% to the General Partners.
 - b. Distributions of Sale or Refinancing Proceeds shall be in the following order of priority:
 - (1) To the payment of liability of the Partnership then due and owing to persons other than the Partners;
 - (2) To establish such reserves as the General Partners in their sole discretion determine to be reasonably necessary for any contingent or foreseeable liability or obligation of the Partnership; provided, however, that the balance of any such reserve remaining at such time as the General Partners shall reasonably determine shall be distributed in accordance with subparagraphs (3) through (7) below;
 - (3) To the payment to the General Partners of an amount equal to the unpaid balance, including accrued interest, of any Project Notes;
 - (4) To the Limited Partners, an amount equal to their Capital Contributions, reduced (but not below zero) by the amount of all prior distributions to them under this subparagraph (4);
 - (5) To the General Partners, an amount equal to their Capital Contributions, if any,

reduced (but not below zero) by the amount of all prior distributions to them under this subparagraph;

- (6) To the General Partners or their Affiliates, any accrued and unpaid fees payable pursuant to the terms of the Partnership agreement; and
- (7) The balance, if any, 70% to the Limited Partners and 30% to the General Partners; provided, however, in the case of sale, if it is not possible to make distributions pursuant to this subsection (7) so that the aggregate distributions to the Limited Partners and the General Partners exactly equal their respective Capital Account balances, then they will receive such distributions in proportion to their Capital Account balances.

10. The term of the Partnership is from February 1, 1984 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. Vote of Limited Partners holding a majority of the then outstanding interests 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.

11. The provisions herein may, in some cases, be summarized and reference is hereby made to the items of the Partnership Agreement, and amendments thereto which shall control the rights, obligations and duties of the Partners.

Dated, executed and sworn to this 27th day of August, 1984,
Boise, Idaho.

DBSI Inc.
(General Partner)


By: Douglas L. Swenson
President

Tomlinson Realty Investment
(General Partner)


By: James R. Tomlinson

INITIAL LIMITED PARTNER


David L. Palfreyman

STATE OF IDAHO)
) ss.
County of Ada)

On this 27th day of August, 1984, before me, a
Notary Public in and for said State, personally appeared
Douglas L. Swenson, 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.


Notary Public for Idaho
Residence: Boise, Idaho

STATE OF IDAHO)
) ss.
County of Ada)

On this 27 day of August, 1984, before me, a Notary Public in and for said State, personally appeared James Tomlinson, known to me to be a General Partner of Tomlinson Realty Investment, an Idaho general partnership, and that he, as such General Partner, being authorized so to do, executed the foregoing instrument in said partnership name.

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

William A. Lawlor
Notary Public for Idaho
Residence: Boise, Idaho

STATE OF IDAHO)
) ss.
County of Ada)

On this 27th day of August, 1984, before me, a Notary Public in and for said State, personally appeared David L. Halperman, 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.

Casslyn B. Mose
Notary Public for Idaho
Residence: