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SECRETARY OF STATE

**CERTIFICATE OF SECOND AMENDMENT AND
THIRD ADDENDUM TO AMENDED AND
RESTATED AGREEMENT AND CERTIFICATE
OF LIMITED PARTNERSHIP OF
JAMES COURT ASSOCIATES**

Pursuant to the provisions of Section 53-209 of the Idaho Code, the undersigned do hereby execute in duplicate this Certificate of Amendment for the purpose of amending the Certificate of Limited Partnership of James Court Associates.

1. The name of the limited partnership is JAMES COURT ASSOCIATES.

2. An Amended and Restated Agreement and Certificate of Limited Partnership of James Court Associates (herein called "Certificate of Limited Partnership") was filed in the office of the Ada County Recorder on January 1, 1978, as Instrument No. 7800577; and a certified copy of said Certificate of Limited Partnership was filed in the office of the Idaho Secretary of State on March 5, 1984. The Certificate of Limited Partnership was previously amended by an Addendum dated July 5, 1978, and filed in the office of the Ada County Recorder on July 6, 1978, as Instrument No. 7836059; and a certified copy of said Addendum was filed in the office of the Idaho Secretary of State on March 5, 1984. The Certificate of Limited Partnership was further amended by an Addendum dated August 1, 1985, a certified copy of said Second Addendum was filed in the office of the Idaho Secretary of State on September 21, 1985. (The documents described in this Paragraph 2, together with this document shall hereinafter collectively be referred to as the "Certificate of Limited Partnership").

3. The general partners of record are currently listed as Jack M. Miller and Mark E. Miller. On December 23, 1987, Jack M. Miller filed an Answer to an Involuntary Petition in Bankruptcy, No. 387-06351-P7 in the District of Oregon). Mark E. Miller has been adjudged a bankrupt in a Chapter 7 proceeding in the District of Oregon (Case No. 387-04494-P7). In both Bankruptcy proceedings, the Bankruptcy court has entered orders releasing James Court from the automatic stay under USC § 362(a) of the Bankruptcy Code.

4. James Court has appointed Rosewood Apartments Corporation, a California corporation, as the partnership's successor general partner.

5. Jack M. Miller has assigned to Lee Pacific Properties, Inc., an Oregon corporation, all of his rights to receive income, profits, losses and distributions from James Court.

6. The Certificate of Limited Partnership is hereby amended to reflect the withdrawal of the prior general partners, Jack M. Miller and Mark E. Miller, the income of the new general partner, Rosewood Apartments Corporation, and special limited partner, Lee Pacific Properties, Inc., and to set forth their respective rights in the profits, losses, and distributions, and to state the partnership's new principal place of business, particularly, as follows:

(a) PARTNERS. The name and business address of the General Partner of the partnership is as follows:

<u>Name</u>	<u>Business Address</u>
Rosewood Apartments Corporation, a California corporation	9090 Wilshire Blvd., #201 Beverly Hills, CA 90211

The name and business address of the Limited Partner of the partnership shall remain as follows:

<u>Name</u>	<u>Business Address</u>
Real Estate Partners Limited, a California limited partnership	c/o National Partnership Investments Corp. 9090 Wilshire Blvd., Suite 201 Beverly Hills, CA 90211 ATTN: Bruce Nelson, President

All references to Limited Partner in the Partnership Documents are to only this Limited Partner and, by this notation, expressly do not include the Special Limited Partner described below.

The name and business address of the Special Limited Partner of the partnership is as follows:

<u>Name</u>	<u>Business Address</u>
Lee Pacific Properties, Inc., an Oregon corporation	13500 S.W. Pacific Hwy., #220 Portland, Oregon 97223

(b) OPERATING GENERAL PARTNER. Rosewood Apartments Corporation is hereby the sole General Partner and therefore is the Operating General Partner. All references to Operating General Partner in the Partnership Documents shall be deemed to be to Rosewood Apartments Corporation. The Operating General Partner shall have the right to designate the Management Agent for the partnership (pursuant to Section 5.2.12 of the Certificate of

Limited Partnership), subject to the condition that the Limited Partner shall have the right to designate a new Management Agent if the Agent designated by the Operating General Partner fails to operate the partnership property on an annual break-even basis. The Managing Agent may be HAPI.

(c) WITHDRAWAL OF FORMER GENERAL PARTNERS. Jack M. Miller and Mark E. Miller have withdrawn as General Partners of James Court Associates and now have no interest in James Court Associates, whether as General Partners or Limited Partners, or in any other capacity. All of the remaining partners of James Court Associates have agreed to the continuation of the business of the limited partnership, pursuant to Section 53-244 of the Idaho Code. The undersigned Limited Partner does hereby ratify and consent to the transfer to Rosewood Apartments Corporation of the partnership interest of Jack M. Miller and Mark E. Miller in the Limited Partnership of James Court Associates; and the undersigned Limited Partner does hereby waive any right to object to such transfer under Section 8.1 or other provisions of the Partnership Documents.

(d) SALE OF INTEREST BY GENERAL PARTNER. The undersigned General Partner shall not sell, assign, transfer, mortgage, pledge, or otherwise encumber or dispose of its interest in the partnership or any portion thereof without first obtaining the written consent of the Limited Partner. Any such attempted sale, assignment, transfer, or mortgage or charge in violation thereof shall be void.

(e) PROFITS, LOSSES AND DISTRIBUTIONS.

(i) Section 4.1 of the Certificate of Limited Partnership is hereby amended and shall hereafter read as follows:

"4.1 Allocation. Profits and losses shall be allocated as follows:

4.1.1 All profits and losses from operations shall be allocated 98% to the Limited Partner, 1% to the General Partner, and 1% to the Special Limited Partner.

4.1.2 With respect to profits resulting from the Disposition or Partial Disposition of Partnership Property, including upon dissolution and termination of the Partnership, as follows:

(a) First to the Limited Partner and then to the General Partner and the Special Limited Partner until their respective capital accounts have been credited with that amount for each class of Partner equal to the excess of (i) cumulative net losses previously charged to its capital account over (ii) cumulative profits theretofore credited to its capital account;

(b) to the Limited Partner in an amount equal to 135% of the aggregate cash capital contributions made by the Limited Partner; and

(c) the balance, if any, 49% to the Limited Partner, 1% to the General Partner and 50% to the Special Limited Partner."

(ii) Section 4.2 of the Partnership Documents of the Limited Partnership is hereby amended and shall read as follows:

"4.2 Distribution of Cash from Operations. Cash from Operations shall be distributed as follows:

(a) The first \$2,000.00 of cash from operations in any year shall be paid to the Limited Partner; and

(b) The balance, up to the maximum distributions allowed by the Governmental Agencies, shall be allocated 69% to the Limited Partner, 1% to the General Partner and 30% to the Special Limited Partner."

(iii) Notwithstanding the provisions of Section 10.2 of the Partnership Documents, Sections 4.3 and 4.4 of the Partnership Documents are combined, amended and shall read as follows:

"4.3 Distributions of Cash from Refinancing or Sale. All proceeds from any refinancing or sale shall hereafter be distributed as follows:

(a) The Limited Partner shall receive an amount equal to 150% of its capital contribution; and

(b) The balance shall be allocated 49% to the Limited Partner, 1% to the General Partner and 50% to the Special Limited Partner."

(f) PRINCIPAL PLACE OF BUSINESS. Section 2.6 of the Certificate of limited Partnership is hereby amended to read as follows:

"2.6 Place of Business. The principal place of business of the partnership shall be at

9090 Wilshire Blvd., #201
Beverly Hills, CA 90211,

or at such other location as may hereafter be determined by the General Partner. The General Partner shall notify the Limited Partner of any change in the principal place of business of the

Partnership."

The terms of this Certificate shall be deemed to amend the pertinent provisions of the Certificate of Limited Partnership dated July 5, 1978 and all addenda thereto. In the event of any inconsistency between the foregoing documents and this Certificate, this Certificate shall be controlling; however, save and except as amended hereby, the provisions contained in said Certificate of

Limited Partnership and all addenda thereto shall remain in full force and effect as previously executed.

March, 1991.

EXECUTED as of the 18th day of December, ~~1990~~.

GENERAL PARTNER:

ROSEWOOD APARTMENTS CORPORATION,
a California corporation

By: 

Mark L. Walther

Vice President - General Counsel

LIMITED PARTNER:

REAL ESTATE PARTNERS LIMITED, a
California limited partnership, by
its General Partner, National
Partnership Investments
Corporation, a California
corporation, previously known as
Sonnenblick-Goldman, a California
corporation

By: 

Mark L. Walther


Vice President - General Counsel

STATE OF California)
COUNTY OF Los Angeles) ss:

I, Jason Burton Fields, a notary public, do
hereby certify that on this 18th day of March, 1991,
personally appeared before me Mark L. Walther, who
being by me first duly sworn, declared that (s)he is the
General
Vice President - Counsel of National Partnership Investments Corp.

General
that (s)he signed the foregoing document as Vice President - Counsel
of the corporation and that the statements therein contained are
true.




Notary Public