

AMENDMENT TO  
CERTIFICATE AND AGREEMENT OF LIMITED PARTNERSHIP  
OF  
SEWARD ASSOCIATES,  
AN IDAHO LIMITED PARTNERSHIP

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SEC. OF STATE  
89 JUL 24 AM 9 12

THIS AMENDMENT TO THE CERTIFICATE AND AGREEMENT OF LIMITED PARTNERSHIP (THE "AGREEMENT") IS MADE THIS 20TH DAY OF JULY, 1989, BY MARTY D. FRANTZ, GENERAL PARTNER OF SEWARD ASSOCIATES (HEREIN "THE PARTNERSHIP").

WHEREAS SEWARD ASSOCIATES WAS ORIGINALLY ORGANIZED BY THE FILING OF A CERTIFICATE AND AGREEMENT OF LIMITED PARTNERSHIP (THE "CERTIFICATE") DATED THE 22ND OF AUGUST, 1988, PURSUANT TO THE UNIFORM LIMITED PARTNERSHIP ACT OF THE STATE OF IDAHO; AND

WHEREAS, THE PARTIES HERETO NOW DESIRE TO AMEND CERTAIN TERMS AND PROVISIONS OF THE CERTIFICATE; AND

WHEREAS, THE REQUIREMENTS OF THE PARTNERSHIP AGREEMENT AS TO THE ADDITION OF TERMS AND PROVISIONS HAVE BEEN SATISFIED;

NOW, THEREFORE, THE PARTIES HERETO AGREE THAT THE CERTIFICATE AND AGREEMENT OF THE PARTNERSHIP SHALL BE, AND THE SAME IS HEREBY AMENDED TO PROVIDE FOR THE FOLLOWING ADDITIONAL TERMS AND PROVISIONS;

1. For as long as the project continues to be a Rural Rental Housing project, all terms of this agreement and all operations of the partnership are subject to the regulations of FmHA.

2. So long as any of the FmHA commitments are in effect, each of the provisions of this agreement shall be subject to the general partners covenant to act in accordance with the project documents which shall include the FmHA loan agreement, note, deed of trust or mortgage, and applicable FmHA rules and regulations.

3. The project documents shall govern the rights and obligations of the partners, their heirs, executors, administrators, successors and assigns to the extent expressly provided therein.

4. Upon any dissolution of the partnership or any transfer of the project, no title or right to the possession and control of the project and no right to collect the right therefrom shall pass to any person who is not, or does not become, bound by the project documents in a manner satisfactory to FmHA.

5. The affairs of the partnership shall be subject to FmHA regulation and no action shall be taken which would require the consent or approval of FmHA unless said consent is first obtained.

6. No salaries or other compensation will be paid to any partner for general services rendered to the partnership from the proceeds of any Rural Rental Housing loan granted to the partnership by FmHA.

7. No new general partner shall be admitted to the partnership and no general partner may withdraw from the partnership or be substituted for a general partner without the consent of FmHA, if such consent is then required.

8. The general partners shall at all times hold and maintain a financial interest in the partnership of not less than 5% of the total financial interest in the partnership.

8. After payment of the debts and liabilities of the partnership, all remaining proceeds from the sale or refinancing of the project (herein known as "remaining proceeds") shall be distributed as follows:

The general partners in an aggregate amount not less than 5% of the remaining proceeds according to the terms of this agreement. (After distribution of these proceeds to the general partners, FmHA need not concern itself with distribution of any remaining funds.)

10. No amendment to this agreement shall be permitted unless consent to such amendment is obtained from FmHA.

11. No conveyance or transfer of title to all or any portion of the project or partnership assets may occur without FmHA consent unless the conveyance or transfer is required or permitted under this agreement.

12. No voluntary dissolution or termination of the partnership shall be permitted without FmHA's consent.

ALL OTHER PROVISIONS OF THE CERTIFICATE AND AGREEMENT OF LIMITED PARTNERSHIP, AND ALL OTHER PARTNERS' INTERESTS, REMAIN UNCHANGED.

IN WITNESS WHEREOF, THIS AMENDMENT HAS BEEN DULY EXECUTED BY THE GENERAL PARTNERS, AND BY THE IN-COMING PARTNERS, FOR THEMSELVES AND AS ATTORNEYS-IN-FACT UNDER THE AGREEMENT FOR THE PARTNERS, ON THE DAY AND YEAR FIRST SET FORTH ABOVE.

SEWARD ASSOCIATES,  
AN IDAHO LIMITED PARTNERSHIP

GENERAL PARTNERS:

  
MARTY D. FRANTZ & FRANTZ CONSTRUCTION

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STATE OF IDAHO )  
 ) SS.  
COUNTY OF KOOTENAI )

ON THIS DAY PERSONALLY APPEARED BEFORE ME MARTY D. FRANTZ TO  
ME KNOWN TO BE THE INDIVIDUAL DESCRIBED IN AND WHO EXECUTED THE  
WITHIN AND FOREGOING INSTRUMENT, AND ACKNOWLEDGED THAT HE SIGNED  
THE SAME AS HIS FREE AND VOLUNTARY ACT AND DEED, FOR THE USES AND  
PURPOSES THEREIN MENTIONED.

GIVEN UNDER MY HAND AND OFFICIAL SEAL THIS 20 DAY OF

July, 1989.

Julia Crave  
NOTARY IN AND FOR THE STATE OF

Idaho  
RESIDING AT Hayden Lake

MY COMMISSION EXPIRES 3/1/91

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