

SEP 21 3 32 PM '85
CLERK OF STATE

**CERTIFICATE OF AMENDMENT AND SECOND 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.

3. The Certificate of Limited Partnership is hereby amended in the following manner:

(a) PARTNERS. The names, business address and telephone numbers of the General Partners of the partnership are as follows:

<u>Name</u>	<u>Business Address and Telephone Number</u>
Jack M. Miller	161 High Street S.E. Post Office Box 230 Salem, OR 97308 (503) 364-5500
Mark E. Miller	161 High Street S.E. Post Office Box 230 Salem, OR 97308 (503) 364-5500

The name, business address and telephone number of the Limited Partner of the partnership are as follows:

<u>Name</u>	<u>Business Address and Telephone Number</u>
Real Estate Partners Limited, a California limited partnership	c/o National Partnership Investments Corp. 1800 Century Park East, Suite 919 Los Angeles, CA 90067 ATT: Saul Ovdad, Vice President

- (b) OPERATING GENERAL PARTNER. Jack M. Miller is hereby designated Operating General Partner, within the meaning of the Certificate of Limited Partnership; provided, however, that in his absence, the functions of said Operating General Partner shall be performed by Mark E. Miller. 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 Rockwood Development Corporation or another company controlled by the General Partners; however, in that event, the Limited Partner shall have the right to designate a new Management Agent if control of said Rockwood Development Corporation or other entity passes to a party other than one of the General Partners.
- (c) WITHDRAWAL OF FORMER GENERAL PARTNERS. Diana Corp., an Idaho corporation, and Earl T. Grossaint 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 Jack M. Miller and Mark E. Miller of the partnership interest of Diana Corp. and Earl T. Grossaint 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 Certificate of Limited Partnership.
- (d) SALE OF INTEREST BY GENERAL PARTNER. The undersigned General Partners shall not sell, assign, transfer, mortgage, pledge, or otherwise encumber or dispose of their interest in the partnership or any portion thereof without first obtaining the written consent of the Limited Partner. Any such attempted sale, assignment, transfer, mortgage or charge in violation thereof shall be void.
- (e) Section 4.2 of the Certificate of Limited Partnership is hereby amended and shall hereafter read as follows:
- "4.2 Distribution of Cash from Operations. Effective January 1, 1985, cash from operations shall be distributed as follows:
- (1) The first \$2,000.00 of cash from operations in any year shall be paid to the Limited Partner; and
 - (2) The balance, up to the maximum distribution allowed by the Governmental Agencies, shall be allocated 70% to the Limited Partner and 30% to the General Partners as an incentive management fee."

(f) Notwithstanding the provisions of Section 4.3 and Section 10.2 of the Certificate of Limited Partnership, all proceeds from any sale or refinancing shall hereafter be distributed as follows:

- (1) The Limited Partner shall receive an amount equal to 150% of its capital contribution; and
- (2) The balance shall be allocated 50% to the Limited Partner and 50% to the General Partners.

(g) SALE OF PARTNERSHIP PROPERTY. Notwithstanding anything to the contrary contained in the Certificate of Limited Partnership, the Limited Partner shall have the right to require, at its sole option, that the Project or other assets of the partnership be sold. Upon notification to the General Partners of the Limited Partner's desire to have the Project or other assets of the partnership sold, the General Partners shall immediately take whatever reasonable actions are necessary to solicit bona fide offers from third parties for the purchase of the Project or said partnership assets. Said notice by the Limited Partner may or may not include the terms of any bona fide offer received by the Limited Partner.

In the event any Partner receives a bona fide written offer for the purchase of the Project or the assets of the partnership, such Partner shall provide copies of said offer to the other Partners. Notwithstanding the Limited Partner's request or initiation regarding their desire to sell the Project or the assets of the partnership, it is understood by the Partners that said initiation or request shall not be deemed to be consent by the Limited Partners to such sale; rather only the express consent of the Limited Partner as provided in the Limited Partnership Agreement shall suffice. Upon the receipt by the General Partners of the Limited Partner's consent to a bona fide offer to purchase the Project or the assets of the Partnership, the General Partners shall take all steps necessary to effectuate such sale and shall execute and deliver any and all documents, including but not limited to escrow instructions, reasonably required by said offer.

(h) 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 161 High Street S.E., Salem, Oregon 97301, or at such other location as may hereafter be determined by the General Partners. The General Partners shall notify the Limited Partner of any change in the principal place of business of the Partnership."

(i) REGISTERED AGENT. The registered agent of the limited partnership for service of process in Idaho, required to be maintained by Idaho Code Section 53-204, is as follows:

Mel Frazier
1821 S. Juniper Street, Apt. 17
Nampa, Idaho 83651

The terms of this Certificate shall be deemed to amend the pertinent provision of the Certificate of Limited Partnership and the Addendum thereto dated July 5, 1978. 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 Addendum shall remain in full force and effect as previously executed.

EXECUTED as of the 1st day of August, 1985.

GENERAL PARTNERS:


Jack M. Miller


Mark E. Miller

LIMITED PARTNER:

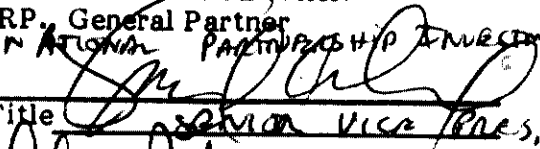
REAL ESTATE PARTNERS LIMITED

By SONNENBLOCK GOLDMAN
CORP. General Partner

By: ~~NATIONAL PARTNERSHIP INVESTMENTS CORP.~~

By

Title


Senior Vice Pres.

By


Charles H. Boxenbaum
General Partner

WITHDRAWAL OF GENERAL PARTNERS

The undersigned do hereby withdraw as General Partners and as Operating General Partners in the Limited Partnership of James Court Associates; and the undersigned do hereby assign all of their interest in said Partnership to Jack M. Miller and Mark E. Miller.

EXECUTED as of this 1st day of August, 1985.

DIANA CORP.

By


Title Earl Grossaint, President


Earl T. Grossaint, Individually