

**CERTIFICATE OF LIMITED PARTNERSHIP**

**FOR**

**RECEIVED**

**SEC. OF STATE**

**HIAWATHA ASSOCIATES, an Idaho limited partnership**

**'91 JAN 30 AM 8 47**

This Certificate of Limited Partnership is for HIAWATHA ASSOCIATES, an Idaho limited partnership.

1. **BUSINESS.** The general character of the business of the partnership shall be:

A. To acquire ownership of that certain real property described as Lots 16, 17, 18, 19 and 20, Block 34, Hailey Township, and related real property (the "Property") and hold for investment, maintain, operate, lease, improve, subdivide, exchange, sell, dispose of and otherwise deal with the Property; and

B. To do any and all things incidental or related to any of the purposes stated above.

2. **REGISTERED AGENT.** The name and address of the registered agent for service of process is John Scherer, whose address is 319 Walnut Avenue, Post Office Box 1539, Ketchum, Idaho, 83340.

3. **NAME AND ADDRESS OF PARTNERS.** The name and business address of each partner of the partnership are stated in Exhibit "1" attached hereto and incorporated herein by this reference.

4. **CAPITAL CONTRIBUTION.** The amount of cash and a description and statement of the agreed value of the other property or labor or services contributed by each partner are stated in Exhibit "1" attached hereto and incorporated herein by this reference.

5. **ADDITIONAL CAPITAL CONTRIBUTIONS.** The times at which, or events on the happening of which, any additional contributions agreed to be made by each partner are to be made are, as follows: Except as provided in paragraph 8 A, no partner has agreed to make any additional capital contributions. Paragraph 8A provides for additional capital contributions as necessary to cover certain expenses incidental to holding and developing the property but excluding any salaries to officers or shareholders of the general partner. The additional contribution shall be pro rata with reasonable advance notice to be given prior to actual need. In no event, shall future capital contributions exceed \$70,000.00 except upon affirmative vote of not less than sixty percent (60%) of the limited partners.

6. TRANSFER OF PARTNERSHIP INTEREST. The power of a limited partner to grant the right to become a limited partner to an assignee of his partnership interest, and the terms and conditions of the power are, as follows:

A. Any person who is the assignee of any partnership interest of a limited partner shall become a substituted Limited Partner as of the transfer date, only if:

(1) The assignor shall state his intention in the instrument of assignment that the assignee shall become a substituted Limited Partner;

(2) The written consent of the General Partner to the substitution shall be obtained. Such consent may be withheld at the sole discretion of the General Partner;

(3) The assignor and assignee shall execute such other instruments as the General Partner may deem necessary or desirable to effect admission of the substituted Limited Partner;

(4) The assignee shall execute the Limited Partnership Agreement;

(5) The assignee shall pay or obligate himself to pay, as the General Partner may require, all reasonable expenses connected with his admission, including but not limited to the cost of preparing and recording an appropriate amendment to the Certificate of Limited Partnership. The substitution shall become effective when that amendment is recorded.

7. TERMINATION OF MEMBERSHIP; DISTRIBUTIONS ON TERMINATION. The time at which or the events on the happening of which a partner may terminate his membership in the limited partnership and the amount of, or the method of determining, the distribution to which he may be entitled respecting his partnership interest, and the terms and conditions of the termination and distribution are, as follows: No agreement has been made regarding a time at which, or an event on the happening of which, a partner may terminate his membership in the partnership.

8. RIGHT TO RECEIVE DISTRIBUTIONS. The right to receive distributions of property, including cash from the limited partnership, is as follows:

A. The partners have the right to receive distributions of the Profits (as stated in paragraph 17 of the Agreement of Limited Partnership) as follows:

(a) Fifty percent (50%) to the Limited Partners, as a class; and

(b) Fifty percent (50%) to the General Partner.

9. DISTRIBUTIONS OF CAPITAL. The right of a partner to receive, or of a general partner to make, distributions to a partner which include a return of all or part of a partner's contribution are, as follows:

A. The partners have the right to receive distributions of the Net Capital Proceeds upon the discretion of the general partner as stated in paragraph 17 as follows:

(a) Fifty percent (50%) to the Limited Partners, as a class; and

(b) Fifty percent (50%) to the General Partner.

10. DISSOLUTION AND WINDING UP. The time at which or the event upon the happening of which the limited partnership is to be dissolved and its affairs wound up is the earliest of the following:

A. Expiration of the term of the partnership;

B. The occurrence of any event which causes the dissolution of a limited partnership under the laws of the State of Idaho; or

C. The written election of the General Partner.

11. WITHDRAWAL OF GENERAL PARTNER. The right of the remaining general partners to continue the business on the happening of an event of withdrawal of a general partner is as follows: There is only one general partner and no right to continue the business of the partnership in the event of a withdrawal of a general partner except to dissolve and wind up the affairs of the partnership, or the election of a new general partner pursuant to paragraph 21 A (2) of the Limited Partnership Agreement.

IN WITNESS WHEREOF, the undersigned have executed to this  
Certificate of Limited Partnership as of the 29 day of  
January, 1991.

**GENERAL PARTNER:**

John Scherer  
JOHN SCHERER

**LIMITED PARTNERS:**

Donald Rodriguez by John Scherer his attorney in fact  
DONALD RODRIQUES, by JOHN SCHERER as his attorney-in-fact

Chris Carlton by John Scherer his attorney in fact  
CHRIS CARLTON, by JOHN SCHERER as his attorney-in-fact

Andrew Spiegel by John Scherer his attorney in fact  
ANDREW SPIEGEL, by JOHN SCHERER as his attorney-in-fact

David Knutson by John Scherer his attorney in fact  
DAVID KNUTSON, by JOHN SCHERER as his attorney-in-fact

Chick Donaldson by John Scherer his attorney in fact  
CHICK DONALDSON, by JOHN SCHERER, as his attorney-in-fact

STATE OF IDAHO,           )  
                                  ) ss.  
County of Blaine.        )

I, the undersigned, a Notary Public in and for the State of Idaho, do hereby certify that on this 29 day of January, 1991, personally appeared before me JOHN SCHERER, to me known to be the individual described in and who executed the within instrument as Attorney-In-Fact for DONALD RODRIQUES, said principal, and acknowledged to me that he signed and sealed the same as the free and voluntary act and deed of DONALD RODRIQUES, said principal, for uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that DONALD RODRIQUES, said principal is now living and is sane.

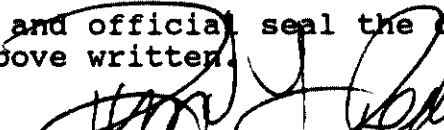
Given under my hand and official seal the day and year in this certificate first above written.

  
NOTARY PUBLIC FOR IDAHO  
Residing at: Letcher

STATE OF IDAHO,           )  
                                  ) ss.  
County of Blaine.        )

I, the undersigned, a Notary Public in and for the State of Idaho, do hereby certify that on this 29 day of January, 1991, personally appeared before me JOHN SCHERER, to me known to be the individual described in and who executed the within instrument as Attorney-In-Fact for CHRIS CARLTON, said principal, and acknowledged to me that he signed and sealed the same as the free and voluntary act and deed of CHRIS CARLTON, said principal, for uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that CHRIS CARLTON, said principal is now living and is sane.

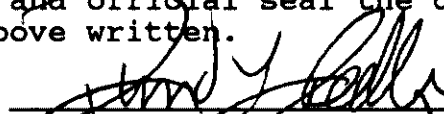
Given under my hand and official seal the day and year in this certificate first above written.

  
NOTARY PUBLIC FOR IDAHO  
Residing at: Letcher

STATE OF IDAHO,           )  
                                  )  
County of Blaine.        )   ss.

I, the undersigned, a Notary Public in and for the State of Idaho, do hereby certify that on this 29 day of January, 1991, personally appeared before me JOHN SCHERER, to me known to be the individual described in and who executed the within instrument as Attorney-In-Fact for ANDREW SPIEGEL, said principal, and acknowledged to me that he signed and sealed the same as the free and voluntary act and deed of ANDREW SPIEGEL, said principal, for uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that ANDREW SPIEGEL, said principal is now living and is sane.

Given under my hand and official seal the day and year in this certificate first above written.

  
\_\_\_\_\_  
NOTARY PUBLIC FOR IDAHO  
Residing at: Idaho

STATE OF IDAHO,           )  
                                  )  
County of Blaine.        )   ss.

I, the undersigned, a Notary Public in and for the State of Idaho, do hereby certify that on this 29 day of January, 1991, personally appeared before me JOHN SCHERER, to me known to be the individual described in and who executed the within instrument as Attorney-In-Fact for DAVID KNUTSON, said principal, and acknowledged to me that he signed and sealed the same as the free and voluntary act and deed of DAVID KNUTSON, said principal, for uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that DAVID KNUTSON, said principal is now living and is sane.

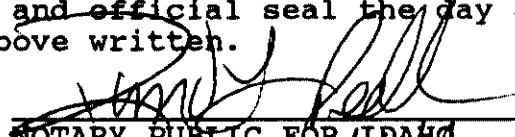
Given under my hand and official seal the day and year in this certificate first above written.

  
\_\_\_\_\_  
NOTARY PUBLIC FOR IDAHO  
Residing at: Idaho

STATE OF IDAHO,           )  
                                  )  
County of Blaine.        ) ss.

I, the undersigned, a Notary Public in and for the State of Idaho, do hereby certify that on this 29 day of January, 1991, personally appeared before me JOHN SCHERER, to me known to be the individual described in and who executed the within instrument as Attorney-In-Fact for CHICK DONALDSON, said principal, and acknowledged to me that he signed and sealed the same as the free and voluntary act and deed of CHICK DONALDSON, said principal, for uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that CHICK DONALDSON, said principal is now living and is sane.

Given under my hand and official seal the day and year in this certificate first above written.

  
NOTARY PUBLIC FOR IDAHO  
Residing at: Ketchum Idaho

STATE OF IDAHO,           )  
                                  )  
County of Blaine.        ) ss.

I, the undersigned, a Notary Public in and for the State of Idaho, do hereby certify that on this 29 day of January, 1991, personally appeared before me JOHN SCHERER, to me known to be the individual described in and who executed the within instrument as Attorney-In-Fact for CHARLES WALKER, said principal, and acknowledged to me that he signed and sealed the same as the free and voluntary act and deed of CHARLES WALKER, said principal, for uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that CHARLES WALKER, said principal is now living and is sane.

Given under my hand and official seal the day and year in this certificate first above written.

  
NOTARY PUBLIC FOR IDAHO  
Residing at: Ketchum Idaho

EXHIBIT 1 TO  
CERTIFICATE OF LIMITED PARTNERSHIP  
FOR HIAWATHA ASSOCIATES, an  
Idaho Limited Partnership

The name and business address of each partner of the partnership and the amount of capital contributed by each are as follows:

GENERAL PARTNER:

<u>NAME</u>	<u>ADDRESS</u>	<u>AMOUNT OF CAPITAL CONTRIBUTION</u>
John Scherer	P.O. Box 1539 Ketchum, Id. 83340	146,066

LIMITED PARTNER(s):

Donald Rodriques	P.O. Box 5122 Ventura, Ca. 93003	19,500
Chris Carlton	608 E. Jefferson Boise, Id. 83503	5,000
Andrew Spiegel	1315 Lincoln Ave. S. Highland, Ca. 60035	13,000
David Knutson	P.O. Box 21486 Los Angeles, Ca. 90021	13,000
Charles Walker	2950 Los Feliz Blvd. Los Angeles, Ca. 90093	13,000
Chick Donaldson	720 River St. Santa Cruz, Ca. 95060	19,828

rlp\hiawath.agr