

ARTICLE II

FORMATION, NAME AND PRINCIPAL PLACE OF BUSINESS

2.1 FORMATION. The Partners hereby form a Limited Partnership under the Uniform Limited Partnership Act of the State of South Carolina to carry on the business purposes provided for herein.

2.2 NAME. The firm name and style under which the Partnership shall be conducted is:

"REGENCY MANOR APARTMENTS, A LIMITED PARTNERSHIP"

2.3 PRINCIPAL PLACE OF BUSINESS. The initial principal place of business of the Partnership and the mailing address of the Partnership shall be 300 Sulphur Springs Road, Greenville, South Carolina. The Partnership may relocate such office from time to time in the vicinity of Greenville, South Carolina, or have such additional offices as the General Partners may determine.

ARTICLE III

PURPOSE OF PARTNERSHIP

3.1 The character of the business of the Partnership shall be to acquire, hold, improve, lease, manage, operate, mortgage, sell or otherwise deal in that certain apartment complex known as the Regency Manor Apartments; the development, mortgaging, and construction on the properties held by the partnership; the acquisition and development of additional properties; and all allied pursuits.

ARTICLE IV

TERM

4.1 The term of this Partnership shall commence on the day first above written and shall continue until January 27, 2005, unless sooner terminated as herein provided or by operation of law.

ARTICLE V

EQUITY INTEREST AND CAPITAL CONTRIBUTIONS

5.1 GENERAL PARTNERS. KENNETH W. REESE and KENNETH L. NUTT have contributed as General Partners the remaining eighty-five (85%) per cent undivided interest in the premises described in Schedule A attached hereto and have assigned their rights to an eighty-five (85%) per cent interest in the property described in Schedule B, by virtue of a Bond for Title. The said KENNETH W. REESE and KENNETH L. NUTT will execute a deed transferring the property to the Limited Partnership upon a receipt by themselves of a Warranty Deed to the property under the said Bond for Title.

5.2 LIMITED PARTNERS. CHARLES E. UPCHURCH has contributed as a Limited Partner a fifteen (15%) per cent undivided interest in the premises described in Schedules A and B attached hereto and incorporated herein by reference.

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