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deductions taken in computing such net profits (losses), if any, and (ii) any non-taxable income of receipts of the Partnership (excluding capital contributions) -- and reduced by (i) payments upon the principal of any mortgages upon the Property or of any other Partnership obligations or loans, (ii) expenditures for the acquisition of the Property (except to the extent financed through capital contributions, mortgages on the Property or any other Partnership obligations or loans, or reserves previously set aside by anticipated expenses as the General Partners shall deem to be reasonably necessary in the efficient conduct of the Partnership business; plus any other funds (including funds obtained from financing and amounts previously set aside as reserves by the General Partners, where and to the extent they no longer regard such reserves as reasonably necessary in the efficient conduct of the Partnership business) deemed available for distribution and designated as net cash flow by the General Partners.

10.2 SALE OR CERTAIN OTHER EVENTS. Notwithstanding anything to the contrary contained herein, in the event of the sale of all or substantially all of the assets of the Partnership, refinancing of the Property, condemnation by governmental authority, or receipt of insurance funds from casualty, the net proceeds realized therefrom shall be allocated as follows:

(a) to pay any debts and liabilities of the Partnership (including any loans made to the Partnership by the General Partners);

(b) to establish any reserve which the General Partners deem reasonably necessary to provide for any contingent or unforeseen liabilities or obligations of the Partnership; provided, however, that at the expiration of such period of time as the General Partners deem advisable, the balance of such reserve remaining shall be distributed in the manner set forth in (c) below;

(c) any remaining balance to the Partners in accordance with the provisions of Paragraph 10.1 hereof.

ARTICLE XI

TERMINATION AND DISSOLUTION OF THE PARTNERSHIP

11.1 DISSOLUTION. The Partnership shall be terminated and dissolved upon the happening of any of the following events:

(a) The retirement, adjudication of bankruptcy or insolvency, of all the General Partners unless, within ninety (90) days from the date of such event, a successor General Partner is elected by vote of Partners holding all of the then outstanding capital interest in the Partnership, which successor elects to continue the business of the Partnership.

11.2 DISTRIBUTION UPON DISSOLUTION. Upon a dissolution of the Partnership, the General Partners shall take full account of the Partnership assets and liabilities, and the assets shall be liquidated as promptly as is consistent with obtaining fair value thereof, and the proceeds therefrom to the extent sufficient therefor, shall be applied and distributed in the following order:

(a) to the payment of creditors, in the order of