

**AGREEMENT OF LIMITED PARTNERSHIP**  
**WEST CLIFF SHOPPING PLAZA I LIMITED PARTNERSHIP**

THIS AGREEMENT OF LIMITED PARTNERSHIP effective as of November 9, 1999, is entered into by and between WEST CLIFF SHOPPING PLAZA, INC., a Texas corporation, as the General Partner, and those parties executing this document, as the Limited Partners.

WITNESSETH:

**ARTICLE I**

**Definitions**

**Section 1.1 Definitions.** As used in this instrument:

1. "Act" means the Texas Revised Uniform Limited Partnership Act, Article 6132a-1, Texas Revised Civil Statutes, as from time to time amended and as supplemented by Article 6132b-2.02 of the Texas Revised Partnership Act, Article 6132b-1.01 et. seq., Texas Revised Civil Statutes.
2. "Agreement" means this Agreement of Limited Partnership as from time to time properly amended.
3. "Approval of the Partners" means the written approval of those Partners who, at the time the Partnership action is being considered for approval, have at least fifty-one percent (51%) of the Ownership Interests of all of the Partners.
4. "Bankruptcy" means, as to any Partner, the Partner's taking or acquiescing in the taking of any action seeking relief under, or advantage of, any applicable debtor relief, liquidation, receivership, conservatorship, bankruptcy, moratorium, rearrangement, insolvency, reorganization or similar law affecting the rights or remedies of creditors generally, as in effect from time to time. For the purpose of this definition, the term "acquiescing" shall include, without limitation, the failure to file, within ten (10) days after its entry, a petition, answer or motion to vacate or to discharge any order, judgment or decree providing for any relief under any such law.

5. "Capital Contribution" means, as to any Partner the Partner's Initial Capital Contribution and any Additional Capital Contribution. "Initial Capital Contribution" means, as to any Partner, the amount initially paid to the Partnership by a Partner. "Additional Capital Contribution" means as to any Partner, any additional contributions made to the Partnership by such Partner, if and to the extent such additional amount is actually contributed by the Partner to the Partnership pursuant to Section 4.2. "Unreturned Capital Contribution" means, as to any Partner, the Partner's Capital Contribution minus any cash which has been distributed to the Partner as a return of capital pursuant to this Agreement.

6. "Code" means the Internal Revenue Code of 1986, as amended.

7. "General Partners" means the persons named as such in the opening recital of this Agreement, together with any other person who becomes a general partner of the Partnership pursuant to this Agreement.

8. "Limited Partner" means each person who executes this Agreement and is reflected as a limited partner on the attached Exhibit "A" or who becomes a substituted limited partner pursuant to this Agreement.

9. "Liquidator" means the person or persons who liquidate the Partnership pursuant to Article 12.

10. "Ownership Interest" means the interest of each Partner in the Partnership. The Ownership Interest of a Partner means the percentage set forth opposite the Partner's name on the attached Exhibit "A".

11. "Partners" means the General Partner and the Limited Partners, collectively.

12. "Partnership" means the limited partnership formed pursuant to this Agreement.

13. "Project" means the West Cliff Plaza Shopping Center, Dallas, Texas.

## ARTICLE 2

### Formation of Partnership

Section 2.1 Formation. The Partners hereby form the Partnership pursuant to the Act. The General Partner shall promptly file a certificate of limited partnership required by the Act, and comply with all other legal requirements for the formation and operation of the Partnership. Except as herein stated, the Act shall govern the rights and liabilities of the Partners.

**Section 2.2 Name.** The name of the Partnership shall be West Cliff Shopping Plaza I Limited Partnership, and the business of the Partnership shall be conducted under that name.

**Section 2.3 Principal Office.** The principal office of the Partnership shall be located at 5801 Marvin D. Love Freeway, Suite 202, Dallas, Texas, 75237, or at such other place or places as the General Partner may from time to time determine.

**Section 2.4 Term.** The Partnership shall begin upon the date this Agreement is filed as required under Section 2.1 and shall continue until the date the Partnership is dissolved under Article 11 and thereafter, to the extent provided for by applicable law, until wound up and terminated under Article 12.

### ARTICLE 3

#### Purposes and Powers of the Partnership

**Section 3.1 Purposes.** The purpose of the Partnership is to acquire the Project, and subsequent thereto, manage, operate and sell the Project, and conduct such other activities incidental thereto. The purpose of the Partnership shall not be changed unless an amendment to this Agreement setting forth the changed purposes is executed by all Partners.

**Section 3.2 Powers; Limits on Delegation.** Subject to the limitations contained in this Agreement and in the Act, the Partnership purposes may be accomplished by the General Partner taking any action which is permitted hereunder or under the Act or which is customary or reasonably related to the acquisition, ownership, financing, development, improvement, management and leasing of real property or of personal or mixed property incidental thereto.

### ARTICLE 4

#### Capital Contributions

**Section 4.1 Initial Capital Contributions.** Each Partner has contributed, in cash to the capital of the Partnership, his Initial Capital Contribution, as more particularly set forth on Exhibit "A" attached hereto and incorporated herein for all purposes. No Limited Partner shall have any liability to the Partnership resulting from the failure of any other Limited Partner to contribute any portion of its Initial Capital Contribution.

**Section 4.2 Additional Capital Contributions.** In the event Partnership funds are insufficient to timely meet the Partnership's obligations, upon the Approval of the Partners, the Partners shall be required to make Additional Capital Contributions (herein so called). The amount of Partnership funds necessary to meet Partnership obligations shall be reasonably determined by the General Partner subject to the Approval of the Partners. The amount of the Additional Capital Contribution due by each Partner shall be equal to the product of the Partnership's Ownership

Interest in the Partnership times the aggregate amount of funds necessary to meet Partnership obligations. In the event a Partner fails to make any Additional Capital Contribution required pursuant to this Section 4.2 upon thirty (30) days prior written notice from the General Partner, the Ownership Interest of the defaulting Partner shall be reduced proportionately and redistributed among the remaining Partners who contribute their pro rata share of the defaulting Partner's Additional Capital Contribution.

**Section 4.3 Capital Accounts.** A Partnership capital account shall be established for each Partner. The amount in a Partner's capital account shall initially be the amount of his Initial Capital Contribution. A Partner's capital account shall be credited with any Additional Capital Contribution made by the Partner, when made. A Partner's capital account shall be credited or charged annually with its distributive share of Partnership profit or loss, determined pursuant to Article 5, its distributive share of the items described in Sections 705(a)(1)(B) of the Code, and distributions made to the Partner. The capital accounts shall not bear interest. No Partners shall have the right to demand the return of his Capital Contribution except as provided in this Agreement.

## ARTICLE 5

### Allocations

- (a) Except as may be required by Section 704 of the Code and Treas. §1.704(b)(2)(iv)(f)(4):
  - (i) all items of loss, deduction and credit of the Partnership shall be allocated among the Partners as follows:
    - (A) first, to the Partners to the extent of and in proportion to their respective positive capital account balances as of the end of the year with respect to which the items are being allocated,
    - (B) thereafter, to the Partners in proportion to their respective Ownership Interests; and
  - (ii) all items of income and gain of the Partnership shall be allocated among the Partners as follows:
    - (A) first, to the Partners in proportion to their respective Ownership Interests, in an amount equal to the excess of (x) the aggregate amount of loss, deduction and credit allocated to the Partners pursuant to clause (i)(B) above for all prior fiscal years (or portions thereof) over (y) the aggregate amount of income and gain allocated to the Partners pursuant to this clause (ii)(A) for all prior years (or portions thereof);

- (B) next, to the Partners in an amount equal to the excess of (x) the aggregate amount of loss, deduction and credit allocated to such Partners pursuant to clause (i)(A) above for all prior fiscal years (or portions thereof) over (y) the aggregate amount of income and gain allocated to such Partners pursuant to this clause (ii)(B) for all prior years (or portions thereof); and
- (C) thereafter, to the Partners in proportion to their respective Ownership Interests.
- (b) If any Partner unexpectedly receives any adjustment, allocation or distribution described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) that causes such Partner's deficit in its capital account to exceed the maximum amount such Partner is obligated (or is deemed obligated) to restore to the Partnership upon liquidation as determined in accordance with Treasury Regulation Sections 1.704-2(g) and (i), such Partner shall be allocated items of income and gain in an amount and manner sufficient to eliminate such excess, as rapidly as possible; provided, that allocations pursuant to this paragraph (b) shall be made only if and to the extent that such Partner's deficit in his capital account exceeds such amount after all other allocations pursuant to this Article V have been tentatively made as if this paragraph (b) were not a part of this Agreement. This paragraph (b) is intended to comply with the qualified income offset requirement of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted in a manner consistent with such intent.
- (c) All items of income, gain, loss, deduction, and credit allocable to any Ownership Interest that may have been transferred shall be allocated between the transferor and the transferee based on the portion of the calendar year during which each was recognized as owning that Ownership Interest, without regard to the results of Partnership operations during any particular portion of that calendar year and without regard to whether cash distributions were made to the transferor or the transferee during that calendar year; provided, however, that this allocation must be made in accordance with a method permissible under Section 706 of the Code and the regulations thereunder,

## ARTICLE 6

### Distributions

**Section 6.1 Frequency of Distributions.** Except as provided in Article 12, all Partnership cash not required for Partnership operations or as a reasonable reserve for capital replacements, as determined in the discretion of the General Partner, shall be distributed among the Partners in accordance with their Ownership Interests.

**Section 6.2 Amount of Distributions.** Any sums to be paid to the Partners shall be allocated between the Partners in the ratio that each Partner's Ownership Interest bears to the Ownership Interests of all of the Partners.

**Section 6.3 Distribution of Proceeds from Sale or Refinancing of Projects.** In the event the Partnership sells all or any portion of the Projects, the Projects are condemned, or the Partnership refinances the Projects, the net proceeds to the Partnership of any such sale, condemnation or refinancing shall, after the payment of all currently due debts and liabilities of the Partnership (including all expenses of the Partnership incident to any such sale, condemnation or refinancing), be distributed and applied in the following order of priority:

- (a) First, all Partnership loans from third parties secured by an interest in the Projects shall be repaid, including any interest due and owing thereon;
- (b) Second, all Partnership loans from the Partners shall be repaid to the Partners (including any interest due and owing thereon, if any);
- (c) Third, the Partners shall be paid an amount equal to the balance of their Capital Accounts at that time; and
- (d) Fourth, any remaining net proceeds shall be distributed to the Partners in accordance with their Ownership Interests.

## ARTICLE 7

### Bank Accounts, Books of Account, Reports and Fiscal Year

**Section 7.1 Bank Account; Investments.** The General Partner shall establish one (1) or more bank accounts with a federally insured financial institution or one (1) or more uninsured institutional money market accounts in the name of the Partnership into which all Partnership funds shall be deposited. No other funds shall be deposited into these accounts. Funds deposited in the Partnership's accounts may be withdrawn only to pay Partnership debts or to be distributed to the Partners pursuant to this Agreement. However, pending their withdrawal for such purposes, Partnership funds may be invested in such United States or corporate securities and money market funds, as the General Partner may select.

**Section 7.2 Books and Records.** The General Partner shall keep complete and accurate books of account and records relative to the Partnership's business. The books shall be prepared in accordance with generally accepted accounting principles, consistently applied, utilizing the method of accounting as determined by the General Partner. That method of accounting chosen shall also be used by the Partnership for income tax purposes. The Partnership books and records shall at all times be maintained at the principal business office of the Partnership or its accountants and shall

be available for inspection by the Limited Partners or their duly authorized representatives during reasonable business hours. The books and records shall be preserved for six (6) years after the term of the Partnership ends.

**Section 7.3 Annual Report and Audit.** By March 15, the General Partner shall furnish to each Limited Partner an income and expense statement for the previous year. Any Partner shall have the right to have an audit conducted of the Partnership books. The cost of the audit shall be borne by the Partner requesting that the audit be performed or, upon the Approval of the Partners, by the Partnership. The audit shall be performed by an accounting firm acceptable to the person or persons requesting same. Not more than one (1) audit shall be required by any or all of the Partners for any fiscal year.

**Section 7.4 Determination of Profit and Loss.** All items of Partnership income, expense, gain, loss, deduction and credit shall be determined with respect to, and allocated in accordance with this Agreement for each Partner for each Partnership fiscal year. By April 15, the General Partner shall cause to be prepared and furnished to each Partner, at Partnership expense, a balance sheet of the Partnership (dated as of the end of the fiscal year then ended), a related statement of income, loss and change in financial position for the Partnership (for the same year), and all other financial information reasonably requested by any Partner. Such financial information shall reflect all distributions of cash made to each Partner during the year.

**Section 7.5 Tax Returns and Information.** The Partners intend for the Partnership to be treated as a partnership for tax purposes. The General Partner shall prepare or cause to be prepared all federal, state and local income and other tax returns which the Partnership is required to file and shall furnish same to the Partners, together with a copy of each Partner's K-1 and any other information which any Partner may reasonably request relating thereto, no later than thirty (30) days prior to the date, computed without regard to permitted extensions, such returns must be filed without incurring interest or penalty. The General Partner shall also provide, no later than thirty (30) days prior to the date on which a tax return must be filed, such information as is available to the General Partner to allow the Partners to file their applicable tax returns. In preparing Partnership income tax returns, the General Partner shall utilize that method of cost recovery as is most advantageous to the Partnership. Each Partner shall pay for the cost of preparation of each Partner's K-1.

**Section 7.6 Tax Audits.** The General Partner shall be treated as the tax matters partner of the Partnership pursuant to Section 6231(a)(7) of the Code. The General Partner shall inform the Partners of all matters which may come to his attention in his capacity as tax matters partner by giving the Partners notice thereof within ten (10) days after becoming so informed.

**Section 7.7 Fiscal Year.** The Partnership fiscal year shall be the calendar year.

## ARTICLE 8

### Rights, Obligations, Indemnification and Remuneration of the Managing General Partner

**Section 8.1 Rights of the General Partner as Manager.** Subject to the fiduciary obligations imposed upon them at law, the General Partner shall have full, exclusive and complete discretion to manage and control, and shall make all decisions affecting, the Partnership business. In particular, and notwithstanding any provision to the contrary contained in this Agreement, the General Partner shall be and are hereby authorized to execute on behalf of the Partnership any and all documents that may be necessary to purchase, mortgage, sell, or otherwise encumber the Project. However, the General Partner is authorized to submit any Partnership claim or liability to arbitration or reference. No person, firm or governmental body dealing with the Partnership shall be required to inquire into, or to obtain any other documentation as to, the authority of the General Partner to take any such action permitted under this Section.

**Section 8.2 Specific Limitations on the General Partner.** Except as specifically provided elsewhere in this Agreement, without the prior Approval of the Partners to the specific act in question, the General Partner shall have no right, power or authority to do any of the following acts, each of which is considered outside the ordinary course of the Partnership's business:

- (a) to admit any additional limited partner to the Partnership other than a substitute limited partner admitted pursuant to Section 10.2; or
- (b) other than as provided in Sections 8.1 above, to contract for any of the above, unless the effectiveness of such contract is expressly subject to the Approval of the Partners.

Without the Approval of the Partners, the General Partner shall have no right, power or authority to admit any additional or substitute general partner to the Partnership. The limitations in this Section 8.2 shall not be applicable to any Liquidator (as defined in Section 12.1) in winding up and liquidating the business of the Partnership pursuant to the terms of Article 12 below.

**Section 8.3 Obligations of the General Partner.** The General Partner shall manage, or cause to be managed, the Partnership affairs and the Project in accordance with the highest and best industry practices, the Act and all other legal requirements and contractual obligations applicable to the Partnership. The General Partner shall devote only such part of his time to the Partnership as may be required in his discretion to cause such management standards to be satisfied.

**Section 8.4 Indemnification of the General Partner.** The General Partner shall be indemnified and held harmless by the Partnership (but only to the extent that the Partnership assets are sufficient therefor) from and against all claims, liabilities and expenses arising out of the General Partner's management of the Partnership affairs, including those caused by the General Partner's sole, simple negligence but excluding those caused by (a) the General Partner's gross negligence or willful



misconduct or (b) the General Partner's breach of any provision of this Agreement, the Act or the General Partner's fiduciary responsibilities to the Partnership or the Partners. These indemnification rights are in addition to any rights the General Partner may have against third parties. To the extent the General Partner is able to obtain a benefit from third parties for which the General Partner has previously been indemnified, the General Partner shall assign and convey to the Partnership all its right, title and interest in and to such amounts for which it has previously been indemnified.

**Section 8.5 Compensation and Reimbursement.** The Partnership may enter into a management agreement with one or more affiliates of the General Partner. If such an agreement is entered into, the Partnership shall pay such affiliate of the General Partners, an amount equal to a reasonable management fee. The General Partner shall also be entitled to reimbursement by the Partnership (but only to the extent that Partnership assets are sufficient therefor) for reasonable and necessary out-of-pocket expenses incurred by the General Partner on behalf of the Partnership.

**Section 8.6 Power of Attorney.** By its execution of this Agreement, each Partner irrevocably appoints the General Partner his true and lawful attorney in fact and agent with full power and authority to act in its name and place in executing, filing and recording (a) any certificates or other documents required to be filed pursuant to Chapter 36 of the Texas Business and Commerce Code or under the Act, (b) any amendments to this Agreement to reflect the admission of a substitute limited partner pursuant to Section 10.2 and (c) any amendments to or the cancellation of the certificate of limited partnership to be filed as a result of the admission of a substitute limited partner, an amendment to this Agreement pursuant to Section 13.7, or the final dissolution and winding up of the Partnership. This power of attorney is coupled with an interest, is irrevocable, survives the death, incompetency or legal disability of a Partner and is binding on any assignee or vendee of all or part of an Ownership Interest hereunder.

## ARTICLE 9

### Rights and Status of Limited Partners

**Section 9.1 General.** The Limited Partners have the rights and the status of limited partners in the Act. The Limited Partners may not take part in the management or control of the Partnership business, or sign for or bind the Partnership, such power being vested exclusively in the General Partner.

**Section 9.2 Limitation on Liability.** Except as provided in the Act, no Limited Partner shall have any personal liability whatever, whether to the Partnership, the General Partner or any creditor of the Partnership, for the debts of the Partnership or any of its losses beyond the amount of the Limited Partner's Initial Capital Contribution and any Additional Capital Contribution.

## ARTICLE 10

### Transfer of Rights

**Section 10.1 Transfers by Limited Partners.** Other than through a transfer by the death or Bankruptcy of a Partner, should any Partner desire to sell or otherwise dispose of his Ownership Interest in the Partnership, or any portion thereof, he shall first deliver to the General Partner a written instrument in which he shall:

- (a) state his intention to sell or dispose of his Ownership Interest, or designated portion thereof;
- (b) state the price and terms of the best bona fide offer he has received for the purchase of such interest, or portion thereof, and the name and address of the offeror making such offer; and
- (c) offer to sell such interest, or portion thereof, to the Partners on the same terms and conditions at any time within twenty (20) days after the delivery of such written offer to the General Partner.

All offers the General Partner receives in connection with this Section 10.1 shall entitle the Partners to purchase the Ownership Interest of the selling Partner. In the event that more than one Partner shall acquire such interest, the electing Partners shall acquire the interest in direct proportion to their existing Ownership Interests (i.e. the Ownership Interest of such electing Partner divided by the total Ownership Interest of such electing Partners). If this option is not exercised by any of such Partners, the selling Partner may, at any time within thirty (30) days after the expiration of such twenty (20) day option period, sell his Ownership Interest, or designated portion thereof, in the Partnership to the offeror named in the offer, provided the sale and conveyance is expressly made subject to the provisions hereof and further provided that the offeror assumes all (or a proportionate part) of the obligations if any, of the selling Partner hereunder and executes a counterpart of this Agreement and an Amended Certificate of Limited Partnership. The selling Partner shall pay all reasonable direct expenses incurred by the Partnership as a result of the sale or exchange of his Ownership Interest, including the filing fee of any amendment to the Partnership Agreement or certificate required by any governmental authority. If the sale is not completed within such thirty (30) day period, the right of the selling Partner shall be deemed to have expired and a new notice and option shall be required before any sale or disposition is made of the Ownership Interest (or any portion thereof) of the selling Partner.

Any purported sale or assignment consummated without first complying with this Section 10.1 as between the Partnership on the one hand, and the selling Partner and his assignee or vendee, on the other hand, shall be null and void.

**Section 10.2 Substituted Partner.** Each Partner hereby confers upon the General Partner the right to admit, or to deny admittance to, in his sole discretion, a transferee of the interest of a Limited Partner as a substituted limited partner in the Partnership. Any transferee who desires to become a substituted limited partner shall: (a) deliver to the General Partner such information and opinions of counsel, execute such documents and take such other action as the General Partner may deem appropriate with respect to such substitution, including, without limitation, the written acceptance and adoption by the transferee of the provisions of this Agreement and the assumption by the transferee of the obligations of his transferor; and (b) pay all expenses incurred by the Partnership in connection with such transfer and admission, including the cost of preparing and filing an amendment to the Certificate. A transferee shall become admitted as a substituted limited partner in the Partnership only if and when the General Partner evidences his consent to such admission in writing. Thereafter, this Agreement shall be amended pursuant to the power of attorney granted in Section 8.6 above. A substituted partner shall, upon compliance with the foregoing provisions, succeed to all rights and obligations as set out in this Agreement and the Act for Partners. The Partnership shall continue with the same basis and capital account for the substituted partner assignee as was attributable to his transferor.

**Section 10.3 Basis Adjustment.** Upon the transfer of all or part of an Ownership Interest in the Partnership, at the request of the transferee of the Ownership Interest, the General Partner may, in its sole discretion, cause the Partnership to elect, pursuant to Section 754 of the Code or the corresponding provisions of subsequent law, to adjust the basis of Partnership property as provided by Sections 734 and 743 of the Code.

**Section 10.4 Transfer by General Partner.** The Partners have entered into this Agreement, in part, based upon the identity of the General Partner. Therefore, the General Partner may not sell, assign, hypothecate or otherwise transfer, voluntarily or by operation of law, all or any portion of his Ownership Interest in the Partnership without the prior Approval of the Partners.

**Section 10.5 Bankruptcy; Death.** Neither the Bankruptcy, death, disability nor declaration of incompetence of a Partner shall dissolve the Partnership, but the rights of a Partner to share in the profits and losses of the Partnership and to receive distributions of Partnership funds shall, on the happening of such an event, devolve upon the Partner's estate, legal representative or successors in interest, as the case may be, subject to this Agreement, and the Partnership shall continue as a limited partnership. The Partner's estate, representative or successors in interest shall be liable for all of the obligations of the Partner.

## ARTICLE 11

### Dissolution

**Section 11.1 Causes.** Each Partner expressly waives any right which he might otherwise have to dissolve the Partnership except as set forth in this Article 11. Upon the happening of the first to occur of the following events, the Partnership shall be dissolved: (a) the Bankruptcy, dissolution,

liquidation, or conveyance of substantially all of the assets of a General Partner or any other occurrence which would legally disqualify the General Partner, if such General Partner is at that time the sole General Partner; (b) the retirement, resignation or withdrawal from the Partnership by a General Partner, if such General Partner is at that time the sole General Partner; (c) the execution by all of the Partners of an instrument dissolving the Partnership; (d) the Partnership ceases to maintain any interest (which term shall include, without limitation, an interest as lienholder or secured party) in the Project; (e) the occurrence of any other circumstance which, by law, would require that the Partnership be dissolved; or (f) October 6, 2054.

Nothing contained in this Section 11.1 is intended to grant to any Partner the right to dissolve the Partnership at will (by retirement, resignation, withdrawal or otherwise), or to exonerate any Partner from liability to the Partnership and the remaining Partners if he dissolves the Partnership at will. Any dissolution at will of the Partnership, including dissolution caused pursuant to Section 11.1(b), shall be in contravention of this Agreement for purposes of the Act. Dissolution of the Partnership under Section 11.1(c) or Section 11.1(d) shall not constitute dissolution at will.

**Section 11.2 Reconstitution.** If the Partnership is dissolved as a result of an event described in Section 11.1(a) or (b), the Partnership may be reconstituted and its business continued if, within ninety (90) days after the date of dissolution, those who own a majority of the Ownership Interests of all of the Partners affirmatively elect to reconstitute the Partnership, agree on the identity of the new general partner or partners and execute an instrument confirming such facts. If the Partnership is reconstituted, an amendment to this Agreement shall be executed.

**Section 11.3. Interim Manager.** If the Partnership is dissolved as a result of an event described in Section 11.1(a) or (b), those Partners who own a majority of the Ownership Interests of all of the Partners may appoint an interim manager of the Partnership, who shall have and may exercise only the rights, powers and duties of a general partner necessary to preserve the Partnership assets, until (a) the new general partner is elected pursuant to Section 11.2, if the Partnership is reconstituted or (b) the Liquidator is appointed pursuant to Section 12.1, if the Partnership is not reconstituted. The interim manager shall not be liable as a general partner to the Partners and shall, while acting in the capacity as interim manager on behalf of the Partnership, be entitled to the same indemnification rights as are set forth in Section 8.4.

## ARTICLE 12

### Winding Up and Termination

**Section 12.1 General.** If the Partnership is dissolved and is not reconstituted, the General Partner (or in the event that the General Partner has resigned or withdrawn, or has been expelled or become bankrupt, a liquidator or liquidating committee selected by those Partners owning a majority of the Ownership Interests of all of the Partners) shall commence to wind up the affairs of the Partnership and to liquidate and sell its assets. The party or parties actually conducting such liquidation in accordance with the foregoing sentence is herein referred to as the "Liquidator."

**Section 12.2 Authority of Liquidator.** The Liquidator shall have sufficient business expertise and competence to conduct the winding up and termination of the Partnership and, in the course thereof, to cause the Partnership to perform any contracts which the Partnership has or thereafter enters into. The Liquidator shall have full right and unlimited discretion to determine the time, manner and terms of any sale or sales of Partnership property pursuant to such liquidation, having due regard for the activity and condition of the relevant market and general financial and economic conditions. The Liquidator appointed as provided herein shall be entitled to receive such reasonable compensation for its services as shall be agreed upon by the Liquidator and those Partners owning a majority of the Ownership Interests of all of the Partners. The Liquidator may resign at any time by giving fifteen (15) days prior written notice and may be removed at any time, with or without cause, upon Approval of the Partners.

**Section 12.3 Successor Liquidator.** Upon the death, dissolution, removal or resignation of the Liquidator, a successor and substitute Liquidator (who shall have and succeed to all the rights, powers and duties of the original Liquidator) shall, within thirty (30) days thereafter, be appointed by those Partners owning a majority of the Ownership Interests of the Partners, evidenced by written appointment and acceptance. The right to appoint a successor or substitute Liquidator in the manner provided herein shall be recurring and continuing for so long as the functions and services of the "Liquidator" are authorized to continue under the provisions hereof, and every reference herein to the "Liquidator" shall be deemed to refer also to any such successor or substitute Liquidator appointed in the manner herein provided. The Liquidator shall have and may exercise, without further authorization or consent of any of the parties hereto or their legal representatives or successors in interest, all of the powers conferred upon the General Partner under the terms of this Agreement to the extent necessary or desirable in the good faith judgment of the Liquidator to perform its duties and functions. The Liquidator (if not the General Partner) shall not be liable as a general partner to the Partners and shall, while acting in such capacity on behalf of the Partnership, be entitled to the indemnification rights set forth in Section 8.5.

**Section 12.4 Court Appointment of Liquidator.** If, within ninety (90) days following the date of dissolution or other time period provided in Section 11.1 hereof, a Liquidator or successor Liquidator has not been appointed in the manner provided therein, any interested party shall have the right to make application to the then senior United States Federal District Judge (in his individual and not judicial capacity) for that Federal District of Texas in which the Project is situated for appointment of the Liquidator or successor Liquidator, and the Judge, acting as an individual and not in his judicial capacity, shall be fully authorized and empowered to appoint and designate the Liquidator or successor Liquidator who shall have all the powers, duties, rights and authority of the Liquidator herein provided.

**Section 12.5 Liquidation.** In the course of the winding up and terminating the business and affairs of the Partnership, its assets (other than cash) shall be sold, its liabilities and obligations to creditors and all expenses incurred in its liquidation shall be paid, and all resulting items of Partnership income, gain, loss or deduction shall be credited or charged to the capital accounts of the Partners in accordance with Article 4. The proceeds resulting from the liquidation of the

Partnership assets shall first be used to pay the debts and liabilities of the Partnership, including all expenses of the Partnership incident to any sale of the Project as well as the setting up of any reserves which the Liquidator deems reasonably necessary for contingent, unmatured, or unforeseen liabilities or obligations of the Partnership. Thereafter, any remaining proceeds shall be distributed and applied in the order of priority set forth in Section 6.3. The Liquidator shall be instructed to use all reasonable efforts to effect complete liquidation of the Partnership within one (1) year after the date the Partnership is dissolved. Each holder of an Ownership Interest in the Partnership shall look solely to the assets of the Partnership for all distributions and shall have no recourse therefor (upon dissolution or otherwise) against the Partnership, the General Partner or the Liquidator. Upon the completion of the liquidation of the Partnership and the distribution of all Partnership funds, the Partnership shall terminate and the General Partner (or the Liquidator, as the case may be) shall have the authority to execute and record all documents required to effectuate the dissolution and termination of the Partnership.

**Section 12.6 Creation of Reserves.** After making payment or provision for payment of all debts and liabilities of the Partnership and all expenses of liquidation, the Liquidator may set up, for a period not to exceed 2 years after the date of dissolution, such cash reserves as the Liquidator may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership.

**Section 12.7 Final Audit.** Within a reasonable time following the completion of the liquidation, the Liquidator shall supply to each of the Partners a statement, certified by the Partnership's independent certified public accountants if those Partners owning a majority of the Ownership Interests of all the Partners shall so request, which shall set forth the assets and the liabilities of the Partnership as of the date of complete liquidation, each Partner's pro rata portion of distributions pursuant to Section 12.5, and the amount retained as reserves by the Liquidator pursuant to Section 12.6.

## ARTICLE 13

### Miscellaneous

**Section 13.1 Notices.** All notices given pursuant to this Agreement shall be in writing and shall either be mailed by first class mail, postage prepaid, registered or certified with return receipt requested, or delivered in person to the intended addressee, or sent by prepaid telegram followed by confirmatory letter. Notice so mailed shall be effective upon the expiration of three (3) business days after its deposit. Notice given in any other manner shall be effective only if and when received by the addressee. For purposes of notice, the addresses of the Partners shall be as stated under their names on attached Exhibit "A"; provided, however, that each Partner shall have the right to change its address for notice to the other Partners in the manner set forth above.

**Section 13.2 Law Governing.** This Agreement shall be governed by and construed in accordance with the substantive federal laws of the United States and the laws of the State of Texas.

**Section 13.3 Attorneys' Fees.** If any litigation is initiated by any Partner against another Partner relating to this Agreement or the subject matter hereof, the Partner prevailing in such litigation shall be entitled to recover, in addition to all damages allowed by law and other relief, all court costs and reasonable attorneys' fees incurred in connection therewith.

**Section 13.4 Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Partners, and their respective heirs, legal representatives, successors and assigns; provided, however, that nothing contained herein shall negate or diminish the restrictions set forth in Article 10.

**Section 13.5 Waiver of Partition.** Notwithstanding any statute or principle of law to the contrary, each Partner hereby agrees that, during the term of the Partnership, it shall have no right (and hereby waives any right that it might otherwise have had) to cause any Partnership property to be partitioned and/or distributed in kind.

**Section 13.6 Entire Agreement.** This Agreement contains the entire agreement among the Partners relating to the subject matter hereof and all prior agreements relative hereto which are not contained herein are terminated.

**Section 13.7 Amendments.** Amendments or modifications may be made to this Agreement only by setting same forth in a document duly executed by the General Partner and those Partners owning at least a majority of the Ownership Interests of all of the Partners, and any alleged amendment or modification herein which is not so documented shall not be effective as to any Partner; provided, however, that no amendment or modification to this proviso or which affects the interest of any Partner in the capital, profit or loss of, or distributions or allocations with respect to, the Partnership shall be effective as to any Partner unless same has been set forth in a document duly executed by all Partners.

**Section 13.8 Severability.** This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, but the extent of such invalidity or unenforceability does not destroy the basis of the bargain among the Partners as expressed herein, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

**Section 13.9 Gender and Number.** Whenever required by the context, as used in this Agreement, the singular number shall include the plural and the neuter shall include the masculine or feminine gender, and vice versa.

**Section 13.10 Exhibits.** Each Exhibit to this Agreement is incorporated herein for all purposes.

**Section 13.11 Captions.** The Article and Section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent or for any purpose, to limit or define the text of any Article or Section.

**Section 13.12 Competing Business.** Notwithstanding anything to the contrary contained in or inferable from this Agreement, the Act or any other statute or principle of law, the Partners and their affiliates shall not be prohibited or restricted from investing in or conducting, and may invest in and/or conduct, businesses of any nature whatsoever, including the ownership and operation of facilities similar to the Projects. The investing in or conducting of any such business by a Partner or any affiliate thereof shall not give rise to any claim for an accounting by the other Partners or the Partnership or any right to claim any interest therein or the profits therefrom.

**Section 13.13 Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original but all of which shall constitute but one (1) document.

SWORN TO and SUBSCRIBED effective the day and year above first written.

GENERAL PARTNER:

WEST CLIFF SHOPPING PLAZA, INC.  
a Texas corporation

By:   
Darren L. Reagan, President

LIMITED PARTNERS:

BLACK STATE EMPLOYEES ASSOCIATION  
OF TEXAS COMMUNITY DEVELOPMENT  
CORPORATION,  
a Texas corporation

By:   
Darren L. Reagan, President



TRI, INC.,  
a Texas corporation

By: 

Title: President

EXHIBIT "A"Name/AddressOwnership InterestGeneral Partner

West Cliff Shopping Plaza, Inc.  
5801 Marvin D. Love Freeway  
Dallas, Texas 75237  
Attn: Darren L. Reagan

2%

Limited Partners

Black State Employees Association  
of Texas Community Development  
Corporation  
5801 Marvin D. Love Freeway  
Dallas, Texas 75237  
Attn: Darren L. Reagan

96%

TRI, Inc.  
P.O. Box 763773  
Dallas, Texas 75376

2%

**EXHIBIT "A"**

**Property Description**

(to be added)

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

BEING a tract of land situated in the H. McDowell Survey, Abstract No. 873, Dallas County, Texas, also being all of Lot 6, Block 6036, Westcliff Mall Addition, an addition to the City of Dallas according to the plat thereof recorded in Volume 2000205, Page 00022, Deed Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a chiseled cross set at the intersection of the east right-of-way line of South Hampton Road (variable width R.O.W.) and the south line of Vatican Lane (80' R.O.W.);

THENCE S88°58'00"E, along the south line of Vatican Lane, a distance of 649.58 feet to a 1/2" iron rod found for the northwest corner of a tract of land conveyed to Alison Mortgage Investment Trust, by deed recorded in Volume 76044, Page 379, Deed Records, Dallas County, Texas;

THENCE S00°35'00"W, along a line parallel to the said east line of Hampton Road and along the west line of said Alison Mortgage Investment Trust tract, a distance of 740.31 feet to a P.K. nail set for corner in the north right-of-way line of Ledbetter Drive (variable width R.O.W.);

THENCE N88°58'00"W, along the north line of Ledbetter Drive, a distance of 524.77 feet to a 5/8" iron rod found for corner;

THENCE N00°35'00"E, along a line parallel to the east line of said Hampton Road, passing at 15.00 feet, the southeast corner of the Checkers Ledbetter Addition, Lot 1, Block K/6036, as recorded in Volume 93226, Page 1278, Deed Records, Dallas County, Texas, in all a distance of 230.00 feet to a chiseled cross set for corner, said cross also being the northeast corner of said Checkers Ledbetter addition;

THENCE N88°58'00"W, along a line parallel to the north line of Ledbetter Drive and along the north line of said Checkers Ledbetter Addition, passing at 119.81 feet the northwest corner of said Addition, in all a distance of 124.81 feet to a chiseled cross set for corner in the east right-of-way line of said Hampton Road;

THENCE N00°35'00"E, along said east line, a distance of 510.31 feet to the POINT OF BEGINNING and containing 452,170 square feet or 10.3804 acres of land.