

AGREEMENT OF LIMITED PARTNERSHIP  
OF  
SAN MARCOS RANCH ASSOCIATES, LP

THIS AGREEMENT OF LIMITED PARTNERSHIP (the “**Agreement**”) is entered into as of August 23, 2024 between **Surf Development Company, a California nonprofit public benefit corporation**, as managing general partner (the “**Managing General Partner**”) and **TPC Holdings IX, LLC, an Idaho limited liability company** and **Housing Authority of the County of Santa Barbara, a body corporate and politic**, as the general partner (the “**General Partner**”) (collectively, the “**General Partners**”), and **Pacific West Communities, Inc., an Idaho corporation** and **Presidio Capital Partners, Inc., a California Corporation**, as limited partners (collectively, the “**Limited Partner**”) (the General Partners and the Limited Partner are referred to collectively herein, as the “**Partners**”), by which the parties form **San Marcos Ranch Associates, LP** (the “**Partnership**”).

The Partners hereby agree as follows:

1. Formation of Limited Partnership.

(a) The parties hereto form the Partnership as a limited partnership under and pursuant to the Uniform Limited Partnership Act of 2008, California Corporations Code § 1590, et. Seq. (the “**Act**”).

(b) The General Partner shall file with the California Secretary of State, a Certificate of Limited Partnership pursuant to the provisions of the Act.

2. Name of Partnership. The name of the Partnership shall be “San Marcos Ranch Associates, LP”, or such other name as may be selected by the General Partner. In the event the General Partner selects a new name for the Partnership, the General Partner shall cause notice of the new name to be given to the Partners and an Amendment to the Certificate of Limited Partnership shall be filed by the General Partner with the California Secretary of State.

3. Principal Place of Business. The principal place of business of the Partnership shall be 815 W. Ocean Avenue, Lompoc, CA 93436, or such other place as the General Partner shall determine.

4. The Partners.

(a) The name and address of the Managing General Partner is as follows:

Surf Development Company  
815 W. Ocean Avenue  
Lompoc, CA 93436  
Contact: Robert P. Havlicek Jr.

- (b) The name and address of the General Partner(s) is as follows:

**TPC Holdings IX, LLC, an Idaho Limited Liability Company**

430 E. State Street, Suite 100

Eagle, ID 83616

Contact: Caleb Roope

**Housing Authority of the County of Santa Barbara**

815 W. Ocean Avenue

Lompoc, CA 93436

Contact: Robert P. Havlicek, Jr.

- (c) The name and address of the Limited Partner(s) is as follows:

**Presidio Capital Partners, Inc., a California corporation**

PO Box 30157

Santa Barbara, CA 93130

**Pacific West Communities, Inc., an Idaho corporation**

430 E. State Street, Suite 100

Eagle, ID 83616

Contact: Caleb Roope

5. Term of the Partnership. The term of the Partnership shall commence upon the filing with the California Secretary of State of the Certificate of Limited Partnership and shall continue until the Partnership is dissolved by operation of law, mutual agreement of the Partners or judicial decree.

6. Purposes.

- (a) The primary purpose of the Partnership shall be to:

(i) Purchase that certain real property (the “**Real Property**”) located in Santa Barbara, California.

(ii) Construct improvements upon the Real Property for the purpose of providing affordable rental housing for low-income individuals and families (the “**Project**”).

(iii) Hold and operate the Project for investment and production of income.

(iv) Borrow, receive assistance, apply for and receive tax credits, grants, loans or other financing, enter into any agreements or contracts in pursuit of the foregoing.

(v) Engage in any other business or activity which a limited partnership may carry on under the laws of the State of California.

(b) The Partnership may execute, deliver and perform all applications, agreements and contracts and other undertakings and engage in all activities and transactions as may in the opinion of the General Partner be necessary or advisable to carry out the foregoing purposes.

7. General Partner Powers. The General Partner shall have all powers permitted by the Act for a general partner of a California limited partnership, in order to pursue the purposes and conduct the business of the Partnership. Such powers shall include, but not be limited to, the right to contract with the General Partner on behalf of the Partnership and to reimburse the General Partner for expenses (not including capital contributions) incurred by it in connection with the business of the Partnership before or after the date of this Agreement of Limited Partnership.

8. Managing General Partner Powers. The Managing General Partner is required by the Partnership to materially participate in the operations and management of the Partnership as follows:

(a) Major Decisions. The MGP has the right to vote in all matters regarding the Partnership that are described in this Section 8;

(b) Substantial Management Duties. The MGP is required by the Partnership to perform and will perform the following management duties next to which a checkmark is placed:

- (i) X rent, maintain and repair the Property, or if such duties are delegated to a property management agent, participate in the hiring and overseeing the work of such agent;
- (ii) X participate in hiring and overseeing the work of all persons necessary to provide services for the management and operation of the Partnership;
- (iii) X execute and enforce all contracts executed by the Partnership;
- (iv) X execute and deliver all Partnership documents on behalf of the Partnership;
- (v)     prepare or cause to be prepared all reports to be provided to the partners or lenders of the Partnership on a monthly, quarterly or annual basis consistent with the requirements of the Partnership Agreement;
- (vi) X coordinate all present and future development, construction or rehabilitation of the Property;
- (vii)     monitor compliance with all government regulations and files or supervise the filing of all required documents with government agencies;
- (viii)     acquire, hold, assign or dispose of the Property or any interest therein;

- (ix)     \_\_\_ borrow money on behalf of the Partnership, encumber Partnership assets, place title in the name of a nominee to obtain financing, prepay in whole or in part, refinance, increase, modify or extend any obligation;
  - (x)     \_\_\_ pay organizational expenses incurred in the creation of the Partnership and all operations expenses;
  - (xi)    \_\_\_ determine the amount and timing of distributions to partners and establish and maintain all required reserves; and
  - (xii)   \_\_\_ ensure that charitable services or benefits, such as vocational training, educational programs, childcare and after-school programs, cultural activities, family counseling, transportation, meals, and linkages to health and/or social services are provided or information regarding charitable services or benefits are made available to the tenants of the Property.
- (c)     directly, or indirectly, under its supervision, manages the Partnership;
- (d)     annually conduct a physical inspection of the Property to ensure that it is being used as low-income housing and meets all of the requirements set forth in BOE Regulation 140; and
- (e)     annually submit a certification to the county assessor for the county in which the Property is located that the Property meets all of the requirements set forth in the BOE Regulation 140.
- (f)     If, at any time, either all of the Partners (in the case of an amendment) or the General Partners (in the case of a letter agreement) mutually agree in writing to a change in the specific management duties set forth in paragraph 8(b) above required to be performed by the MGP, the General Partners or all the partners, as the case may be, shall promptly execute another amendment or a letter agreement in form and substance similar to this amendment, expressly setting forth not less than five of the twelve duties listed in paragraph (2) above, which duties shall be required to be and will be performed by the MGP for the relevant period of time.
- (g)     Delegation of Duties. The Managing General Partner may, in the proper and reasonable exercise of its management authority, delegate certain of its powers, rights, and obligations to persons, who may under the Managing General Partner's supervision, perform such acts or services for the Partnership as the Managing General Partner may approve, provided, however that such delegation shall not excuse the Managing General Partner from overseeing and supervising on an ongoing basis the activities being delegated. The Managing General Partner may delegate to any other party, including, without limitation, another general partner.
- (h)     Subject to the ongoing supervision by the MGP and pursuant to Subsection (d) of the Rule 140.1, the MGP hereby delegates to the project Developer, Pacific West Communities, Inc., and the project Developer, Pacific West Communities, Inc., hereby agrees to

perform the following substantial management duties (collectively, the “**Delegated Duties**”) otherwise required to be performed by the MGP under this Amendment, subject, in all events, to the actual supervision by the MGP of the project developer’s performance of the Delegated Duties:

- Coordinate all present and future development, construction or rehabilitation of the Property;
- Monitor compliance with all government regulations and files or supervises the filing of all required documents with government agencies.

(i) The MGP shall, at all times, maintain sufficient records to demonstrate to the BOE and the Partnership that it is actually supervising the performance of the Delegated Duties and upon the request of such entities, shall promptly deliver copies of all such records requested to the BOE and the Partnership or such other government entities as the case may be in order to qualify for and maintain the tax exemption.

If there is no Delegation of Duties proposed by the MGP at the time of this Agreement, the MGP shall be solely responsible for performing and keeping records as to the performance of the substantial management duties identified in Paragraph 8(b) hereof. If a subsequent Delegation of Duties is made, the partners agree to sign an amendment or a letter agreement in the form approved by the BOE.

(j) Managing General Partner Fee. The Managing General Partner shall receive an annual fee from the Partnership for the performance of its duties under this section in an amount to be determined by the Partners and memorialized in a separate agreement.

(k) Consent of the Limited Partner. The General Partners shall obtain the Limited Partner’s consent on any Major Decision or action under this Section 8, which consent shall not be unreasonably conditioned, withheld or delayed.

9. Transferability. The interests of the Limited Partner in the Partnership may not be transferred without the prior written consent of the General Partner, which consent may be withheld in the absolute and sole discretion of the General Partner.

10. Capital Contributions.

(a) The initial capital contribution obligations of the Partners shall be made and allocated as follows:

General Partner (each)	\$100.00
Managing General Partner	\$100.00
Limited Partner (each)	\$100.00

(b) If any Partner has engaged in any contracts or agreements relating to plans, specifications, surveys, drawings, permits, construction and the like relating to the Real Property or the Project the Partner hereby assigns all of its right, title, and interest in said contract, agreement, or like document and any work product that has resulted from said contract, agreement, or like document to the Partnership.

(c) Additional capital contributions shall be made at the times and in such amounts as shall be mutually agreed upon by the Partners.

11. Income, Profits and Losses. Income, profits and losses of the Partnership shall be allocated as follows:

TPC Holdings IX, LLC	0.0034%
Housing Authority of the County of Santa Barbara	0.0032%
Surf Development Company	0.0032%
Presidio Capital Partners, Inc.	0.0032%
Pacific West Communities, Inc.	99.99%

12. Distribution of Cash and Other Property. Any distributions of cash or other property from the Partnership to the Partners as a distribution of the profits of the Partnership shall be made in the percentages set forth in Section 11. Any such distributions in return of capital contributions shall be made in proportion to unreturned capital contributions. Distributions shall first be made in return of capital contributions.

13. Accounting Method. The Partnership shall keep its books on an accrual basis in accordance with tax accounting principles.

14. Withdrawal of the Limited Partner. The Limited Partner acknowledges and agrees that the General Partner intends to finance the development of the Real Property, in part, from capital contributions to be received by the Partnership from an investor limited partner (the **new limited partner**) that will acquire a limited partnership interest in the Partnership in exchange for such capital contributions. The Limited Partner shall withdraw from the Partnership (a) at such time that the New Limited Partner is admitted as a limited partner of the Partnership or (b) upon 10 day's prior notice, at such other time as determined by the Limited Partner in its reasonable discretion. Upon the Limited Partner's withdrawal in accordance with this Section 14, all parties shall release all claims against each other at the time of such withdrawal. Upon withdrawal of the Limited Partner, the General Partners will elect to replacement the Limited Partner either with the New Limited Partner or such other limited partner(s) at their discretion.

15. Amendment of the Partnership Agreement. This Agreement may be amended, in whole or in part, upon the written consent of all Partners.

16. Governing Law. This Agreement and the rights of the Partners hereunder, shall be governed by and constructed in accordance with the laws of the State of California.


[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

GENERAL PARTNER:

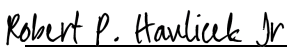
TPC Holdings IX, LLC,  
an Idaho limited liability company

By: Pacific West Communities, Inc.,  
an Idaho corporation, its manager

By:   
Caleb Roope  
President and CEO


GENERAL PARTNER:

Housing Authority of the County of Santa Barbara,  
a body corporate and politic

DocuSigned by:  
By:   
30457A127B3D1F81  
Robert P. Havlicek, Jr.  
Executive Director


MANAGING GENERAL PARTNER:

Surf Development Company,  
a California Nonprofit Public Benefit Corporation

DocuSigned by:  
By:   
30457A127B3D1F81  
Robert P. Havlicek Jr.  
Chief Executive Officer

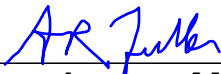
LIMITED PARTNER:

Pacific West Communities, Inc.,  
an Idaho corporation

By:   
Caleb Roope  
President and CEO

LIMITED PARTNER:

Presidio Capital Partners, Inc., a California corporation

By:   
Name: Andrew Fuller  
Title: President



FIRST AMENDMENT TO AGREEMENT OF LIMITED PARTNERSHIP  
of  
SAN MARCOS RANCH ASSOCIATES, LP

THIS FIRST AMENDMENT TO AGREEMENT OF LIMITED PARTNERSHIP of SAN MARCOS RANCH ASSOCIATES, LP (this “**Amendment**”) is entered into and effective as of March 1, 2025 among **Surf Development Company**, a California nonprofit public benefit corporation, as managing general partner (the “**Managing General Partner**”), **TPC Holdings IX, LLC**, an Idaho limited liability company (“**TPC**”), and the **Housing Authority of the County of Santa Barbara**, a body corporate and politic (“**Housing Authority**”), each as a general partner, **Pacific West Communities, Inc.**, an Idaho corporation, as a limited partner (the “**PWC**”) and **Presidio Capital Partners, Inc., a California Corporation (“Presidio”)**, as a limited partner and new general partner (“**Presidio**”, together with the Managing General Partner, TPC, and Housing Authority, the “**General Partners**”) (the General Partners and PWC referred to collectively herein, as the “**Partners**”), by which the Partners form **San Marcos Ranch Associates, LP** (the “**Partnership**”).

WHEREAS, the Managing General Partner, TPC, Housing Authority, PWC and Presidio previously entered into that certain Agreement of Limited Partnership of San Marcos Ranch Associates, L.P., a California limited partnership, dated August 23, 2024 (the “**Partnership Agreement**”) in which Presidio was a limited partner.

WHEREAS, the Partners now desire to reclassify Presidio from a limited partner to a general partner of the Partnership (the “**Reclassification**”).

WHEREAS, the Partners desire to amend the Partnership Agreement to effect the Reclassification and make other modifications as set forth in this Amendment;

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

**1. RECLASSIFICATION OF PARTNERSHIP INTEREST**

The parties hereto hereby agree that as of the date of this Agreement, Presidio shall no longer be a limited partner and shall instead be a General Partner of the Partnership. Presidio’s ownership interest in the Partnership will be equal to the other General Partners.

**2. Amendment to Section 4 of the Partnership Agreement.** Section 4 (The Partners) is hereby amended and replaced in its entirety with the following:

“4. The Partners.

- a. The name and address of the Managing General Partner is as follows:

**Surf Development Company**  
815 W. Ocean Avenue  
Lompoc, CA 93436  
Contact: Robert P. Havlicek Jr.

- b. The name and address of the General Partner(s) is as follows:

**TPC Holdings IX, LLC**  
430 E. State Street, Suite 100  
Eagle, ID 83616  
Contact: Caleb Roope

**Housing Authority of the County of Santa Barbara**  
815 W. Ocean Avenue  
Lompoc, CA 93436  
Contact: Robert P. Havlicek, Jr.

**Presidio Capital Partners, Inc.**  
PO Box 30157  
Santa Barbara, CA 93130

- c. The name and address of the Limited Partner(s) is as follows:

**Pacific West Communities, Inc.**  
430 E. State Street, Suite 100  
Eagle, ID 83616  
Contact: Caleb Roope

3. **Amendment to Section 7 of the Partnership Agreement.** Section 7 (General Partner Powers) is hereby amended and replaced in its entirety with the following:

“7. **General Partner Powers.** The General Partner shall have all powers permitted by the Act for a general partner of a California limited partnership, in order to pursue the purposes and conduct the business of the Partnership. Such powers shall include, but not be limited to, the right to contract with the General Partner on behalf of the Partnership and to reimburse the General Partner for expenses (not including capital contributions) incurred by it in connection with the business of the Partnership before or after the date of this Agreement of Limited Partnership. In the event of a disagreement among the General Partners the Managing General Partner shall control with regards to the Substantial Management Duties and the TPC general partner shall control as to all other matters.

4. **New Section.** The following is added as Section 17 of the Partnership Agreement:

“17. **Removal of General Partner.** A General Partner may be removed as a general partner and replaced by another general partner selected by the limited partner(s) with or without cause upon five (5) days’ notice and the vote of the holders of more than fifty one percent (51%) of the Partnership interests.

**5. Miscellaneous.**

a. **Definitions.** Unless specifically amended in this Amendment, capitalized terms used but not defined herein shall have the respective meanings attributed thereto in the Partnership Agreement.

b. **Consents.** The General Partners hereby represent and warrant that all consents, authorizations and approvals necessary to enter into this Amendment have been obtained and the execution and delivery of this Amendment will not result in a breach of any covenant or agreement to which it or the Partnership is a party.

c. **No Other Modifications; Entire Agreement.** Except as expressly set forth herein, the Partnership Agreement remains unmodified and in full force and effect. This Amendment and all other written agreements referred to herein constitute the entire agreement among the parties and supersede any prior agreements or understandings among them with respect to the subject matter hereof. Except as otherwise specifically provided herein, all other terms and of the Partnership Agreement shall remain in full force and effect and are hereby ratified and confirmed in all respects by the parties hereto. If there is any conflict between the terms of this Amendment and the Partnership Agreement, the terms of this Amendment shall control.

d. **Headings; References.** All article and section headings in this Amendment are for convenience of reference only and are not intended to qualify the meaning of any article or section.

e. **Separability.** If the operation of any provision of this Amendment would contravene the provisions of the Uniform Act, or would result in the imposition of general liability on any Limited Partner, such provision only shall be void and ineffectual.

f. **Counterparts.** This Amendment may be executed in several counterparts, and all so executed shall constitute one agreement, binding on all the parties hereto. Any counterpart of this Amendment, which has attached to it separate signature pages which together contain the signatures of all Partners or is executed by an attorney-in-fact on behalf of some or all of the Partners, shall for all purposes be deemed a fully executed instrument.

g. **Governing Law and Venue.** This Amendment shall be governed and construed in accordance with the laws of the State of California.

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[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, each of the parties hereto has executed this Amendment as of the day and year first above written.

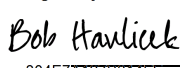
GENERAL PARTNERS:

**TPC HOLDING IX, LLC,**  
an Idaho limited liability company

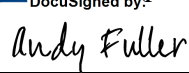
By: Pacific West Communities, Inc.,  
an Idaho corporation, its manager

By:   
Caleb Roope  
President and CEO

**HOUSING AUTHORITY OF THE  
COUNTY OF SANTA BARBARA,** a body  
corporate politic

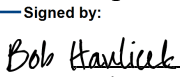
Signed by:  
By:   
Robert P. Havlicek, Jr.  
Executive Director

**PRESIDIO CAPITAL PARTNERS, INC.,**  
a California corporation

Signed by:  
By:   
Andrew Fuller  
President

MANAGING GENERAL PARTNER:

**SURF DEVELOPMENT COMPANY,** a  
California nonprofit public benefit corporation

Signed by:  
By:   
Robert P. Havlicek, Jr.  
Executive Director

LIMITED PARTNER:

**PACIFIC WEST COMMUNITIES, INC.,**  
an Idaho corporation

By:   
Caleb Roope  
President and CEO

AGREEMENT OF LIMITED PARTNERSHIP  
OF  
SAN MARCOS RANCH ASSOCIATES, LP

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The Partners hereby agree as follows:

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(b) The General Partner shall file with the California Secretary of State, a Certificate of Limited Partnership pursuant to the provisions of the Act.

2. Name of Partnership. The name of the Partnership shall be “San Marcos Ranch Associates, LP”, or such other name as may be selected by the General Partner. In the event the General Partner selects a new name for the Partnership, the General Partner shall cause notice of the new name to be given to the Partners and an Amendment to the Certificate of Limited Partnership shall be filed by the General Partner with the California Secretary of State.

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4. The Partners.

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Surf Development Company  
815 W. Ocean Avenue  
Lompoc, CA 93436  
Contact: Robert P. Havlicek Jr.

- (b) The name and address of the General Partner(s) is as follows:

**TPC Holdings IX, LLC, an Idaho Limited Liability Company**

430 E. State Street, Suite 100

Eagle, ID 83616

Contact: Caleb Roope

**Housing Authority of the County of Santa Barbara**

815 W. Ocean Avenue

Lompoc, CA 93436

Contact: Robert P. Havlicek, Jr.

- (c) The name and address of the Limited Partner(s) is as follows:

**Presidio Capital Partners, Inc., a California corporation**

PO Box 30157

Santa Barbara, CA 93130

**Pacific West Communities, Inc., an Idaho corporation**

430 E. State Street, Suite 100

Eagle, ID 83616

Contact: Caleb Roope

5. Term of the Partnership. The term of the Partnership shall commence upon the filing with the California Secretary of State of the Certificate of Limited Partnership and shall continue until the Partnership is dissolved by operation of law, mutual agreement of the Partners or judicial decree.

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(i) Purchase that certain real property (the “**Real Property**”) located in Santa Barbara, California.

(ii) Construct improvements upon the Real Property for the purpose of providing affordable rental housing for low-income individuals and families (the “**Project**”).

(iii) Hold and operate the Project for investment and production of income.

(iv) Borrow, receive assistance, apply for and receive tax credits, grants, loans or other financing, enter into any agreements or contracts in pursuit of the foregoing.

(v) Engage in any other business or activity which a limited partnership may carry on under the laws of the State of California.

(b) The Partnership may execute, deliver and perform all applications, agreements and contracts and other undertakings and engage in all activities and transactions as may in the opinion of the General Partner be necessary or advisable to carry out the foregoing purposes.

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- (i) X rent, maintain and repair the Property, or if such duties are delegated to a property management agent, participate in the hiring and overseeing the work of such agent;
- (ii) X participate in hiring and overseeing the work of all persons necessary to provide services for the management and operation of the Partnership;
- (iii) X execute and enforce all contracts executed by the Partnership;
- (iv) X execute and deliver all Partnership documents on behalf of the Partnership;
- (v)     prepare or cause to be prepared all reports to be provided to the partners or lenders of the Partnership on a monthly, quarterly or annual basis consistent with the requirements of the Partnership Agreement;
- (vi) X coordinate all present and future development, construction or rehabilitation of the Property;
- (vii)     monitor compliance with all government regulations and files or supervise the filing of all required documents with government agencies;
- (viii)     acquire, hold, assign or dispose of the Property or any interest therein;

- (ix)    \_\_\_ borrow money on behalf of the Partnership, encumber Partnership assets, place title in the name of a nominee to obtain financing, prepay in whole or in part, refinance, increase, modify or extend any obligation;
  - (x)     \_\_\_ pay organizational expenses incurred in the creation of the Partnership and all operations expenses;
  - (xi)    \_\_\_ determine the amount and timing of distributions to partners and establish and maintain all required reserves; and
  - (xii)   \_\_\_ ensure that charitable services or benefits, such as vocational training, educational programs, childcare and after-school programs, cultural activities, family counseling, transportation, meals, and linkages to health and/or social services are provided or information regarding charitable services or benefits are made available to the tenants of the Property.
- (c)     directly, or indirectly, under its supervision, manages the Partnership;
- (d)     annually conduct a physical inspection of the Property to ensure that it is being used as low-income housing and meets all of the requirements set forth in BOE Regulation 140; and
- (e)     annually submit a certification to the county assessor for the county in which the Property is located that the Property meets all of the requirements set forth in the BOE Regulation 140.
- (f)     If, at any time, either all of the Partners (in the case of an amendment) or the General Partners (in the case of a letter agreement) mutually agree in writing to a change in the specific management duties set forth in paragraph 8(b) above required to be performed by the MGP, the General Partners or all the partners, as the case may be, shall promptly execute another amendment or a letter agreement in form and substance similar to this amendment, expressly setting forth not less than five of the twelve duties listed in paragraph (2) above, which duties shall be required to be and will be performed by the MGP for the relevant period of time.
- (g)     Delegation of Duties. The Managing General Partner may, in the proper and reasonable exercise of its management authority, delegate certain of its powers, rights, and obligations to persons, who may under the Managing General Partner's supervision, perform such acts or services for the Partnership as the Managing General Partner may approve, provided, however that such delegation shall not excuse the Managing General Partner from overseeing and supervising on an ongoing basis the activities being delegated. The Managing General Partner may delegate to any other party, including, without limitation, another general partner.
- (h)     Subject to the ongoing supervision by the MGP and pursuant to Subsection (d) of the Rule 140.1, the MGP hereby delegates to the project Developer, Pacific West Communities, Inc., and the project Developer, Pacific West Communities, Inc., hereby agrees to



perform the following substantial management duties (collectively, the “**Delegated Duties**”) otherwise required to be performed by the MGP under this Amendment, subject, in all events, to the actual supervision by the MGP of the project developer’s performance of the Delegated Duties:

- Coordinate all present and future development, construction or rehabilitation of the Property;
- Monitor compliance with all government regulations and files or supervises the filing of all required documents with government agencies.

(i) The MGP shall, at all times, maintain sufficient records to demonstrate to the BOE and the Partnership that it is actually supervising the performance of the Delegated Duties and upon the request of such entities, shall promptly deliver copies of all such records requested to the BOE and the Partnership or such other government entities as the case may be in order to qualify for and maintain the tax exemption.

If there is no Delegation of Duties proposed by the MGP at the time of this Agreement, the MGP shall be solely responsible for performing and keeping records as to the performance of the substantial management duties identified in Paragraph 8(b) hereof. If a subsequent Delegation of Duties is made, the partners agree to sign an amendment or a letter agreement in the form approved by the BOE.

(j) Managing General Partner Fee. The Managing General Partner shall receive an annual fee from the Partnership for the performance of its duties under this section in an amount to be determined by the Partners and memorialized in a separate agreement.

(k) Consent of the Limited Partner. The General Partners shall obtain the Limited Partner’s consent on any Major Decision or action under this Section 8, which consent shall not be unreasonably conditioned, withheld or delayed.

9. Transferability. The interests of the Limited Partner in the Partnership may not be transferred without the prior written consent of the General Partner, which consent may be withheld in the absolute and sole discretion of the General Partner.

10. Capital Contributions.

(a) The initial capital contribution obligations of the Partners shall be made and allocated as follows:

General Partner (each)	\$100.00
Managing General Partner	\$100.00
Limited Partner (each)	\$100.00

(b) If any Partner has engaged in any contracts or agreements relating to plans, specifications, surveys, drawings, permits, construction and the like relating to the Real Property or the Project the Partner hereby assigns all of its right, title, and interest in said contract, agreement, or like document and any work product that has resulted from said contract, agreement, or like document to the Partnership.

(c) Additional capital contributions shall be made at the times and in such amounts as shall be mutually agreed upon by the Partners.

11. Income, Profits and Losses. Income, profits and losses of the Partnership shall be allocated as follows:

TPC Holdings IX, LLC	0.0034%
Housing Authority of the County of Santa Barbara	0.0032%
Surf Development Company	0.0032%
Presidio Capital Partners, Inc.	0.0032%
Pacific West Communities, Inc.	99.99%

12. Distribution of Cash and Other Property. Any distributions of cash or other property from the Partnership to the Partners as a distribution of the profits of the Partnership shall be made in the percentages set forth in Section 11. Any such distributions in return of capital contributions shall be made in proportion to unreturned capital contributions. Distributions shall first be made in return of capital contributions.

13. Accounting Method. The Partnership shall keep its books on an accrual basis in accordance with tax accounting principles.

14. Withdrawal of the Limited Partner. The Limited Partner acknowledges and agrees that the General Partner intends to finance the development of the Real Property, in part, from capital contributions to be received by the Partnership from an investor limited partner (the **new limited partner**) that will acquire a limited partnership interest in the Partnership in exchange for such capital contributions. The Limited Partner shall withdraw from the Partnership (a) at such time that the New Limited Partner is admitted as a limited partner of the Partnership or (b) upon 10 day's prior notice, at such other time as determined by the Limited Partner in its reasonable discretion. Upon the Limited Partner's withdrawal in accordance with this Section 14, all parties shall release all claims against each other at the time of such withdrawal. Upon withdrawal of the Limited Partner, the General Partners will elect to replacement the Limited Partner either with the New Limited Partner or such other limited partner(s) at their discretion.

15. Amendment of the Partnership Agreement. This Agreement may be amended, in whole or in part, upon the written consent of all Partners.

16. Governing Law. This Agreement and the rights of the Partners hereunder, shall be governed by and constructed in accordance with the laws of the State of California.


[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

GENERAL PARTNER:

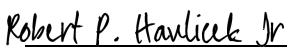
TPC Holdings IX, LLC,  
an Idaho limited liability company

By: Pacific West Communities, Inc.,  
an Idaho corporation, its manager

By:   
Caleb Roope  
President and CEO


GENERAL PARTNER:

Housing Authority of the County of Santa Barbara,  
a body corporate and politic

DocuSigned by:  
By:   
30457A127B3D1F81  
Robert P. Havlicek, Jr.  
Executive Director

MANAGING GENERAL PARTNER:

Surf Development Company,  
a California Nonprofit Public Benefit Corporation

DocuSigned by:  
By:   
30457A127B3D1F81  
Robert P. Havlicek Jr.  
Chief Executive Officer

LIMITED PARTNER:

Pacific West Communities, Inc.,  
an Idaho corporation

By: 

\_\_\_\_\_  
Caleb Roope  
President and CEO

LIMITED PARTNER:

Presidio Capital Partners, Inc., a California corporation

By: 

Name: Andrew Fuller

Title: President