AGREEMENT OF LIMITED PARTNERSHIP
OF
1717 S STREET INVESTORS, L.P.,
A CALIFORNIA LIMITED PARTNERSHIP

THIS AGREEMENT OF LIMITED PARTNERSHIP (the “Agreement”) is entered into as of March __, 2017 between Capitol Area Community Development Corporation, a non-profit public benefit corporation, as general partner (the “General Partner” or “CACDC”) and 1700 Block S Street Investors, LLC, a California limited liability company, as administrative general partner (the “Administrative General Partner” or “CFY”) (collectively with the General Partner and the Administrative General Partner the “General Partners”), and Capitol Area Community Development Corporation, a non-profit public benefit corporation, and 1700 Block S Street Investors, LLC, a California limited liability company, as limited partners (collectively the “Limited Partners”), by which the parties form 1717 S Street Investors, L.P., a California limited partnership (the “Partnership”).

Recitals

A. CACDC and CFY have provided, and pursuant to this Agreement will continue to provide, certain services with respect to the Project as outlined in the Memorandum of Understanding executed between CADA and CFY dated April 5, 2016 as extended by a First Amendment to Memorandum of Understanding dated February __, 2017 (collectively, the “MOU”). The MOU is attached hereto and incorporated herein as Exhibit A.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Formation of Limited Partnership.

   (a) The parties hereto form the Partnership as a limited partnership under and pursuant to the California Revised Limited Partnership Act (the “Act”).

   (b) The General Partners have filed 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 “1717 S Street Investors, L.P.”, or such other name as may be selected by the General Partners. In the event the General Partners select a new name for the Partnership, the General Partners shall cause notice of the new name to be given to the General Partners and Limited Partners and an Amendment to the Certificate of Limited Partnership shall be filed by the General Partners with the California Secretary of State.

3. Principal Place of Business. The principal place of business of the Partnership shall be 1006 4th Street, Suite 701, Sacramento, CA 95814, or such other place in the State of California as the Administrative General Partner shall determine.
4. **The Partners.**

   (a) The names and addresses of the General Partners are as follows:

   1717 S Street Investors, LLC  
   1006 4th Street, Suite 701  
   Sacramento, CA 95814  
   Contact: Ali Youssefi

   Capitol Area Community Development Corporation  
   1522 14th Street  
   Sacramento, CA 95814-5958  
   Contact: Wendy S. Saunders

   (b) The names and addresses of the Limited Partners are as follows:

   1717 S Street Investors, LLC  
   1006 4th Street, Suite 701  
   Sacramento, CA 95814  
   Contact: Ali Youssefi

   Capitol Area Community Development Corporation  
   1522 14th Street  
   Sacramento, CA 95814-5958  
   Contact: Wendy S. Saunders

5. **Term of the Partnership.** The term of the Partnership commenced as of the date that the Certificate of Limited Partnership was filed with the California Secretary of State, and shall continue until the Partnership is dissolved by operation of law, mutual agreement of the General Partners and Limited Partner 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 at 1717 S Street, Sacramento, CA 95811.

   (ii) RemEDIATE recognized environmental concerns associated with the Real Property (“**Remediation Work**”) for the purpose of building a mixed-use, mixed-income community (the **“Project”**) and perform pre-development work for the Project so the Real Property can be sold or transferred to a to-be-formed Limited Partnership controlled by the General Partners, or their affiliates, for the purpose of building the Project;

   (iii) 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 Partners be necessary or advisable to carry out the foregoing purposes.

7. **General Partner Powers.** The General Partners 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 Partners on behalf of the Partnership and to reimburse the General Partners 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. **Transferability.** The interests of the Limited Partners in the Partnership may not be transferred without the prior written consent of the General Partners, which consent may be withheld in the absolute and sole discretion of the General Partners.

9. **Capital Contributions.**

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

<table>
<thead>
<tr>
<th>Partner Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Partner (LLC)</td>
<td>$100.00</td>
</tr>
<tr>
<td>General Partner (CACDC)</td>
<td>$100.00</td>
</tr>
<tr>
<td>Limited Partner (LLC)</td>
<td>$100.00</td>
</tr>
<tr>
<td>Limited Partner (CACDC)</td>
<td>$100.00</td>
</tr>
</tbody>
</table>

   (b) If any General Partner or Limited 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 General Partners and Limited Partners 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 General Partners and Limited Partners.

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

<table>
<thead>
<tr>
<th>Partner Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Partner (LLC)</td>
<td>0.05%</td>
</tr>
<tr>
<td>General Partner (CACDC)</td>
<td>0.05%</td>
</tr>
<tr>
<td>Limited Partner (LLC)</td>
<td>49.95%</td>
</tr>
<tr>
<td>Limited Partner (CACDC)</td>
<td>49.95%</td>
</tr>
</tbody>
</table>
11. **Distribution of Cash and Other Property.** Any distributions of cash or other property from the Partnership to the General Partners and Limited Partners as a distribution of the profits of the Partnership shall be made in the percentages set forth in Section 10. 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.

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

13. **Amendment of the Partnership Agreement.** This Agreement may be amended, in whole or in part, upon the written consent of all General Partners and Limited Partners.

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

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

**GENERAL PARTNERS:**

1717 S Street Investors, LLC, 
a California limited liability company

By: ____________________________  
Ali Youssefi

By: ____________________________  
Cyrus Youssefi

Capitol Area Community Development Corporation,  
a non-profit public benefit corporation

By: ____________________________  
Wendy S. Saunders, Executive Director

**APPROVED AS TO FORM:**

By: ____________________________  
Jeffery A. Mitchell, CACDC legal counsel
LIMITED PARTNERS:

1717 S Street Investors, LLC,
a California limited liability company

By: ____________________________  
   Ali Youssefi

By: ____________________________  
   Cyrus Youssefi

Capitol Area Community Development Corporation, 
a non-profit public benefit corporation

By: ____________________________  
   Wendy S. Saunders, Executive Director

APPROVED AS TO FORM:

By: ____________________________  
   Jeffery A. Mitchell, CACDC legal counsel