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LP 201

JIM EDGAR
Secretary of State
State of Illinois

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Submit in Duplicate

\$75.00 filing fee. See other side
for acceptable forms of payment.

CERTIFICATE OF
LIMITED PARTNERSHIP
(Illinois limited partnership)

31136384

S005170 S0511 03/11/91
75.00 ID 0000025416 FILED

Pursuant to the provisions of the Revised Uniform Limited Partnership Act, the undersigned general partners hereby form the limited partnership named below:

- The limited partnership's name is: RN Realty, a Limited Partnership (Note 1)
- The Federal Employer Identification Number (F.E.I.N.) is: applied for (Note 2)
- This certificate of limited partnership is effective on: (Check one)
 a) the filing date, or
 b) another date not more than 60 days subsequent to the filing date. Specify: _____

4. The limited partnership's registered agent's name and registered office address is:

Registered Agent:	<u>Rabman,</u>	<u>Leigh</u>	<u>S.</u>
	Last Name	First Name	Middle Name
	Firm Name (if any) _____		
Registered Office:	<u>350 West Hubbard</u>	<u>400</u>	
(P.O. Box alone is unacceptable)	Number	Street	Suite #
	<u>Chicago</u>	<u>Cook</u>	<u>Illinois</u>
	City	County	Zip Code

31136384

5. The address, including county, of the office at which the records required by Section 104 are to be kept is:
350 West Hubbard, Suite 400, Chicago, Cook County, Illinois 60610 (Note 3)

6. The limited partnership's purpose(s) is: provide real estate management services and real estate consulting and advisory services

7. The latest date upon which the limited partnership is to dissolve is: December 31, 2039

8. The total aggregate amount of cash and the aggregate agreed value of other property or services contributed by the partners and which they have agreed to contribute is: \$ 200.00

9. A brief statement of the partners' membership termination and distribution rights, if any. One 8-1/2" x 11" standard paper may be used, if needed, and attached to this form. The full text of such rights should be on file in the partnership's Section 104 office.

10. The names (last name first) and business addresses of all general partners must be listed:

<u>Renaissance Realty Corp.</u>	<u>350 West Hubbard, Suite 400, Chicago, IL 60610</u>
General Partner's Name	Business Address
_____	_____
General Partner's Name	Business Address

The undersigned affirms, under penalties of perjury, that the facts stated herein are true.

All general partners are required to sign the Certificate of limited partnership.

Renaissance Realty Corp.
 by: [Signature]
 Signature Leigh S. Rabman, President Signature _____
 Name (please print or type) _____ Name (please print or type) _____

If additional space is needed, this list must be continued in the same format on a plain white 8-1/2" x 11" sheet, which must be stapled to this form. Number of additional pages: _____

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6.1 Intended Distributions

It is anticipated that the provisions of this Section 6 and Section 7 will result in the distributions described in this Section 6.1. This Section 6.1 is intended solely to assist in interpreting the remaining provisions of this Section 6 and Section 7 (the "operative provisions"), the language of which operative provisions shall govern. If, however, it is determined that the operative provisions will not result in the intended distributions described in this Section 6.1, the General Partner, without the consent of the Limited Partners, may, in its discretion, amend Section 7 so as to effect the distributions described in this Section 6.1.

A. It is intended that Distributable Cash be computed separately for each Fiscal Year and be distributed as follows:

- (i) First, pro rata to the Partners until they have received an amount equal to their Net Capital Contribution; and
- (ii) Second, 50% to the Limited Partners and 50% to the General Partner.

B. Sales Proceeds or Refinancing Proceeds shall, after giving effect to the allocations of Net Profits or Losses from Sale or Refinancing, be distributed as follows:

- (i) First, to each of the Partners pro rata in an amount equal to any positive balance in his or its Capital Account;
- (ii) Second, 50% to the Limited Partners and 50% to the General Partner until the Partners have received a return of their Net Capital Contributions; and
- (iii) Third, the balance, 50% to the Limited Partners and 50% to the General Partner.

A. "Available Cash" for any Fiscal Year means an amount equal to the total cash gross receipts of the Partnership in such Fiscal Year from all sources (other than from a Sale or Refinancing).

B. "Distributable Cash" for any Fiscal Year means Available Cash, reduced by the following items (which items shall be paid out, as permitted by third party lenders, if restricted by applicable loan covenants, in the following order):

(i) any compensation payable to the General Partner for services rendered to the Partnership as set forth in Section 8.4.B hereof;

(ii) the payment of Operating Expenses of the Partnership, other than principal or interest on debt payable to a Partner ~~and~~ an affiliate thereof (including, but not limited to the LP Loan) ~~or~~ the maintenance of a working capital reserve; and

(iii) at the discretion of the General Partner, the payment of unpaid accrued interest and principal on the LP Loan; provided, however that in no event shall the Partnership be required to make aggregate interest and principal payments in any Fiscal Year which exceed one-fifth (1/5) of the aggregate amount of unpaid accrued interest and principal then outstanding nor shall the Partnership be required to make any payments on the LP Loan for the Fiscal Year ended December 31, 1991.

C. "Net Capital Contribution" shall mean the amount of Capital Contributions made to the capital of the Partnership by a Partner, less all distributions of Distributable Cash and Net Sales Proceeds and Refinancing Proceeds made with respect thereto received by such Partner.

D. "Operating Expenses", for the purposes herein, means all cash expenditures deemed necessary by the General Partner for the furtherance of the business of the Partnership. Notwithstanding the foregoing, Operating Expenses shall not include: (i) any compensation payable to the General Partner pursuant to Section 8.4 B hereof; (ii) non-cash items such as depreciation; (iii) any cash or capital expenditures expended from an accumulated cash reserve of the Partnership (any capital expenditure in excess of accumulated cash reserves shall be deemed an Operating Expense); (iv) any repayments of the LP Loan; and (v) cash expenditures attributable to a Sale.

E. "Refinancing" shall mean any Partnership transaction (other than receipt of Capital Contributions and a Sale) not in the ordinary course of its business, including condemnations, recoveries of damage awards and insurance proceeds (other than

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business interruption or crop damage insurance proceeds), and borrowings and mortgage financings and refinancings.

F. "Refinancing Proceeds" shall mean all receipts, in cash or kind, derived from a Refinancing, less (i) all expenses and losses allocable thereto, (ii) cash payments made to discharge any Partnership indebtedness which, immediately prior to the Refinancing, was secured by the Partnership asset which is the subject of the Refinancing or to release the lien thereof, (iii) cash payments made to acquire any Partnership property, (iv) any condemned or damaged property and for any improvements paid out of mortgage refinancing, and (v) such amounts as the General Partner reasonably determines is required for support of the operations of the Partnership.

G. A "Sale" means the sale, exchange or other disposition of all or substantially all of the Partnership's property, or the sale, exchange or other disposition of all or substantially all of the assets of a Partnership, joint venture or other entity in which the Partnership has an interest (including without limitation a disposition of one of the Investments or partnership or joint venture interests at a time when the Partnership still owns any other Investments or interests in other partnerships or joint ventures).

H. "Sales Proceeds" shall mean all receipts, in cash or kind, derived from a Sale plus interest income received in cash by the Partnership from a purchase money sale, less (i) all expenses and losses allocable thereto, (ii) cash payments made to discharge any Partnership indebtedness which, immediately prior to the Sale, was secured by the Partnership asset which is the subject of the Sales or to release the lien thereof, and (iii) such amounts as the General Partner reasonably determines is required for support of the operations of the Partnership.

6.3 Distributions of Distributable Cash

Subject to such limitations as may be imposed by any lender to the Partnership, Distributable Cash, if any, shall be distributed to the Partners based upon actual Distributable Cash at the sole and absolute discretion of the General Partner.

6.4 Distribution of Proceeds from Dissolution

A. Except as otherwise provided in Section 6.1 B hereof, upon dissolution and termination of the Partnership, the net cash proceeds and/or other assets (the value of which shall be determined in accordance with Section 6.4.B herein) of the Partnership available for distribution after: (i) the payment of all expenses and previously outstanding indebtedness of the Partnership owed to the General Partner or the Limited Partners or their respective affiliates; and (ii) the establishment by the

General Partner of reserves for Operating Expenses as it deems necessary; shall be distributed to the Partners in accordance with the positive balances in their Capital Accounts (determined after taking into account all allocations for the Fiscal Year pursuant to Section 7) by the end of the taxable year or, if later, within 90 days after the date of such Disposition, dissolution or termination, except as permitted by Treas. Reg. Sec. 1.704-1(b)(2)(ii)(b).

B. If any of the assets of the Partnership are to be distributed in kind, the fair market value of such assets shall be determined as of the time of such distribution (or at such other date reasonably close to the day of such distribution as the General Partner shall determine). There shall be allocated among the Partners, in accordance with Section 7, the amount of gain or loss, if any, which would have been realized by the Partnership if such assets had been sold by the Partnership for prices equal to their respective fair market values as so determined. The fair market value of such assets shall be determined by an independent appraiser to be mutually agreed upon by the Partners.

6.5 Distributions to Limited Partners

Except as otherwise specifically provided, all distributions which are allocable to the Limited Partners as a class shall be allocated among the Limited Partners in accordance with their respective percentage interests in the Partnership as indicated on Schedule I.

SECTION 7: ALLOCATION OF PROFIT AND LOSS

7.1 Net Profits and Losses "Net Profits" or "Net Losses" for any Fiscal Year or other period shall be an amount equal to the sum of (i) the Partnership's taxable income or loss for such year or period as computed for federal income tax purposes (excluding from the computation thereof any items specially allocated pursuant to Section 7.2.D), and (ii) any income of the Partnership for such year or period exempt from federal income taxation, reduced by (iii) any expenditures of the Partnership for such year or period not deductible in computing its taxable income and not properly capitalized for federal income tax purposes. Except as specifically excluded in this Section 7.1, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss.

7.2 General Rules of Allocation. All items of income, gain, loss and deduction, whether or not includible or deductible for federal income tax purposes, shall be allocated among the Partners and credited to or debited against their respective Capital

Accounts as set forth in this Section 7.2. The purpose of this Section is to specify the manner in which such items are credited or debited among the Capital Accounts of the Partners, which in turn will affect (i) distributions upon liquidation pursuant to Section 6, and (ii) the Partners' distributive shares of such items for federal income tax purposes. The Partners' respective entitlements to nonliquidating cash distributions are governed by Section 6, not by this Section 7. In computing Capital Account balances for purposes of subsections A and B of this Section, such balances should be reduced by all distributions of Distributable Cash with respect to such Fiscal Year, even if such distributions were made after the close of the Fiscal Year.

A. Net Profits from Operations. Net Profits from operations of the Partnership for any Fiscal Year or other period shall be allocated to the Partners as follows:

(i) First, to the Partners in an amount equal to the Distributable Cash distributed in that Fiscal Year pursuant to Section 6 1 A hereof, but if in any year there is no such distribution of Distributable Cash, then first to the Partners in accordance with subsection (ii) below, then 50% to the General Partner and 50% to the Limited Partners;

(ii) Second, pro rata in an amount equal to the excess of (x) Net Losses allocated to such Partner's Capital Account under subsection 7.2.B. (i) over (y) Net Profits previously allocated to offset such Net Losses under this subsection (ii); and

(iii) Third, the balance, if any, 50% to the Limited Partners and 50% to the General Partner.

B. Net Losses from Operations. Net Losses from Operations of the Partnership for any Fiscal Year or other period shall be allocated to the Partners as follows:

(i) First, pro rata to the Partners in an amount equal to their then Net Capital Contribution;

(ii) Second, to the Partners in an amount equal to the loans and/or guarantees of loans made by such Partners to the Partnership pro rata based on the amount of such loans and/or guarantees; provided, however, that to the extent an allocation of Net Losses is made pursuant to this Section 7.2.B. (i) with respect to any loan or guarantee or portion thereof, no further allocation shall be made to the extent such allocation would result in a cumulative allocation of Net Losses pursuant to this Section 7.2.B. (ii) greater than the amount of the loan or personal guarantee then outstanding;

(iii) Then, the balance, if any, 50% to the Limited Partners and 50% to the General Partner.

C. Net Profit or Loss from Sale or Refinancing. Net Profits or Loss from a Sale or Refinancing shall, prior to the distribution of Sale Proceeds or Refinancing Proceeds, be allocated to the Partners as follows:

(i) Losses shall first be allocated to the Capital Accounts of each Partner with a positive Capital Account balance in proportion to the respective amounts of such positive Capital Accounts until each such Partner's Capital Account has been brought down to zero; then 50% to the Limited Partners and 50% to the General Partners.

(ii) Profits shall first be allocated to the Capital Accounts of each Partner with a negative Capital Account balance in proportion to the respective amounts of such negative Capital Accounts until each such Partner's Capital Account has been brought up to zero; second, to the Limited Partners in an amount such that each such Limited Partner's Capital Account balance is equal to his then Net Capital Contribution; third, to the General Partner in an amount such that the General Partner's Capital Account balance is equal to its then Net Capital Contribution; and thereafter, 50% to the Limited Partners and 50% to the General Partner. Any Profits characterized as ordinary income due to depreciation recapture arising out of the sale of Partnership property shall be allocated to the Partners who (or whose predecessors in interest) originally claimed the depreciation expense.

D. Special Allocations.

In the event that any fees paid to the General Partner or its affiliates pursuant to this Agreement and deducted by the Partnership in reliance on Sections 707(a) and/or 707(c) of the Code are disallowed as deductions to the Partnership on its federal income tax return as other than in compliance with the terms of such sections of the Code, the General Partner shall be allocated items of Partnership income, if any, in the year such fees were paid, equal to the amount of such fees for which deductions were thus disallowed and, solely for purposes of balancing the General Partner's Capital Account, such income will be deemed to have been distributed to the General Partner.

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(iii) Then, the balance, if any, 50% to the Limited Partners and 50% to the General Partner.

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(i) Losses shall first be allocated to the Capital Accounts of each Partner with a positive Capital Account balance in proportion to the respective amounts of such positive Capital Accounts until each such Partner's Capital Account has been brought down to zero; then 50% to the Limited Partners and 50% to the General Partners.

(ii) Profits shall first be allocated to the Capital Accounts of each Partner with a negative Capital Account balance in proportion to the respective amounts of such negative Capital Accounts until each such Partner's Capital Account has been brought up to zero; second, to the Limited Partners in an amount such that each such Limited Partner's Capital Account balance is equal to his then Net Capital Contribution; third, to the General Partner in an amount such that the General Partner's Capital Account balance is equal to its then Net Capital Contribution; and thereafter, 50% to the Limited Partners and 50% to the General Partner. Any Profits characterized as ordinary income due to depreciation recapture arising out of the sale of Partnership property shall be allocated to the Partners who (or whose predecessors in interest) originally claimed the depreciation expense.

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