Limited Partnership Agreement - Short Form

Limited Partnership Agreement of

[PARTNERSHIP NAME]

This agreement is made on \_\_\_\_\_\_\_\_\_\_\_\_, between [name of general partner], a [STATE] corporation (the "General Partner"), located at [address of general partner], and [name of limited partner] (the "Limited Partner"), located at [address of limited partner] (the "Agreement"). The General Partner and Limited Partner are sometimes collectively referred to as the "Partners" and individually as a "Partner."

The parties desire to form a limited partnership pursuant to the [STATE] Revised Uniform Limited Partnership Act (the "Act"), on the terms and conditions set forth in this Agreement.

Article I  
ORGANIZATION

1.1    Formation. The parties form a limited partnership (the "Partnership") pursuant to the Act.

1.2    Name. The business of the Partnership shall be conducted under the name "[name of partnership]."

1.3    Principal Place of Business. The principal place of business of the Partnership shall be in [COUNTY] County, [STATE]; provided, however, that the Partnership may also maintain one or more substitute or additional places of business that the General Partner may designate.

1.4    Effective Date and Term. The Partnership formed pursuant to this Agreement shall be effective as of the date of this Agreement and shall continue for a term ending \_\_\_\_\_\_\_\_\_\_\_\_, unless earlier dissolved and terminated pursuant to the Act or any provision of this Agreement.

1.5    Names and Addresses of General Partner and Limited Partner. The names and addresses of the General Partner and Limited Partner are set forth at the beginning of this Agreement.

1.6    Purpose of Business. The purpose for which the Partnership has been formed and the powers that it may exercise under the Act are as follows:

a)    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;

b)    doing any and all things and carrying on any and all other activities necessary, convenient, or incidental to accomplish any of the preceding purposes and powers or to protect and benefit the Partnership.

Article II  
CAPITAL CONTRIBUTION

2.1    General Partner. The General Partner shall contribute $\_\_\_\_\_\_\_\_\_\_\_\_ to the capital of the Partnership.

2.2    Limited Partner. The Limited Partner shall contribute $\_\_\_\_\_\_\_\_\_\_\_\_ to the capital of the Partnership.

2.3    Additional Limited Partners. The General Partner may admit additional Limited Partners to the Partnership on the payment of a capital contribution.

Article III  
ALLOCATION OF PROFITS, LOSSES, AND DISTRIBUTIONS

3.1    Allocation of Profits and Losses. Net profits or losses of the Partnership (and their various items of income, expense, and credit for federal income tax purposes) shall be allocated to the Partners in percentage interests of 50 percent to the General Partner and 50 percent to the Limited Partner.

3.2    Distribution of Cash. All cash remaining after paying the obligations incurred for the acquisition, operation, and development of Partnership properties, administrative costs, and capital expenditures and establishing a cash reserve considered suitable by the General Partner shall be distributed to each Partner in accordance with that Partner's percentage interest in the Partnership at the time of distribution.

Article IV  
RIGHTS AND OBLIGATIONS OF THE GENERAL PARTNER

4.1    Management of Partnership. The management of the Partnership shall in all respects be the full and complete responsibility of the General Partner alone. The General Partner, as General Partner, shall devote to the management of the Partnership as much time as it, in its sole discretion, determines is reasonably necessary for the efficient operation of the Partnership. All decisions made for and on behalf of the Partnership by the General Partner shall be binding on the Partnership. Except as expressly provided otherwise in this Agreement, the General Partner (acting for and on behalf of the Partnership), in extension and not in limitation of the rights and powers given by law or by the other provisions of this Agreement, shall, in its sole discretion, have the full and entire right, power, and authority to manage the Partnership's business, doing anything necessary, proper, or advisable to effectuate or further the purposes of the Partnership.

4.2    Limitation on General Partner's Authority. Notwithstanding anything to the contrary contained in this Agreement, the General Partner shall not, without the consent of all of the other Partners:

a)    take any action in contravention of this Agreement, or its amendments;

b)    take any action that would make it impossible to carry on the purposes of the Partnership, except the sale or other disposition of Partnership interests or properties;

c)    confess a judgment against the Partnership; or

d)    amend this Agreement.

4.3    Certain Rights and Obligations of the General Partner. In addition to the provisions of section 4.1, to carry out the purposes of the Partnership, the General Partner

a)    May purchase or sell any real estate interests for the Partnership and may execute on behalf of the Partnership all documents or instruments of any kind that the General Partner may deem appropriate in carrying out the purposes of the Partnership, including but not limited to, construction contracts, mortgages, deeds, assignments, leases, subleases, management agreements, or other contracts of any kind or character or amendments to them, which relate to the affairs of the Partnership.

b)    Shall maintain complete and accurate books of account for the term of the Partnership, keeping the books at the General Partner's offices and open to inspection after reasonable notice and request by any Limited Partner or Employee's authorized representative, at Employee's own expense, at any time during ordinary business hours, and retaining the final books and records of the Partnership for four years after the term of the Partnership ends.

c)    Shall provide each Limited Partner with (i) an annual financial statement within 90 days after December 31 of each calendar year, subject to any change in the fiscal year of the Partnership, indicating the financial position of the Partnership and (ii) a report containing information the General Partner deems necessary to prepare federal income tax returns and that shall be furnished by March 15 of each year.

d)    May purchase, at the Partnership's expense, liability and other insurance to protect the Partnership properties and business.

e)    May enter into any loan agreement to borrow money necessary or desirable to conduct the Partnership's business, including but not limited to loans to be used, in whole or in part, to acquire, construct, or operate the project. The General Partner is authorized to assign any portion or all of the Partnership properties and revenues derived from it to secure the borrowed money or loan agreements. Limited Partners shall have no personal liability for these borrowed amounts. In no event will any lender have the election to convert its position as a creditor into an equity interest in the Partnership or in the General Partner. The General Partner may make unsecured loans and advances to the Partnership. The interest on loans and advances made by the General Partner shall not exceed amounts that would be charged by unrelated banks (without regard to the General Partner's financial abilities or guaranties) on comparable loans for the same purpose, and no fees, points, or other financing charges will be charged to the Partnership by the General Partner.

f)    Shall determine the extent that the property will be marketed, leased, sold or otherwise disposed of.

g)    May lease equipment necessary to manage and operate the property on the terms and conditions it deems necessary and appropriate.

h)    Shall file a Certificate of Limited Partnership and any other necessary instruments required to qualify the Partnership to do business in the states where the Partnership conducts any activities or cause the limited partnership status of the entity to be recognized.

i)    May admit additional limited partners.

j)    May invest Partnership funds in its discretion until the funds are committed to Partnership activities, including retaining balances in interest bearing or non-interest bearing bank accounts.

k)    May sell, exchange, distribute, or otherwise dispose of some or all of the property or the project (even though doing so may cause a dissolution, winding up, and termination of the Partnership).

l)    Shall do any and all things necessary or appropriate to accomplish the purposes of the Partnership subject to the provisions of this Agreement. Any act considered by the General Partner to be within the scope of authority conferred by this Agreement and the Act shall be conclusively deemed to be so as long as any Limited Partner who has notice of the act does not object in writing within 30 days.

4.4    Reliance on Acts of General Partner. No financial institution or any other person, firm, or corporation dealing with the General Partner shall be required to ascertain whether it is acting in accordance with this Agreement, but shall be protected in relying solely on the assurance of and the execution of all instruments by the General Partner.

Article V  
TRANSFER OF PARTNERSHIP INTERESTS

5.1    General Partner. The General Partner shall not sell, assign, pledge, or otherwise encumber or dispose of its general partnership interest in the Partnership or any part of it, and any attempt to do so shall be null and void.

5.2    Limited Partners. The interest of the Limited Partner shall not be assignable.

Article VI  
WITHDRAWAL OR REMOVAL OF A PARTNER

6.1    Withdrawal of Limited Partner. The Limited Partner may withdraw from the Partnership. If the Limited Partner dies or is adjudicated insane, incompetent, or bankrupt, the Partnership shall not terminate, and the personal representative, executor, administrator, heir-at-law, legatees, or guardian, as the case may be, of the deceased, bankrupt, insane, or incompetent Limited Partner shall become an assignee of the interest of that Limited Partner.

6.2    Withdrawal of General Partner. The General Partner may not withdraw from the Partnership without the express written consent of the General Partner.

6.3    Removal of General Partner. The Limited Partner shall have no right, power, or authority to remove the General Partner.

Article VII  
TERMINATION OF PARTNERSHIP

7.1    Termination. The Partnership shall dissolve on the expiration of the term specified in section 1.4 by agreement of the Partners or on the sale of substantially all of the Partnership's assets. On any such termination, the General Partner shall wind up the Partnership and apply and distribute its assets as provided in section 3.2.

Article VIII  
SPECIAL POWER OF ATTORNEY

8.1    Grant of Power of Attorney. The Limited Partner appoints the General Partner as Employee's true and lawful representative and attorney-in-fact to sign and file a Certificate of Limited Partnership for the Partnership and any amendment of it required by law and all other instruments, documents, reports, and certificates that may be required by the laws of the United States, the State of [STATE], or any political subdivision or agency thereof, to dissolve and terminate the Partnership. However, the General Partner shall not have any right, power, or authority to amend or modify this limited partnership agreement when acting in that capacity except when the amendment is made pursuant to Article IV of this Agreement.

Article IX  
INDEMNIFICATION

9.1    Indemnification of Limited Partner by General Partner. The General Partner agrees to indemnify and hold the Limited Partner harmless against any losses or claims arising as a result of any false statements appearing in any Certificate of Limited Partnership filed by the General Partner on behalf of the Partnership.

Article X  
MISCELLANEOUS

10.1    Governing Law. The Partnership and this Agreement shall be governed by and construed in accordance with the laws of the State of [STATE].

10.2    Agreement for Further Execution. At any time, on the General Partner's request, the Partners agree to sign, swear to, or acknowledge the certificate of limited partnership required by the Act; to sign, swear to, or acknowledge any amendment to or cancellation of the certificate whenever that amendment or cancellation is required by law; to sign, swear to, or acknowledge similar certificates or affidavits or certificates of a fictitious firm name, trade name, or the like (and any amendments or cancellations of them) required by the laws of [STATE] or any other jurisdiction in which the Partnership does, or proposes to do, business and file these documents for record when the filing is required by law. This section shall not prejudice or affect the rights of Limited Partners to approve certain amendments to this Agreement as provided in section 10.2.

10.3    Entire Agreement. This Agreement contains the entire understanding among the parties and supersedes any previous understanding and agreements between them respecting the subject matter of this Agreement. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the parties to this Agreement, relating to the subject matter of this Agreement, that are not fully expressed in this Agreement.

10.4    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 of the jurisdictions in which the Partnership does business. If any provision of this Agreement or its application to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of that provision to other persons or circumstances shall not be affected by it, but rather shall be enforced to the greatest extent permitted by law.

10.5    Notices. Notices to Partners or to the Partnership shall be deemed to have been given when mailed, by prepaid registered or certified mail, addressed as set forth in this Agreement or as set forth in any notice or change of address previously given in writing by the addressee to the addresser.

10.6    Captions. The section titles or captions contained in this Agreement are provided for the sake of convenience only and shall not be deemed part of the context of this Agreement.

10.7    Number and Gender. All of the terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, that the context or sense of this Agreement or any section or clause in it may require, as if the words had been fully and properly written in the number and gender.

Each of the parties to this Agreement has executed and sworn to this Certificate or has caused this Certificate to be duly executed on its behalf by its duly authorized officer listed on the first page of this Agreement.

[GENERAL PARTNER]

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

LIMITED PARTNERS

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_