

THE INTERESTS IN INVERNESS FAMILY MEDICAL CENTER PARTNERS, LTD. HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 NOR THE ALABAMA SECURITIES ACT, AND MAY NOT BE RESOLD UNLESS SUBSEQUENTLY REGISTERED UNDER SUCH ACTS OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. ADDITIONAL RESTRICTIONS ON TRANSFERABILITY ARE CONTAINED IN PARAGRAPH 10 OF THIS AGREEMENT.

INVERNESS FAMILY MEDICAL CENTER PARTNERS, LTD.

LIMITED PARTNERSHIP AGREEMENT

COLONIAL PROPERTIES MANAGEMENT ASSOCIATION,
an Alabama general partnership
(herein referred to as the "General Partner")

and

COLONIAL PROPERTIES, INC.,
an Alabama corporation
(herein referred to as the "Limited Partner")

Leitman, Diegal, & Payne

In order to form a limited partnership, the parties hereto agree as follows:

CERTAIN DEFINITIONS

For purposes of this Agreement, unless the context otherwise requires, the following terms shall have the following respective meanings, such meanings to be applicable to singular and plural nouns and verbs of any tense:

"Act"

The Alabama Uniform Limited Partnership Act of 1983.

"Affiliate"

Shall mean (i) any person directly or indirectly controlling, controlled by or under common control with another person, (ii) any person owning or controlling 10% or more of the outstanding voting securities of such other person, (iii) any officer, director, partner, of such person and (iv) if such other person is an officer, director or partner, any company for which such person acts in any such capacity.

"Aggregate Capital Contributions"

All contributions made to the capital of the Partnership by a Partner pursuant to Paragraph 5 hereof less all distributions of Capital Items received by such Partner.

"Capital Item"

The net proceeds received by the Partnership, after retirement of applicable mortgage debt or any portion thereof upon the occurrence of any of the following events provided that such event

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does not cause or result in a dissolution of the Partnership: (i) any sale of all or part of the Property, (ii) any insurance payments (other than under policies commonly referred to as rent insurance) or damage recoveries paid to the Partnership in respect of the Property, (iii) any condemnation proceeds paid to the Partnership for the taking of all or part of the Property, (iv) any proceeds derived from any refinancing of the Partnership's mortgage loans, less any expenses incurred in connection with the receipt or collection of any such proceeds, not applied or set aside for the reduction of Partnership liabilities, or the repair, restoration, or improvement of the Property.

"Cash Flow"

The excess of cash revenue from operation of the Property over cash disbursements, without deduction for depreciation, and a reasonable allowance for cash reserves for repairs, replacements, contingencies and anticipated obligations (including debt service, capital improvements and replacements) as determined by the General Partner. Cash Flow shall not include Capital Items.

"Certificate"

The Certificate of Limited Partnership and all amendments thereof as required to be filed by the Partnership pursuant to the Act.

"Distribution Percentage"

The percentage used to determine the allocation of income, gains, losses, deductions, credits and Distributions to which each Partner shall be entitled pursuant to paragraphs 6 and 7.

"Distributions"

Distributions of cash or other property made by the Partnership to the Partners from any source.

"General Partner"

Colonial Properties Management Association, an Alabama general partnership.

"Interest"

The individual interest of each Partner in the profits, losses, and capital of the Partnership.

"Limited Partner"

Colonial Properties, Inc., an Alabama corporation.

"Partner"

The General Partner and the Limited Partner of the Partnership.

"Partnership"

Inverness Family Medical Center Partners, Ltd.

"Property"

The property described on Exhibit "A" annexed hereto.

"Transfer"

Any sale, transfer, gift, assignment or pledge or grant of a security interest, by operation of law or otherwise, in or of an Interest.

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FORMATION AND PURPOSE
ADMISSION OF LIMITED PARTNERS

1. The Partnership is being formed in accordance with the laws of the State of Alabama. The General Partner may take such further action as it may deem necessary or proper to permit the Partnership to conduct business as a limited partnership under the Act and in the State of Alabama.

2. The Partnership is called Inverness Family Medical Center Partners, Ltd. The Partnership shall have an office in the State of Alabama at which Partnership records will be kept at 1009 Montgomery Highway, Birmingham, Alabama 35216, or such other address as may be designated from time to time by the General Partner.

3. The term of the Partnership shall commence upon the filing of the Certificate with the Judge of Probate of Shelby County, Alabama, and shall end on December 31, 2084, unless sooner terminated in accordance with this Agreement.

4. The purpose of the Partnership, and the character of its business, is the acquisition, construction, operation, management, financing, selling, leasing or other disposition of the Property or any part thereof.

CONTRIBUTIONS

5.(a) Upon the execution of this Agreement, the General Partner shall make a cash contribution of \$100.00 to the capital of the Partnership.

(b) Upon the execution of this Agreement, the Limited Partner shall make a cash contribution of \$100.00 to the capital of the Partnership. Within one (1) year from the execution of this Agreement, the Limited Partner shall contribute the Property, subject to existing encumbrances to the capital of the Partnership.

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(c) The Limited Partner shall not be required to contribute any capital to the Partnership other than as provided in Paragraph 5(b) hereof or to lend any funds to the Partnership. Except as otherwise provided herein, no interest shall be paid on any capital contributed to the Partnership pursuant to this Paragraph 5 and, except as otherwise provided herein, no Partner may withdraw his capital contribution.

(d) The Partnership shall establish for each Partner a capital account which shall be credited with the amounts of the contributions to the Partnership when made, shall be credited or charged, as the case may be, with Partnership profits or losses, and shall be charged with the amounts of any Distributions pursuant to Paragraph 7. Loans by any Partner shall not be considered contributions to the capital of the Partnership.

DISTRIBUTIONS AND ALLOCATION OF INCOME OR LOSS

6.(a) The profits and losses of the Partnership shall be determined for each fiscal year in accordance with the accounting method followed by the Partnership for Federal income tax purposes and otherwise in accordance with good accounting procedures applied in a consistent manner. The fiscal year of the Partnership shall be the calendar year. Profits and losses shall be allocated to the Partners in accordance with their Distribution Percentages on the last day of each year.

(b) Profits and losses shall be allocated as follows:

(i) The profits and losses of the Partnership, other than those attributable to Capital Items or to the sale, exchange, or other disposition of all or substantially all of the Property, or to any other voluntary or involuntary conversion of the Property, or to a casualty or taking in condemnation affecting the Property, shall be allocated 99% to the Limited Partner and 1% to the General Partner.

(ii) Profits and losses of the Partnership attributable to Capital Items or to the sale, exchange or other disposition of all or substantially all of the Property, to any other voluntary or involuntary conversion of the Property or to a casualty or taking in condemnation affecting the Property shall be allocated among the Partners as follows:

(A) Any profits shall be allocated in the following manner and order:

(1) Ordinary income, in an amount equal to the aggregate deficit in the Partners' capital accounts, shall be allocated to each Partner in the same ratio as the deficit in such Partner's capital account bears to the aggregate of all such deficits; any remaining ordinary income shall be allocated among the Partners in accordance with (2) below, prior to the allocation of capital gain. If, after such allocation, a deficit remains in the capital accounts of the Partners, an amount of capital gain shall be allocated to the Partners in proportion to any such deficits in an amount sufficient to reduce such deficits to zero;

(2) the balance of such profits, 75% to the Limited Partners and 25% to the General Partner.

(B) Any losses shall be allocated in the following manner and order:

(1) to the extent that the balance in the Partners' capital accounts exceeds the amount of their Aggregate Capital Contribution (the "Excess Balances"), in proportion to such Excess Balances until such Excess Balances are reduced to zero;

(2) then, to the Partners until the balance in their capital accounts shall be reduced to zero;

(3) then, the balance of such losses, 75% to the Limited Partner and 25% to the General Partner.

7.(a) Cash Flow distributions shall be made: 99% to the Limited Partner and 1% to the General Partner.

(b) Distributions of Capital Items shall be made as follows:

(i) First, to the Limited Partner until such time as the Limited Partner shall have received distributions of Capital Items sufficient to reduce its Aggregate Capital Contribution to zero;

(ii) then, to the General Partner until such time as the General Partner shall have received distributions of Capital Items sufficient to reduce its Aggregate Capital Contribution to zero; and

(iii) then, 75% to the Limited Partner and 25% to the General Partner.

(c) The net cash proceeds of a sale, exchange or other disposition of all or substantially all of the Property constituting a dissolution of the Partnership shall be applied as follows:

(i) to payment of debts and liabilities of the Partnership and the expenses of liquidation;

(ii) to the setting up of such reserves as the person required by law to wind up the Partnership's affairs may reasonably deem necessary for any contingent liabilities or obligations of the Partnership, provided that any such reserves shall be paid over by such person to an independent escrow agent, to be held by such agent or his successor for such period as such person shall deem advisable for the purpose of applying such reserves to the payment of such liabilities or obligations and, at the expiration of such period, the balance of such reserves, if any, shall be distributed as hereinafter provided; and

(iii) to the Partners in the order of priority as provided in Paragraph 7(b).

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(d) Cash Flow and Capital Items available for distribution shall be determined by the General Partner and shall be allocated to the Partners on an annual basis, in accordance with Paragraph 6(a). Such items shall be distributed at convenient periodic intervals, not less than annually within sixty (60) days after the close of such annual period.

(e) The methods hereinabove set forth by which Distributions and allocations are made are hereby expressly consented to by each Partner as an express condition to becoming a Partner.

GENERAL PARTNER
POWERS, DUTIES AND LIMITATION OF LIABILITY

8.(a) The General Partner shall, except as otherwise provided in this Agreement, have and possess the same rights and powers as any general partner in a partnership without limited partners formed under the laws of the State of Alabama and, without limiting the generality of the foregoing, shall have the power and right to:

- (i) manage the Property;
- (ii) execute such documents as they may deem necessary or desirable for Partnership purposes;
- (iii) construct, improve, acquire, sell, assign, convey, lease, mortgage, or otherwise dispose of all or any part of the Property;
- (iv) borrow money, sell, assign, pledge, grant security interests in, or otherwise encumber or dispose of all or any part of the Property;
- (v) perform or cause to be performed all of the Partnership's obligations under any agreement to which the Partnership is a party or any obligations of the Partnership or otherwise in respect of any indebtedness secured in whole or in part by, or by lien on, or security interest in, any portion of the Property and/or other property of the Partnership;

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(vi) employ, engage, retain or deal with any persons, firms or corporations, including Affiliates of the General Partner, to act as managing agents, brokers, accountants, or lawyers or in such other capacity as the General Partner may deem necessary or desirable, provided the compensation for such services is reasonable. The fact that a General Partner or Limited Partner or a member thereof is employed by, or is directly or indirectly affiliated or connected with, any such person, firm or corporation shall not prohibit the General Partner from employing or otherwise dealing with such person, firm or corporation;

(vii) establish, maintain, deposit into, sign checks and/or otherwise draw upon Partnership bank accounts and execute and/or accept any instrument or agreement incident to the Partnership business and in furtherance of its purposes; without limiting the foregoing, to cause cash funds of the Partnership to be deposited in non-interest bearing accounts at banks with which the General Partner or a member thereof is an Affiliate or at other banks selected by the General Partner;

(viii) bring or defend, pay, collect, compromise, arbitrate, resort to legal action, or otherwise adjust claims or demands of or against the Partnership;

(ix) make such elections under the Internal Revenue Code of 1954, as amended (the "Code"), or any successor thereto (including without limitation adjustments pursuant to Section 754 of the interests of the Partnership).

(c) The General Partner shall, at all times during the term of the Partnership, accurately record or cause to be recorded each transaction of the Partnership, including all transactions relating to the operation of the Property, and keep or cause to be kept full and accurate books of the Partnership. Such books, and a certified copy of the Certificate and amendments thereto, shall be open for reasonable inspection and examination by the Limited Partner or its duly authorized representatives.

(d) All expenses incurred by the General Partner or its Affiliates on behalf of the Partnership shall be paid by the Partnership.

(e) Pursuant to Section 6231(a)(7)(A) of the Code, Thomas H. Lowder, one of the partners of the General Partner, is hereby designated as the "tax matters partner" of the Partnership for all purposes of the Code. All Partners consent to such designation and agree to take any such further action as may be required by regulation or otherwise to effectuate such designation.

(f) The doing of any act or the omission to do any act by the General Partner, the effect of which may cause or result in loss or damage to the Partnership, if done in good faith and in accordance with sound business practices and otherwise in accordance with the terms of this Agreement, shall not subject the General Partner, its members, or its successors and assigns to any liability. The Partnership will indemnify and hold harmless the General Partner, its members and its successors and assigns from any claim, loss, expense, liability, action or damage resulting from any such act or omission, including, without limitation, reasonable costs and expenses of litigation and appeal (including reasonable fees and expenses of attorneys engaged by the General Partner, its members, or its successors and assigns in defense of such act or omission), but the General Partner, its members, successors, and assigns shall not be entitled to be indemnified or held harmless due to, or arising from, fraud, bad faith, gross negligence, malfeasance or failure to comply with any representation, warranty, covenant, condition or other agreement herein contained.

LIMITED PARTNERS
RESTRICTIONS AND LIMITATIONS

9.(a) The Limited Partner shall not take part in the management or control of the business of the Partnership. The Limited Partner shall have no rights other than those provided for herein or granted by law where not inconsistent with a valid provision hereof.

(b) Meetings of the Partners may be called by the General Partner or by the Limited Partner, but this clause shall not be construed as expanding the rights of the Limited Partner provided for in this Agreement.

10.(a) The Limited Partner may not Transfer its Interest in the Partnership or any part thereof except as permitted in this Agreement, and any act in violation of this Paragraph 10 shall not be binding upon or recognized by the Partnership regardless of whether the General Partner shall have knowledge thereof.

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(b) Except as hereinafter provided in subparagraph 10(d), no Transfer by a Limited Partner of all or part of his Interest shall be effective nor shall any proposed transferee of all or any part of the Limited Partner's Interest be entitled to receive Distributions from the Partnership applicable to the Interest acquired by reason of such Transfer or be admitted to the Partnership as a Limited Partner, unless:

(i) the transferor has executed and delivered to the General Partner an assignment in form satisfactory to the General Partner, and

(ii) the written consent of the General Partner to such Transfer has been obtained, which consent may be withheld in the complete discretion of the General Partner.

(c) No consent by the General Partner to any Transfer of all or any part of the Limited Partner's Interest or to the admission of a proposed transferee as a Limited Partner in the Partnership shall be effective unless:

(i) the transferee executes and delivers to the General Partner an undertaking of the transferee to be bound by all the terms and provisions of this Agreement and such other instruments as may be required by law, and where the transferee is to be admitted as a Limited Partner, a counterpart of this Agreement;

(ii) the transferee executes and delivers to the General Partner a confirmation that the proposed transferee is acquiring the Interest for his own account, for investment only and not with a view toward the resale or distribution thereof; and

(iii) if requested by the General Partner, the transferee executes and delivers to the General Partner an undertaking to pay all reasonable expenses incurred by the Partnership in connection with the Transfer, including, but not limited to, the cost of preparing, filing and publishing such amendments to the Certificate as may be required by law.

DISSOLUTION

11.(a) The Partnership shall be dissolved upon the earliest of:

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- (i) the expiration of its term as provided in this Agreement;
- (ii) the sale of all of the Property, unless the Partnership takes back a mortgage or other security device with respect to all of the Property in connection with such sale;
- (iii) a determination by the General Partner, concurred in by the written consent of the Limited Partner to dissolve the Partnership;
- (iv) the dissolution of the General Partner caused by the withdrawal, disability, retirement, insolvency, bankruptcy, death, or insanity of all of the partners of the General Partner or the bankruptcy or insolvency of the General Partner which is not discharged or vacated within ninety (90) days from the date thereof.

(b) Upon dissolution, all certificates or notices thereof required by law shall be filed and the Partnership business shall be concluded as hereinafter provided.

(c) Upon dissolution, all property of the Partnership other than cash shall, within a reasonable time, be sold or otherwise converted into cash or receivables (or transferred in satisfaction of Partnership debts) and the proceeds thereof shall, to the extent available, after payment or making provision for payment, when due, of any debts of the Partnership, be distributed to the Partners in cash and/or in kind, subject to any liabilities of the Partnership, in accordance with the provisions of Paragraph 7(c).

(d) The Partnership's accountant shall prepare and furnish to each Partner a statement setting forth the assets and liabilities of the Partnership as of the date of complete liquidation. Upon complete liquidation of the Partnership property, the Limited Partner shall cease to be such and the General Partner shall execute, acknowledge and cause to be filed all certificates necessary to terminate the Partnership.

GENERAL PROVISIONS

12.(a) The Limited Partner shall not be required or obligated to make any contribution to the Partnership except as provided in Paragraph 5 of this Agreement. The Limited

Partner understands, however, that to the extent required by partnership law, if it receives the return in whole or in part of his Aggregate Capital Contribution, it may be liable to the Partnership for any sum, not in excess of such return with interest, necessary to discharge the Partnership's liabilities to creditors.

(b) The Limited Partner irrevocably constitutes and appoints the General Partner, with full power of substitution, as his true and lawful attorney in its name, place and stead to make, execute, acknowledge, deliver, swear to, and file:

- (i) any counterparts of this Agreement;
- (ii) any certificate of limited partnership required by law or considered necessary or desirable by the General Partner and all amendments thereto;
- (iii) all certificates and other instruments necessary to qualify or continue the Partnership in Alabama;
- (iv) all assignments, conveyances or other instruments or documents necessary to effect the dissolution of the Partnership;
- (v) all other filings with agencies of the federal government, of any state or local government, or of any other jurisdiction which the General Partner considers necessary or desirable for Partnership purposes; and
- (vi) any changes in this Agreement as are required in the judgment of the General Partner in order to comply with the laws of the State of Alabama (including compliance with limited partnership law).

The General Partner shall not be required to deliver to the Limited Partner a copy of each document filed with the Judge of Probate of Shelby County, Alabama, pursuant to the Act.

(c) This Agreement shall be governed and construed in accordance with the laws of the State of Alabama.

(d) The Partners will execute and deliver such further instruments and do such further acts and things as may be required to carry out the purpose and intent of this Agreement.

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(e) This Agreement constitutes the entire agreement among the Partners pertaining to the subject matter hereof. No covenant, representation or condition not expressed in this Agreement shall affect or be effective to interpret, change or restrict the express provisions of this Agreement. The provisions of this Agreement may not be modified or waived except by written agreement executed by the parties to be bound thereby.

(f) None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Partnership.

(g) Except as otherwise herein provided, this Agreement shall be binding upon and inure to the benefit of the Partners and their successors and assigns.

(h) This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes constitute one Agreement, binding on all the Partners, notwithstanding that all Partners are not signatories to the same counterpart. All references herein to this Agreement are deemed to refer to all such counterparts.

IN WITNESS WHEREOF, this Agreement has been executed by the Partners on the 10th day of February 1984.

GENERAL PARTNER:

COLONIAL PROPERTIES MANAGEMENT
ASSOCIATION

By:

Thomas H. Gaudin
One of its General Partners

LIMITED PARTNER:

COLONIAL PROPERTIES, INC.

By:

Thomas H. Gaudin
Its: President

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Thomas H. Lowder, whose name as General Partner of Colonial Properties Management Association, an Alabama general partnership, is signed to the foregoing Limited Partnership Agreement, and who is known to me, acknowledged before me on this day, that, being informed of the contents thereof, he, as such General Partner and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand and official seal, this the 10th day of February, 1984.

Dale B. Sawyer
Notary Public
My Commission Expires: 3-1-86

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Thomas H. Lowder, whose name as President of Colonial Properties, Inc., a corporation, is signed to the foregoing Limited Partnership Agreement, and who is known to me, acknowledged before me on this day, that, being informed of the contents thereof, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the 10th day of February, 1984.

Dale B. Sawyer
Notary Public
My Commission Expires: 3-1-86

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EXHIBIT "A"

TO INVERNESS FAMILY MEDICAL CENTER
PARTNERS, LTD.

LIMITED PARTNERSHIP AGREEMENT
BETWEEN COLONIAL PROPERTIES MANAGEMENT ASSOCIATION,
AN ALABAMA GENERAL PARTNERSHIP, AS GENERAL PARTNER,
AND COLONIAL PROPERTIES, INC.,
AN ALABAMA CORPORATION, AS LIMITED PARTNER

Lots 2 and 3 Colonial Properties Subdivision as recorded in
Map Book 8, Page 138, in the Office of the Judge of Probate
of Shelby County, Alabama, said lots being situated in the
S.E. 1/4 of the N.W. 1/4 and the S.W. 1/4 of the N.E. 1/4,
Section 36, Township 18 South, Range 2W, Shelby County,
Alabama.

STATE OF ALABAMA
JUDGE OF PROBATE
SHELBY COUNTY

1984 FEB 17 AM 2:45

John H. [unclear]
JAN 17 1984

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