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Office of the City and County Surveyor  
1155 Market Street, 3<sup>rd</sup> Floor  
San Francisco, CA 94103

Bruce R. Storrs, City and County Surveyor

**UPDATED AS OF: FEBRUARY 28, 2014**

## **Expedited Condominium Conversion Program - ECP** **Instructions for Buildings with Tenant(s)**

**The Parcel or Final Map submittal for condominium conversion is subject to the terms of the Expedited Condominium Conversion Program, City and County of San Francisco Subdivision Code, Section 1396.4.**

If an application for condominium conversion has indicated that there are TENANT(S) in the building, the law requires that all tenant(s) in the building have been given a written offer to enter into a life time lease, in the form and with the provisions required by the City and County of San Francisco.

In order to continue processing your project, the following documents must be completed:

**MYLAR MAP SUBMITTAL PACKAGE**: Include all the applicable documents listed below, along with the mylar map, updated Preliminary Title Report (PTR), tax certificate and recording fee, as part of the mylar map submittal package.

### **(1) Offer of Life Time Lease of Residential Property**

The Offer of Life Time Lease shall be completed by **ALL OWNERS**. The signed/notarized Offer is to be recorded at the Office of the Assessor-Recorder\*\*\* and a copy is to be submitted with the *mylar map submittal package*.

### **(2) Agreement to Provide a Life Time Lease Unit Between the City and County of San Francisco (CCSF) and Property Owner**

The Agreement to Provide a Life Time Lease Unit shall be completed by **ALL OWNERS**. The signed/notarized Agreement is to be submitted with the *mylar map submittal package*. NOTE: CCSF will complete the Agreement signatures for the Department of Public Works and City Attorney. The Agreement will then be recorded by CCSF, and the recording information shown on the mylar map.

### **(3) Owner Affidavit**

The Owner Affidavit shall be completed by **ALL OWNERS**. The signed/notarized affidavit is to be submitted with the *mylar map submittal package*.

**NOTE: OWNER AFFIDAVIT SHALL BE SIGNED WITHIN 30 DAYS OF THE MYLAR MAP SUBMITTAL.** Any submitted affidavits signed outside the 30 days will be returned and a newly executed affidavit will be required.

### **(4) Life Time Lease – ONLY required if tenant(s) accepts Life Time Lease**

If the owners and non-purchasing tenant(s) complete a Life Time Lease prior to submitting the subdivision map, the lease must be recorded at the Office of the Assessor-Recorder\*\*\* and a copy is to be submitted with the *mylar map submittal package*.

**(5) Notice of Special Restrictions (NSR) – ONLY required if owner(s) sell or offer to sell \*\*\***

If the owner(s) of a building enter into any contract or option to sell or transfer any unit that would be subject to the life time lease requirements of CCSF Sub. Code 1396.4(g)(4), before the recordation of the condominium map, the owner(s) shall record a Notice of Special Restrictions (NSR) prior to the execution of any contract or option.

The Notice of Special Restrictions shall be completed by **ALL OWNERS**. The NSR must be recorded at the Office of the Assessor-Recorder\*\*\* and a copy is to be submitted with the *mylar map submittal package*. Any NSR recorded prior to the recordation of a condominium map must be noted on the face of the mylar map.

**(6) Refund Form**

One Refund Form shall be completed by **ALL OWNERS** for refunds authorized under the Life Time Lease provisions of CCSF Subdivision Code 1396.4(h). The signed/notarized Refund Form is to be submitted with the *mylar map submittal package*. Refunds are denoted in the table below.

ECP Fee Per Unit Paid	\$ 4,000	\$ 8,000	\$ 12,000	\$ 16,000	\$ 20,000
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Total Units Offered Life Time Lease	Total Refund				
1 Unit (10% Fee Reduction for the unit offered)	\$ 400	\$ 800	\$ 1,200	\$ 1,600	\$ 2,000
2 Units (20% Fee Reduction for each unit offered)	\$ 1,600	\$ 3,200	\$ 4,800	\$ 6,400	\$ 8,000
3 Units (30% Fee Reduction for each unit offered)	\$ 3,600	\$ 7,200	\$ 10,800	\$ 14,400	\$ 18,000

**Example:**

A four (4) unit building that participated in the Condominium Conversion Lottery for five (5) years would pay a total ECP fee of \$16,000. The cost per unit is \$16,000 / 4 Units = **\$4,000**. This building had two (2) units that were offered life time leases and would have a 20% fee reduction for each unit. The owner(s) would receive a total refund of \$1,600 for the entire building, which is calculated by: (\$4000 x 20% = \$800 per unit) x 2 units offered life time leases = **\$1,600**.

**\*\*\* ALL Recorded Documents:**

For information regarding the recordation fee, location and hours, please visit the website for the Office of the Assessor-Recorder at: <http://www.sfassessor.org/>

Bring one original, signed document and one copy to the Office of the Assessor-Recorder, located in City Hall, Room 190. Record the original, signed document and request the Recorder to "Conform" the copy. Submit the "Conformed" copy of the document with the *mylar map submittal package*.

If you have difficulty obtaining website access or the documents referenced above, the owner or owner's representative should contact the Department of Public Works by e-mail at [subdivision.mapping@sfdpw.org](mailto:subdivision.mapping@sfdpw.org) or by phone at (415) 554-5827.

Sincerely,

Bruce R. Storrs  
City and County Surveyor  
City and County of San Francisco

RECORDING REQUESTED BY: \_\_\_\_\_ )  
 \_\_\_\_\_ )  
 When Recorded Mail To: \_\_\_\_\_ )  
 \_\_\_\_\_ )  
 Name: \_\_\_\_\_ )  
 \_\_\_\_\_ )  
 Address: \_\_\_\_\_ )  
 \_\_\_\_\_ )  
 \_\_\_\_\_ )

**AB:** \_\_\_\_\_, **Lot:** \_\_\_\_\_

Space Above This Line For Recorder's Use

## OFFER OF LIFETIME LEASE OF RESIDENTIAL PROPERTY

This Offer of Lifetime Lease of Residential Property ("Offer") is made on \_\_\_\_\_  
 (the "Offer Date") by \_\_\_\_\_ ("Landlord") to \_\_\_\_\_  
 ("Life-Tenant") pursuant to the requirement set forth in the San Francisco Condominium  
 Conversion Fee and Expedited Conversion Program, San Francisco Subdivision Code Section  
 1396.4(g) (the "Program").

WHEREAS, the Landlord is all the fee title owner(s) of the residential property located at  
 \_\_\_\_\_, San Francisco, California \_\_\_\_\_, as more particularly  
 described in Exhibit A attached hereto and incorporated herein by reference (the "Premises").

WHEREAS, Life-Tenant currently resides in Unit \_\_\_\_\_ of the Premises (the "Unit").

WHEREAS, Landlord proposes to convert the Premises to a condominium pursuant to  
 the Program, and under the Program requirements must therefore provide Life-Tenant a written  
 offer for a lifetime lease of the Unit.

NOW THEREFORE, in consideration of the above Recitals and the benefits provided  
 under the Program, Landlord hereby agrees as follows:

1. Offer. Landlord hereby offers to Life-Tenant a lifetime lease in the Unit, the  
 form and terms of which are attached hereto as Exhibit B (the "Lease"). Landlord agrees to  
 record this Offer against the Premises as required under the Program.

2. Term. This Offer shall automatically expire on the earliest of: (i) execution of the  
 Lease by Life-Tenant; (ii) Life-Tenant voluntarily vacates the Unit; or (iii) the date that is two  
 years from the Offer Date.

IN WITNESS WHEREOF, Landlord has executed this Offer as the Offer Date first written above.

**“LANDLORD”:**

\_\_\_\_\_  
By:  
Its:

**“LANDLORD”:**

\_\_\_\_\_  
By:  
Its:

**“LANDLORD”:**

\_\_\_\_\_  
By:  
Its:

SIGNATURES MUST BE NOTARIZED

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

(Notary Seal)

State of California

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

(Notary Seal)

**EXHIBIT A**  
LEGAL DESCRIPTION

Date \_\_\_\_\_, \_\_\_\_\_ (“Landlord”) and \_\_\_\_\_ (“Life-Tenant” or “Tenant”) agree as follows:

**A.** Landlord rents to Life-Tenant and Life-Tenant rents from Landlord, the real property and improvements described as: \_\_\_\_\_ (“Premises”).

**2. TERM:** The term begins on (date) \_\_\_\_\_ ("Commencement Date"), and shall terminate upon the death of the last life-tenant residing in the unit or the last surviving member of the life-tenant's household, whichever is later, provided such surviving member is related to the life-tenant by blood, marriage, or domestic partnership, is either disabled, catastrophically ill, or aged 62 or older at the time of death of any life-tenant, and resided with the last life-tenant at the time of death at the Premises. .

**A. BY LIFE-TENANT:** The life-tenant(s) in the unit may terminate the lease by voluntarily vacating the unit after giving thirty days' notice of such intent to vacate to the landlord.

**4. RENT:** "Rent" shall mean all monetary obligations of Life-Tenant to Landlord under the terms of the Agreement, except security deposit.

**C. PAYMENT:** Rent shall be paid by \_\_\_ personal check, \_\_\_ money order, \_\_\_ cashier's check, or \_\_\_ other \_\_\_\_\_, to (name) \_\_\_\_\_ (phone) \_\_\_\_\_ at \_\_\_\_\_ (address) \_\_\_\_\_, (or at any other location subsequently specified by Landlord in writing to Tenant) (and \_\_\_ if checked, rent may be paid personally, between the hours of \_\_\_\_\_ and \_\_\_\_\_ on the following days \_\_\_\_\_).

**5. RENT INCREASES:** Landlord may increase the rent pursuant to the San Francisco Residential Rent Stabilization and Arbitration Ordinance ("Ordinance") so long as the Premises are subject to the control on rents established by the Ordinance. Should the Premises no longer be subject to the control on rents established by the Ordinance, Landlord may increase the rent annually no sooner than one year after the last rent increase, and for no more than the relative year-to-year percentage increase in the residential rent component of the "Bay Area Cost of Living Index as published by the U.S. Dept. of Labor."

**B.** All or any portion of the security deposit may be used, as reasonably necessary, to: **(i)** cure Tenant's default in payment of Rent **(ii)** repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; **(iii)** clean Premises, if necessary, upon termination of the tenancy; and **(iv)** replace or return personal property or appurtenances of the Landlord. **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** Within 21 days after Tenant vacates the Premises, Landlord shall: **(1)** furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition and supporting documentation as required by California Civil Code § 1950.5(g); and **(2)** return any remaining portion of the security deposit to Tenant.

7. **SUBORDINATION:** Tenant agrees that this Lease shall be subject and subordinate at all times to (i) all ground leases or underlying leases that may now exist or hereafter be executed affecting the Real Property or any portion thereof; (ii) the lien of any mortgage, deed of trust, assignment of rents and leases or other security instrument (and any advances thereunder) that may now exist or hereafter be executed in any amount for which the Real Property or any portion thereof, any ground leases or underlying leases or Landlord's interest or estate therein, is specified as security; and (iii) all

modifications, renewals, supplements, consolidations and replacements thereof, provided in all cases the mortgagees or beneficiaries named in mortgages or deeds of trust hereafter executed or the assignee of any assignment of rents and leases hereafter executed to recognize the interest and not disturb the possession, use and enjoyment of Tenant under this Lease, and, in the event of foreclosure or default, the lease will continue in full force and effect by operation of San Francisco Administrative Code Chapter 37, Section 37.9D, and the conditions imposed on each parcel or subdivision map pursuant to Section 1396.4(g), as long as Tenant is not in default under the terms and conditions of this Lease. Tenant agrees to execute and deliver, upon demand by Landlord and in the form requested by Landlord, any additional reasonable documents evidencing the priority or subordination of this Lease with respect to any such ground leases, underlying leases, mortgages, deeds of trust, assignment of rents and leases or other security instruments. Subject to the foregoing, Tenant agrees that Tenant shall be bound by, and required to comply with, the provisions of any assignment of rents and leases with respect to the Building.

**8. RECORDATION OF AGREEMENT:** This Agreement shall be recorded by the Landlord with the San Francisco County Assessor-Recorder against the property's title.

**9. SALE OF PREMISES:** If the owner(s) of Premises enters into any contract or option to sell or transfer the Premises or any interest in the building containing the Premises at any time between the initial application and recording of the final subdivision map or parcel map, said contract or option shall be subject to the following conditions: **(a)** the contract or option shall include written notice that the Premises are subject to the life time lease requirements of San Francisco Subdivision Code Section 1396.4(g), **(b)** prior to final execution of any such contract or option, the owner(s) shall record a notice of restrictions against the property that specifically identifies the Premises as subject to the life time lease requirements and specifies the requirements of the life time lease as set forth in Section 1396.4(g)(1), and (c). The recorded notice of restrictions shall also be included as a note on the final subdivision map or parcel map.

**10. LATE CHARGE; RETURNED CHECKS:**

**(if a late charge is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_ and paragraphs 10 A & B are incorporated into this lease.)**

**A.** Tenant acknowledges either late payment of Rent or issuance of a returned check may cause Landlord to incur costs and expenses, the exact amounts of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within **5 calendar days** after the date due, or if a check is returned, Tenant shall pay to Landlord, respectively, an additional sum of \$ \_\_\_\_\_ or \_\_\_\_\_% of the Rent due as a Late Charge and \$25.00 as a NSF fee for each returned check.

**B.** Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Tenant's late or NSF payment. Any Late Charge or NSF fee due shall be paid with the current installment of Rent. Landlord's acceptance of any Late Charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under paragraph 3 or prevent Landlord from exercising any other rights and remedies under this Agreement and as provided by law.

**11. PARKING:**

**(if parking is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_ and paragraph 11 is incorporated into this lease.)**

The right to parking is included in the Rent charged pursuant to paragraph 3 and parking is permitted as follows:

\_\_\_\_\_  
\_\_\_\_\_.  
If not included in the Rent, the parking rental fee shall be an additional \$ \_\_\_\_\_ per month and permitted as follows:

\_\_\_\_\_. Parking space(s) are to be used for parking properly licensed and operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked on the Premises. Mechanical work or storage of inoperable vehicles is not permitted in parking space(s) or elsewhere on the Premises.

**12. STORAGE:**

**(if storage is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_ and paragraph 12 is incorporated into this lease.)**

The right to storage space is included in the Rent charged pursuant to paragraph 3 and storage is permitted as follows:

\_\_\_\_\_  
\_\_\_\_\_.  
If not included in the Rent, storage space fee shall be an additional \$ \_\_\_\_\_ per month and permitted as follows:

\_\_\_\_\_. Tenant shall store only personal property Tenant owns, and shall not store property claimed by another. Tenant shall not store any improperly packaged food or perishable goods, flammable materials, explosives, hazardous waste or other inherently dangerous material, or illegal substances.



**13. UTILITIES:**

(if utilities are an existing term of the rental agreement between landlord and tenant, then check here \_\_\_ and paragraph 13 is incorporated into this lease.)

Utility usage and payment are included in the Rent charged pursuant to paragraph 3 and utility usage and payment related thereto are permitted as follows:

If not included in the Rent, Tenant agrees to pay for all utilities and services except \_\_\_\_\_, which shall be paid for by Landlord. If any utilities are not separately metered, Tenant shall pay Tenant's proportional share, as reasonably determined and directed by Landlord. Tenant shall only pay for utility services to the Premises.

**14. CONDITION OF PREMISES:** Tenant has examined Premises and, if any, all furniture, furnishings, appliances, landscaping and fixtures, including smoke detector(s). **(Check all that apply:)**

- \_\_\_ A. Tenant acknowledges these items are clean and in operable condition, with the following exceptions: \_\_\_\_\_
- \_\_\_ B. Tenant's acknowledgment of the condition of these items is contained in an attached statement of condition (C.A.R. Form MIMO).
- \_\_\_ C. Tenant will provide Landlord a list of items that are damaged or not in operable condition within 3 (or \_\_\_\_\_) days after the Commencement Date, not as a contingency of this Agreement but rather as an acknowledgment of the condition of the premises.
- \_\_\_ D. Other: \_\_\_\_\_

**15. MAINTENANCE:**

- A. This Agreement does not and shall not alter or abridge the rights or obligations of the parties in performance of their covenants, including but not limited to the provision of services, payment of rent, or the obligations imposed by Sections 1941, 1941.1, and 1941.2, 1941.3, and 1941.4 of the California Civil Code. There shall be no decrease in dwelling unit maintenance or other services historically provided to the Premises and life-tenant(s). Tenant shall properly use, operate and safeguard Premises, including if applicable, any landscaping, furniture, furnishings and appliances, and all mechanical, electrical, gas and plumbing fixtures, and keep them and the Premises clean, sanitary and well ventilated.

**16. PETS:**

(if landlord permission for pets is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_ and paragraph 16 is incorporated into this lease.)

Unless otherwise permitted by law, no animal or pet shall be kept on or about the Premises without Landlord's prior written consent, except: \_\_\_\_\_

**17. \_\_\_ (If checked) NO SMOKING:**

(if no smoking is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_ and paragraph 17 is incorporated into this lease.)

No smoking is allowed on the Premises. If smoking does occur on the Premises, Occupant is responsible for all damage caused by the smoking including, but not limited to, stains, burns, odors and removal of debris.

**18. RULES/REGULATIONS:**

(if house rules is an existing term of the rental between landlord and tenant, then check here \_\_\_ and paragraphs A & B below are incorporated into this lease.)

- A. Tenant shall not, and shall ensure that guests and licensees of Tenant shall not, disturb, annoy, endanger or interfere with other tenants of the building or neighbors, or use the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing or transporting illicit drugs or other contraband, or violate any law or ordinance, or commit a waste or nuisance on or about the Premises.
- B. (If applicable, check one)
- \_\_\_ 1. Landlord shall provide Tenant with a copy of the rules and regulations within \_\_\_\_\_ days or \_\_\_\_\_.
- OR \_\_\_ 2. Tenant has been provided with, and acknowledges receipt of, a copy of the rules and regulations.

**19. CONDOMINIUM:**

- A. Landlord intends that the Premises will be converted into a condominium governed by a homeowners' association ("HOA"). Landlord shall provide Tenant copies of the HOA rules and regulations, if any.
- B. Landlord shall provide Tenant with a copy of the HOA rules and regulations within \_\_\_\_\_ days of recordation of the CC&Rs by the subdivider.

**20. ALTERATIONS; REPAIRS:** Unless otherwise specified by law or paragraph 29C, without Landlord's prior written consent, Tenant shall not make any repairs, alterations or improvements in or about the Premises including: painting, wallpapering, adding or changing locks, installing antenna or satellite dish(es), placing signs, displays or exhibits, or using screws, fastening devices, large nails or adhesive materials; .

**21. KEYS; LOCKS:**

- A. Tenant acknowledges receipt of (or Tenant will receive \_\_\_ prior to the Commencement Date):
- \_\_\_\_\_ key(s) to Premises, \_\_\_\_\_ remote control device(s) for garage door/gate opener(s),
- \_\_\_\_\_ key(s) to mailbox, \_\_\_\_\_ key(s) to common area(s)..

**22. ENTRY:** Landlord entry into the premises shall be governed by Civil Code Section 1954.

**23. ASSIGNMENT; SUBLETTING:**

(if landlord permission for subletting is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_\_ and paragraph 23 is incorporated into this lease.)

Tenant shall not sublet all or any part of Premises, or assign or transfer this Agreement or any interest in it, without Landlord's prior written consent. Unless such consent is obtained, any assignment, transfer or subletting of Premises or this Agreement or tenancy shall, at the option of Landlord, terminate this Agreement. Any proposed assignee, transferee or sublessee shall submit to Landlord an application and credit information for Landlord's approval and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one assignment, transfer or sublease, shall not be construed as consent to any subsequent assignment, transfer or sublease and does not release Tenant of Tenant's obligations under this Agreement.

**24. JOINT AND INDIVIDUAL OBLIGATIONS:** If there is more than one Tenant, each one shall be individually and completely responsible for the performance of all obligations of Tenant under this Agreement, jointly with every other Tenant, and individually, whether or not in possession.

**25. \_\_\_\_ LEAD-BASED PAINT (If checked):** Premises was constructed prior to 1978. In accordance with federal law, Landlord gives and Tenant acknowledges receipt of the disclosures on the attached form (C.A.R. Form FLD) and a federally approved lead pamphlet.

**26. \_\_\_\_ MILITARY ORDNANCE DISCLOSURE:** (If applicable and known to Landlord) Premises is located within one mile of an area once used for military training, and may contain potentially explosive munitions.

**27. \_\_\_\_ PERIODIC PEST CONTROL:** Landlord has entered into a contract for periodic pest control treatment of the Premises and shall give Tenant a copy of the notice originally given to Landlord by the pest control company.

**28. \_\_\_\_ METHAMPHETAMINE CONTAMINATION:** Prior to signing this Agreement, Landlord has given Tenant a notice that a health official has issued an order prohibiting occupancy of the property because of methamphetamine contamination. A copy of the notice and order are attached.

**29. MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Landlord nor Brokers, if any, are required to check this website. If Tenant wants further information, Tenant should obtain information directly from this website.)

**30. TENANT'S OBLIGATIONS UPON VACATING PREMISES:**

A. Upon termination of the Agreement, Tenant shall: (i) give Landlord all copies of all keys or opening devices to Premises, including any common areas; (ii) vacate and surrender Premises to Landlord, empty of all persons; (iii) vacate any/all parking and/or storage space; (iv) clean and deliver Premises, as specified in paragraph C below, to Landlord in the same condition as referenced in paragraph 10; (v) remove all debris.

B. **Right to Pre-Move-Out Inspection and Repairs as follows:** (i) After giving or receiving notice of termination of a tenancy (C.A.R. Form NTT), or before the end of a lease, Tenant has the right to request that an inspection of the Premises take place prior to termination of the lease or rental (C.A.R. Form NRI). If Tenant requests such an inspection, Tenant shall be given an opportunity to remedy identified deficiencies prior to termination, consistent with the terms of this Agreement. (ii) Any repairs or alterations made to the Premises as a result of this inspection (collectively, "Repairs") shall be made at Tenant's expense. The work shall comply with applicable law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. (iii) Tenant shall: (a) obtain receipts for Repairs performed by others; (b) prepare a written statement indicating the Repairs performed by Tenant and the date of such Repairs; and (c) provide copies of receipts and statements to Landlord prior to termination.

**31. INSURANCE:** Tenant's or guest's personal property and vehicles are not insured by Landlord, manager or, if applicable, HOA, against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. **Tenant is advised to carry Tenant's own insurance (renter's insurance) to protect Tenant from any such loss or damage.**

**32. WATERBEDS:** Tenant shall not use or have waterbeds on the Premises unless: (i) Tenant obtains a valid waterbed insurance policy; (ii) Tenant increases the security deposit in an amount equal to one-half of one month's Rent; and (iii) the bed conforms to the floor load capacity of Premises.

**33. WAIVER:**

(if there is an existing provision concerning breach as an existing term of the rental agreement between landlord and tenant, then check here \_\_\_\_ and paragraph 33 is incorporated into this lease.)

The waiver provision is as follows:

If there is no waiver provision, then the following shall apply: The waiver of any breach shall not be construed as a continuing waiver of the same or any subsequent breach.

**34. NOTICE:** Notices may be served at the following address, or at any other location subsequently designated:

Landlord: \_\_\_\_\_ Tenant: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**35. TENANT ESTOPPEL CERTIFICATE:**

(if there is an existing tenant estoppel provision as an existing term of the rental agreement between landlord and tenant, then check here \_\_\_\_ and paragraph 35 is incorporated into this lease.)

The \_\_\_\_\_ tenant \_\_\_\_\_ estoppel \_\_\_\_\_ provision \_\_\_\_\_ is \_\_\_\_\_ as \_\_\_\_\_ follows: \_\_\_\_\_.

If there is no tenant estoppel provision, then the following shall apply: Tenant shall execute and return a tenant estoppel certificate delivered to Tenant by Landlord or Landlord's agent within 30 days after its receipt. Failure to comply with this requirement shall be deemed Tenant's acknowledgment that the tenant estoppel certificate is true and correct, and may be relied upon by a lender or purchaser.

**36. OTHER TERMS AND CONDITIONS; SUPPLEMENTS:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The following ATTACHED supplements are incorporated in this Agreement: \_\_\_\_\_

**37. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the parties are incorporated in this Agreement. Its terms are intended by the parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed except in writing. This Agreement is subject to California landlord-tenant law and shall incorporate all changes required by amendment or successors to such law. This Agreement and any supplement, addendum or modification, including any copy, may be signed in two or more counterparts, all of which shall constitute one and the same writing.

**38. INTERPRETER/TRANSLATOR:** The terms of this Agreement have been interpreted for Tenant into the following language: \_\_\_\_\_.

**39. FOREIGN LANGUAGE NEGOTIATION:** If this Agreement has been negotiated by Landlord and Tenant primarily in Spanish, Chinese, Tagalog, Korean or Vietnamese. Pursuant to the California Civil Code Tenant shall be provided a translation of this Agreement in the language used for the negotiation.

**40.** This lifetime lease shall only become operative upon the recordation of the final map in which the Premises shall become a separate condominium unit under the San Francisco Subdivision Code.

**Tenant agrees to rent the premises on the above terms and conditions.**

Tenant \_\_\_\_\_ Date \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_  
Tenant \_\_\_\_\_ Date \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

**Landlord agrees to rent the premises on the above terms and conditions.**

Landlord \_\_\_\_\_ Landlord \_\_\_\_\_  
Address \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Free Recording Requested Pursuant to  
Government Code Section 27383

When recorded, mail to:  
Office of the City and County Surveyor  
1155 Market Street, 3<sup>rd</sup> Floor  
San Francisco, California 94103  
Attn: Director

Lot \_\_\_\_\_ in Assessor's Block \_\_\_\_\_

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**AGREEMENT TO PROVIDE A LIFE TIME LEASE UNIT BETWEEN  
THE CITY AND COUNTY OF SAN FRANCISCO AND  
[PROPERTY OWNER]**

THIS AGREEMENT TO PROVIDE A LIFETIME LEASE UNIT(s) ("Agreement") dated for reference purposes only as of this \_\_\_\_\_ day of \_\_\_\_\_, 2014, is by and between the CITY AND COUNTY OF SAN FRANCISCO, a political subdivision of the State of California (the "City"), acting by and through its Department of Public Works, and \_\_\_\_\_, ("Property Owner") with respect to the condominium conversion approved for the real property located at \_\_\_\_\_, as more particularly described in Exhibit A attached hereto (the "Property") specifically relating to unit(s) \_\_\_\_\_ **[Insert description of affected Lifetime Lease Unit(s)]**. Property Owner also refers to all Owners of fee title interest in the Property. City and Property Owner are also sometimes referred to individually as a "Party" and together as the "Parties."

**RECITALS**

This Agreement is made with reference to the following facts:

A. Code Authorization.

(1) On June 18, 2013, the San Francisco Board of Supervisors finally passed Ordinance No. 117-13 adopting the Condominium Conversion Fee and Expedited Conversion Program, San Francisco Subdivision Code Section 1396.4 (the "Program"). The Program permits property owners of apartments to convert the units in their building to condominiums under certain conditions. The Program suspends the City's 200-unit annual cap on condominium conversions and exempts property owners from the lottery process, under certain conditions. The lottery process had resulted in property owners experiencing a wait of up to nine years to convert to condominiums. The Program provides for an expedited conversion process that allows conversions to occur as soon as the building meets all required criteria for eligibility. In addition, Ordinance No. 117-13 provides for a refund of a portion of the condominium conversion fee for each unit in a building subject to a lifetime lease with a higher percentage of fee reduction available if a larger number of units are subject to a lifetime lease.

(2) Chapter 4.3 of the California Government Code directs public agencies to grant concessions and incentives to private developers for the production of housing for lower income households. The Costa-Hawkins Rental Housing Act (California Civil Code Sections 1954.50 et seq., hereafter "Costa-Hawkins Act") imposes limitations on the establishment of the

initial and all subsequent rental rates for a dwelling unit with a certificate of occupancy issued after February 1, 1995, with exceptions, including an exception for dwelling units constructed pursuant to a contract with a public entity in consideration for a direct financial contribution or any other form of assistance specified in Chapter 4.3 of the California Government Code (Section 1954.52(b)). Pursuant to Civil Code Section 1954.52(b), the City's Board of Supervisors has enacted as part of the Program, procedures and requirements for entering into an agreement with a private property owner to memorialize the direct financial contributions, and concessions and incentives granted to the property owner within the exception to the Costa-Hawkins Act for the Lifetime Lease Unit included in the Property.

(3) The Ellis Act (Government Code Section 7060 et seq., hereafter the "Ellis Act") allows landlords who comply with its terms to go out of the rental business by evicting their tenants and withdrawing all units in a property from the rental market. By its terms, the Ellis Act does not apply to condominium units. The Ellis Act also provides an exception to its terms where a public entity enters into a contract or agreement with the owner to provide rental housing in exchange for a direct financial contribution. Pursuant to Government Code Section 7060.1(a), the City's Board of Supervisors has enacted as part of the Program, procedures that, should the Ellis Act be deemed to even apply to the Property, require entering into an agreement with a private property owner to memorialize the direct financial contribution granted to the property owner within the exception to the Ellis Act for the Lifetime Lease Unit included in the Property.

B. Development Proposal; Intent of the Parties. The Property is owned in fee by Property Owner. Property Owner proposes to convert \_\_\_\_ **[number of units]** units in the Property to condominium units under the provisions of the Program. Under the terms of the Program, as a condition of development approval of the conversion of the Property, the Property Owner will provide a lifetime lease to an existing tenant in \_\_\_\_ **[insert number of units]** unit(s) (the "Lifetime Lease Unit(s)"). The Department of Public Works conditional tentative approval of the parcel or subdivision map for the Property allowed, without participation in a lottery process, conversion of the units in the Property, including the Lifetime Lease Unit through the expedited provisions in the Program. The dwelling units that are the subject of this Agreement are the Lifetime Lease Unit(s). The Lifetime Lease Unit(s) are more specifically described as: \_\_\_\_\_. The dwelling units in the Property that are not Lifetime Lease Units, are referred to herein as the "Market Rate Units". This Agreement is not intended to impose restrictions on the Market Rate Units or any portions of the Property other than the Lifetime Lease Units. The Parties acknowledge that this Agreement is entered into in consideration of the respective burdens and benefits of the Parties contained in this Agreement and in reliance on their agreements, representations and warranties.

C. Lifetime Lease Provision of the Program. The Condominium Conversion Fee and Expedited Conversion Program provides that property owners seeking to convert to condominiums under the Program must offer a lifetime lease to any existing tenants who do not purchase their unit under terms and conditions set forth in Subdivision Code Section 1396.4. The Program provides that the City and property owner shall enter into a binding agreement documenting the requirements of the Program. The Parties hereby enter into this agreement with the City and County of San Francisco pursuant to Chapter 4.3 of the California Government Code for a direct financial contribution and concessions and incentives, and under Government

Code Section 7060.1 for a direct financial contribution pursuant to which the property owner covenants to provide the Lifetime Lease Units to satisfy the requirements of the Program and in consideration of the City's direct financial contribution to the Property Owner and concessions and incentives.

D. Property Owner's Election to Convert Through the Program. Property Owner has elected to enter into this Agreement to obtain the benefits and fee reduction provided under the Program in exchange for agreeing to provide the Lifetime Lease Units and acknowledging an exception to the Costa-Hawkins Act and, if applicable, the Ellis Act for the Lifetime Lease Units only.

E. Compliance with All Legal Requirements. It is the intent of the Parties that all acts referred to in this Agreement shall be accomplished in such a way as to fully comply with Chapter 4.3 of the California Government Code, the Costa-Hawkins Act, the Ellis Act, the San Francisco Subdivision Code, and all other applicable laws and regulations.

## **AGREEMENT**

The Parties acknowledge the receipt and sufficiency of good and valuable consideration and agree as follows:

### **1. GENERAL PROVISIONS**

1.1 Incorporation of Recitals and Exhibits. The preamble paragraph, Recitals, and Exhibits, and all defined terms contained therein, are hereby incorporated into this Agreement as if set forth in full.

### **2. DIRECT FINANCIAL CONTRIBUTION AND CONCESSIONS AND INCENTIVES FOR THE LIFETIME LEASE UNITS.**

2.1 Direct Financial Contributions and Concessions and Incentives. On \_\_\_\_\_[date], DPW issued tentative approval for the condominium conversion for the Property through which the Property Owner will receive the following direct financial contribution and concessions and incentives for the provision of the Lifetime Lease Unit:

2.1.1 Payment. In recognition of the rental requirements of Subdivision Code Section 1396.4(g), the City hereby will provide a fee rebate for each unit in which a non-purchasing tenant resides at the time specified by the Program who is offered a lifetime lease and is unrelated by blood, marriage, or domestic partnership to any owner of the building as follows: **[insert amount: one Lifetime Lease Unit, 10% fee reduction; two Lifetime Lease Unit, 20% fee reduction for each unit; three Lifetime Lease Unit, 30% fee reduction for each unit.]** which equal \$\_\_\_\_\_ [insert dollar amount].

2.1.2 Financial Benefits, Concessions, and Incentives, Granted Through Conversion. Property owner acknowledges that the Program allows it to convert sooner, in some cases up to 6 years or more, at lower mortgage rates applicable to condominiums than the prior lottery system that existing under the San Francisco Subdivision Code. This translates into direct

financial benefits as detailed in the report “Condominium Conversion Fee: Economic Impact Report” prepared by the Office of the Controller dated April 2, 2013. And, Property Owner acknowledges the increased property value resulting from conversion sooner than it would have prior to the Program. The Development Impact Fee report prepared by Keyser Marston Associates, dated January 2011 demonstrates a 15% increase in value per unit associated with condominium ownership over other forms of ownership. In addition, the Program allows the Property Owner to avoid the delays, holding costs, and financial uncertainty of the condominium lottery and the prior waiting period for conversion.

2.2 Costa-Hawkins Act and Ellis Act Inapplicable to Lifetime Lease Units Only. The parties acknowledge that, under Section 1954.52(b) of the Costa-Hawkins Act, the Lifetime Lease Units are exempt from the Costa Hawkins Act. The parties also acknowledge that the Ellis Act does not apply to the Property because the Property will be a condominium upon completion of the conversion process, but that should the Ellis Act be deemed to apply, the Lifetime Lease Units are nevertheless exempt from the Ellis Act under Section 7060.1(a) of the Ellis Act. Through this Agreement, Property Owner hereby enters into an agreement with a public entity in consideration for a direct financial contribution and forms of concessions and incentives specified in California Government Code Sections 65915 et seq. The direct financial contribution and concessions and incentives are comprised of, but not limited to, the items set forth in Section 2.1. The Parties hereby agree and acknowledge that this Agreement does not alter in any manner the way that the Costa-Hawkins Act, Ellis Act, or any other law apply to the Market Rate Units.

### **3. COVENANTS OF PROPERTY OWNER**

3.1 Providing Lifetime Lease Units. In consideration of the direct financial contribution and concessions and incentives set forth in Section 2.1, and in accordance with the terms and conditions set forth in the Program, Property Owner shall: (i) prior to final map or parcel map approval for the condominium conversion of the Property, provide a written offer for a lifetime lease to the tenants residing in the Lifetime Lease Units and record such offer against the Property; and (ii) at the time each tenant accepts the lifetime lease offer, execute and record against the Property a lifetime lease with the tenant in the form and subject to the rent restrictions and other terms as set forth in Subdivision Code Section 1396.4(g). For purposes of this agreement, tenant shall be defined under San Francisco Administrative Code Section 37.2(t).

3.2 Property Owner’s Acknowledgement that Costa-Hawkins Act and Ellis Act Do Not Apply to the Lifetime Lease Units. The Parties acknowledge that: (i) under the Costa-Hawkins Act, the owner of newly constructed residential real property may establish the initial and all subsequent rental rates for dwelling units in the property without regard to the City’s Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the San Francisco Administrative Code); and (ii) under the Ellis Act, landlords who comply with its terms may go out of the rental business by evicting their tenants and withdrawing all units in a property from the rental market. The Parties also understand and agree that the Costa-Hawkins Act and Ellis Act do not and in no way shall limit or otherwise affect the Lifetime Lease Units because: (i) upon conversion of the Property, the Ellis Act will not apply to the Property due to the fact that the Property will be a condominium; and (ii) this Agreement falls within an express exception to the Costa-Hawkins Act as a contract with a public entity in consideration for a direct financial

contribution or other forms of assistance specified in Chapter 4.3 (commencing with section 65915) of Division 1 of Title 7 of the California Government Code. Should the Ellis Act be deemed to apply to the Property despite its legal status as a condominium, Property Owner acknowledges and agrees that this Agreement falls within an express exception to the Ellis Act as a contract with a public entity in consideration for a direct financial contribution. Property Owner acknowledges that the direct financial contribution and the concessions and incentives specified in Section 2 result in identifiable and actual cost reductions and economic benefits to the Property and therefore fall within the exceptions set forth in Section 1954.52(b) of the Costa-Hawkins Act and Section 7060.1(a) of the Ellis Act. Property Owner also acknowledges that the City would not be willing to enter into this Agreement and provide the fee rebate without the understanding and agreement that the Costa-Hawkins Act and Ellis Act do not apply to the Lifetime Lease Units. Should the Lifetime Units be deemed subject to the Costa-Hawkins Act and/or the Ellis Act, as a material part of the consideration for entering into this Agreement, Property Owner, on behalf of itself and all its successors and assigns to this Agreement, hereby expressly waives, now and forever, any and all rights it may have under the Costa-Hawkins Act and/or the Ellis Act with respect only to the Lifetime Lease Units (but only the Lifetime Lease Units and not as to the Market Rate Units) consistent with Section 3.1 of this Agreement. Without limiting the foregoing, Property Owner, on behalf of itself and all successors and assigns to this Agreement, agrees not to bring any legal or other action against City seeking application of the Costa-Hawkins Act and/or the Ellis Act to the Lifetime Lease Units for so long as the Lifetime Lease Units are in effect. The Parties understand and agree that the City would not be willing to enter into this Agreement without the waivers and agreements set forth in this Section 3.2.

3.3 Property Owner's Waiver of Right to Seek Waiver of Program Requirements. Developer specifically agrees to be bound by all of the provisions of the Program applicable to the Lifetime Lease Units. Developer covenants and agrees that it will not seek a waiver of the provisions of the Program applicable to the Lifetime Lease Units.

#### **4. MUTUAL OBLIGATIONS**

4.1 Good Faith and Fair Dealing. The Parties shall cooperate with each other and act in good faith in complying with the provisions of this Agreement and implementing the Program.

4.2 Other Necessary Acts. Each Party shall execute and deliver to the other all further instruments and documents as may be reasonably necessary to carry out this Agreement, the Program (as applied to the Lifetime Lease Units) and applicable law in order to provide and secure to each Party the full and complete enjoyment of its rights and privileges hereunder.

4.3 Effect of Future Changes to Program. The City hereby acknowledges and agrees that, in the event that the City adopts changes to the Program after the date this Agreement is executed by both Parties, nothing in this Agreement shall be construed to limit or prohibit any rights Property Owner may have to modify requirements with respect to the Lifetime Lease Units to the extent permitted by such changes to the Program.

#### **5. PROPERTY OWNER REPRESENTATIONS, WARRANTIES AND COVENANTS.**



5.1 Interest of Property Owner. Property Owner represents that it is the legal and equitable fee owner of the Property and that it has the power and authority to bind itself to the terms of this Agreement. Property Owner is a \_\_\_\_\_, duly organized and validly existing and in good standing under the laws of the State of California. Property Owner has all requisite power and authority to own property and conduct business as presently conducted. Property Owner has made all filings and is in good standing in the State of California.

5.2 No Conflict With Other Agreements; No Further Approvals; No Suits. Property Owner warrants and represents that it is not a party to any other agreement that would conflict with the Property Owner's obligations under this Agreement. Neither Property Owner's articles of organization, bylaws, or operating agreement, as applicable, nor any other agreement or law in any way prohibits, limits or otherwise affects the right or power of Property Owner to enter into and perform all of the terms and covenants of this Agreement. No consent, authorization or approval of, or other action by, and no notice to or filing with, any governmental authority, regulatory body or any other person is required for the due execution, delivery and performance by Property Owner of this Agreement or any of the terms and covenants contained in this Agreement. To Property Owner's knowledge, there are no pending or threatened suits or proceedings or undischarged judgments affecting Property Owner or any of its members before any court, governmental agency, or arbitrator which might materially adversely affect Property Owner's business, operations, or assets or Property Owner's ability to perform under this Agreement.

5.3 No Inability to Perform; Valid Execution. Property Owner warrants and represents that it has no knowledge of any inability to perform its obligations under this Agreement. The execution and delivery of this Agreement and the agreements contemplated hereby by Property Owner have been duly and validly authorized by all necessary action. This Agreement will be a legal, valid and binding obligation of Property Owner, enforceable against Property Owner in accordance with its terms.

5.4 Conflict of Interest. Through its execution of this Agreement, the Property Owner acknowledges that it is familiar with the provisions of Section 15.103 of the City's Charter, Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the California Government Code, and certifies that it does not know of any facts which constitute a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

5.5 Notification of Limitations on Contributions. Through execution of this Agreement, the Property Owner acknowledges that it is familiar with Section 1.126 of City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City, whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to the officer at any time from the commencement of negotiations for the contract until three (3) months after the date the contract is approved by the City elective officer or the board on which that City elective officer serves. San Francisco Ethics Commission Regulation 1.126-1 provides that negotiations are commenced when a prospective contractor first communicates with a City officer or employee about the possibility of obtaining a specific contract. This communication may occur

in person, by telephone or in writing, and may be initiated by the prospective contractor or a City officer or employee. Negotiations are completed when a contract is finalized and signed by the City and the contractor. Negotiations are terminated when the City and/or the prospective contractor end the negotiation process before a final decision is made to award the contract.

5.6 Nondiscrimination. In the performance of this Agreement, Property Owner agrees not to discriminate on the basis of the fact or perception of a person's, race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes, against any City employee, employee of or applicant for employment with the Property Owner, or against any bidder or contractor for public works or improvements, or for a franchise, concession or lease of property, or for goods or services or supplies to be purchased by the Property Owner. A similar provision shall be included in all subordinate agreements let, awarded, negotiated or entered into by the Property Owner for the purpose of implementing this Agreement.

## **6. AMENDMENT; TERMINATION**

6.1 Amendment or Termination. Except as provided in Sections 6.2 (Automatic Termination) and 8.3 (Remedies for Default), this Agreement may only be amended or terminated with the mutual written consent of the Parties.

6.2 Automatic Termination. This Agreement shall automatically terminate upon termination of all lifetime leases for the Lifetime Lease Units, in accordance with Subdivision Code Section 1396.4(g).

## **7. TRANSFER OR ASSIGNMENT; RELEASE; RIGHTS OF MORTGAGEES; CONSTRUCTIVE NOTICE**

7.1 Agreement Runs With The Land. Property Owner may assign or transfer its duties and obligations under this Agreement to another entity, provided such entity is the legal and equitable fee owner of the Property ("Transferee"). As provided in Section 9.2, this Agreement runs with the land and any Transferee will be bound by all of the terms and conditions of this Agreement.

7.2 Rights of Property Owner. The provisions in this Section 7 shall not be deemed to prohibit or otherwise restrict Property Owner from (i) granting easements or licenses to facilitate development of the Property, (ii) encumbering the Property or any portion of the improvements thereon by any mortgage, deed of trust, or other device securing financing with respect to the Property, (iii) granting a leasehold interest in all or any portion of the Property (other than the Lifetime Lease Units), or (iv) transferring all or a portion of the Property pursuant to a sale, transfer pursuant to foreclosure, conveyance in lieu of foreclosure, or other remedial action in connection with a mortgage. None of the terms, covenants, conditions, or restrictions of this Agreement or the Program shall be deemed waived by City by reason of the rights given to the Property Owner pursuant to this Section 7.2.

7.3 Property Owner's Responsibility for Performance. If Property Owner transfers or assigns all or any portion of the Property or any interest therein to any other person or entity, Property Owner shall continue to be responsible for performing the obligations under this Agreement as to the transferred property interest until such time as there is delivered to the City a legally binding agreement pursuant to which the Transferee assumes and agrees to perform Property Owner's obligations under this Agreement from and after the date of transfer of the Property (or an interest therein) to the Transferee (an "Assignment and Assumption Agreement"). The City is entitled to enforce each and every such obligation assumed by the Transferee directly against the Transferee as if the Transferee were an original signatory to this Agreement with respect to such obligation. Accordingly, in any action by the City against a Transferee to enforce an obligation assumed by the Transferee, the Transferee shall not assert any defense against the City's enforcement of performance of such obligation that is attributable to Property Owner's breach of any duty or obligation to the Transferee arising out of the transfer or assignment, the Assignment and Assumption Agreement, the purchase and sale agreement, or any other agreement or transaction between the Property Owner and the Transferee. The transferor Property Owner shall remain responsible for the performance of all of its obligations under the Agreement prior to the date of transfer, and shall remain liable to the City for any failure to perform such obligations prior to the date of the transfer.

7.4 Release Upon Transfer or Assignment. Upon the Property Owner's transfer or assignment of all or a portion of the Property or any interest therein, including the Property Owner's rights and interests under this Agreement, the Property Owner shall be released from any obligations required to be performed from and after the date of transfer under this Agreement with respect to the portion of the Property so transferred; provided, however, that (i) the Property Owner is not then in default under this Agreement and (ii) the Transferee executes and delivers to the City the legally binding Assignment and Assumption Agreement. Following any transfer, in accordance with the terms of this Section 7, a default under this Agreement by the Transferee shall not constitute a default by the Property Owner under this Agreement and shall have no effect upon the Property Owner's rights under this Agreement as to the remaining portions of the Property owned by the Property Owner. Further, a default under this Agreement by the Property Owner as to any portion of the Property not transferred or a default under this agreement by the Property Owner prior to the date of transfer shall not constitute a default by the Transferee and shall not affect any of Transferee's rights under this Agreement.

7.5 Rights of Mortgagees; Right to Cure Default.

7.5.1 Notwithstanding anything to the contrary contained in this Agreement (including without limitation those provisions that are or are intended to be covenants running with the land), a mortgagee or beneficiary under a deed of trust, including any mortgagee or beneficiary who obtains title to the Property or any portion thereof as a result of foreclosure proceedings or conveyance or other action in lieu thereof, or other remedial action, ("Mortgagee") shall not be obligated under this Agreement to complete the condominium conversion under the Program solely because the Mortgagee holds a mortgage or other interest in the Property or this Agreement. The foregoing provisions shall not be applicable to any other party who, after such foreclosure, conveyance, or other action in lieu thereof, or other remedial action, obtains title to the Property or a portion thereof from or through the Mortgagee or any other purchaser at a foreclosure sale other than the Mortgagee itself. A breach of any obligation

secured by any mortgage or other lien against the mortgaged interest or a foreclosure under any mortgage or other lien shall not by itself defeat, diminish, render invalid or unenforceable, or otherwise impair the obligations or rights of the Property Owner under this Agreement.

7.5.2 Subject to the provisions of the first sentence of Section 7.5.1, any person, including a Mortgagee, who acquires title to all or any portion of the mortgaged property by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise shall succeed to all of the rights and obligations of the Property Owner under this Agreement, and shall take title subject to: (i) all of the terms and conditions of this Agreement; (ii) the Program requirements for the Lifetime Lease Units; and (iii) any lifetime lease for the Lifetime Lease Units entered into in accordance with this Agreement. Nothing in this Agreement shall be deemed or construed to permit or authorize any such holder to devote any portion of the Property to any uses, or to construct any improvements, other than the uses and improvements provided for or authorized by the Program and this Agreement.

7.5.3 If City receives a written notice from a Mortgagee or from Property Owner requesting a copy of any Notice of Default delivered to Property Owner and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Property Owner, any Notice of Default delivered to Property Owner under this Agreement. In accordance with Section 2924 of the California Civil Code, City hereby requests that a copy of any notice of default and a copy of any notice of sale under any mortgage or deed of trust be mailed to City at the address shown on the first page of this Agreement for recording, provided that no Mortgagee or trustee under a deed of trust shall incur any liability to the City for any failure to give any such notice of default or notice of sale except to the extent the City records a request for notice of default and notice of sale in compliance with Section 2924b of the California Civil Code (a "Request for Special Notice") with respect to a specific mortgage or deed of trust and the Mortgagee or trustee fails to give any notice required under Section 2924b of the California Civil Code as a result of the recordation of a Request for Special Notice.

7.5.4 A Mortgagee shall have the right, at its option, to cure any default or breach by the Property Owner under this Agreement within the same time period as Property Owner has to remedy or cause to be remedied any default or breach, plus an additional period of (i) thirty (30) calendar days to cure a default or breach by the Property Owner to pay any sum of money required to be paid hereunder and (ii) ninety (90) days to cure or commence to cure a non-monetary default or breach and thereafter to pursue such cure diligently to completion; provided that if the Mortgagee cannot cure a non-monetary default or breach without acquiring title to the Property, then so long as Mortgagee is diligently pursuing foreclosure of its mortgage or deed of trust, Mortgagee shall have until ninety (90) days after completion of such foreclosure to cure such non-monetary default or breach.

7.5.5 If at any time there is more than one mortgage constituting a lien on any portion of the Property, the lien of the Mortgagee prior in lien to all others on that portion of the mortgaged property shall be vested with the rights under this Section 7.5 to the exclusion of the holder of any junior mortgage; provided that if the holder of the senior mortgage notifies the City that it elects not to exercise the rights sets forth in this Section 7.5, then each holder of a mortgage junior in lien in the order of priority of their respective liens shall have the right to exercise those rights to the exclusion of junior lien holders. Neither any failure by the senior

Mortgagee to exercise its rights under this Agreement nor any delay in the response of a Mortgagee to any notice by the City shall extend Property Owner's or any Mortgagee's rights under this Section 7.5. For purposes of this Section 7.5, in the absence of an order of a court of competent jurisdiction that is served on the City, a then current title report of a title company licensed to do business in the State of California and having an office in the City setting forth the order of priority of lien of the mortgages shall be reasonably relied upon by the City as evidence of priority.

7.6 Constructive Notice. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property is and shall be constructively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Property.

## **8. ENFORCEMENT OF AGREEMENT; REMEDIES FOR DEFAULT; DISPUTE RESOLUTION**

8.1 Enforcement. The only parties to this Agreement are the City and the Property Owner. This Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other person or entity whatsoever.

8.2 Default. For purposes of this Agreement, the following shall constitute a default under this Agreement: the failure to perform or fulfill any material term, provision, obligation, or covenant hereunder and the continuation of such failure for a period of thirty (30) calendar days following a written notice of default and demand for compliance; provided, however, if a cure cannot reasonably be completed within thirty (30) days, then it shall not be considered a default if a cure is commenced within said 30-day period and diligently prosecuted to completion thereafter, but in no event later than one hundred twenty (120) days.

8.3 Remedies for Default. In the event of an uncured default under this Agreement, the remedies available to a Party shall include specific performance of the Agreement in addition to any other remedy available at law or in equity. In addition, the non-defaulting Party may terminate this Agreement subject to the provisions of this Section 8 by sending a Notice of Intent to Terminate to the other Party setting forth the basis for the termination. The Agreement will be considered terminated effective upon receipt of a Notice of Termination.

8.4 No Waiver. Failure or delay in giving notice of default shall not constitute a waiver of default, nor shall it change the time of default. Except as otherwise expressly provided in this Agreement, any failure or delay by a Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies; nor shall it deprive any such Party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert, or enforce any such rights or remedies.

## **9. MISCELLANEOUS PROVISIONS**

9.1 Entire Agreement. This Agreement, including the preamble paragraph, Recitals and Exhibits, constitute the entire understanding and agreement between the Parties with respect to the subject matter contained herein.

9.2 Binding Covenants; Run With the Land; Release. From and after recordation of this Agreement, all of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall be binding upon the Parties, and their respective heirs, successors (by merger, consolidation, or otherwise) and assigns, and all persons or entities acquiring the Property, any lot, parcel or any portion thereof, or any interest therein, whether by sale, operation of law, or in any manner whatsoever, and shall inure to the benefit of the Parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns. Regardless of whether the procedures in Section 7 are followed, all provisions of this Agreement shall be enforceable during the term hereof as equitable servitudes and constitute covenants and benefits running with the land pursuant to applicable law, including but not limited to California Civil Code Section 1468. Notwithstanding the forgoing, in the event that a final map or parcel map is approved and recorded for the Property, such that the Property is subdivided into multiple condominium parcels, the Parties hereby agree that, upon request from the Property Owner or any owner of a Market Rate Unit, they will execute and deliver to the other all further instruments and documents as may be reasonably necessary to release a Market Rate Unit from the terms of this Agreement.

9.3 Applicable Law and Venue. This Agreement has been executed and delivered in and shall be interpreted, construed, and enforced in accordance with the laws of the State of California. All rights and obligations of the Parties under this Agreement are to be performed in the City and County of San Francisco, and such City and County shall be the venue for any legal action or proceeding that may be brought, or arise out of, in connection with or by reason of this Agreement.

9.4 Construction of Agreement. The Parties have mutually negotiated the terms and conditions of this Agreement and its terms and provisions have been reviewed and revised by legal counsel for both City and Property Owner. Accordingly, no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement. Language in this Agreement shall be construed as a whole and in accordance with its true meaning. The captions of the paragraphs and subparagraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of construction. Each reference in this Agreement to this Agreement shall be deemed to refer to the Agreement as it may be amended from time to time pursuant to the provisions of the Agreement, whether or not the particular reference refers to such possible amendment.

9.5 Property Is a Private Undertaking; No Joint Venture or Partnership.

9.5.1 The Property is a private development. The City has no interest in, responsibility for, or duty to third persons concerning any of said improvements. The Property Owner shall exercise full dominion and control over the Property, subject only to the limitations and obligations of the Property Owner contained in this Agreement or in the Program.

9.5.2 Nothing contained in this Agreement, or in any document executed in connection with this Agreement, shall be construed as creating a joint venture or partnership between the City and the Property Owner. Neither Party is acting as the agent of the other Party in any respect hereunder. The Property Owner is not a state or governmental actor with respect to any activity conducted by the Property Owner hereunder.

9.6 Signature in Counterparts. This Agreement may be executed in duplicate counterpart originals, each of which is deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

9.7 Time of the Essence. Time is of the essence in the performance of each and every covenant and obligation to be performed by the Parties under this Agreement.

9.8 Notices. Any notice or communication required or authorized by this Agreement shall be in writing and may be delivered personally or by registered mail, return receipt requested. Notice, whether given by personal delivery or registered mail, shall be deemed to have been given and received upon the actual receipt by any of the addressees designated below as the person to whom notices are to be sent. Either Party to this Agreement may at any time, upon written notice to the other Party, designate any other person or address in substitution of the person and address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

**To City:**

Director  
Department of Public Works  
City Hall, Room 348  
1 Dr. Carlton B. Goodlett Place  
San Francisco, California 94102

with a copy to:

Dennis J. Herrera, Esq.  
City Attorney  
City Hall, Room 234  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102  
Attn: John Malamut, Dep. City Attorney

**To Property Owner:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9.9 Severability. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining

provisions of this Agreement shall continue in full force and effect unless enforcement of the remaining portions of the Agreement would be unreasonable or grossly inequitable under all the circumstances or would frustrate the purposes of this Agreement.

9.10 MacBride Principles. The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. The City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Property Owner acknowledges that it has read and understands the above statement of the City concerning doing business in Northern Ireland.

9.11 Tropical Hardwood and Virgin Redwood. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product.

9.12 Sunshine. The Property Owner understands and agrees that under the City's Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (Gov't Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to the City hereunder are public records subject to public disclosure.

9.13 Effective Date. This Agreement will become effective on the date that the last Party duly executes and delivers this Agreement.



IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

**CITY**

CITY AND COUNTY OF SAN  
FRANCISCO,  
a municipal corporation

Approved as to form:  
Dennis J. Herrera, City Attorney

By: \_\_\_\_\_  
Director of the Department of Public Works

By: \_\_\_\_\_  
Deputy City Attorney

**PROPERTY OWNER**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public,  
personally appeared \_\_\_\_\_, who proved to me on the basis of  
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within  
instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or  
the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

(Notary Seal)

State of California

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public,  
personally appeared \_\_\_\_\_, who proved to me on the basis of  
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within  
instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or  
the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

(Notary Seal)

## **EXHIBIT A**

### **Legal Description of Property**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

RECORDING REQUESTED BY: )  
 )  
When Recorded Mail To: )  
 )  
Name: \_\_\_\_\_ )  
 )  
Address: \_\_\_\_\_ )  
 )  
 )  
 )

**AB:** \_\_\_\_\_, **Lot:** \_\_\_\_\_  
**Address:** \_\_\_\_\_

Space Above This Line For Recorder’s Use

**Life-Lease**

**Recorded for compliance with San Francisco Subdivision Code, Section 1396.4 (g)**

Date \_\_\_\_\_, \_\_\_\_\_ ("Landlord") and \_\_\_\_\_ ("Life-Tenant" or "Tenant")

agree as follows:

**1. RENTAL UNIT AND OCCUPANTS:**

A. Landlord rents to Life-Tenant and Life-Tenant rents from Landlord, the real property and improvements described as: \_\_\_\_\_ ("Premises").

B. The Premises are for the sole use as the principal place of residence by the following named person(s) **only**: \_\_\_\_\_

**2. TERM:** The term begins on (date) \_\_\_\_\_ ("Commencement Date"), and shall terminate upon the death of the last life-tenant residing in the unit or the last surviving member of the life-tenant's household, whichever is later, provided such surviving member is related to the life-tenant by blood, marriage, or domestic partnership, is either disabled, catastrophically ill, or aged 62 or older at the time of death of any life-tenant, and resided with the last life-tenant at the time of death at the Premises. .

**3. TERMINATION OF LEASE PRIOR TO EXPIRATION OF TERM:**

A. **BY LIFE-TENANT:** The life-tenant(s) in the unit may terminate the lease by voluntarily vacating the unit after giving thirty days' notice of such intent to vacate to the landlord.

B. **BY LANDLORD:** Landlord may only terminate this lease due to a material breach of a term of the lease.

**4. RENT:** "Rent" shall mean all monetary obligations of Life-Tenant to Landlord under the terms of the Agreement, except security deposit.

A. Tenant agrees to pay \$ \_\_\_\_\_ per month commencing on the commencement date for the term of the Agreement, plus any lawful rent increases imposed pursuant to paragraph 5 below.

B. Rent is payable in advance on the **1st (or \_\_\_\_\_) day** of each calendar month, and is delinquent on the next day.

C. **PAYMENT:** Rent shall be paid by \_\_\_\_\_ personal check, \_\_\_\_\_ money order, \_\_\_\_\_ cashier's check, or \_\_\_\_\_ other \_\_\_\_\_, to (name) \_\_\_\_\_ (phone) \_\_\_\_\_ at (address) \_\_\_\_\_, (or at any other location subsequently specified by Landlord in writing to Tenant) (and \_\_\_\_\_ if checked, rent may be paid personally, between the hours of \_\_\_\_\_ and \_\_\_\_\_ on the following days \_\_\_\_\_).

**5. RENT INCREASES:** Landlord may increase the rent pursuant to the San Francisco Residential Rent Stabilization and Arbitration Ordinance ("Ordinance") so long as the Premises are subject to the control on rents established by the Ordinance. Should the Premises no longer be subject to the control on rents established by the Ordinance, Landlord may increase the rent annually no sooner than one year after the last rent increase, and for no more than the relative year-to-year percentage increase in the residential rent component of the "Bay Area Cost of Living Index as published by the U.S. Dept. of Labor."

**6. SECURITY DEPOSIT:**

A. Life-Tenant has paid a \$ \_\_\_\_\_ security deposit. Security deposit will be held by the Owner of the Premises.

B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant's default in payment of Rent (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; (iii) clean Premises, if necessary, upon termination of the tenancy; and (iv) replace or return personal property or appurtenances of the Landlord.

**SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** Within 21 days after Tenant vacates the Premises, Landlord shall: (1) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition and supporting documentation as required by California Civil Code § 1950.5(g); and (2) return any remaining portion of the security deposit to Tenant.

C. **Security deposit will not be returned until all Tenants have vacated the Premises and all keys returned. Any security deposit returned by check shall be made out to all Tenants named on this Agreement, or as subsequently modified.**

D. Interest will be paid on security deposit as required by San Francisco law.

**7. SUBORDINATION:** Tenant agrees that this Lease shall be subject and subordinate at all times to (i) all ground leases or underlying leases that may now exist or hereafter be executed affecting the Real Property or any portion thereof; (ii) the lien of any mortgage, deed of trust, assignment of rents and leases or other security instrument (and any advances thereunder) that may now exist or hereafter be executed in any amount for which the Real Property or any portion thereof, any ground leases or underlying leases or Landlord's interest or estate therein, is specified as security; and (iii) all modifications, renewals, supplements, consolidations and replacements thereof, provided in all cases the mortgagees or beneficiaries named in mortgages or deeds of trust hereafter executed or the assignee of any assignment of rents and leases hereafter executed to recognize the interest and not disturb the possession, use and enjoyment of Tenant under this Lease, and, in the event of foreclosure or default, the lease will continue in full force and effect by operation of San Francisco Administrative Code Chapter 37, Section 37.9D, and the conditions imposed on each parcel or subdivision map pursuant to Section 1396.4(g), as long as Tenant is not in default under the terms and conditions of this Lease. Tenant agrees to execute and deliver, upon demand by Landlord and in the form requested by Landlord, any additional reasonable documents evidencing the priority or subordination of this Lease with respect to any such ground leases, underlying leases, mortgages, deeds of trust, assignment of rents and leases or other security instruments. Subject to the foregoing, Tenant agrees that Tenant shall be bound by, and required to comply with, the provisions of any assignment of rents and leases with respect to the Building.

**8. RECORDATION OF AGREEMENT:** This Agreement shall be recorded by the Landlord with the San Francisco County Assessor-Recorder against the property's title.

**9. SALE OF PREMISES:** If the owner(s) of Premises enters into any contract or option to sell or transfer the Premises or any interest in the building containing the Premises at any time between the initial application and recording of the final subdivision map or parcel map, said contract or option shall be subject to the following conditions: (a) the contract or option shall include written notice that the Premises are subject to the life time lease requirements of San Francisco Subdivision Code Section 1396.4(g), (b) prior to final execution of any such contract or option, the owner(s) shall record a notice of restrictions against the property that specifically identifies the Premises as subject to the life time lease requirements and specifies the requirements of the life time lease as set

**10. LATE CHARGE; RETURNED CHECKS:**

A. Tenant acknowledges either late payment of Rent or issuance of a returned check may cause Landlord to incur costs and expenses, the exact amounts of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within **5 calendar days** after the date due, or if a check is returned, Tenant shall pay to Landlord, respectively, an additional sum of \$ \_\_\_\_\_ or \_\_\_\_\_% of the Rent due as a Late Charge and \$25.00 as a NSF fee for each returned check.

**11. PARKING:**

The right to parking is included in the Rent charged pursuant to paragraph 3 and parking is permitted as follows:

Parking space(s) are to be used for parking properly licensed and operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked on the Premises. Mechanical work or storage of inoperable vehicles is not permitted in parking space(s) or elsewhere on the Premises.

**12. STORAGE:**

The right to storage space is included in the Rent charged pursuant to paragraph 3 and storage is permitted as follows:

Tenant shall store only personal property Tenant owns, and shall not store property claimed by another. Tenant shall not store any improperly packaged food or perishable goods, flammable materials, explosives, hazardous waste or other inherently dangerous material, or illegal substances.

**13. UTILITIES:**

Utility usage and payment are included in the Rent charged pursuant to paragraph 3 and utility usage and payment related thereto are permitted as follows:

If not included in the Rent, Tenant agrees to pay for all utilities and services except \_\_\_\_\_, which shall be paid for by Landlord. If any utilities are not separately metered, Tenant shall pay Tenant's proportional share, as reasonably determined and directed by Landlord. Tenant shall only pay for utility services to the Premises.

**14. CONDITION OF PREMISES:** Tenant has examined Premises and, if any, all furniture, furnishings, appliances, landscaping and fixtures, including smoke detector(s). **(Check all that apply:)**

**A.** Tenant acknowledges these items are clean and in operable condition, with the following exceptions:

\_\_\_\_ **B.** Tenant's acknowledgment of the condition of these items is contained in an attached statement of condition (C.A.R. Form MIMO).

\_\_\_\_ C. Tenant will provide Landlord a list of items that are damaged or not in operable condition within 3 (or \_\_\_\_\_) days after the Commencement Date, not as a contingency of this Agreement but rather as an acknowledgment of the condition of the Premises.

**D. Other:** \_\_\_\_\_.

**15. MAINTENANCE:**

A. This Agreement does not and shall not alter or abridge the rights or obligations of the parties in performance of their covenants, including but not limited to the provision of services, payment of rent, or the obligations imposed by Sections 1941, 1941.1, and 1941.2, 1941.3, and 1941.4 of the California Civil Code. There shall be no decrease in dwelling unit maintenance or other services historically provided to the Premises and life-tenant(s). Tenant shall properly use, operate and safeguard Premises, including if applicable, any landscaping, furniture, furnishings and appliances, and all mechanical, electrical, gas and plumbing fixtures, and keep them and the Premises clean, sanitary and well ventilated.

**16. PETS:**

(if landlord permission for pets is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_\_ and paragraph 16 is incorporated into this lease.)

Unless otherwise permitted by law, no animal or pet shall be kept on or about the Premises without Landlord's prior written consent, except: \_\_\_\_\_.

**17. \_\_\_\_ (If checked) NO SMOKING:**

(if no smoking is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_\_ and paragraph 17 is incorporated into this lease.)

No smoking is allowed on the Premises. If smoking does occur on the Premises, Occupant is responsible for all damage caused by the smoking including, but not limited to, stains, burns, odors and removal of debris.

**18. RULES/REGULATIONS:**

(if house rules is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_\_ and paragraphs A & B below are incorporated into this lease.)

A. Tenant shall not, and shall ensure that guests and licensees of Tenant shall not, disturb, annoy, endanger or interfere with other tenants of the building or neighbors, or use the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing or transporting illicit drugs or other contraband, or violate any law or ordinance, or commit a waste or nuisance on or about the Premises.

**B. (If applicable, check one)**

\_\_\_\_ 1. Landlord shall provide Tenant with a copy of the rules and regulations within \_\_\_\_\_ days or \_\_\_\_\_.

OR \_\_\_\_ 2. Tenant has been provided with, and acknowledges receipt of, a copy of the rules and regulations.

**19. CONDOMINIUM:**

A. Landlord intends that the Premises will be converted into a condominium governed by a homeowners' association ("HOA"). Landlord shall provide Tenant copies of the HOA rules and regulations, if any.

B. Landlord shall provide Tenant with a copy of the HOA rules and regulations within \_\_\_\_\_ days of recordation of the CC&Rs by the subdivider.

**20. ALTERATIONS; REPAIRS:** Unless otherwise specified by law or paragraph 29C, without Landlord's prior written consent, Tenant shall not make any repairs, alterations or improvements in or about the Premises including: painting, wallpapering, adding or changing locks, installing antenna or satellite dish(es), placing signs, displays or exhibits, or using screws, fastening devices, large nails or adhesive materials; .

**21. KEYS; LOCKS:**

A. Tenant acknowledges receipt of (or Tenant will receive \_\_\_\_ prior to the Commencement Date):

\_\_\_\_\_ key(s) to Premises, \_\_\_\_\_ remote control device(s) for garage door/gate opener(s),  
\_\_\_\_\_ key(s) to mailbox, \_\_\_\_\_ key(s) to common area(s)..

**22. ENTRY:** Landlord entry into the premises shall be governed by Civil Code Section 1954.

**23. ASSIGNMENT; SUBLETTING:**

(if landlord permission for subletting is an existing term of the rental agreement between landlord and tenant, then check here \_\_\_\_ and paragraph 23 is incorporated into this lease.)

Tenant shall not sublet all or any part of Premises, or assign or transfer this Agreement or any interest in it, without Landlord's prior written consent. Unless such consent is obtained, any assignment, transfer or subletting of Premises or this Agreement or tenancy shall, at the option of Landlord, terminate this Agreement. Any proposed assignee, transferee or sublessee shall submit to Landlord an application and credit information for Landlord's approval and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one assignment, transfer or sublease, shall not be construed as consent to any subsequent assignment, transfer or sublease and does not release Tenant of Tenant's obligations under this Agreement.

**24. JOINT AND INDIVIDUAL OBLIGATIONS:** If there is more than one Tenant, each one shall be individually and completely responsible for the performance of all obligations of Tenant under this Agreement, jointly with every other Tenant, and individually, whether or not in possession.

**25. \_\_\_\_ LEAD-BASED PAINT (If checked):** Premises was constructed prior to 1978. In accordance with federal law, Landlord gives and Tenant acknowledges receipt of the disclosures on the attached form (C.A.R. Form FLD) and a federally approved lead pamphlet.

**26. \_\_\_\_ MILITARY ORDNANCE DISCLOSURE:** (If applicable and known to Landlord) Premises is located within one mile of an area once used for military training, and may contain potentially explosive munitions.

**27. \_\_\_\_ PERIODIC PEST CONTROL:** Landlord has entered into a contract for periodic pest control treatment of the Premises and shall give Tenant a copy of the notice originally given to Landlord by the pest control company.

**28. \_\_\_\_ METHAMPHETAMINE CONTAMINATION:** Prior to signing this Agreement, Landlord has given Tenant a notice that a health official has issued an order prohibiting occupancy of the property because of methamphetamine contamination. A copy of the notice and order are attached.

**29. MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Landlord nor Brokers, if any, are required to check this website. If Tenant wants further information, Tenant should obtain information directly from this website.)

**30. TENANT'S OBLIGATIONS UPON VACATING PREMISES:**

A. Upon termination of the Agreement, Tenant shall: (i) give Landlord all copies of all keys or opening devices to Premises, including any common areas; (ii) vacate and surrender Premises to Landlord, empty of all persons; (iii) vacate any/all parking and/or storage space; (iv) clean and deliver Premises, as specified in paragraph C below, to Landlord in the same condition as referenced in paragraph 10; (v) remove all debris.

B. **Right to Pre-Move-Out Inspection and Repairs as follows:** (i) After giving or receiving notice of termination of a tenancy (C.A.R. Form NTT), or before the end of a lease, Tenant has the right to request that an inspection of the Premises take place prior to termination of the lease or rental (C.A.R. Form NRI). If Tenant requests such an inspection, Tenant shall be given an

Life-Tenant's Initials (\_\_\_\_) (\_\_\_\_)  
Landlord's Initials (\_\_\_\_) (\_\_\_\_)

opportunity to remedy identified deficiencies prior to termination, consistent with the terms of this Agreement. **(ii)** Any repairs or alterations made to the Premises as a result of this inspection (collectively, "Repairs") shall be made at Tenant's expense. The work shall comply with applicable law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. **(iii)** Tenant shall: **(a)** obtain receipts for Repairs performed by others; **(b)** prepare a written statement indicating the Repairs performed by Tenant and the date of such Repairs; and **(c)** provide copies of receipts and statements to Landlord prior to termination.

**31. INSURANCE:** Tenant's or guest's personal property and vehicles are not insured by Landlord, manager or, if applicable, HOA, against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. **Tenant is advised to carry Tenant's own insurance (renter's insurance) to protect Tenant from any such loss or damage.**

**32. WATERBEDS:** Tenant shall not use or have waterbeds on the Premises unless: **(i)** Tenant obtains a valid waterbed insurance policy; **(ii)** Tenant increases the security deposit in an amount equal to one-half of one month's Rent; and **(iii)** the bed conforms to the floor load capacity of Premises.

**33. WAIVER:**

**(if there is an existing provision concerning breach as an existing term of the rental agreement between landlord and tenant, then check here \_\_\_ and paragraph 33 is incorporated into this lease.)**

The waiver provision is as follows:

If there is no waiver provision, then the following shall apply: The waiver of any breach shall not be construed as a continuing waiver of the same or any subsequent breach.

**34. NOTICE:** Notices may be served at the following address, or at any other location subsequently designated:

Landlord: \_\_\_\_\_ Tenant: \_\_\_\_\_

**35. TENANT ESTOPPEL CERTIFICATE:**

**(if there is an existing tenant estoppel provision as an existing term of the rental agreement between landlord and tenant, then check here \_\_\_ and paragraph 35 is incorporated into this lease.)**

The tenant estoppel provision is as follows:

If there is no tenant estoppel provision, then the following shall apply: Tenant shall execute and return a tenant estoppel certificate delivered to Tenant by Landlord or Landlord's agent within 30 days after its receipt. Failure to comply with this requirement shall be deemed Tenant's acknowledgment that the tenant estoppel certificate is true and correct, and may be relied upon by a lender or purchaser.

**36. OTHER TERMS AND CONDITIONS; SUPPLEMENTS:** \_\_\_\_\_

The following ATTACHED supplements are incorporated in this Agreement: \_\_\_\_\_

**37. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the parties are incorporated in this Agreement. Its terms are intended by the parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed except in writing. This Agreement is subject to California landlord-tenant law and shall incorporate all changes required by amendment or successors to such law. This Agreement and any supplement, addendum or modification, including any copy, may be signed in two or more counterparts, all of which shall constitute one and the same writing.

**38. INTERPRETER/TRANSLATOR:** The terms of this Agreement have been interpreted for Tenant into the following language:

**39. FOREIGN LANGUAGE NEGOTIATION:** If this Agreement has been negotiated by Landlord and Tenant primarily in Spanish, Chinese, Tagalog, Korean or Vietnamese. Pursuant to the California Civil Code Tenant shall be provided a translation of this Agreement in the language used for the negotiation.

**40.** This life-lease shall only become operative upon the recordation of the final map in which the Premises shall become a separate condominium unit under the San Francisco Subdivision Code.



**Tenant agrees to rent the premises on the above terms and conditions.**

Tenant \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

Tenant \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

**Landlord agrees to rent the premises on the above terms and conditions.**

Landlord \_\_\_\_\_ Signature \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

Landlord \_\_\_\_\_ Signature \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

### Tenant

State of \_\_\_\_\_

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

---

### Landlord

State of \_\_\_\_\_

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

**EXHIBIT A**

LEGAL DESCRIPTION

**Owner Affidavit:**  
**No Unlawful Evictions of Tenants Occurred After Application**  
(Affidavit Required for EACH owner)

Assessor's Block \_\_\_\_\_ Lot \_\_\_\_\_

Address \_\_\_\_\_

I, \_\_\_\_\_, hereby certify under penalty of perjury that the  
(Print Name)

following is true and correct to the best of my knowledge:

- 1) I am an owner of this property;
- 2) Any tenant who vacated any unit after the time of submittal of my Condominium Conversion Application, did so voluntarily, or if an eviction or eviction notice occurred it was not pursuant to:
  - a) Administrative Code Sections 37.9(a)(8), 37.9(a)(9), 37.9(a)(10), 37.9(a)(12), 37.9(a)(13); or
  - b) Administrative Code Sections 37.9(a)(11) or 37.9(a)(14), unless the original tenant reoccupied the unit after the temporary eviction;
- 3) If any additional person has entered into contract or has been offered exclusive right to occupy any unit in the building as a tenant after submittal of my Expedited Conversion Application, I have complied with all applicable provisions of San Francisco Subdivision Code Section 1396.4 including the offer of lifetime lease;
- 4) Any contract or option to sell or transfer any unit at any time prior to recording of the final subdivision map or parcel map has complied with the provisions of San Francisco Subdivision Code Section 1396.4(g).

**I understand that I am affirming under penalty of perjury to the truthfulness of the claims made in this affidavit and that the punishment for knowingly making a false statement may include denial of the condominium conversion subdivision, fines, and/or imprisonment. I understand that in the event that a person becomes a tenant before my map is recorded I am required to notify DPW and shall be required to make an offer of a life time lease to said tenant prior to the map recording.**

**Date:** \_\_\_\_\_ **Signature** \_\_\_\_\_

.....  
State of \_\_\_\_\_

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

Owner Affidavit for:  
No New Evictions  
and  
No New Tenants  
(Affidavit Required for EACH owner)

Assessor's Block \_\_\_\_\_ Lot \_\_\_\_\_  
Address \_\_\_\_\_

I, \_\_\_\_\_, hereby certify under penalty of perjury that the  
(Print Name)

following is true and correct to the best of my knowledge: Since the submittal of my Condominium Conversion Application, no person has entered into contract, or has been offered exclusive right to occupy any unit in the building as a tenant. Furthermore no eviction as defined in San Francisco Administrative Code Section 37.9(a)(8), 37.9(a)(10), 37.9(a)(11), or 37.9(a)(13) of a senior, disabled person, catastrophically ill tenant as defined below, or evictions in multiple units has occurred. For purposes of the above statement, a senior shall be a person who is 60 years or older and has been residing in the unit for 10 years or more at the time of issuance of the eviction notice; a disabled tenant is defined as a person who is disabled within the meaning of Title 42 U.S.C. Section 12102(2)(A); and a catastrophically ill tenant is defined as a person who is disabled as defined by above, and who is suffering from a life threatening illness as certified by his or her primary care physician.

**I understand that I am affirming under penalty of perjury to the truthfulness of the claims made in this affidavit and that the punishment for knowingly making a false statement may include denial of the condominium conversion subdivision, fines, and/or imprisonment. I understand that in the event that a person becomes a tenant before my map is recorded I am required to notify DPW and shall be required to make an offer of a life time lease to said tenant prior to the map recording.**

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

.....

State of \_\_\_\_\_  
County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared  
(insert name and title of the officer)

\_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

RECORDING REQUESTED BY: )  
)  
And When Recorded Mail To: )  
)  
Name: Bruce Storrs )  
City and County Surveyor )  
Department of Public Works )  
Address: 1155 Market Street, 3rd Floor, Rm. 323 )  
San Francisco, CA 94103 )

AB: \_\_\_\_\_, Lot: \_\_\_\_\_

Space Above This Line For Recorder's Use

## NOTICE OF RESTRICTIONS UNDER THE SUBDIVISION CODE

I (We) \_\_\_\_\_, the owner(s) of that certain real property situated in the City and County of San Francisco, State of California, Assessor's Block \_\_\_\_\_, Assessor's Lot(s) \_\_\_\_\_; being more particularly described as follows:

See Exhibit A (Legal Description)

hereby give notice that there are restrictions on said property under Section 1396.4, Condominium Conversion Fee and Expedited Conversion Program, Article 9, Division 1, San Francisco Municipal Code (Subdivision Code).

I (We) have entered into a contract or option to sell or transfer a UNIT OR INTEREST IN A UNIT in a building that is subject to the lifetime lease requirements of Section 1396.4, at some time between the initial application and recording of the final subdivision map or parcel map;

The restrictions consist of notice requirements that be given to tenants and potential purchasers under a contract or option to sell including:

- (a) the contract or option shall include written notice that the unit shall be subject to the life time lease requirements of Subdivision Code Section 1396.4 (g); and,
- (b) prior to final execution of any such contract or option, the owner(s) shall record a notice of restrictions against the property that specifically identifies the unit potentially subject to the life time lease requirements and specifies the requirements of the life time lease as set forth in Section 1396.4 (g)(1); and,
- (c) the recorded notice of restrictions shall be included as a note on the final subdivision map or parcel map.

In conformity with the above, NOTICE IS HEREBY GIVEN that Unit Number(s) \_\_\_\_\_ located at \_\_\_\_\_, San Francisco, California, has been OFFERED A LIFETIME LEASE as recorded in Book \_\_\_\_\_, Page \_\_\_\_\_, Dated \_\_\_\_\_, 20\_\_\_\_ of the Official Records of the City and County of San Francisco;

and, separate written notice that said unit(s) shall be subject to the life time lease requirements of Subdivision Code Section 1396.4 (g) HAS BEEN PROVIDED TO ALL PARTIES to said contract or option.

The use of said property contrary to these restrictions shall constitute a violation of the City Subdivision Code. No release, modification or elimination of these restrictions shall be valid unless notice thereof is recorded in the Official Records of the City and County of San Francisco by the City and County Surveyor.

Dated: \_\_\_\_\_ at San Francisco, California.

\_\_\_\_\_  
(Owner's Signature)

\_\_\_\_\_  
Print Owner's Name

Signature(s) must be acknowledged by a notary public before recordation; add Notary Public Certification and Official Notarial Seal Below.

Exhibit A – Legal Description

(Insert legal description here)