

Free Recording Requested Pursuant to
Government Code Section 27383 and 27388.1

Recording requested by and
when recorded mail to:
City and County of San Francisco
Mayor's Office of Housing
and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103

Attn: _____

APN#:

Address:

-----Space Above This Line for Recorder's Use-----

DECLARATION OF RESTRICTIONS

THIS DECLARATION OF RESTRICTIONS ("Declaration") is made as of _____, 2020, by **MHDC SOUTH PARK PROPERTIES, L.P.**, a California limited partnership ("Borrower"), in favor of the **CITY AND COUNTY OF SAN FRANCISCO**, represented by the Mayor, acting through the Mayor's Office of Housing and Community Development (the "City").

RECITALS

A. The City is making a loan (the "Loan") to Borrower of CDBG funds to finance costs associated with the development of the real property described in **Exhibit A, B, and C**, attached hereto and incorporated herein by reference the "Property") as low-income housing (the "Project"). The Loan is evidenced by, among other documents, a Loan Agreement between the City and Borrower dated as of the date of this Declaration, as it may be amended from time to time (the "Agreement"). The Agreement is incorporated by reference in this Declaration as though fully set forth in this Declaration. Definitions and rules of interpretation set forth in the Agreement apply to this Declaration.

B. Pursuant to the Agreement, Borrower has agreed to comply with certain affordability and other use and occupancy restrictions (collectively, the "Regulatory Obligations"), commencing on the date on which a certificate of occupancy (or an equivalent building permit sign off) is issued for the Project, and continuing through the date that is the later of (a) Seventy Fifth (75th) anniversary of the date the Deed of Trust is recorded in the Recorder's Office of San Francisco County even if the Loan is repaid or otherwise satisfied or the Deed of Trust is reconveyed or (b) the end of the Life of the Project; provided, however, that if the Life of the Project is less than 75 years due to casualty, then the end date of the Life of the Project controls (the "Compliance Term").

AGREEMENT

Now, therefore, in consideration of the City's providing the Loan in accordance with the City Documents, Borrower/ agrees as follows:

1. Borrower must comply with the Regulatory Obligations through the expiration of the Compliance Term, regardless of any reconveyance of the Deed of Trust. Specifically, Borrower agrees as follows, subject to additional terms as set forth in the Agreement:

With the exception of one Unit reserved for the manager of the Project, Units in the Project will at all times be rented only to tenants who qualify as Qualified Tenants at initial occupancy, specifically:

# Units	AMI %
17	25%
44	30%
40	50%
3	60%
1	80%
2	MNGR

(a) In the event of a loss or reduction of Section 8 rental subsidies for the 30% of AMI units or in the event of a loss of reduction of the Shelter Plus Care subsidies for the 25% of AMI units, the maximum household income of all such may be increased up to 60% of Area Median Income, adjusted for household size appropriate to the unit, and the maximum Rent for any Affordable Unit shall in no event exceed 30% of 60% of Area Median Income, as adjusted for household size appropriate to the unit, but only to the extent necessary for the Project to be financially feasible. The total amount for rent and utilities (with the maximum allowance for utilities determined by the San Francisco Housing Authority) charged to a Qualified Tenant may not exceed:

(i) thirty percent (30%) of the applicable maximum income level, adjusted for household size; or

(ii) the tenant paid portion of the contract rent as determined by the San Francisco Housing Authority for Qualified Tenants holding Section 8 vouchers or certificates.

2. During the Compliance Term the City may rely on the Deed of Trust and/or this Declaration, in the City's discretion, to enforce any of the City's rights under the City Documents..

3. This Declaration and the Regulatory Obligations constitute covenants running with the land and bind successors and assigns of Borrower and any non-borrower owner

of the Property. In the event that Borrower fails to comply with the Regulatory Obligations to the City's satisfaction, in its sole discretion, within thirty (30) days of Borrower's receipt of notice from the City to so comply, the City at its option may exercise any rights available at equity or in law, including, without limitation, institute an action for specific performance. Borrower shall pay the City's costs in connection with the City's enforcement of the terms of this Declaration, including, without limitation, the City's attorneys' fees and costs.

Borrower has executed this Declaration as of the date first written above.

"BORROWER"
MHDC SOUTH PARK PROPERTIES, L.P.,
A California Limited Partnership

By: MHDC South Park LLC,
a California limited liability company
its general partner

By: Mission Housing Development Corporation,
a California nonprofit public benefit corporation
its managing member

By: _____
Sam Moss, Executive Director

By: _____
Joshua Arce, Board Chair

[ALL SIGNATURES MUST BE NOTARIZED.]

EXHIBIT A

Legal Description of the Land

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:

Commencing at a point on the Southeasterly line of Taber Place; distant thereon 145 feet Southwesterly from the Southwesterly line of 2nd Street and also distant 200 feet Southeasterly from the Southeasterly line of Bryant Street; running thence Southwesterly along said line of Taber Place 45 feet; thence at a right angle Southeasterly parallel with the Southwesterly line of 2nd Street to the Northwesterly line of South Park Avenue; thence Northeasterly along said line of South Park Avenue to a point thereof which is perpendicularly distant 145 feet Southwesterly from the Southwesterly line of 2nd Street; thence Northwesterly parallel with the Southwesterly line of 2nd Street to the point of commencement.

Being a portion of 100 Vara Block 359.

Assessor's Lot 048; Block 3775

Street Address:
22 South Park Street

EXHIBIT B

Legal Description of the Land

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:

Commencing at the point of intersection of the Northwesterly line of South Park and the Southwesterly line of Center Place; running thence Southwesterly and along said line of South Park, 26 feet 6 inches; thence at a right angle Northwesterly 97 feet 6 inches to the Southeasterly line of Taber Place; thence at a right angle Northeasterly along said line of Tabor Place, 26 feet 6 inches to the Southwesterly line of Center Place; thence at a right angle Southeasterly along said line of Center Place, 97 feet 6 inches to the point of commencement.

Being part of 100 Vara, Lot No. 95 in Block No. 359.

Assessor's Lot 057, Block 3775

Street Address:
102 South Park Street

EXHIBIT C

Legal Description of the Land

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:

Beginning at a point on the Northwesterly line of South Park, distant thereon 26 feet and 6 inches Southwesterly from the Southwesterly line of Center Place; running thence Southwesterly along said line of South Park 24 feet; thence at a right angle Northwesterly 97 feet and 6 inches to the Southeasterly line of Taber Place; thence at a right angle Northeasterly along said line of Taber Place 24 feet; thence at a right angle Southeasterly 97 feet and 6 inches to the point of beginning.

Being a portion of 100 Vara Block No. 359.

Assessor's Lot 058, Block 3775

Street Address:
106 South Park Street