### MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT CITY AND COUNTY OF SAN FRANCISCO



MARK FARRELL MAYOR

> KATE HARTLEY DIRECTOR

March 23, 2018

Title Company Name 555 Main Street San Francisco, CA 94105 ATTN: Ms. Escrow Officer

RE: 123 Sample Street, Unit 2, San Francisco, CA 94102

Escrow # 12-012345678-EO

**BMR Lien#** 

Dear Escrow Officer:

These instructions are delivered to you pursuant to purchase of the above unit (the "Property") by <u>Mary Sample and John Sample</u> (the "Buyer") as part of the City and County of San Francisco (the "City") Inclusionary Affordable Housing Program. In connection with this sale, the City authorizes you to execute the following actions:

#### A. Closing Documents

In connection with this escrow, enclosed are the following documents that will require to be signed by Borrower and acknowledged by Notary Public (use blue ink pen for all signatures). No power of attorney is allowed. All applicants must be physically present to sign loan documents.

- 1. Promissory Note dated as of the date executed by the Buyer as maker, for the benefit of the City in the principal amount of <u>Three Hundred Eighteen Thousand Two Hundred Eighty Two Dollars (\$318,282)</u> (the "City Note").
- 2. Deed of Trust dated as of the date executed by the Buyer as Trustor, for the benefit of the City to secure the City Note (the "City Deed").
- 3. An Acknowledgment of the Receipt of the Notice of Special Restrictions and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual as of the date executed by the Buyer (the "City Acknowledgment").
- 4. BMR Affidavit as Exhibit C to the City Acknowledgment
- 5. Conflict of Interest Affidavit as Exhibit D to the City Acknowledgment
- 6. Grant of Right of First Refusal With Respect to Purchase of the Property (the "Grant").

### B. Closing Procedures

- Please attach the following to the documents deposited by the City:
  - A copy of the legal description of the Property, as an exhibit to the City Deed and the City Acknowledgment.
  - b. A copy of the Notice of Special Restrictions under the City Planning Code, recorded in the Official Records of the City and County of San Francisco on <u>June 26, 2002</u> as **Document 2002-H5551212-00**, as an exhibit B to the City Acknowledgment.

- c. The original signed BMR Affidavit as an exhibit C to the City Acknowledgment (before recording the City Acknowledgment).
- d. The original signed Conflict of Interest Affidavit as an exhibit D to the City Acknowledgment (before recording the City Acknowledgment).
- e. A copy of the signed City Note, as an exhibit B to the City Deed (before recording the City Deed).
- 2. Prepare and record a "Request for Copy of Notice of Default" on behalf of the City and County of San Francisco Mayor's Office of Housing and Community Development. Please have buyer execute form and return executed and notarized copy to MOHCD.
- 3. Buyer must execute, date and notarize the above documents as indicated on the forms and below:

Document	Execution	Action
Promissory Note Secured by Deed of Trust	Signed and Dated by Buyer(s) Notarized	- Attach photocopy to City Deed as <b>Exhibit B</b> -Return original to City
City Deed of Trust and Assignment of Rents	Signed and Dated by Buyer(s) Notarized and <b>Recorded</b>	-Attach (1) Legal Description of Property as <b>Exhibit A</b> and attach copy of (2) City Note as <b>Exhibit B</b> -Return certified PDF copy of executed City Deed of Trust to MOHCD before proceeding to record
City Grant of Right of First Refusal with Respect to Purchase of Property with the following attachment: legal description of the property	Signed and Dated by Buyer(s) Notarized and <b>Recorded</b>	-Attach Legal Description of Property as <b>Exhibit A</b> -Return certified PDF copy of executed City Grant Right of Refusal to MOHCD before proceeding to record
City Acknowledgement of Special Restriction and Residence Element with the following attachments: (1) legal description of the property; (2) Notice of Special Restrictions under the SF City Planning Code; (3) BMR Affidavit; and (4) Conflict of Interest Affidavit	Signed and Dated by Buyer(s) Notarized and <b>Recorded</b>	-Attach (1) I Legal Description of Property as <b>Exhibit A</b> ; Attach (2) Notice of Special Restrictions under the SF City Planning Code as <b>Exhibit B</b> ; Attach executed (3) BMR Affidavit as <b>Exhibit C</b> ; and executed (4) Conflict of Interest Affidavit as <b>Exhibit D</b> - Return certified PDF copy of executed forms to MOH before proceeding to record
City BMR Affidavit	Signed and Dated by Buyer(s)	Attach original executed form to City Acknowledgement of Special Restrictions
Conflict of Interest Affidavit	Signed and Dated by Buyer(s)	Attach original executed form to City Acknowledgement of Special Restrictions
ALTA Policy	Сору	Prepare draft and submit to MOHCD, submit final PDF to MOHCD.
Other Final Closing Documents: Grant Deed; First Deed of Trust and Note; Other Deeds of Trust and Note; Settlement Statement/HUD-1	Сору	Return PDF copies to MOH CD  Do not proceed to record until receiving final written approval from MOHCD

- 4. You are authorized to record the City Deed, City Grant and City Acknowledgement in the official records of the San Francisco County only when the following condition has been fulfilled:
  - a. Return of the original executed and notarized borrower's City promissory note, along with copies of all requested documents.
  - b. You are in a position to issue an ALTA Lender's Policy of Title Insurance of 2006 with ALTA endorsement Form 1 Coverage insuring the validity and priority of the City

Deed in the full principal amount of the loans secured thereby subject only to exceptions <u>1-8</u>, <u>10-12-14-20</u> listed in the Preliminary Report dated <u>May 01</u>, <u>2015</u>, and a deed of trust securing the first mortgage by the buyer.

- Submit a copy of the H06 Certificate of Insurance naming the City as second mortgagee/loss payee on the Hazard Insurance Policy.
- 6. The City will not be responsible for any escrow or recording fees associated with the completion of these closing documents.
- 7. Return conformed PDF copies of recorded City Deed, City Grant and City Acknowledgement together with an ALTA policy and copies of other requested documents to the SF Mayor's Office of Housing and Community Development to the attention of BMR program.
- 8. Please indicate your receipt and acceptance of these instructions by signing the enclosed copy and returning it to the Mayor's Office of Housing and Community Development to the attention of BMR program.

#### C. <u>General Instructions</u>

Thank you for your cooperation.

- 1. The Title Company must assure itself that all conditions referred to above have been fulfilled and must strictly adhere to the procedures listed above in closing escrow.
- 2. If you are unable to comply with these instructions, or if there are to be any changes with respect to the transactions contemplated hereby, please contact the Mayor's Office of Housing and Community Development **(415) 701-5500** before proceeding.
- 3. The City and County of San Francisco reserves the right to revoke or amend these instructions and recall documents at any time prior to recordation and disbursement of funds.
- 4. Allow 3 business days for MOH BMR staff to review the executed City Note and copies of Deed, settlement statement and signed documents before proceeding to record. Include this time line in to your process.
- 5. No escrow closing or recording can commence without written approval by a member of the Mayor's Office of Housing and Community Development.
- 6. Submit PDF copy of H06 Certificate of Insurance naming the City as second mortgagee/loss payee in the Hazard Insurance Policy, and submit with funding package to MOHCD.
  - 7. Please send by mail a copy of the final combined buyer and seller settlement statement to HomeownershipSF, 275 5th Street, Suite 314 San Francisco, CA 94103.

Sincerely, For the City and County of San Francisco	
BMR Program Manager	
Accepted and Agreed to thisday of	, 2018
BY:	

# PROMISSORY NOTE SECURED BY DEED OF TRUST Inclusionary Housing Program BMR Lien#

\$318,282 (Principal Amount)	San Francisco, California	Date:
<del>\$0.10,202</del> (1.1110.pai.1.1110.1111)	Carrier Carrotte, Carrier	_ ~~~

FOR VALUE RECEIVED, the undersigned, <u>Mary Sample and John Sample</u> (Maker) hereby promises to pay to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (Holder), the principal sum of <u>Three Hundred Eighteen Thousand Two Hundred Eighty Two and 00/100</u> Dollars (\$318,282).

#### 1. Purchase of Dwelling Unit at Restricted Purchase Price

Maker desires to purchase a unit located at <u>123 Sample Street, Unit 2, San Francisco, CA 94102</u> ("BMR unit"). The BMR unit shall include one parking space, designated as # P-23 (the "parking space"). The purchase price of the BMR unit, including the parking space, has been established pursuant to the following documents (collectively, the "Restriction"):

- (1) Planning Commission Motion No. 5551212, adopted on September 06, 2012;
- (2) Interest on the principal amount at the rate of 0% per annum.
- (3) A "Notice of Special Restrictions Under the City Planning Code" ("NSR") recorded in the official records of the San Francisco County on **June 26**, **2002** as **Document 2002-H5551212-00**;
- (4) City and County of San Francisco Inclusionary Housing Monitoring and Procedures Manual ("Procedures Manual"), effective May 10, 2013.

#### 2. Calculation of Principal Amount of Note.

The original principal amount of this note is equal to <a href="https://docs.org/reg/41/718">Three Hundred Eighteen Thousand Two Hundred</a>
<a href="https://docs.org/eighteen-thousand-two-Hundred-Eighteen-thousand-t

3. **Interest.** No interest shall accrue on the principal balance of this note.

#### 4. Event of Default.

- a. Maker's failure to comply with any provision contained in the Restriction shall constitute an Event of Default under this Note; provided that if such failure concerns a rental or sublease of the BMR Unit in violation of the Restriction, such failure shall not constitute an Event of Default unless Maker fails to cure such default within thirty (30) days after the receipt of written notice from Holder. Holder's ability to cure such defaults (i.e., through the termination of a tenancy which violates the Restriction) is subject to all applicable local, state and/or federal laws to the contrary.
- b. Upon the occurrence of an Event of Default, following the expiration of any applicable notice and cure periods described in Subparagraph 5(a), the entire principal balance of this Note, together with all accrued interest, shall be immediately due and payable. In addition, Holder may pursue all rights and remedies available to Holder at law or in equity.
- 5. <u>Forgiveness</u>. Upon a sale of the BMR unit for a resale price that is established pursuant to the documents referenced in Paragraph 1, above, the entire principal balance of this Note, together with all accrued and unpaid interest thereon, shall be forgiven, this Note shall be canceled and returned to Maker and the Deed of Trust shall be reconveyed only upon the happening of each of the following events:
- a. During the period which Maker owns the BMR Unit, Maker shall have complied in all respects with the terms of the Restriction;

- b. Any sale, rental or sublease of the BMR Unit must be in compliance with the terms of the Restriction, including but not limited to the requirement that, upon any resale of the BMR Unit, the City may require prospective purchaser to execute and deliver to the Holder a note, deed of trust and grant of right of first refusal in substantially the form of this Note, Deed of Trust and Grant of Right of First Refusal with respect to purchase of Property executed by maker concurrently herewith; except that the principal amount of such Note shall reflect the difference between the resale price and fair market value of the BMR Unit at the time of such resale.
- c. If the conditions in this Section 5 are not satisfied, the entire principal balance and accrued interest on this Note shall be due and payable as a condition to such sale.
- d. The resale price and resale transaction of the BMR unit must include the parking space at no additional charge.
- 6. **Security**. Repayment of this Note is secured by a deed of trust (the "Deed of Trust"), which Deed of Trust shall be recorded in the official records of San Francisco County, California, as a lien on the BMR Unit, subject only to those exceptions to title approved in writing by Holder.

#### 7. Terms of Payment.

- a. All payments under this Note shall be paid in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.
- b. All payments shall be made payable to Holder and mailed or delivered in person to Holder's office at 1 South Van Ness Avenue, Fifth Floor, San Francisco, CA 94103, or to such other place as Holder of this Note may from time to time designate.
- c. Notwithstanding any other provisions of this Note, or any instrument securing the obligations of Maker under this note, if, for any reason whatsoever, the payment of any sums by Maker pursuant to the terms of this Note would result in the payment of interest which would exceed the amount that Holder may legally charge under the laws of the State of California, then amount by which payment exceeds the lawful interest rate shall automatically be deducted from the principal balance owing on this Note, so that in no event shall Maker be obligated under the terms of this Note to pay any interest which would exceed the lawful rate.

#### 8. Waivers.

- a. Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.
- b. No extension of time for payment of this Note or any installment hereof made by agreement by Holder with any person now or hereafter liable for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.
- c. The obligations of Maker under this Note shall be absolute and Maker waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reason whatsoever.

#### 9. Miscellaneous Provisions.

a. All notices and consents required under this Note or the Deed of Trust shall be made in writing and shall be deemed communicated by personal delivery or by United States Mail, postage prepaid, as of the earlier of actual receipt of seven days from mailing, addressed as follows:

To Maker: Mary Sample and John Sample
123 Sample Street, Unit 2

San Francisco, CA 94102

To Holder: Mayor's Office of Housing and Community Development

1 South Van Ness Avenue, Fifth Floor

San Francisco, CA 94103 Attn: Inclusionary Program

- b. In event of litigation arising from the enforcement of or a default under this Note or the Deed of Trust, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorney's fees, incurred by the prevailing party in such litigation.
- c. This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.
- d. This Note shall be governed by and construed in accordance with the laws of the State of California.
  - e. Time is of the essence for the performance of all obligations of Maker hereunder.

#### 10. **Termination**.

Notwithstanding the foregoing paragraph, upon foreclosure on the Property by a third party lender or other transfer of the property in lieu of foreclosure or upon an assignment to HUD of a mortgage which was made to secure Borrower's purchase of the Property, the lien of the Deed of Trust shall be extinguished if the foreclosure or other transfer recognizes any contractual or legal rights of the City and the Maker to take actions that would avoid the lien of the Deed of Trust to be extinguished. However, this Note, the Deed of Trust and Maker's obligations hereunder shall be revived according to their original terms if, following any foreclosure or transfer in lieu of foreclosure, the owner of record before the foreclosure or transfer or assignment, or any entity that includes the former owner or those with whom the former has or had family or business ties, obtains an ownership interest in the Property.

Buyer(s)		
Signature:		
-	Mary Sample	
Signature:		
	John Sample	
Signature:		

(Please add additional lines if necessary)

(THIS DOCUMENT MUST BE NOTARIZED)

Free Recording Requested Pursuant to Government Code Section 27383

#### RECORDING REQUESTED BY:

City and County of San Francisco Mayor's Office of Housing and Community Development

#### WHEN RECORDED MAIL TO:

Mayor's Office of Housing of the City and County of San Francisco 1 South Van Ness Avenue, Fifth Floor San Francisco, California 94103 Attention: Inclusionary Program

BMR Lien#

Block 5555 Lot 1212

Space Above This Line for Recorder's Use

### DEED OF TRUST AND ASSIGNMENT OF RENTS

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Beneficiary by paragraph (10) of the provisions incorporated herein by reference to collect and apply such rents, issues and profits.

To protect the Security of This Deed of Trust, Trustor Agrees: By the execution and delivery of this Deed of Trust and the note secured hereby, that provisions (1) to (14), inclusive, of the fictitious deed of trust recorded in the office of the Recorder of the City and County of San Francisco on October 23, 1961 in Book A-332 of Official Records, at page 905, hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length; that he will observe and perform said provisions; and that the references to property, obligations, and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust.

In the event of default by the Trustor under this Deed of Trust, or if the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, alienated or refinanced by the Trustor, or by the operation of law or otherwise, without the written consent of the Beneficiary hereof, all obligations secured by this instrument irrespective of the maturity dates expressed therein, at the option of the Beneficiary hereof and without demand or notice shall immediately become due and payable. The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address herein before set forth.

TRUSTOR(S):		
Buyer(s)		
Signature:		 
Mary	Sample	
Signature:		

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

John Sample

(Please add additional lines if necessary)

THIS DOCUMENT MUST BE NOTARIZED

# ATTACH EXHIBIT A LEGAL DESCRIPTION OF PROPERTY

# ATTACH EXHIBIT B PHOTOCOPY OF BORROWER EXECUTED PROMISSORY NOTE

Free Recording Requested Pursuant to Government Code Section 27383

#### RECORDING REQUESTED BY:

City and County of San Francisco Mayor's Office of Housing and Community Development

#### AND WHEN RECORDED MAIL TO:

Mayor's Office of Housing and Community Development 1 South Van Ness Avenue, Fifth Floor San Francisco, CA 94103 Attention: Inclusionary Program

BMR Lien#

Block 5555 Lot 1212

SPACE ABOVE THIS LINE FOR RECORDER'S USE

# GRANT OF RIGHT OF FIRST REFUSAL WITH RESPECT TO PURCHASE OF PROPERTY Inclusionary Housing Program

This Grant of Right of First Refusal is made on \_\_\_\_\_\_\_\_\_, 2018, by Mary Sample and John Sample "Buyer" of 123 Sample Street, Unit 2, San Francisco, CA 94102 ("the Property"), to the City and County of San Francisco, through the Director, Mayor's Office of Housing and Community Development, 1 South Van Ness Avenue, Fifth Floor, San Francisco, CA 94103 or its designated agent (hereinafter "City").

a. The property is more particularly as follows:

#### See Exhibit "A" attached hereto and made a part hereof.

b. The Property is subject to the requirements of Planning Commission in compliance with the Planning Code 415 and recorded under the <u>Notice of Special Restrictions on June 26, 2002</u> as <u>Document 2002-H5551212-00</u> and requires, among other things, that the Property be made available at a specified purchase price to a buyer whose income level does not exceed a specified percentage of the median income for the San Francisco area. These restrictions have enabled the buyer to purchase the unit.

In consideration for the Buyer's ability to purchase the property at less than its fair market value Buyer agrees as follows:

- 1. If Buyer desires to sell the above-described Property, Buyer shall notify the Mayor's Office of Housing and Community Development ("MOHCD") or its successor of the intended. If Buyer receives from a third party (the "Proposed Purchaser") a bona fide offer for the purchase thereof, Buyer shall disclose the terms of such offer to the City, in writing, within 10 days following the receipt of the offer by Buyer.
- 2. City shall have 45 days after receiving notice of the terms of the offer within which to elect to purchase the property on terms identical to those offered by the Proposed Purchaser. City shall notify Buyer within such 45-day period whether City desires to purchase the Property. Within 30 days of such notice by the City, Buyer and the City shall enter into a formal contract of sale containing all terms of the original bona fide offer made to the Buyer.

- 3. If the City fails to give the notice as provided in Paragraph 2 or if City fails to enter into a formal and binding contract within the 30 days set forth in Paragraph 2, Buyer may sell the Property to the Proposed Purchaser on the terms contained in the offer described in Paragraph 1. Such sale shall be subject to all requirements of the Motion including but not limited to a requirement that the Proposed Purchaser grant a right of first refusal to the City or City fails to enter into a formal and binding contract of sale within the 30 days set forth in Paragraph 2.
- 4. Within 30 days of City's notice of intent to purchase as set forth in Paragraph 2, Buyer shall obtain evidence of marketable title to the property and submit the same to City for examination. Thereafter, City shall have 10 days within which to notify Buyer as to any defects in or objections to the title as so evidenced, and Buyer shall have the opportunity to remedy any such defects or objections within 10 days after City's notice to Buyer. If by the end of the last period specified, Buyer cannot show satisfactory title, City shall have the option of either (a) continuing the transaction with such contract modification as the parties may mutually agree to, or (b) rescinding the contract before the parties.
- 5. City shall have the right to assign its interests under this Grant of Right of First Refusal and/or to designate an individual or entity to exercise its rights under this Grant of Right of First Refusal.
- 6. Notwithstanding anything to the contrary set forth herein, the right of first refusal granted to the City herein shall not apply to a lender upon foreclosure of any bona fide mortgage, deed of trust or other security interest encumbering the property or deed in lieu thereof; provided however, that this Grant of Right of First Refusal shall remain in full force and effect with respect to any subsequent sale or conveyance of the Property. For purposes hereof, a "bona fide" mortgage, deed of trust or security interest shall not include an instrument under which the trustor or mortgagor is a family member of related business entity of the Buyer.
- 7. The rights and obligations of Buyer and City hereunder shall bind and inure to the benefit of Buyer and City and their personal representatives and successors and assigns.

Executed at San Francisco, California on this date first written above.

Buyer(s)		
Signature:		
	Mary Sample	
Signature:		
	John Sample	
Signature:		

(Please add additional lines if necessary)

THIS DOCUMENT MUST BE NOTARIZED

# ATTACH EXHIBIT A LEGAL DESCRIPTION OF PROPERTY

Free Recording Requested Pursuant to Government Code Section 27383

#### RECORDING REQUESTED BY:

City and County of San Francisco
Mayor's Office of Housing and Community Development

#### WHEN RECORDED MAIL TO:

Mayor's Office of Housing and Community Development of the City and County of San Francisco
1 South Van Ness Avenue, Fifth Floor San Francisco, California 94103
Attention: Inclusionary Program

BMR Lien#

Block 5555 Lot 1212

Space Above This Line for Recorder's Use

## ACKNOWLEDGEMENT OF SPECIAL USE RESTRICTION AND PROCEDURES MANUAL

<u>Mary Sample and John Sample</u> (Purchaser") intend to purchase <u>123 Sample Street, Unit 2, San Francisco, CA 94102</u> ("the BMR Unit") of that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows ("the property").

[See Attached Legal Description Exhibit A]

Purchaser acknowledges the receipt of the Notice of Special Restrictions under the City Planning Code ("NSR") recorded in the Official Records of San Francisco County against said property on **June 26, 2002 as Document #2002-H5551212-00**.

The NSR includes San Francisco <u>Planning Commission Motion 5551212</u> (the "Motion") adopted **September 06, 2012**. A copy of the NSR is attached hereto as Exhibit B.

Purchaser acknowledges receipt of the City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual 2013 ("Procedures Manual"), effective May 10, 2013.

Purchaser acknowledges and agrees that the BMR unit shall remain subject to the NSR and the Procedures Manual. In the event of any inconsistency between the NSR and the Procedures Manual, the NSR shall control.

A copy of the BMR Affidavit is attached hereto as Exhibit C. A copy of the Conflict of Interest Affidavit is attached hereto as Exhibit D.

Dated: _	, 20	18
Bu	uyer(s)	
S	Signature: Mary Sample	
S	Signature:	
S	Signature:	

## EXHIBIT A LEGAL DESCRIPTION OF PROPERTY

# EXHIBIT B ATTACH COPY OF RECORDED NOTICE OF SPECIAL RESTRICTIONS TO ACKNOWLEDGEMENT OF SPECIAL USE RESTRICTION AND PROCEDURES MANUAL

Notice of Special Restrictions under the City Planning Code ("NSR") recorded in the Official Records of San Francisco County against said property on <u>June 26, 2002 as</u> **Document #2002-H5551212-00**.

#### **EXHIBIT C**

### City and County of San Francisco Inclusionary Affordable Housing Program

#### **BMR AFFIDAVIT**

I, the undersigned, am purchasing the property at <u>123 Sample Street, Unit 2, San Francisco, CA 94102</u>. I understand that this unit is restricted by the City and County of San Francisco for the purpose of assisting low- to moderate-income first-time homebuyers.

#### I affirm the following:

- 1. I am a first time homebuyer in that I have not held title to any property in the past three (3) years.
- 2. The number of people who will occupy the property is .
- 3. I will occupy and remain in the home as my principal place of residence within sixty (60) days of the close of escrow.
- 4. I understand that I cannot change or amend the title to my unit without permission from the Mayor's Office of Housing and Community Development or its successor.
- I understand that any first parking space purchased with my unit must be resold with my unit upon resale as a part of the maximum below-market-rate price that is set by the Mayor's Office of Housing and Community Development or its successor and that any first parking space purchased after the closing of my unit must also be sold with my unit upon resale within the maximum below-market-rate price that is set by the Mayor's Office of Housing and Community Development or its successor.
- Upon resale, I understand that my unit will be repriced based on the change in Median Income from the date on which I purchased my unit to the date on which I will sell my unit.
- 7. I understand that only approved and eligible capital improvements made after the unit is 10 years old may be added on to the resale price of my unit.
- 8. I understand that I cannot rent my property in part or whole without written approval from the Mayor's Office of Housing and Community Development or its successor and that I must remain in compliance with the guidelines set forth in the City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual.

Date:		2018
	Buyer(s) Signature:	
	Mary Sample	
	Signature:  John Sample	
	Signature:	

(Please add additional lines if necessary)

#### **EXHIBIT D**

#### City and County of San Francisco Inclusionary Affordable Housing Program

### **CONFLICT OF INTEREST AFFIDAVIT**

I, the undersigned, am purchasing the property at <u>123 Sample Street, Unit 2, San Francisco, CA 94102</u>. I understand that this property is restricted by the City and County of San Francisco for the purpose of assisting low- to moderate-income first-time homebuyers.

As a condition of purchase and in compliance with the requirements of the Procedures Manual published by the Department of City Planning and effective May, 10, 2013 (Section K - Conflict of Interest), I certify that no member of the household who will be residing in the property is an employee, director, or officer of any of the following, or a family member of any employee, director, or officer of any of the following:

- The project sponsor or its agents, including the sales agent;
- The project architect or its agents;
- The project attorney or its agents;
- The prime contractor or its agents.

The undersigned each executes this Affidavit, subject to penalties of perjury, and certifies that the foregoing is true and correct in all respects.

Dated:	, 2018
Buyer(s)	
Signature:	
Signature:	
Signature:	

(Please add additional lines if necessary)

Free Recording Requested Pursuant to Government Code Section 27383

#### RECORDING REQUESTED BY:

City and County of San Francisco Mayor's Office of Housing and Community Development

#### WHEN RECORDED MAIL TO:

Mayor's Office of Housing and Community Development of the City and County of San Francisco 1 South Van Ness Avenue, Fifth Floor San Francisco, California 94103 Attention: Inclusionary Program

BMR Lien#

Block 5555 Lot 1212 123 Sample Street, Unit 2 San Francisco, CA 94102 Space Above This Line for Recorder's Use

#### REQUEST FOR COPY OF NOTICE OF DEFAULT

IN ACCORDANCE WITH SECTION 2924B, CIVIL CODE OF THE STATE OF CALIFORNIA, REQUEST IS HEREBY MADE THAT A COPY OF ANY NOTICE OF DEFAULT AND A COPY OF ANY NOTICE OF SALE UNDER THE DEED OF TRUST RECORDED CONCURRENT HERE WITH, OFFICIAL RECORDS OF SAN FRANCISCO, CALIFORNIA, EXECUTED BY Mary Sample and John Sample AS TRUSTOR, TO Title Company Name AS TRUSTEE, IN WHICH Mortgage Lending Institution IS NAMED AS BENEFICIAL,

MAIL TO: Mayor's Office of Housing and Community Development of the

City and County of San Francisco 1 South Van Ness Avenue, 5th Floor

San Francisco, CA 94103

NOTICE: A COPY OF ANY NOTICE OF DEFAULT AND OF ANY NOTICE OF SALE WILL BE SENT ONLY TO THE ADDRESS CONTAINED IN THIS RECORDED REQUEST. IF YOUR ADDRESS CHANGES, A NEW REQUEST MUST BE RECORDED.

DATE:	
John Sample	