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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

NINSI CASTELAN, an individual,

Plaintiff,

vs.

716 YALE TERRACE, L.P., a California
limited partnership; TRIUMPH
RESIDENTIAL SERVICES, INC., a
California stock company; GRCLA -
AFFORDABLE HOLDING, LLC, a California
limited liability company; JK AFFORDABLE
HOLDINGS, LLC, a California limited
liability company; and DOES 1 to 25,

Defendants.

Case No. 25STCV05369

**FIRST AMENDED COMPLAINT FOR
INJUNCTIVE RELIEF, DAMAGES, AND
DECLARATORY RELIEF FOR:**

1. BREACH OF CONTRACT AND
RECORDED COVENANT
2. COLLECTION AND RETENTION
OF EXCESS RENT [Civ. Code
§ 1947.11]
3. IMPROPER LIQUIDATED
DAMAGES [Civ. Code §1671]
4. TENANT HARASSMENT [L.A.M.C.
§§ 43.33 *et seq.*]
5. UNLAWFUL AND UNFAIR
BUSINESS PRACTICES OR ACTS
[Bus. & Prof. Code §§ 17200 *et seq.*]
6. DECLARATORY RELIEF [Cal Civ.
Proc. Code § 1060]
7. DECLARATORY RELIEF [Cal Civ.
Proc. Code § 1060]

DEMAND FOR JURY TRIAL

1 Plaintiff alleges:

2 **PARTIES**

3 1. Plaintiff NINSI CASTELAN (“Castelan”) is an individual who resides in the
4 County of Los Angeles, State of California. Since approximately 2012, Castelan has been a tenant
5 of the four-bedroom residential rental unit located at 716 Yale Street, Unit 307, Los Angeles, CA
6 90012.

7 2. Defendant 716 YALE TERRACE, L.P. (“Yale Terrace”) is a California limited
8 partnership operating in the County of Los Angeles, State of California. Yale Terrace is the owner
9 of the apartment building located at 716 Yale Street, Los Angeles, CA 90012 (the “Property” or
10 “Building”). Yale Terrace rented Unit 307 to Plaintiff Castelan and held itself out to be the owner
11 of the premises. Plaintiff Castelan makes rent payments to Yale Terrace.

12 3. Defendant TRIUMPH RESIDENTIAL SERVICES, INC. (“Triumph”) is a
13 California stock corporation operating in the County of Los Angeles, State of California. At all
14 times relevant, Triumph was the manager of the Property. Triumph as manager interacts with
15 Plaintiff Castelan on issues of rent and other charges.

16 4. Defendant GRCLA-AFFORDABLE HOLDING, LLC (“GRCLA”) is a California
17 limited liability company operating in the County of Los Angeles, State of California. At all times
18 relevant, GRCLA was the administrative general partner of Yale Terrace. GRCLA controls Yale
19 Terrace.

20 5. Defendant JK AFFORDABLE HOLDINGS, LLC (“JK”) is a California limited
21 liability company operating in the County of Los Angeles, State of California. At all times
22 relevant herein, JK AFFORDABLE HOLDINGS, LLC was a partner of Yale Terrace. JK benefits
23 from the actions of Yale Terrace and, on information and belief, has some control over Yale
24 Terrace.

25 6. Plaintiff is ignorant of the true names and capacities of Defendants sued as DOES 1
26 through 25, inclusive, and therefore sue these Defendants by such fictitious names and capacities.
27 Plaintiff is informed and believes, and thereupon alleges, that each Defendant fictitiously named
28 as a DOE is legally responsible, negligently or in some other actionable manner, for the acts and

1 failures to act as alleged herein, and thereby proximately and legally caused the injuries and
2 damages to Plaintiff as alleged. Plaintiff will seek leave of court to amend this complaint to allege
3 such names and/or capacities of such fictitiously named Defendants as soon as they are
4 ascertained. On information and belief, Plaintiff alleges that Defendants were owners, persons, or
5 entities actually or apparently responsible for the management and maintenance of the Property
6 during Plaintiff's tenancy.

7 **JURISDICTION AND VENUE**

8 7. This Court has jurisdiction over this action pursuant to article VI, § 10 of the
9 California Constitution and Civ. Proc. Code § 410.10. Each cause of action asserted arises under
10 the laws of the State of California or is subject to adjudication in the courts of the State of
11 California.

12 8. Venue is proper pursuant to Civ. Proc. Code § 395, as the Defendants operate in
13 Los Angeles County, and their acts or omissions giving rise to the liability alleged in this
14 Complaint occurred in Los Angeles County. Venue is also proper pursuant to Civ. Proc. Code
15 § 392, as the Property is located in downtown Los Angeles in Los Angeles County.

16 **FACTUAL ALLEGATIONS**

17 **A. An Affordability Covenant Restricts Defendants' Use of the Property.**

18 9. The Property was built in 2007 with funds provided by the City of Los Angeles in
19 exchange for an agreement that the Property would be developed as affordable housing. That
20 agreement placed restrictions on rent levels and rent increases, and required units in the Building
21 to be rented only to low-income tenants. The City sold the land for the construction of the
22 Building for a price \$550,000 below appraised fair market value to assist in the viability of the
23 project.

24 10. On October 4, 2005, the original owner of the Property received two loans from the
25 Community Redevelopment Agency of the City of Los Angeles for \$3.05 million and \$1.945
26 million—totaling approximately \$5 million. At that time, in exchange for the loans, an
27 affordability covenant was recorded against the Property for a term of at least 55 years.
28

1 11. In 2019, the original owner assigned all rights, obligations, duties and interests in
2 the Property to a company called 716 Yale Terrace LLC, which then assigned all rights,
3 obligations, duties and interests in the Property to Defendant Yale Terrace, the current owner. An
4 Amended and Restated Affordability Covenant between the City and Defendant Yale Terrace (the
5 “Affordability Covenant”) was executed on August 25, 2020 and recorded against the Property on
6 July 13, 2021. A true and correct copy of the Affordability Covenant is attached hereto as

7 **Exhibit A.**

8 12. The Affordability Covenant requires that all rental units in the Property be reserved
9 for low-income households. For example, it states, in § 2(a), titled “Development and Use,” that
10 the Property “shall be developed and used for individuals and families residential rental uses,
11 consisting of fifty-four (54) dwelling units for Eligible Households (the ‘Affordable Units’).”
12 Ex. A, at 8(§ 2(a)). An “Eligible Household” is defined as a household that qualifies as either
13 “Extremely Low Income, Very Low Income, or Low Income Household.” *Id.* at 5 (§ 1).

14 13. For each of these units, the Affordability Covenant limits the rent that can be
15 charged to the maximum rent levels set out in the CRA-HCD (Post-1991) Rent Schedule, which is
16 published annually on July 1 by LAHD. A true and correct copy of the 2024 rent schedule is
17 attached hereto as **Exhibit B** (the “CRA-HCD Schedule”). The maximum rent that can be charged
18 for a particular unit is tied to the income level of the tenant occupying that unit, as well as the size
19 of the unit. Under the CRA-HCD Schedule, Plaintiff’s monthly rent as a Low Income Household
20 in a four-bedroom unit should be a maximum of \$1,591.

21 14. Despite agreeing to these maximum rent levels in the Affordability Covenant,
22 Defendants are overcharging Plaintiff and other tenants and threatening eviction if the unlawful
23 higher rents are not paid.

24 15. The Affordability Covenant defines Low Income, Very Low Income Households,
25 and Extremely Low Income Households by reference to California Health and Safety Code
26 §§ 50079.5, 50105 and 50106, respectively. Ex. A, at 6, 8.

1 16. Low Income Households are households “whose income does not exceed the
2 qualifying limits for lower income families as established and amended from time to time pursuant
3 to Section 8 of the United States Housing Act of 1937.” Health and Safety Code § 50079.5.

4 17. Very Low Income Households are households with incomes not exceeding fifty
5 percent of AMI, while Extremely Low Income Households are households with incomes not
6 exceeding thirty percent of Area Median Income (“AMI”). Health and Safety Code §§ 50105 and
7 50106.

8 18. At the beginning of 2024, Plaintiff was paying \$1,999 a month in rent for her four-
9 bedroom unit, an amount already higher than the maximum rent of \$1,591 that Defendants may
10 charge Plaintiff today. Yet starting in July 2024, Defendants issued multiple further rent increases.

11 **B. Defendants Illegally Raised Rents and Charged Illegal Fines and Fees.**

12 19. The Affordability Covenant prohibits rent increases “in excess of the percentage
13 increase in the county median income for the applicable year in which the rent increase is being
14 considered.” Ex. A, at 9 (§ 2(c)(2)).

15 20. The Affordability Covenant includes a “use it or lose it” clause, prohibiting “an
16 accumulation of rental increases from year to year for those years in which the Owner chooses not
17 to increase rents by the percentage allowed herein.” Ex. A, at 10 (§ 2(c)(2)). Thus, the restriction
18 against raising rents for the current year applies even if Defendants did not raise rents over the past
19 few years.

20 21. For 2024, the “percentage increase” in AMI for Los Angeles County was zero.
21 Ex. B. Thus, the Affordability Covenant restricts Defendants from increasing Plaintiff’s rent by
22 any amount during the current year.

23 22. Disregarding this restriction, Defendants have issued multiple rent increases in
24 2025.

25 23. On or around July 31, 2024, tenants at the Property, including Plaintiff, received
26 90-day rent increase notices of 16.4%, effective November 1, 2024. For Plaintiff, this amounted to
27
28

1 \$2,328. A true and correct copy of the rent increase notice Plaintiff received is attached hereto as
2 **Exhibit C.**

3 24. Plaintiff paid \$2,328 in monthly rent for November and December 2024. Plaintiff
4 was not given a receipt for either of these rent payments.

5 25. This rent increase is prohibited by the Affordability Covenant for at least two
6 reasons. First, both the pre-increase status quo rents and the post-increase rents are above the
7 maximum rent levels set out in the Affordability Covenant. Second, the Affordability Covenant
8 prohibits any rent increase for the current year.

9 26. After months of tenant protest and Public Counsel advocacy, Defendants rescinded
10 the 16.4% rent increase on December 13, 2024. However, Defendants then issued a new rent
11 increase of 9.9% effective February 1, 2025. For Plaintiff, this amounted to \$2,198. A true and
12 correct copy of Plaintiff's December 2024 rent increase notice is attached hereto as **Exhibit D.**

13 27. In the December 13 notice, Defendants promised to refund Plaintiff \$658 within
14 fourteen days. Plaintiff did not receive this refund within fourteen days.

15 28. The 9.9% increase was again improper both because: 1) the rent was already above
16 the maximum rent level allowed under the Affordability Covenant, and 2) there was no increase in
17 Los Angeles County's AMI this year and the Affordability Covenant thus prohibits rent increases.

18 29. For January 2025, Plaintiff paid her status quo rent of \$1,999, which was accepted
19 by Defendants. Plaintiff was not provided with a receipt for this rent payment.

20 30. Defendants credited \$296 of Plaintiff's \$658 overpayment to Plaintiff's February
21 rent. On or around February 5, 2025, Plaintiff paid the remaining \$1,902, amounting to the full
22 increased rent of \$2,198. Defendants informed Plaintiff that the remaining \$362 of the promised
23 refund for her overpayments was being withheld to cover supposed outstanding fines and fees
24 assessed against her unit. Plaintiff was never provided with notice of these outstanding fines and
25 fees and did not know such fines and fees existed until Plaintiff paid her February rent. Plaintiff
26 was not provided with a receipt for this rent payment or the payment of the fines and fees. Despite
27 requesting a receipt and explanation for these fines and fees, Plaintiff still does not know, and
28 Defendants have not informed Plaintiff, why exactly she was charged these fines and fees.

1 31. Defendants charged Plaintiff a \$50 late fee in February, which Plaintiff paid.

2 32. On information and belief, Defendants have also assessed improper fines and fees
3 against other tenants.

4 33. On February 26, 2025, Defendants rescinded the 9.9% rent increase, and issued a
5 new rent increase of 8.9% effective April 1, 2025. For Plaintiff, this amounted to \$2,176. A true
6 and correct copy of that increase notice is attached hereto as **Exhibit E**.

7 34. In the February 26, 2025 notice, Defendants promised to refund Plaintiff \$199
8 within fourteen days. Plaintiff did not receive this refund within fourteen days.

9 35. On or around March 21, 2025, Defendants served Plaintiff with a notice rescinding
10 the 8.9% rent increase intended for April 1, 2025. A true and correct copy of the notice is attached
11 hereto as **Exhibit F**.

12 **C. The Affordability Covenant Clearly Indicates that the CRA-HCD Post 1991**
13 **Rent Schedule Applies.**

14 36. In correspondence with Public Counsel, Defendants asserted that the proper rent
15 schedule is the Los Angeles Housing Department 2024 Rent Schedule – CRA-HUD. This
16 assertion is incorrect.

17 37. The Affordability Covenant limits the rent that can be charged to an “Affordable
18 Rent.” Ex A. at 9 (§ 2(a)). This maximum rent level is “determined by HCD [the California
19 Department of Housing and Community Development] as set forth in the Maximum Rents and
20 Occupancy Income Limits for New Projects attached to this Agreement as Attachment No. 2.”
21 *Id.* at 9 (§ 2(b)). Rather than prescribing specific maximums, Attachment No. 2. uses the meaning
22 of Affordable Rent as “set forth in California Health and Safety Code § 50053(b).”
23 *Id.* at 40 (Attachment 2).

24 38. The statute provides formulas for calculating these maximum rent levels based on
25 the household’s income level, the number of bedrooms in each apartment, and the Area Median
26 Income (“AMI”). Health & Safety Code § 50053(b). For 2024, the AMI in Los Angeles County
27 was \$98,200. Ex. B.

28

1 39. For Low Income Households, the maximum rent Defendants may charge is “the
2 product of 30 percent times 60 percent of [AMI] adjusted for family size appropriate for the unit.”
3 Health & Safety Code at § 50053(b)(1)(D). For Very Low Income Households, the maximum rent
4 is “the product of 30 percent times 50 percent of [AMI] adjusted for family size appropriate for the
5 unit.” *Id.* at § 50053(b)(1)(C). For Extremely Low Income Households, the maximum rent is “the
6 product of 30 percent times 30 percent of the [AMI] adjusted for family size appropriate for the
7 unit.” *Id.* at § 50053(b)(1)(B).

8 40. These rent limit formulas can also be found in the CRA-HCD Schedule. Ex. B.

9 41. Therefore, the CRA-HCD Schedule is the correct schedule to be used under the
10 covenant.

11 42. Based on annual submissions to Defendants, Plaintiff’s household likely qualifies
12 as a Low Income Household. Therefore, the applicable rent limit for Plaintiff’s four-bedroom unit
13 should be \$1,591 under the CRA-HCD rent schedule. Defendants’ rental charges of, variously,
14 \$1,999 (status quo), \$2,328 (16.4% increase assessed from November to December 2024), \$2,198
15 (9.9% increase assessed in February 2025), and \$2,176 (8.9% increase proposed for April 2025
16 onwards) all plainly violate this limit.

17 43. The Affordability Covenant provides tenants of the Property with a private right of
18 action to enforce the Affordability Covenant’s provisions against violations by Defendants.
19 Ex. A., at 23–24 (§§ 9, 11). Section 9 of the Affordability Covenant is captioned “Covenants Run
20 with the Land; Enforceable by the City and Tenants.” *Id.* at 23(§ 9). This right explicitly includes
21 actions to enforce curing of *any* breach, whether or not the breach directly impacts the individual
22 tenant initiating the action. *Id.* at 23–24 (§ 11). Tenants, including Plaintiff, thus have standing to
23 seek enforcement remedies that affect other tenants. *Id.* at 24 (§ 9).

24 **D. Defendants Have Continued to Charge Excess Rents After Being Informed**
25 **Repeatedly That They Are in Violation of the Affordability Covenant.**

26 44. Defendants know that the base rent amounts and rent increases they are charging
27 the tenants violate the Affordability Covenant.
28

1 45. On September 30, 2024, Raymond Fang of Public Counsel emailed Maria Salazar,
2 at Triumph, notifying her that the 16.4% rent increase effective November 1, 2024, violated
3 California law. As Fang informed Salazar, the City of Los Angeles was under multiple states of
4 emergency, and California Penal Code § 396(e) makes unlawful residential rent increases of over
5 10% during a federal, state, or local state of emergency.

6 46. On October 25, 2024, Fang emailed S. Young Lim, counsel for Yale Terrace,
7 GRCLA, and JK, notifying him that Defendants had breached the Affordability Covenant by
8 overcharging on rent and the 16.4% rent increase effective November 1, 2024, and that the
9 percentage increase in AMI for Los Angeles County was zero, per the CRA-HCD Rent Schedule,
10 rendering any increase in rent a breach of the covenant.

11 47. On October 31, 2024, Lim emailed Fang and disputed the applicable rent schedule.
12 Opposing Counsel argued that the correct rent schedule was the 2024 CRA-HUD Rent Schedule,
13 not the CRA-HCD schedule, and claimed that the rent amounts and rent increases were therefore
14 correct. Opposing Counsel enclosed a copy of the CRA-HUD rent schedule in their letter. A true
15 and correct copy of this correspondence is attached as **Exhibit G**.

16 48. However, the 2024 CRA-HUD Rent Schedule also indicates that the percentage
17 increase in AMI for Los Angeles County was zero percent. Ex. G, at 3. In addition, every rent
18 schedule published by LAHD for 2024 indicates a percentage increase in AMI of zero percent.

19 49. Therefore, regardless of which rent schedule applies, any increase in rent violates
20 the Affordability Covenant.

21 50. On January 24, 2025, Fang received an email from the City of Los Angeles
22 Housing Development Bureau Occupancy Monitoring Department, with the Los Angeles City
23 Attorney's Office on carbon copy, stating that the City had notified the property manager for the
24 Property that the rent increase scheduled for February 1, 2025 was improper. The City told
25 Defendants to rescind the increases. A true and correct copy of this correspondence is attached as
26 **Exhibit H**.

1 51. In that same correspondence, the City also told Defendants that the CRA-HCD
2 Schedule applies to the Property and requested that Defendants lower rents to comply with the
3 CRA-HCD limits. Ex. H. Defendants have not complied.

4 **E. Defendants Charge Improper Liquidated Damages Fines.**

5 52. On April 1, 2018, Plaintiff signed a lease for her apartment. A true and correct copy
6 of this Lease is attached hereto as **Exhibit I**.

7 53. This Lease imposes liquidated damages in the amount of a fixed and certain sum of
8 \$50 on tenants if rent is paid two or more days late. Ex. I, at 3.

9 54. Defendants have charged Plaintiff this liquidated damages fine at least five times.

10 55. On or around March 5, 2025, Defendants posted a “trash and recycle notice” in the
11 common area of the Property. The trash and recycle notice informs tenants that they will be fined
12 \$150 per incident of alleged improper trash and recycling disposal. A true and correct copy of this
13 trash and recycle notice is attached hereto as **Exhibit J**.

14 56. The notice imposes liquidated damages in the amount of a fixed and certain sum of
15 \$150 if the tenant allegedly violates building policy on trash disposal. Ex. J.

16 57. Upon a review of Defendants’ rental ledger for Plaintiff’s unit, and upon
17 information and belief, Defendants have assessed this type of liquidated damages fine for alleged
18 building policy or lease violation against Plaintiff as “damages” and “cleaning charges.” A true
19 and correct copy of Defendants’ rental ledger for Plaintiff’s unit is attached hereto as **Exhibit K**.

20 **FIRST CAUSE OF ACTION**

21 **Breach of Contract and Recorded Covenant – Against All Defendants**

22 58. Plaintiff incorporates by reference the allegations set forth above in this Complaint
23 as if fully set forth herein.

24 59. The City of Los Angeles and Defendant Yale Terrace executed the Affordability
25 Covenant. As detailed above, the Affordability Covenant sets forth maximum rent levels, which
26 are calculated using the formulas in California Health and Safety Code § 50053(b).
27
28

1 60. The Affordability Covenant also prohibits rent increases in excess of the percentage
2 increase in the AMI for the year in which the rent increase is being considered.

3 61. The AMI increase for 2024 was zero percent. Therefore, any increase in rent during
4 the period subject to the 2024 CRA-HCD Rent Schedule is prohibited by the Affordability
5 Covenant.

6 62. Defendants breached the Affordability Covenant. Among other improper activities
7 described herein, Defendants have been charging Plaintiff and other tenants rent exceeding the
8 maximum rent levels in violation of §§2 (a) and 2(b) of the Affordability Covenant. Defendants
9 have also repeatedly increased rents for Plaintiff and other tenants in violation of § 2(c)(2) of the
10 Affordability Covenant.

11 63. Plaintiff has been damaged by the improper rent increases. In November 2024,
12 Plaintiff was forced to pay a rent increase of 16.4%, on top of the already inflated rent. Despite
13 promises to refund the difference for the 16.4% increase, Defendants have not provided Plaintiff
14 with the full refund to which she is entitled. Instead, Defendants have credited the difference to
15 unknown and unexplained charges that Defendants have been illegally charging to Plaintiff. In
16 February 2025, Plaintiff was forced to pay an increased rent of \$2,198.

17 64. Defendants continue to subject Plaintiff to rent charges exceeding the 2024 CRA-
18 HCD Rent Schedule's \$1,591 rent limit for Low Income Households in a four-bedroom unit.

19 65. Plaintiff has been unjustly damaged by Defendants' breaches of the Affordability
20 Covenant.

21 66. Defendants have been unjustly enriched by their breaches of the Affordability
22 Covenant.

23 67. Plaintiff is entitled to restitution of all payments she has made that were in excess
24 of the proper Rent Schedule for that year.

25 68. As a direct and proximate result of Defendants' breaches of the Affordability
26 Covenant, Plaintiff has been substantially and irreparably harmed and, unless permanently
27 enjoined from further breaches of the Affordability Covenant, Defendants will cause additional
28 irreparable harm for which there is no adequate remedy at law. Plaintiff is therefore entitled to

1 injunctive relief requiring Defendants to reduce the rent to be within the maximum rent levels,
2 rescind the improper increases in Plaintiff's rent, and abstain from further breaches of the
3 Affordability Covenant. Among other bases, the Affordability Covenant recognizes that violations
4 of its provisions justify the imposition of an injunction. *See* Ex. A, at 26–27, 30–31.

5 69. Therefore, Plaintiff is entitled to damages, injunctive relief, specific performance,
6 restitution, attorneys' fees, costs, expenses, and other relief for Defendants' breaches of the
7 Affordability Covenant.

8 **SECOND CAUSE OF ACTION**

9 **Collection and Retention of Excess Rent – Civ. Code § 1947.11 – Against All Defendants**

10 70. Plaintiff re-alleges and incorporates by reference each of the allegations set forth
11 in the preceding paragraphs as if fully set forth herein.

12 71. Since 2012, Plaintiff has been in a landlord-tenant relationship with Defendants,
13 paying rent and occupying the property pursuant to a rental agreement.

14 72. Plaintiff's rental unit is regulated by an Affordability Covenant with the City,
15 constituting part of the City's "system of controls on the price at which residential rental units
16 may be offered for rent or lease and which requires the registration of rents, upon the
17 establishment of a certified rent level" under Civ. Code § 1947.11.

18 73. Throughout Plaintiff's tenancy, Defendants willfully and/or intentionally
19 demanded, accepted, and retained payments of rent in excess of the maximum lawful rent under
20 the Affordability Covenant.

21 74. As a result of Defendants' illegal demand, acceptance, or collection of rent in
22 excess of legal limits, Plaintiff and other similarly situated tenants have been damaged in an
23 amount to be proven at trial. Because Defendants were at all times prohibited by law from
24 charging the inflated rent for the rental unit, Plaintiff, on behalf of herself and other similarly
25 situated tenants, seeks disgorgement of all excess rent they paid to Defendants during the course
26 of their tenancy.

27 75. Additionally, because Defendants refused to refund excess rent and willfully or
28 intentionally charged Plaintiff and other tenants rent in excess of the certified lawful rent

1 ceilings, Plaintiff and other similarly situated tenants seek treble damages, attorney's fees and
2 court costs, as provided for by Civ. Code § 1947.11, in amounts to be proven at trial.

3 **THIRD CAUSE OF ACTION**

4 **Improper Liquidated Damages– Civ. Code § 1671 – Against All Defendants**

5 76. Plaintiff re-alleges and incorporates by reference each of the allegations of the
6 Complaint.

7 77. Plaintiff has been charged improper liquidated damages, including the \$50 late fee
8 that she was charged in February, in violation of Civ. Code § 1671(c)(2).

9 78. The monetary loss Defendants suffer due to a late payment of rent, and the other
10 alleged lease and building policy violations, is ascertainable and practicable to determine.

11 79. These liquidated damages fines are impermissible because they are of a fixed and
12 certain sum that bears no relation to the actual damage suffered by Defendants, or which
13 Defendants might have expected to suffer.

14 80. Further, assessing damage for late payments would not be impracticable or
15 extremely difficult to fix. These liquidated damages fines were not the result of any reasonable
16 endeavor by the parties to estimate a fair average compensation for any loss that might be
17 sustained.

18 81. These liquidated damages fines, and other similar fines and fees assessed against
19 Plaintiff, act as impermissible penalties, seeking to coerce payment rather than compensate
20 Defendants for damages, and are thus void.

21 82. As a direct and proximate result of the above-mentioned acts and omissions,
22 Defendants have been unjustly enriched at the expense of Plaintiff, and Plaintiff is entitled to
23 restitution and the disgorgement of all earnings, profits, compensations, benefits, and other ill-
24 gotten gains obtained by Defendants as a result of their conduct in violation of Civ. Code
25 § 1671(d), in an amount to be proven at trial.

26 83. Plaintiff has been injured in fact and has suffered a loss of money and/or property
27 as a result of Defendants' conduct.
28

84. Therefore, Plaintiff is entitled to damages, restitution, attorneys' fees, costs, expenses, and other relief for Defendants' breaches of the Civ. Code § 1671.

FOURTH CAUSE OF ACTION

Tenant Harassment – LAMC § 45.33 – Against All Defendants

85. Plaintiff re-alleges and incorporates by reference each of the allegations of the Complaint.

86. At all times relevant to this complaint, Defendants were and are the owners and landlords of the Property and/or the agents of the owners and landlords of the Property acting with authority to manage and control the Property. At all times relevant to this complaint, Plaintiff was in a landlord-tenant relationship with Defendants, occupying her rental unit pursuant to a lawful rental agreement.

87. Los Angeles Municipal Code section 45.33 prohibits a landlord from engaging in bad faith conduct directed at a tenant that causes detriment or harm. At all times relevant to this complaint, Defendants have engaged in the following conduct in bad faith, directed at Plaintiff, in violation of the Tenant Anti-Harassment Ordinance:

- a. Refusing to acknowledge and accept receipt of lawful rent payments;
- b. Retaliating, threatening or interfering with tenant organizing activities;
- c. Unilaterally requiring Plaintiff to agree to an unlawful material term of the tenancy in the form of an illegally high rent, illegal late fees, and unreasonable house rules, despite repeated notices from Public Counsel, other tenants, and the City of Los Angeles;
- d. Charging Plaintiff fees without explaining the nature of those fees; and
- e. By enforcing and rescinding three different unlawful rent increases in the span of six months, Defendants have substantially interfered with Plaintiff's comfort, repose, peace and quiet with the objective of causing her to surrender or waive her rights as a tenant.

88. As a direct and proximate consequence of Defendants' conduct, Plaintiff has suffered and continues to suffer physical and psychological injury, mental stress, emotional distress, loss in

1 the value of her leasehold and economic loss in an amount to be determined at trial.

2 89. Therefore, Plaintiff is entitled to triple compensatory damages, including for mental
3 and emotional distress, reasonable attorneys' fees and costs, civil penalties of \$10,000 per violation,
4 and other equitable relief as adjudged by the Court.

5 90. Plaintiff is further entitled to injunctive relief to prevent Defendants from continuing
6 their campaign of harassment.

7 **FIFTH CAUSE OF ACTION**

8 **Unlawful and Unfair Business Practices or Acts – Bus. & Prof. Code §§ 17200 *et seq.* –**
9 **Against All Defendants**

10 91. Plaintiff re-alleges and incorporates by reference each of the allegations of the
11 Complaint.

12 92. Beginning at an exact date unknown to Plaintiff but at least since August 25, 2020,
13 Defendants have committed acts of unfair competition, as defined by Bus. & Prof. Code § 17200
14 by engaging in the following practices: charging rents exceeding those set forth in the proper Rent
15 Schedule; illegally increasing rents in violation of the Affordability Covenant; collecting excess
16 rent in violation of Civ. Code § 1947.11; charging for improper liquidated damages fines in
17 violation of Civ. Code § 1671(d); and charging tenants fees without explanation; and failing to
18 provide receipts for rent payments, fine payments, and fee payments in violation of Civ. Code
19 § 1499.

20 93. By committing the acts alleged herein, Defendants have engaged in unfair and
21 unlawful conduct prohibited under Bus. & Prof. Code §§ 17200 *et seq.*

22 94. Plaintiff has suffered and continues to suffer irreparable harm due to Defendants'
23 continuing violations of the aforementioned regulations and the Affordability Covenant. Plaintiff
24 has been injured in fact and has suffered a loss of money and/or property as a result of
25 Defendants' conduct, including, but not limited to: overpayment of rent; payment of fees charged
26 by Defendants without explanation; payment of unlawful liquidated damages; and other damages
27 in an amount to be determined at trial, but which amount is within the jurisdictional requirements
28 of this Court.

1 95. As a direct and proximate result of the above-mentioned acts and omissions,
2 Defendants have been unjustly enriched at the expense of Plaintiff, and Plaintiff is entitled to
3 restitution and the disgorgement of all earnings, profits, compensations, benefits, and other ill-
4 gotten gains obtained by Defendants as a result of their conduct in violation of Bus. & Prof.
5 Code §§ 17200 *et seq.*, in an amount to be proven at trial.

6 96. Unless Defendants are restrained from doing so, Defendants will continue to
7 engage in said unlawful and unfair business practices.

8 97. Continuing commissions and omissions by Defendants of the acts and omissions
9 alleged will irreparably harm Plaintiff, for which harm she has no plain, speedy, or adequate
10 remedy at law.

11 98. An action for injunctive relief and restitution against all Defendants is specifically
12 authorized by Bus. & Prof. Code § 17203.

13 99. Therefore, Plaintiff is entitled to injunctive relief, restitution, disgorgement of all
14 revenues, earnings, profits, compensation, and benefits which may have been obtained by
15 defendant(s) as a result of such unlawful business acts or practice, attorneys' fees, costs,
16 expenses, and other relief for Defendants' breaches of the Bus. & Prof. Code.

17 **SIXTH CAUSE OF ACTION**

18 **Declaratory Relief – Civ. Proc. Code. § 1060 – Against All Defendants**

19 100. Plaintiff re-alleges and incorporates by reference each of the allegations of the
20 Complaint.

21 101. The Affordability Covenant specifies that the CRA-HCD Rent Schedule is the
22 applicable rent schedule for the Property.

23 102. Despite this, Defendants claim that the CRA-HCD Rent Schedule is not the
24 applicable rent schedule for this Property and have been charging tenants rents above these limits.

25 103. Plaintiff is being harmed as a result of this dispute by being forced to pay
26 improperly high rent payments.

27 104. Therefore, there is an actual controversy.

28 105. Therefore, Plaintiff, on behalf of herself and other tenants similarly situated, seeks

1 declarations from the Court that the CRA-HCD Rent Schedule applies to the Property, and that
2 Defendants may not charge rent above those limits.

3 **SEVENTH CAUSE OF ACTION**

4 **Declaratory Relief –Civ. Proc. Code. § 1060 – Against All Defendants**

5 106. Plaintiff re-alleges and incorporates by reference each of the allegations of the
6 Complaint.

7 107. Defendants contend that they can impose fines and fees on tenants without
8 explanation or an opportunity to contest those charges, as well as improper liquidated damages
9 fines for late payment of rent.

10 108. Plaintiff disagrees and contends that Defendants may not impose fines and fees on
11 tenants without explanation or an opportunity to contest those charges, and Defendants may not
12 impose improper liquidated damages fines for late payment of rent.

13 109. Plaintiff is being harmed as a result of this dispute by being forced to pay these
14 fines and fees.

15 110. Therefore, there is an actual controversy.

16 111. Plaintiff, on behalf of herself and other tenants similarly situated, seeks a
17 declaration from the Court that Defendants may not charge fines and fees without explanation or
18 an opportunity to contest those charges, and may not enforce improper liquidated damages fines.

19 **PRAYER FOR RELIEF**

20 WHEREFORE, Plaintiff prays for relief as follows:

21 1. A preliminary injunction restraining and enjoining Defendants and their
22 agents, employees, assigns, and all persons acting in concert with them from charging rent to
23 tenants at 716 Yale Street, Los Angeles, CA 90012 that is higher than the amount charged for
24 March 2025, which is the current rental amount as of the date of this filing; threatening eviction,
25 serving a notice to pay or quit, or filing an unlawful detainer for nonpayment of rent on any
26 tenants at 716 Yale Street, Los Angeles, CA 90012 who pay a monthly rent equal to the rent
27 charged in March 2025; refusing to accept rent payment from tenants at 716 Yale Street, Los
28 Angeles, CA 90012 who offer to pay a monthly rent equal to the rent charged in March 2025; and

1 refusing to refund in full all sums collected for the improper rent increases, which were issued in
2 error, for November 2024, December 2024, and February 2025, during the pendency of this
3 action;

4 2. A preliminary and permanent injunction against future violations of the
5 Affordability Covenant;

6 3. A preliminary and permanent injunction against future violations of the
7 Bus. & Prof. Code §§ 17200 *et seq.*, including charging improper liquidated damages and
8 charging fines and fees to tenants without explanation;

9 4. A declaration that Defendants are bound by the Affordability Covenant,
10 including the rent restrictions set forth in § 2(c) of the Affordability Covenant;

11 5. A declaration that the CRA-HCD Rent Schedule (Post-1991) is the
12 applicable rent schedule for the Property;

13 6. A declaration that Defendants may not charge fees without explanation or
14 an opportunity to contest those charges, and may not enforce improper liquidated damages fines;

15 7. Restitution for Plaintiff and other tenants similarly situated for all rent
16 payments over the course of the tenancy exceeding the applicable rent schedule for the relevant
17 year;

18 8. Treble damages, attorney's fees, and court costs, as provided for by Civ.
19 Code § 1947.11, in an amount to be proven at trial, according to proof;

20 9. General and special damages in an amount equal to the amount of rent
21 overpayment, or in an amount to be determined at trial, according to proof;

22 10. In accordance with Bus. & Prof. Code § 17203, for restitution and the
23 disgorgement of all earnings, profits, compensation, benefits, and other ill-gotten gains obtained
24 by Defendants, including charges for improper liquidated damages fines, other charges imposed
25 on tenants without explanation, and alleged lease and building policy violations, in an amount to
26 be determined at trial, according to proof;
27
28

11. Triple compensatory damages, including for mental and emotional distress, reasonable attorneys' fees and costs, civil penalties of \$10,000 per violation, and other relief for Defendants' breaches of L.A.M.C. §§ 43.33 *et seq.*

12. For pre-judgment and post-judgment interest, pursuant to Civ. Code §§ 3288, 3289, and 3291;

13. Costs of suit incurred;

14. Reasonable attorneys' fees, where allowed by law; and

15. Such other relief as the Court may deem just and proper.

DEMAND FOR JURY TRIAL

Plaintiff demands a jury trial on all causes of action triable by a jury.

Dated: April 14, 2025

Irell & Manella LLP

By: /s/ Bruce Wessel
Bruce Wessel

Public Counsel

By: Raymond Fang
Raymond Fang

IRELL & MANELLA LLP

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EXHIBIT A

Title documents

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Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

07/13/21 AT 01:10PM

Pages:
0060

FEES:	0.00
TAXES:	0.00
OTHER:	0.00
PAID:	0.00



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THIS FORM IS NOT TO BE DUPLICATED

RECORDING REQUESTED BY

NAME: Craig Arceneaux

WHEN RECORDED MAIL TO:

NAME: L.A. Housing + Community Investment Dept.

ADDRESS: 1200 West 7th Street, 8th Floor

CITY / STATE / ZIP: Los Angeles, CA 90017

(DOCUMENT WILL ONLY BE RETURNED TO NAME & ADDRESS IDENTIFIED ABOVE)

(SPACE ABOVE FOR RECORDER'S USE)

YALE TERRACE APARTMENTS- AMENDED AND RESTATED AGREEMENT CONTAINING COVENANTS

(DOCUMENT TITLE)

NO FEE DOCUMENT
Recording requested by and
when recorded, mail to:

City of Los Angeles
City of Los Angeles
Housing and Community Investment Department
P.O. Box 532729
Los Angeles, CA 90053-2729
Attn: Asset Management

APN Nos : 5408-018-028

**AMENDED AND RESTATED
AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY
(INCLUDING RENTAL RESTRICTIONS)**

By and between

THE CITY OF LOS ANGELES, a municipal corporation

and

716 YALE TERRACE, LP, a California limited partnership

**AMENDED AND RESTATED
AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY
(INCLUDING RENTAL RESTRICTIONS)**

This Amended and Restated Agreement Containing Covenants ("Agreement") is made this 25 day of August, 2020 by and between the City of Los Angeles, a municipal corporation, acting on its own behalf, and by and through the Housing and Community Investment Department as successor to the housing assets and housing functions of the Community Redevelopment Agency of the City of Los Angeles ("CRA/LA") under Section 34176(a) of the California Health and Safety Code pursuant to the Agreement regarding CRA/LA Affordable Housing Assets and Functions with the effective date of April 5, 2013, and 716 Yale Terrace, LP, a California limited partnership ("Owner").

RECITALS

- A. Owner is the owner and holder of fee title to that certain real property (the "Site") located at 716-734 Yale Street, Los Angeles, CA 90012, legally described in the "Legal Description" attached hereto and incorporated herein as Attachment No. 1.
- B. CRA/LA (the "Agency") made a loan to Yale Terrace Apartments, L.P., a California limited partnership ("Original Owner") principal amount of Three Million Fifty Thousand Dollars (\$3,050,000) as the CRA/LA Loan No. CRA872525-002 pursuant to a Disposition and Development Loan Agreement dated October 4, 2005 (with all amendments and modifications thereto, the "Agency Loan 1"), and evidenced by a Promissory Note Secured by a Deed of Trust to the Community Redevelopment Agency of the City of Los Angeles, California, in the principal amount of \$3,050,000 dated October 4, 2005 (with all amendments and modifications thereto, "Agency Note 1"). The Agency Note 1 is secured by a certain Deed of Trust With Assignment of Rents Acquisition Component (\$3,050,000), recorded in Official Records of Los Angeles County Recorder's Office on October 31, 2005, as Instrument Number 05-2619771, encumbering the title to the Property (with all amendments and modifications thereto, the "Agency Deed of Trust 1").
- C. The Agency made a second loan to the Original Owner pursuant to the Agency Loans in a principal amount of One Million Nine Hundred Forty Five Thousand Dollars (\$1,945,000) as the CRA/LA Loan No. CRA872525-001 pursuant to a Disposition and Development Loan Agreement dated October 4, 2005 (with all amendments and modifications thereto, the "Agency Loan 2"), and evidenced by a Promissory Note Secured by a Deed of Trust to the Community Redevelopment Agency of the City of Los Angeles, California, in the principal amount of \$1,945,000 dated October 4, 2005 (with all amendments and modifications thereto, "Agency Note 2"). The Agency Note 2 is secured by a certain Deed of Trust With Assignment of Rents Construction Component (\$1,945,000.00), recorded in

Official Records of Los Angeles County Recorder's Office on October 31, 2005, as Instrument Number 05-2619772, encumbering the title to the Property (with all amendments and modifications thereto, the "Agency Deed of Trust 2"). Agency Note 1 and Agency Note 2 are collectively referred to herein as "Agency Notes". Agency Deed of Trust 1 and Agency Deed of Trust 2 are collectively referred to herein as "Agency Deeds of Trust". Agency Loan 1 and Agency Loan 2 are collectively referred to herein as "Agency Loans".

- D. The Agency and the Original Owner have further entered into that certain Agreement Containing Covenants Affecting Real Property recorded in Official Records of Los Angeles County Recorder's Office on October 31, 2005 as Instrument Number 05-2619770, encumbering the title to the Property (with all amendments and modifications thereto, the "Agency Covenants").
- E. The City is a successor to the housing assets and housing functions of the Agency pursuant to the Agreement regarding CRA/LA Affordable Housing Assets and Functions with the effective date of April 5, 2013.
- F. On Sept. 18, 2019, the City, Original Owner, and 716 Yale Terrace LLC, a California limited liability company ("Assignor 1") entered into an Assignment, Assumption, and Consent Agreement, wherein the Original Owner assigned all of its rights, obligations, duties, and interests in, to and under the Agency Loans, Agency Deed of Trusts, Agency Note, Agency Covenants, and all related documents (with all amendments and modifications thereto, the "Assignor Documents") to the Assignor 1 ("First Assignment, Assumption and Consent Agreement").
- G. Pursuant to the First Assignment, Assumption and Consent Agreement, the Assignor also agreed to amend and execute the Assignor Documents as requested by the City (collectively, the "Amendments" and together with the Assignor Documents, the "Amended Assignor Documents"), and all other documents City requires the Assignor to execute and enter into in connection with Assignor's assumption of obligations under the Assignor Documents and the Amendments; and
- H. On Dec. 4, 2019, the City, Assignor 1, and the Owner entered into an Assignment, Assumption, and Consent Agreement, wherein the Assignor 1 assigned all of its rights, obligations, duties, and interests in, to and under the Agency Loans, Agency Deed of Trust, Agency Note, Agency Covenants, and all related documents (with all amendments and modifications thereto, the "Owner Documents") to the Owner ("Second Assignment, Assumption and Consent Agreement").

- I. The Agency Deed of Trusts and Agency Covenants continue to encumber title to the Property.
- J. The Agency Covenants provide, in pertinent part, for the use of the Site and Improvements exclusively for occupancy by very low and low income persons as specified in the DDLA.
- K. This Agreement ("Agreement") is entered into and recorded in accordance with the DDLA, and all amendments and modifications thereto. Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the DDLA, as amended and modified.

NOW THEREFORE, City and Owner agree as follows:

1. DEFINITIONS

The following terms have the meanings and content set forth in this section wherever used in this Agreement or attached exhibits.

"Accessibility Covenants" shall mean the Accessibility Covenants attached to the Agreement as Attachment 3, Accessibility Covenants, which is hereby incorporated into this Agreement by this reference, describing the obligations of Owner regarding the accessibility of the Project.

"Affordable Rent" shall have the appropriate meaning set forth in California Health and Safety Code Section 50053(b) as it may be amended from time to time, which, as of the date hereof, means monthly rent, including a reasonable utility allowance, that does not exceed the following respective amounts (which are more particularly set forth in the City Maximum Rents and Occupancy Income Limits for New Projects attached to this Agreement as Attachment No. 2, with all amendments thereto), which sets forth the applicable maximum incomes and rents as of the date of this Agreement, which shall be adjusted annually:

- (a) for an Extremely Low Income Household, one-twelfth of the product of thirty percent (30%) times thirty percent (30%) of the Area Median Income adjusted for family size appropriate for the unit, as determined by the California Department of Housing and Community Development ("HCD");
- (b) for a Very Low Income Household, one-twelfth of the product of thirty percent (30%) times fifty percent (50%) of the Area Median Income adjusted for family size appropriate for the unit, as determined by HCD;
- (c) for a Low Income Household, one-twelfth of the product of thirty percent (30%) times eighty percent (80%) of Area Median Income adjusted for family size appropriate for the unit, as determined by the California

Department of Housing and Community Development ("HCD"), to an amount that does not exceed thirty percent (30%) of the actual income of the household; and

(d) for a Moderate Income Household, one-twelfth of the product of thirty percent (30%) times one hundred ten percent (110%) of the Area Median Income adjusted for family size appropriate for the unit as determined by HCD, which Owner may adjust upon each annual income verification and recertification for any Moderate Income Household with an annual income that exceeds one hundred ten percent (110%) but does not exceed one hundred twenty percent (120%) of Area Median Income, to an amount that does not exceed thirty percent (30%) of the actual income of the household.

"Affordable Unit" shall mean any of the dwelling units in the Improvements on the Site required by this Agreement to be rented exclusively to and occupied by Eligible Households.

"Area Median Income" shall have the meaning set forth in California Health and Safety Code Section 50093, as amended from time-to-time.

"Chronically Homeless" shall mean (a) experiencing chronic homelessness as defined in 24 C.F.R. Part 578.3; (b) residing in a transitional housing project that will be eliminated and meets the definition of chronically homeless in effect at the time in which the individual or family entered the transitional housing project; (c) residing in a place not meant for human habitation, an emergency shelter, or a safe haven, but where the individuals or families experiencing chronic homelessness as defined in 24 C.F.R. Part 578.3 had been admitted and enrolled in a permanent housing project within the last year and were unable to maintain a housing placement; (d) residing in transitional housing funded by a Joint Transitional Housing and Permanent Housing Rapid Re-Housing component project and who were experiencing chronic homelessness as defined in 24 C.F.R. Part 578.3 prior to entering the project; (e) residing and having resided in a place not meant for human habitation, a safe haven, or an emergency shelter for at least 12 months in the last three years, but has not done so on four separate occasions; or (f) receiving assistance through the Department of Veterans Affairs (VA) funded homeless assistance programs and met one of the above criteria at intake to the VA's homeless assistance system.

"City" shall mean the City of Los Angeles, California, a municipal corporation, operating through its governing body, the City Council, and its various departments.

"Eligible Household" shall mean, as applicable to this Agreement, a household that qualifies as an Extremely Low Income, Very Low Income, or Low Income Household, as described in Section 2(b), below.

"Extremely Low Income" shall have the meaning set forth therefor in California Health and Safety Code Section 50106, as it may be amended from time-to-time.

"General Partner of Owner" shall mean Korean Health, Education, Information Research Center, a California non-profit corporation.

"HCD" shall mean the California Department of Housing and Community Development.

"Homeless" shall mean (a) an individual who lacks a fixed, regular and adequate nighttime residence; or (b) an individual who has a primary nighttime residence that is: (i) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and Transitional Housing for the mentally ill); or (ii) an institution that provides a temporary residence for individuals intended to be institutionalized; or (iii) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

"Housing Development" means the whole of one or more residential structures and appurtenant structures in the Project, including common walkways and parking lots that were or are designed, constructed, altered, operated, administered or financed in whole or in part in connection with the Project.

"Housing Unit" means a single unit of residence in the Housing Development that provides spaces for living, bathing and sleeping.

"Improvements" shall mean and include all buildings, structures, fixtures, excavation, parking, landscaping, and other improvements of whatsoever character, located on, around, under or over the Site.

"Low or Moderate Income Households" shall have the same meaning as the term "persons and families of low or moderate income" set forth in California Health and Safety Code Section 50093, as it may be amended from time-to-time.

"Low Income Households" shall have the same meaning as the term "Lower Income households" set forth in California Health and Safety Code Section 50079.5, as it may be amended from time-to-time.

"Low Income Housing Tax Credit" shall mean the tax credit authorized by the Tax Reform Act of 1986 and governed by Section 42 of the Internal Revenue Code.

"Moderate Income Households" shall have the same meaning as the term "persons and families of low or moderate income" set forth in California Health and Safety Code Section 50093, as it may be amended from time-to-time.

"Ownership or Control" shall mean, without limitation, any voting rights and any beneficial Ownership with respect to all classes of stock, interests in partnerships and/or

limited liability companies, and/or beneficial interests under a trust, as may be applicable to the type of entity in question. In the case of a trust, such term shall also include the rights of the trustee as well as the beneficiary.

"Parties" shall mean the City and the Owner, collectively, and "Party" shall mean either the City or the Owner.

"Permitted Transfer" means any of the following, provided Owner or a general partner or managing member, as the case may be, of Owner retains day-to-day control over management and operations of the Site and the Improvements:

- a. A conveyance of a security interest in the Site in connection with any permitted transfer of the Site (as described in the DDLA, and all amendments and revisions thereto) and any subsequent transfer of title by foreclosure, deed or other conveyance in lieu of foreclosure in connection therewith;
- b. A conveyance of the Site or other Transfer by Owner to a limited partnership or limited liability company in which Owner is the managing partner or managing member, as the case may be, and the Tax Credit Equity Investor is a limited partner or member, as the case may be, or to any other affiliate, or a sale back from such affiliate to Owner;
- c. The inclusion of equity participation by Owner by addition of members to Owner's limited liability company, limited partners to Owner's limited partnership, or similar mechanisms;
- d. The sale of non-managing membership or limited partnership interests to any affiliate of the Tax Credit Investor;
- e. The lease for occupancy of all or any part of the Improvements on the Site;
- f. The granting of easements or permits to facilitate the development of the Site in accordance with this Agreement;
- g. In addition, the withdrawal, removal and/or replacement of any managing member of Owner's limited liability company or general partner of Owner's partnership, as the case may be, pursuant to the terms of the Owner's limited liability company agreement or partnership agreement, as the case may be, shall not constitute a default under this Agreement, provided that any required substitute member or general partner, as the case may be, is reasonably acceptable to the City and is selected with reasonable promptness; and
- h. Any other transfer approved in writing by the City, at its sole discretion.

"Tax Credit Equity Investor" shall mean any Person who will be an investor member in Owner's limited liability company or partnership, as the case may be, and who will purchase the Low Income Housing Tax Credit and own at least a 99% interest in Owner, and its successors and assigns.

"Tenant" shall mean, at any time of determination thereof, all persons who together occupy a single residential unit in the Project, and upon the occupancy of a unit by any individual in addition to the previous Tenant of such unit, such unit shall be deemed to be occupied by a new Tenant.

"Term of this Agreement" shall mean the affordability restriction expire not earlier than Fifty Five (55) years from the date of issuance of a Certificate of Occupancy or the filing of a Notice and/or Certificate of Completion for the Project, whichever comes first.

"Transfer" shall mean and include any voluntary or involuntary transfer, sale, assignment, lease, sublease, license, franchise, concession, operating agreement, gift, hypothecation, mortgage, pledge or encumbrance, or the like, or all or any portion of the Site or any rights of the Owner to any person or entity ("Transferee").

"Verification of Income" shall mean a Verification of Income in the Tenant Certification Form, or in such other comparable form which the Owner or its agent may find more convenient and consistent with its administrative procedures as may be approved from time to time by the City.

"Very Low Income Households" shall have the meaning set forth therefor in California Health and Safety Code Section 50105, as it may be amended from time-to-time.

2. Agreement Regarding Use of Site.

Owner, on behalf of itself and its successors, assigns, and each successor in interest to Owner's interest in the Site or any part thereof, hereby covenants and agrees to use the Site during the Term of this Agreement only for the uses permitted in the DDLA, Implementation Agreements, and this Agreement, specifically including the following:

(a) Development and Use. The Site shall be developed and used for individuals and families residential rental uses, consisting of fifty four (54) dwelling units for Eligible Households (the "Affordable Units") and one (1) three-bedroom unit for the resident manager. The Units for Extremely Low Income Households shall consist of fourteen (14) 3-bedroom units and three (3) 4-bedroom units. The Units for Very Low Income Households shall consist of three (3) 3-bedroom units and twenty-four (24) 4-bedroom units. The Units for Low Income Households shall consist of ten (10) 4-bedroom units. The use of the Site shall include related amenities and services, all as described in the Scope of Development attached to the DDLA, with all amendments and revisions

thereto. The target population of the Development is persons and families of extremely low, very low and low income levels, defined as an Eligible Household. All of the Affordable Units shall be rented at an Affordable Rent to Eligible Households (as set forth in paragraph (b) of this Section, below), in accordance with this Agreement. All Affordable Units shall be leased, occupied and not withdrawn from the market. Owner shall not convert the Affordable Units to condominium or cooperative ownership or sell condominium or cooperative conversion rights to the Affordable Units during the Term of this Agreement.

(b) Income Restrictions. All of the Affordable Units shall be rented to and occupied exclusively by Eligible Households. For purposes of this Agreement, the income of a household shall be determined at initial occupancy of a Unit by that household. Owner shall determine the income eligibility of each tenant household pursuant to the City's approved tenant certification procedures within ninety (90) calendar days of the household's expected occupancy of one of the Affordable Units. Owner shall certify each tenant household's income on an annual basis. The Affordable Units shall be allocated among income groups as follows:

Fifty Four (54) units will be designated for the Extremely Low, Very Low and Low Income Households with qualifying incomes based on the Area Median Income for the Los Angeles Metropolitan Area as determined by HCD ("AMI"), as described in Attachment No. 2. Income determinations shall be made at the time of initial occupancy of a unit by a tenant.

The Affordable Rent applicable to the Affordable Units by Unit-types shall be as determined by HCD as set forth in the Maximum Rents and Occupancy Income Limits for New Projects attached to this Agreement as Attachment No. 2. The maximum incomes of residential tenants eligible to rent the Affordable Units shall be determined on the basis of the area median income for Los Angeles, determined annually by the U.S. Department of Housing and Urban Development and published by the California Department of Housing and Community Development ("HCD"). Owner shall verify that occupants are within these established income limits. Upon initial lease-up and from time-to-time thereafter, at the request of Owner, the City shall provide Owner with an updated Attachment No. 2 (Schedule of Maximum Rents and Occupancy Income Limits).

(c) Rent Restrictions. Rents for Affordable Units shall be limited to Affordable Rents as set forth in Attachment No. 2 of the Agreement Containing Covenants. Eligible Households shall be given at least thirty (30) days written notice prior to any rent increase.

The maximum allowable rent that may be charged for an Affordable Unit may change from time to time when there are changes, by a percentage equal to any percentage change in the Area Median Income for Los Angeles County as determined by the California Department of Housing and Community Development (HCD), or when there

are changes made to the allowances deducted for tenant paid utilities as calculated by the Housing Authority of the City of Los Angeles for the Section 8 Rental Assistance Program, subject to HUD rules and regulations.

Upon revisions of new rental limit schedules as determined by the HCD and/or HUD, the Owner may increase, and shall, if necessary, decrease the rental charges. Any increase in rental charges must comply with the terms of the lease as to the time and manner of such changes, provided that:

1. No qualified tenant in the Eligible Household shall have a rent increase sooner than one (1) year after initial occupancy;
2. No qualified tenant in the Eligible Household shall have an annual rent increase in excess of the percentage increase in the county median income for the applicable year in which the rent increase is being considered, nor shall there be an accumulation of rental increases from year to year for those years in which the Owner chooses not to increase rents by the percentage allowed herein;
3. For projects subject to the City's Rent Stabilization Ordinance, the maximum rent increase allowed by that ordinance may be less or more than that allowed by changes in the Area Median Income. In such instances, the rents on restricted units may only be raised to the lesser of the two (2) allowed increases.

(d) Priorities. Owner agrees that among Eligible Households who are otherwise eligible to rent the Affordable Units to be developed pursuant to the Agreement, those persons who have been displaced by any redevelopment project within the City of Los Angeles shall be given first priority over other eligible persons. After displaces, the households in any one or more of the following categories shall be given priority in the selection for occupancy of the Affordable Units: (i) those paying more than 50% of their income for housing; (ii) those living in overcrowded or seriously substandard conditions, especially housing which has been cited by the City for health and safety code violations; (iii) those in danger of imminent displacement as a result of the City action in cases where the property Owners agree not to re-rent the unit; and (iv) homeless households. Thereafter, occupancy shall be provided as set forth in an affirmative marketing plan ("Affirmative Marketing Plan") required for the Affordable Units. Owner agrees that prior to the initial lease-up of the Affordable Units, Owner shall consult with and obtain the approval of the City in developing an Affirmative Marketing Plan for renting the Affordable Units, in accordance with the Affirmative Marketing Requirements. Owner and the City shall cooperate to effectuate this subsection 2(d) prior to the initial renting, and upon occurrence of any vacancy and the re-renting of any Affordable Units. Owner shall hold Affordable Units vacant for the relocation of otherwise eligible persons entitled to preference pursuant to this subsection 2(d), upon City's request, as long as the City pays Owner an amount equal to the lost rent less any savings realized by Owner during such holding period. Owner shall accept any City's displacee of other persons entitled to preference pursuant to this subsection who meets Owner's then current tenant selection criteria. If a person referred to Owner by the City is rejected for tenancy, Owner shall specify in writing to the City which of the selection

criteria the tenant failed to meet. During the initial lease-up and from time to time thereafter, the City shall provide to Owner a list of such persons entitled to priority.

(e) Monitoring, Reporting and Enforcement. The City and its successors and assigns shall have the right to monitor and enforce the covenants contained in this Agreement. Owner hereby represents, warrants and covenants that it shall comply with any monitoring program set up by the City to enforce said covenants. In complying with such monitoring program, Owner or its agent shall prepare and submit to the City for each Affordable Unit, annually, not later than fifteen (15) calendar days after the anniversary date of the initial lease-up completion, until the end of the Term of this Agreement, an occupancy summary report in such form as may be required by the City, showing the present occupants; rent; unit type; household size; income at the time of initial occupancy; income certification information; move-in date; and, if applicable, move-out date. To the extent not otherwise included in such occupancy summary report, Owner shall also submit the information required by California Health and Safety Code Section 33418, including an occupancy report, financial information and income verification documents for each Tenant of an Affordable Unit, and all supporting documentation.

(i) No Tenant qualifying for an Affordable Unit upon initial occupancy shall be denied continued occupancy of a unit in the Project because, after admission, such tenant's Annual Income increases to exceed the qualifying limit. However, should a Tenant's Annual Income, as of the most recent determination thereof, exceed the income limit for an Affordable Unit of the same family size, the Tenant may be charged an affordable rent established at a level not to exceed 30% of the annual gross income of the household.

(ii) The Owner shall obtain, complete and maintain on file a certification of income for each Tenant of an Affordable Unit ("Income Certification") including (a) an Income Certification dated immediately prior to the initial occupancy of such Affordable Unit in the Project, and (b) thereafter, an annual Income Certification with respect to each Affordable Unit Tenant, within thirty (30) calendar days before or after the anniversary of such Tenant's initial occupancy of a unit in the Project. The Owner shall provide such additional information as may be required from time to time by the State of California, HCD, State law, or other municipal, state, or federal programs as the same may be amended from time to time, or in such other form and manner as may be required by applicable rules, rulings, policies, procedures or regulations now or hereafter promulgated, proposed or made applicable to the Project. The Owner shall make a good faith effort to verify that the income information provided by an applicant in any Income Certification is accurate by taking one or more of the following steps as a part of the verification process: (1) obtain a pay stub for the most recent pay period, (2) obtain an income tax return transcript for the most recent tax year, (3) obtain a credit report or conduct a similar type credit search (4) obtain an income verification from the applicant's current employer, (5) obtain an income verification from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies, or (6) if the applicant is unemployed and does not have an

income tax return, obtain another form of independent verification reasonably acceptable.

(iii) The Owner shall prepare and submit to the City, annually not later than July 15th, beginning after the first anniversary of this Agreement, until the end of the Term of this Agreement, a Certificate of Continuing Program Compliance executed by the Owner. The Owner shall pay to the City its annual monitoring fee, if any, for the City's administration of these reporting requirements.

(iv) For the Term of this Agreement, all Tenant leases or rental agreements shall be subordinate to this Agreement. All leases pertaining to Affordable Units shall contain clauses, among others wherein each Tenant who occupies an Affordable Unit: (1) certifies the accuracy of the statements made in the Verification of Income; (2) agrees that the family income and other eligibility requirements shall be deemed substantial and material obligations of the tenancy of such Tenant, that such Tenant shall comply promptly with all requests for information with respect thereto from the Owner, or the City, and that the failure to provide accurate information in the Verification of Income or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial obligation of the tenancy of such Tenant; (3) acknowledges that the Owner has relied on the Verification of Income and supporting information supplied by the Affordable Unit Tenant in determining qualification for occupancy of the Affordable Unit, and that any material misstatement in such certification (whether or not intentional) shall be cause for immediate termination of such lease or rental agreement; and (4) agrees that the Tenant's income is subject to annual certification in accordance with subsection 7(i) of this Agreement and that if upon any such certification such tenant's annual household income exceeds the applicable income limit under Section 2 of this Agreement, such Tenant may be charged an affordable rent established at a level not to exceed 30% of the annual gross income of the household.

(f) Prohibition against renting to persons with a relationship to Owner. Except for resident managers occupying the manager's Unit, no person having any Ownership or Control of Owner or any of Owner's partners or members, and no officer, employee, agent, official or consultant of Owner or anyone having any Ownership or Control of Owner or any of Owner's partners or members, or any family member of anyone having any Ownership or Control of Owner or any of Owner's partners or members, may occupy any of the Affordable Units.

(g) Inspection of Books and Records and of the Site. Owner shall maintain records which clearly document Owner's performance of its obligations pursuant to this Agreement. Owner shall submit any records to the City within ten (10) Business Days of written request. Owner shall permit representatives of the City to enter and inspect the Site upon 24 hours' advance notice to Owner or the Management Agent, or such other notice as may be required by law. Owner's leases or rental agreements with tenants of the Affordable Units shall also provide for entry into the Affordable Units for periodic health and safety inspections. The City has the right at all reasonable times, and upon three (3) Business Days' prior notice, to inspect the books and records of the Owner

pertaining to the Site and/or Project as pertinent to the purposes of this Agreement and to make such books and records available to other governmental agencies as may be necessary or appropriate for determinations of compliance. Owner shall maintain copies of such books and records in a location that is within fifty (50) miles of the Site. The City's right to inspect the Owner's books and records shall be limited only to such records as may be necessary to determine Owner's compliance with the terms and conditions of this Agreement.

(h) Sustainability. Owner acknowledges that the Scope of Development attached to the DDLA requires Owner to incorporate features and systems in the Project that shall address issues of sustainability in design and development. In consideration of the DDLA, any and all Implementation Agreements, as amended or modified, Owner hereby covenants and agrees to: (1) monitor building operations and maintain the building and building systems in proper working order and in compliance with manufacturers' maintenance requirements to ensure continuous, efficient operation within design specifications; and (2) provide building system technical manuals and best practices literature to property managers and building occupants, as appropriate, to facilitate maximum operational efficiencies and best practices that support energy and water conservation, healthful indoor air quality, and waste reduction and recycling. Monitoring and operations status shall be reported to the City as reasonably requested.

(i) Use of Site for Commercial Advertising. Owner shall not, without prior written approval of the City, which approval the City may grant, deny or condition in its sole and absolute discretion, allow or permit any billboards, supergraphics or other similar forms of commercial advertising to be placed on the Site, not including signs used by Owner in the operation of affordable housing on the Site.

(j) Maintenance, Operation and Management of Site. Owner shall maintain, operate and manage the Site in accordance with this Agreement for the Term of this Agreement.

(k) Prohibition against renting to persons with a relationship to Owner. Except for resident managers occupying the manager's Unit, no person having any Ownership or Control of Owner or any of Owner's partners or members, and no officer, employee, agent, official or consultant of Owner or anyone having any Ownership or Control of Owner or any of Owner's partners or members, or any family member of anyone having any Ownership or Control of Owner or any of Owner's partners or members, may occupy any of the Affordable Units.

3. No Discrimination.

(a) Owner shall not discriminate or segregate in the use, enjoyment, occupancy, conveyance, lease, sublease, or rental of the Site or any part thereof on the basis of race, color, ancestry, national origin, religion, sex, sexual preference, age, marital status, family status, gender identity, transgender status, source of income, physical or mental disability, Acquired Immune deficiency Syndrome (AIDS) or AIDS-related

conditions (ARC), or any other arbitrary basis. Owner covenants and agrees for itself, its successors and its assigns in interest to the Site or any part thereof, that there shall be no discrimination against or segregation of any person or persons on any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code. All deeds, leases, or contracts for the sale, lease, sublease, or other transfer of the Site shall contain or be subject to the nondiscrimination or non-segregation clauses hereafter prescribed. All advertisements, notices and signs for the availability of the Site units, shall contain a statement that Owner is an Equal Housing Opportunity Provider.

(b) Notwithstanding subdivision 3(a), above, with respect to familial status, subdivision (a) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in subdivision (a) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to subdivision (a).

4. Required Nondiscrimination Clauses.

Owner shall refrain from restricting the rental, sale or lease of the Site as provided in Section 3, above. All deeds, leases or contracts for the sale, lease, sublease, or other transfer of the Site entered into after the date on which this Agreement is executed by the City shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

(a) (1) In deeds the following language shall appear--"The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, Owners, subtenants, sub-Owners, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(2) Notwithstanding paragraph (a)(1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d)

of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (a)(1).

(b) (1) In leases the following language shall appear--"The Owner herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the Owner himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, Owners, sub-Owners, subtenants, or vendees in the premises herein leased."

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

(c) In contracts entered into by the City relating to the sale, transfer, or leasing of land or any interest therein acquired by the City within any survey area or redevelopment project the foregoing provisions in substantially the forms set forth shall be included and the contracts shall further provide that the foregoing provisions shall be binding upon and shall obligate the contracting Party or parties and any subcontracting Party or parties, or other transferees under the instrument.

The Owner hereby certifies that it and any contractor and subcontractor will comply with the Americans with Disabilities Act, 42 USC §12101 et seq., and its implementing regulations (ADA), the Americans with Disabilities Act Amendments Act of 2008, Pub. L. 110-325 (ADAAA) and all subsequent amendments, Section 504 of the Rehabilitation Act of 1973, as amended, 29 USC 794 and 24 CFR Parts 8 and 9 (Rehab Act), the Uniform Federal Accessibility Standards (UFAS), and the Fair Housing Act, 42 U.S.C. 3601, et seq; 24 CFR Parts 100, 103, and 104 (FHA), the Fair Employment and Housing Act (California Government Code Section 12926), the Title 24 of the California Building Code, and all implementing regulations. The Owner and any contractor and subcontractor will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the ADA, the ADAAA, the Rehab Act, the UFAS and the FHA and all subsequent amendments. The Owner and any contractor and subcontractor will not

discriminate against persons with disabilities or against persons due to their relationship to or association with a person with a disability. Any contract and subcontract entered into, by, the Owner and any, contractor- and subcontractor, relating to this DDLA, Implementation Agreements, as amended or modified, and Project, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

Eleven percent (11%) of the total units in the project shall be constructed and maintained by the Owner as accessible units for persons with mobility impairments and four percent (4%) of the total units shall be constructed and maintained by the Owner as accessible units for persons with sensory impairments in compliance with the applicable provisions of the Americans with Disabilities Act as amended, 42 U.S.C. §12101, et seq. and its implementing regulations at 28 C.F.R. Parts 35 and 36 (ADA), Section 504 of the Rehabilitation Act of 1973 as amended, 29 U.S.C. §794 and the implementing regulations of HUD at 24 C.F.R. Part 8, the Fair Housing Act as amended, 42 U.S.C. §3601, et seq and its implementing regulations at 24 C.F.R. Part 100, the Fair Employment and Housing Act (California Government Code Section 12926), the Title 24 of the California Building Code, any applicable state and local laws, and any requirements of the City. The specific unit types shall be described in Attachment No. 2 of the Agreements Containing Covenants. Within 15 working days of the temporary Certificate of Occupancy being issued, Owner shall provide a list to HCIDLA of all accessible units with unit number, bedroom size and type of impairment for which the unit has been made accessible. Units must be in accordance with the standards enumerated in Section 36 Designated Assisted Units.

5. Barriers to the Disabled.

a. Compliance with all Accessibility Requirements. Owner shall comply with all applicable requirements of state, local and federal rules, laws and regulations relating to accessibility and reasonable accommodations for persons with disabilities, including, without limitation, the following to the extent any are applicable to the Project: Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 and implementing regulations at 24 CFR Part 8); the Americans with Disabilities Act (42 U.S.C. Sections 12131 et seq. and 12181 et seq., and implementing regulations at 28 CFR Parts 35 and 36); the Fair Housing Act (42 U.S.C. Section 3601 et seq., and implementing regulations at 24 CFR Part 100); the Fair Employment and Housing Act (California Government Code Section 12926); and Title 24 of the California Building Code. Without limiting the generality of the foregoing,

(i) residential and nonresidential projects that involve new construction or rehabilitation of existing buildings and that are financed in whole or in part with federal funds (e.g. CDBG, HOME) shall comply with all applicable

requirements of Section 504 of the Rehabilitation Act of 1973 and all other applicable requirements;

(ii) projects that receive the City or other nonfederal sources of funding shall comply with all applicable requirements of the Americans with Disabilities Act, the Fair Housing Act, the Fair Employment and Housing Act, Title 24 of the California Building Code, and all other applicable requirements;

(iii) commercial structures, and common areas and public use areas in residential projects, shall comply with all applicable requirements of the Americans with Disabilities Act, Title 24 of the California Building Code and all other applicable requirements.

Owner shall ensure that construction plans submitted for review by the City comply with all applicable requirements of law and that Project construction is carried out in conformity with approved plans.

b. ADA Certification. Owner hereby certifies as follows:

(i) Owner is in compliance with and shall continue to comply with the Americans with Disabilities Act, 42 U.S.C. 12101 et seq. and its implementing regulations.

(ii) Owner shall provide for reasonable accommodations to allow qualified individuals with disabilities to have access to and participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act.

(iii) Owner shall not discriminate against persons with disabilities nor against persons due to their relationship or association with a person with a disability.

(iv) Owner shall require that the language of this Section 5 be included in the award documents for all sub-awards at all tiers (including subcontracts, and contracts under grants, loans and cooperative agreements) and that all subcontractors shall certify and disclose accordingly.

The certification set forth in this Section is a material representation of fact upon which reliance was placed when the Parties entered into this transaction.

6. Maintenance.

(a) Owner, its successors and assigns, shall maintain the Improvements on the Site (including all buildings, public spaces, walkways, driveways, parking areas and landscaping), in a decent, safe, sanitary and habitable condition and in good repair and working order, which shall be at least the same (or better) aesthetic condition as the

condition of the Site at the time the City issues a Certificate of Completion, reasonable wear and tear excepted. This standard for the quality of maintenance of the Site shall be met whether or not a specific item of maintenance is listed below. However, representative items of maintenance shall include frequent and regular inspection for graffiti or damage or deterioration or failure, and immediate repainting or repair or replacement of all surfaces, fencing, walls, equipment, etc., as necessary; emptying of trash receptacles and removal of litter; sweeping of public sidewalks adjacent to the Site, on-site walks and paved areas and washing-down as necessary to maintain clean surfaces; maintenance of all landscaping in a healthy and attractive condition, including trimming, fertilizing and replacing vegetation as necessary; cleaning windows on a regular basis; painting the buildings on a regular program and prior to the deterioration of the painted surfaces; conducting a roof inspection on a regular basis and maintaining the roof in a leak-free and weather-tight condition; maintaining security devices in good working order. This Section 6(a) shall be interpreted to require that, at all times, the Project shall be well maintained as to both external and internal appearance of all buildings, landscaping, common areas and parking areas, conforming to the best practices of operators of comparable City-assisted affordable housing and the requirements of this Agreement.

(b) From time to time, Owner shall make all necessary and proper repairs, renewals, and replacements. In the event Owner, its successors or assigns fails to maintain the Improvements in accordance with the standard for the quality of maintenance, the City or its designee shall have the right but not the obligation to enter the Site upon reasonable notice to Owner, correct any violation, and hold Owner, or such successors or assigns responsible for the cost thereof, and such cost, until paid, shall constitute a lien on the Site. In addition, Owner shall not commit or permit waste on or to the Site, and shall prevent and/or rectify any physical deterioration of the Site; Owner shall provide adequate ongoing security equipment or services for tenants of the Affordable Units. Owner shall maintain the Site in conformance with all applicable federal, state and local laws, ordinances, codes and regulations, and the Management Plan required by this Agreement.

7. Property Management.

For the Term of this Agreement, Owner shall operate and manage the Project in accordance with all applicable federal, state and local laws and rules, in conformance with the best practices of operators of comparable City -assisted affordable housing and the management requirements of this Agreement. Not later than ninety (90) calendar days prior to completion of construction of the Improvements, Owner shall submit to the City for approval or disapproval a plan for marketing and managing the Affordable Units (the "Property Management Plan"). Thereafter, Owner, its successors and assigns, shall manage the Affordable Units in accordance with the Property Management Plan

approved by HCIDLA General Manager or designee. The Property Management Plan, including such amendments as may be approved in writing by the City Council, shall remain in effect for the Term of this Agreement. The Property Management Plan shall contain the following components:

(a) Management Agent. Owner shall be responsible for the operation of the Improvements either by direct management or by contracting its managerial functions to a third Party property manager or agent (the "Management Agent") which Management Agent shall be charged with managing the Improvements on behalf of the Owner. The City shall have the right, but not the obligation, to review and approve or disapprove the name and qualifications of the Management Agent. Such approval shall not be unreasonably withheld. The City shall have no responsibility for the management of the Site. The City hereby pre-approves Triumph Residential Services, Inc. as the Management Agent.

(b) Affirmative Marketing Plan. Owner shall prepare and submit to the City for approval, and maintain in effect, a plan ("Affirmative Marketing Plan") for attracting to the Affordable Units tenants from those ethnic and racial groups least likely to reside in the Affordable Units in the absence of outreach efforts and providing a method to insure a fair method of selecting tenants. Owner shall be responsible for implementing the approved Affirmative Marketing Plan at initial marketing of the Affordable Units and upon any vacancy.

(c) Property Management Plan. Owner or its Management Agent shall prepare a Property Management Plan which shall describe the proposed management, maintenance, tenant selection and occupancy policies and procedures for the Affordable Units. Such policies and procedures shall be consistent with this Agreement.

(d) Management Agreement. Owner shall submit a copy of the proposed property management agreement specifying the amount of the management fee and the relationship and division of responsibilities between Owner and the Management Agent. Owner shall change management practices or replace its Management Agent if the City gives Owner notice that the Affordable Units are not being managed in accordance with this Agreement or if the Management Agent violates any federal, state or local health and safety laws and regulations which are not cured within twenty (20) Business Days following the giving of notice of such violations by the City or any other governmental entity; provided, however, that in the case of a violation that cannot be cured within such twenty (20) Business Days period, that such cure shall be commenced within twenty (20) Business Days of notification and shall be diligently prosecuted to completion. The property management agreement shall provide that it is subject to termination by Owner, without penalty, upon twenty (20) Business Days prior written notice, at the direction of the City. Within ten (10) Business Days following direction from City to replace the Management Agent, Owner shall select another management agent or make other arrangement satisfactory to the City for continuing management of the Affordable Units.

(e) Tenant Lease or Rental Agreement and Rent Collection. Owner shall submit to the City a copy of the proposed Tenant lease or rental agreement to be used in renting the Affordable Units before leasing any Affordable Unit. The term of the residential lease shall be for no less than one (1) year unless mutually agreed upon by Owner and Tenant. The City shall have the right but not the obligation to review and approve or disapprove the Tenant lease or rental agreement. Owner shall submit to the City its proposed plans for the collection of Tenant rents as outlined in the Property Management Plan.

(f) Annual Budget. Annually, not later than ninety (90) calendar days prior to the beginning of each fiscal year, Owner shall submit a projected operating budget to the City. The budget shall be in a form that is acceptable to the City.

(g) Tenant Selection. Before leasing the Affordable Units, Owner shall provide to the City for its approval or disapproval Owner's written tenant selection plan, which, subject to the priorities set forth in Section 2(d) of this Agreement, shall provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as it is practicable. Any selection criteria shall be consistent with the purpose of providing housing for persons and families of very low and low income and shall be reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease. Owner shall give prompt written notification to any rejected applicant of the grounds for any rejection. Owner shall not apply selection criteria which discriminate in the rental of Affordable Units among Eligible Households applying for tenancy who otherwise qualify for occupancy, for the sole reason that the income of such applicant is lower than the income of another eligible applicant. Owner shall accept as Tenants, on the same basis as all other prospective Tenants, persons who are recipients of federal certificates or vouchers for rent subsidies pursuant to the existing program under Section 8 of the Federal Housing Act. Owner shall not permit any selection criteria to be applied to Section 8 certificate or voucher holders that are more burdensome than the criteria applied to all other prospective Tenants.

(h) Tenant Eligibility Review. Not later than ten (10) Business Days prior to the tenant's expected date of occupancy of an Affordable Unit, Owner shall determine the income eligibility of each tenant household pursuant to the City's approved tenant certification procedures. Owner shall obtain, complete and maintain on file immediately prior to initial occupancy and annually thereafter, income certifications from each Tenant renting any of the Affordable Units. The Owner agrees to submit to the City Annual Income Certifications. The Owner shall make a good faith effort to verify that the income provided by an applicant or Tenant in an income certification is accurate by taking one or more of the following steps as a part of the verification process: (1) obtain pay stubs for the most recent pay periods; (2) obtain an income tax return for the most recent tax year; (3) conduct a credit City or similar search; (4) obtain an income verification form from the applicant's current employer; (5) obtain an income verification form from the Social

Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies; or (6) if the applicant is unemployed and has no such tax return, obtain another form of independent verification, and submit to the City, upon request, satisfactory documentation for review and approval prior to the household's occupancy of an Affordable Unit.

(i) Tenant Certification. On an annual basis, the City shall provide the Owner with the income and maximum rent limits that must be used in the process of establishing tenant eligibility for initial occupancy and for determining the eligibility of existing tenants occupying Affordable Units. Residents must be recertified annually. If upon recertification of the income of a Tenant of an Affordable Unit, the Owner determines that a former Extremely Low Income Household, Very Low Income Household, or Low Income Household has an adjusted income exceeding the maximum qualifying income for a Low Income household, such Tenant's lease shall be permitted to continue occupying the Affordable Unit and upon expiration of the Tenant's lease and upon sixty (60) calendar days written notice, the rent shall be increased to the lesser of thirty percent (30%) of actual adjusted income of the Tenant, and the Owner shall rent the next available Affordable Unit to a Low Income Household as applicable, to meet the requirements of this Agreement.

(j) Notice to Tenants. Owner shall give written notice to all Tenants of Affordable Units at the following times:

(1) Upon initial move-in/lease execution, Owner shall give written notice, to all Tenants of Affordable Units, of the duration of the rent restrictions under this Agreement. Owner shall maintain, in its files, a copy of each such notice containing each tenant's signed acknowledgement of the notice required hereunder or other proof of delivery of such notice. The notice shall state that the rent restrictions under this Agreement shall terminate not sooner than March 28, 2057. Upon termination of the rent restriction period under this Agreement, rents may be set at market rates unless otherwise restricted by some other legal, regulatory, or contractual requirement.

(2) Twelve (12) months prior to the termination of the rent restriction period under this Agreement, or at such other time as may be required by law, Owner must give written notice to its tenants of the termination of the restrictions on the Restricted Units before their rents may be raised to market rent levels.

(3) Ninety (90) calendar days prior to the termination of the rent restriction period under this Agreement, or at such other time as may be required by law, Owner must again give written notice to its tenants of the termination of the restrictions on the Restricted Units before their rents may be raised to market rent levels.

(k) Tenant Complaints. Owner shall establish Tenant complaint procedures.

(l) Termination of Tenancy. A tenancy may be terminated without being deemed an "eviction" under the following circumstances: (1) death of the sole tenant; (2) by the Tenant, at the expiration of the term of tenancy; (3) by abandonment of the premises by the Tenant, provided Owner complies with the provisions of Section 1951.3 of the California Civil Code to establish such abandonment; and (4) by Owner, where the Tenant has furnished or contradicted information to Owner which fails to establish the Tenant's financial eligibility to remain in the Tenant's Affordable Unit, provided Owner gives the Tenant written notice of such termination pursuant to Section 1946 of the California Civil Code. Any termination of a tenancy other than for the reasons set forth in this section shall constitute an "eviction."

(m) Eviction. Owner shall have the right to evict a Tenant upon material non-compliance with the lease, which includes: (1) one or more substantial violations of the lease, or (2) habitual minor violations of the lease which include (A) disrupting the livability of the building; (B) adversely affecting the health or safety of any person or the right of any tenant to the quiet enjoyment of the leased premises and related facilities; (C) Interfering with the management of the building, or (D) having an adverse financial effect on the building. Rent shall be due on the first calendar day of the rental period but shall not be late until after the fifth (5th) calendar day of that period. Unjustified non-payment of rent after the fifth calendar day of the rental period but before either the running of a three-day notice to pay rent or quit or the close of business of the day after the day on which a hearing decision is issued shall constitute a minor violation under the lease, but non-payment of rent or any other financial obligation under the lease after either such period shall constitute material non-compliance with the lease.

8. Occupancy Standards.

Occupancy of the Affordable Units shall be consistent with the Space and Occupancy Standards set forth in Section 501, et seq. of the Uniform Housing Code. These occupancy standards determine the minimum and maximum number of persons who may reside in an Affordable Unit. Deviations from these standards may be allowed only with the prior written approval of the City Council. Provided that there is no inconsistent federal requirement applicable to the Affordable Units, the maximum and minimum number of persons in a unit shall be as follows (provided, that to the extent the following is inconsistent with any applicable State or Federal standards, the stricter standard, i.e., higher minimum number or lower maximum number, shall apply):

<u>Unit-type</u>	<u>Minimum number</u>	<u>Maximum number</u>
Studio or SRO	1	2
One-bedroom	1	3
Two-bedroom	2	5
Three-bedroom	4	7
Four-bedroom	5	9

9. Covenants Run with the Land; Enforceable by the City and Tenants.

All conditions, covenants and restrictions contained in this Agreement shall be covenants running with the land and shall be enforceable against Owner or any subsequent Owner of the Site who violates a covenant or restriction and each successor in interest who continues the violation by any of the following:

- a. The City;
- b. A resident of any of the Affordable Units;
- c. A former resident of an Affordable Unit;
- d. An Applicant seeking to enforce the covenants or restrictions for a particular Affordable Unit, if the applicant conforms to all of the following:
 - i. is of Low Income;
 - ii. is able and willing to occupy that particular Affordable Unit; and
 - iii. Was denied occupancy of that particular Affordable Unit due to an alleged breach of a covenant or restriction set forth in this Agreement; and

A person on an affordable housing waiting list who is of Very Low or Low Income and who is able and willing to occupy an Affordable Unit.

10. Rights of Third Parties.

Except as otherwise expressly provided in Section 9 of this Agreement, this Agreement shall not be deemed to confer any rights upon, nor obligate either of the Parties to this Agreement to any person or entity not a Party to this Agreement, and the Parties explicitly disclaim any intent to create a third Party beneficiary relationship with any person or entity as a result of this Agreement.

11. Enforcement Rights.

The City and those listed in Section 9 shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions at law or suit in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant.

12. Restrictions on Transfer.

Transfers of the Site and Owner's interests therein shall be subject to the DDLA, Implementation Agreements, as amended or modified. Following completion of construction, any Transfers shall be subject to the terms of this Agreement Containing Covenants.

a. Owner represents and agrees that its undertakings pursuant to this Agreement are for the purpose of redeveloping the Site and providing affordable rental housing for Eligible Households, and not for speculation in land holding. Owner further recognizes that the qualifications and identity of Owner are of particular concern to the City, in light of the following: (1) the importance of the redevelopment of the Site to the general welfare of the community; (2) the public assistance that has been made available by law and by the government for the purpose of making such redevelopment possible; and (3) the fact that a change in Ownership or control of Owner or any other act or transaction involving or resulting in a significant change in Ownership or control of Owner, is for practical purposes a transfer or disposition of the property then owned by Owner. Owner further recognizes that it is because of such qualifications and identity that the City is entering into the DDLA with Owner. Therefore, no voluntary or involuntary successor in interest of Owner shall acquire any rights or powers under this Agreement except as expressly set forth herein.

b. Owner shall not transfer the Site or any interest therein, without the prior written approval of the City. Subject to review of documentation effectuating any such proposed assignment or transfer, the City agrees to reasonably give such approval if the assignment is a Permitted Transfer.

c. For the reasons cited above, Owner represents and agrees for itself and any successor in interest that, without the prior written approval of the City, there shall be no significant change in the Ownership of Owner or in the relative proportions thereof, or with respect to the identity of the parties in control of Owner or the degree thereof, by any method or means, except Permitted Transfers.

d. Any transfer of the Site or assignment or transfer of this Agreement or any interest herein or significant change in Ownership of Owner, other than a Permitted Transfer, shall require the prior written approval of the City. To the extent City approval of an assignment or transfer is required by this Agreement, in granting or withholding its

approval, the City shall base its decision upon the relevant experience, financial capability and reputation of the proposed assignee or transferee and the effect, if any, of such proposed transfer on the public purposes of this Agreement. In addition, the City shall not be required to approve any assignment or transfer of this Agreement or any interest herein or significant change in Ownership of Owner that results in payment of consideration to any Person prior to the issuance of the Certificate of Occupancy and that is not conditioned upon the issuance of the Certificate of Occupancy.

e. Owner shall promptly notify the City of any and all changes whatsoever in the identity of the parties in control of Owner or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. Except for Permitted Transfers, this Agreement may be terminated by the City if there is any significant change (voluntary or involuntary) in membership, management or control, of Owner (other than such changes occasioned by the death or incapacity of any individual). In the event of the death or incapacity of any individual who controls Owner or the managing member or general partner of Owner, any resulting change in the management of the Improvements or the control of the day-to-day operations of the Site and the Improvements shall be subject to the approval of the City Council, which approval shall not be unreasonably withheld, conditioned or delayed.

12.1. Prohibited Transfers.

The limitations on Transfers set forth in Section 12 shall apply until the latest of the following dates: (a) issuance of a Certificate of Completion by the City to the Owner; (b) the date the Loan is repaid in full; and (c) the expiration of the Term of this Agreement. Except as expressly permitted in this Agreement, Owner represents and agrees that Owner has not made or created, and shall not make or create or suffer to be made or created, any Transfer, either voluntarily or by operation of law, without the prior approval of the City. Any Transfer made in contravention of this Section 12.1 shall be void and shall be deemed to be a default under this Agreement, whether or not Owner knew of or participated in such Transfer.

12.2. Effectuation of Permitted Transfers.

a. No Transfer otherwise authorized or approved pursuant to Section 12 shall be permitted unless, at the time of the Transfer, the person or entity to which such Transfer is made, by an agreement reasonably satisfactory to the City and in form recordable in the Office of the Los Angeles County Recorder, expressly agrees to perform and observe, from and after the date of the Transfer, the obligations, terms and conditions of this Agreement Containing Covenants; provided, however, that no such transferee shall be liable for the failure of its predecessor to perform any such obligation. Any proposed transferee for which the City's approval is required shall have the relevant

experience, financial capability and reputation necessary to fulfill the obligations undertaken in this Agreement by the Owner and otherwise acceptable to the City. The City shall grant or deny approval of a proposed Transfer within sixty (60) days of receipt by the City of the Owner's request for approval of a Transfer, which request shall include evidence of the proposed transferee's business expertise and financial capacity.

b. Any assignment of rights and/or delegation of obligations under this Agreement in connection with a Transfer (whether or not City approval is required) shall be in writing executed by Owner and the assignee or transferee, which written agreement shall name the City as an express Third Party Beneficiary with respect to such agreement (the "Assumption Agreement") with a copy thereof delivered to the City within ten (10) days after the effective date thereof. Upon assignment or transfer of this Agreement pursuant to an Assumption Agreement, the assignor shall be relieved of liability with respect to any such obligations relating to the Project assumed by the assignee. Notwithstanding the foregoing, unless such assignee specifically assumes pursuant to the Assumption Agreement the obligations under this Agreement to indemnify the City with respect to the Project, the assignor shall retain such obligations and remain jointly and severally liable for such indemnity obligations with such assignee.

c. Owner shall reimburse the City for all actual staff time and consultant (legal and financial) costs associated with the City's review and consideration of any request for approval of a Transfer other than a Permitted Transfer. The City shall not be obligated to act on any request for approval of a Transfer unless Owner shall deposit with City the sum of Ten Thousand Dollars (\$10,000), which amount shall be subject to adjustment equal to the cumulative annual increase, if any, in the Consumer Price Index since 2010, together with its request for approval of a Transfer. If the costs of the City review are less than the amount deposited, the excess deposit shall be returned to Owner. If the costs of the City review exceed the deposit amount, the City shall send the Owner a bill for the costs and Owner shall promptly pay the City the additional costs.

13. Rights of Lenders; Subordination.

No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Agreement shall defeat or render invalid or in any way impair the lien or charge of any deed of trust or other encumbrance permitted by the DDLA, as amended and modified. Unless expressly subordinated by a recorded instrument duly executed by the City or its designee, this Agreement and the covenants contained herein shall not be subordinate to any deed of trust, mortgage or other encumbrance. Prior to the recordation of the deed of trust securing any loan to which this Agreement is to be subordinated, the City or its designee shall execute such instruments as may be necessary to subordinate this Agreement and the covenants contained herein to the lien of the beneficiary of such deed of trust. Anyone to whose lien this Agreement is subordinate, who acquires title to the Site by foreclosure, deed in lieu of foreclosure,

trustee's sale or similar transfer of title, and the assignees and transferees of such holder, shall not be subject to or bound by the requirements of this Agreement.

14. Term of this Agreement.

Every covenant and condition and restriction contained in this Agreement shall remain in effect for the longest feasible time, but in not sooner than the Term of this Agreement. Provided, however, that the Term of this Agreement shall be extended automatically for a period of time equal to any period of documented and continuous noncompliance with the terms of this Agreement by Owner following notice as provided in Section 15 hereof.

15. Notice and Opportunity to Cure.

Prior to exercising any remedies hereunder, the City shall give Owner notice of such default. The City shall also give simultaneous notice of default to the Tax Credit Equity Investor at the address provided in Section 24 hereof, and any person or entity having a security interest in the Site secured by a lien that is superior to this Agreement. If the default is reasonably capable of being cured within thirty (30) days, Owner shall have such period to effect a cure prior to exercise of remedies by the City. If the default is such that it is not reasonably capable of being cured within thirty (30) days, and Owner (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Owner shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the City. If Owner fails to take corrective action or to cure the default within a reasonable time, the City shall give Owner and each of the investment member and managing members of Owner's limited liability company written notice thereof, whereupon the investor member may remove and replace the manager(s) with a substitute manager(s) who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. In no event shall the City be precluded from exercising remedies if City's security in the Site becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) days after the first notice of default is given. City shall accept or reject any cure made or tendered by Tax Credit Equity Investor on the same basis as if made or tendered by Owner.

16. Remedies.

If a violation of any of the covenants or provisions of this Agreement remains uncured after the time period set forth in Section 15, above, the City and its successors and assigns, without regard to whether the City or its successors and assigns is an Owner of any land or interest therein to which these covenants relate, may institute and prosecute any proceedings at law or in equity to abate, prevent or enjoin any such violation or attempted violation or to compel specific performance by Owner of its obligations hereunder. In addition, a material breach of this Agreement that remains

uncured following the required notice period shall subject Owner to debarment and disqualification from any further City's financial assistance. The City may report any such material breach of this Agreement that remains uncured following the required notice period to the State of California and/or the U.S. Department of Housing and Urban Development. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any Party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violations or any similar breach or violation hereof at any later time.

17. Non-Liability of Officials, Employees and Agents.

The City's commissioners, officers, employees and agents shall not be personally liable to Owner or any other person for any obligation created under the terms of this Agreement.

18. Indemnity.

Notwithstanding any insurance coverage, Owner shall indemnify, defend and hold the City (the "Indemnitees") harmless against any losses, damages, liabilities, claims, demands, judgments, actions, court costs and legal or other expenses (including reasonable attorneys' fees and costs) which the Indemnitees may incur as a direct or indirect result of (a) Owner's failure to perform any obligations as and when required by this Agreement; (b) any failure of any of Owner's representations or warranties to be true or complete; or (c) any act or omission by Owner or any contractor, subcontractor, Management Agent or supplier with respect to the Site or the Affordable Units, except where such losses are caused by the negligence or willful misconduct of the Indemnitees. Owner shall pay immediately upon demand, any amounts owing under this Indemnity. The duty of Owner to indemnify includes the duty to defend the Indemnitees in any court action, administrative action or other proceeding brought by any third Party arising from this Agreement. The Indemnitees may make all reasonable decisions with respect to its/their representation in any legal proceeding, including but not limited to selection of counsel. Owner's duty to indemnify shall survive the expiration of the Term of this Agreement.

19. Approvals.

(a) Except as otherwise expressly provided in this Agreement, approvals required of the City or Owner in this Agreement shall not be unreasonably withheld or delayed. All approvals shall be in writing. Failure by either Party to approve a matter within the time provided for approval of the matter shall not be deemed a disapproval, and failure by either Party to disapprove a matter within the time provided for approval of the matter shall not be deemed an approval.

(b) Whenever this Agreement calls for City approval, consent, or waiver,

the written approval, consent, or waiver of the City Council shall constitute the approval, consent, or waiver of the City, without further authorization required from the City. The City or its designee is further authorized to make such modifications to this Agreement as may be necessary or appropriate, so long as such modification does not adversely affect the receipt of any material benefit by the City pursuant to this Agreement. Any other amendment or material modification to this Agreement shall require approval by the City Council.

20. Construction and Interpretation of Agreement.

(a) The language in all parts of this Agreement shall in all cases be construed simply, as a whole and in accordance with its fair meaning and not strictly for or against any Party. The parties hereto acknowledge and agree that this Agreement has been prepared jointly by the parties and has been the subject of arm's length and careful negotiation over a considerable period of time, that each Party has been given the opportunity to independently review this Agreement with legal counsel, and that each Party has the requisite experience and sophistication to understand, interpret, and agree to the particular language of the provisions hereof. Accordingly, in the event of an ambiguity in or dispute regarding the interpretation of this Agreement, this Agreement shall not be interpreted or construed against the Party preparing it, and instead other rules of interpretation and construction shall be utilized.

(b) If any term or provision of this Agreement, the deletion of which would not adversely affect the receipt of any material benefit by any Party hereunder, shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each other term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the parties hereto that in lieu of each clause or provision of this Agreement that is illegal, invalid, or unenforceable, there be added as a part of this Agreement an enforceable clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible.

(c) Any titles of the articles, sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of its provision.

(d) References in this instrument to this "Agreement" mean, refer to and include this instrument as well as any riders, exhibits, addenda and attachments hereto or other documents expressly incorporated by reference in this instrument. All of the Attachments appended to this Agreement are hereby incorporated herein by this reference as though fully set forth herein. Any references to any covenant, condition, obligation, and/or undertaking "herein," "hereunder," or "pursuant hereto" (or language of like import) shall mean, refer to, and include the covenants, obligations, and undertakings existing pursuant to this instrument and any riders, Attachments, addenda, and

attachments or other documents affixed to or expressly incorporated by reference in this instrument.

(e) As used in this Agreement, and as the context may require, the singular includes the plural and vice versa, and the masculine gender includes the feminine and vice versa.

(f) In the event that any provisions of this Agreement and the DDLA, as amended and modified, the terms of this Agreement shall control.

(g) Time is of the essence in this Agreement.

21. Relationship of the Parties.

Nothing contained in this Agreement shall be deemed or construed to create a partnership, joint venture, or any other similar relationship between the parties hereto or cause the City to be responsible in any way for the debts or obligations of Owner or any other person.

22. Compliance with Law.

This Agreement shall be interpreted under and be governed by the laws of the State of California. Owner agrees to comply with all the requirements now in force, or which may hereafter be in force, of all municipal, county, state and federal authorities, pertaining to the development and use of the Site and the Improvements, as well as operations conducted thereon. The judgment of any court of competent jurisdiction, or the admission of Owner or any Owner or permittee in any action or proceeding against them, or any of them, whether the City be a Party thereto or not, that Owner, Owner or permittee has violated any such ordinance or statute in the development and use of the Site shall be conclusive of that fact as between the City and Owner.

23. Binding Effect.

This Agreement, and the terms, provisions, promises, covenants and conditions hereof, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

24. Notices.

Formal notices, demands, and communications between the City and the Owner shall be sufficiently given if, and shall not be deemed given unless dispatched by certified mail, return receipt requested, or by electronic facsimile transmission followed by delivery of a "hard" copy, or by personal delivery (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), with a receipt showing date of delivery, to the principal offices of the City and the Owner:

City: City of Los Angeles
Housing and Community Investment Department
P.O. Box 532729
Los Angeles, CA 90053-2729
Attention: Asset Management

Owner: 716 Yale Terrace, LP
3250 Wilshire Blvd. #1805
Los Angeles, CA 90010

with copies to: JK AFFORDABLE HOLDINGS, LLC
3250 Wilshire Blvd. #1805
Los Angeles, CA 90010

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by mail as provided in this Section 24. Delivery shall be deemed to have occurred at the time indicated on the receipt for delivery or refusal of delivery.

25. Severability.

If any term, provision, covenant or condition of this Agreement is held in a final disposition by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

26. Counterparts.

This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument. The signature pages of one or more counterpart copies may be removed from such counterpart copies and all attached to the same copy of this Agreement, which, with all attached signature pages, shall be deemed to be an original Agreement. Unless otherwise prohibited by law or City policy, an electronic or scanned signature shall have the same force and effect as an original ink signature. For the purposes of this Agreement, "electronic signature" is an

electronic identifier, created by computer, attached or affixed to or logically associated with an electronic record, executed or adopted by a person with the intention of using it to have the same force and affect as the use of a manual signature, and "scanned signature" is a manual signature that has been placed on a document that has been scanned into an electronic record.

[Remainder of page intentionally left blank.]

[Signatures begin on the next page.]

IN WITNESS WHEREOF, the City of Los Angeles and the Owner have caused this Agreement to be executed by their duly authorized representatives.

Executed this 20th Day of AUGUST, 2020

THE CITY OF LOS ANGELES
Housing and Community Investment
Department

By: [Signature]
SEAN L. SPEAR
Assistant General Manager
Housing Development Bureau

APPROVED AS TO FORM:
MICHAEL N. FEUR, City Attorney

By: [Signature] for Anna Didak
Deputy City Attorney

Date: 8/25/2020

ATTEST:
HOLLY WOLCOTT, City Clerk

By: [Signature]
Deputy City Clerk

Date: 8-27-2020



THIS DOCUMENT MUST BE NOTARIZED FOR RECORDING.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles)

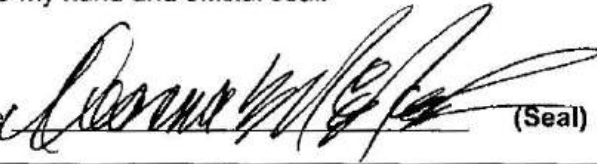
On August 20, 2020 before me, Deanna A. McNeally, Notary Public
(insert name and title of the officer)

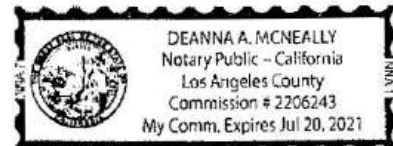
personally appeared Sean L. Spear,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) 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

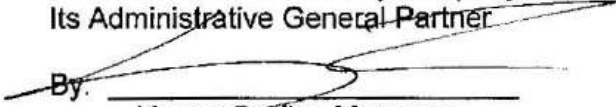
 (Seal)



OWNER:

716 Yale Terrace, LP
a California limited partnership

By: GRCLA-AFFORDABLE HOLDING, LLC
A California limited liability company,
Its Administrative General Partner

By: 
Young S. Kim, Manager

Date: 8/19/20

THIS DOCUMENT MUST BE NOTARIZED FOR RECORDING.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of CALIFORNIA

County of LOS ANGELES

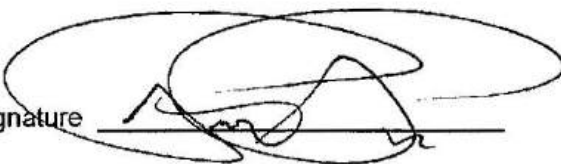
On AUGUST 19, 2020 before me, GENE M. SUN

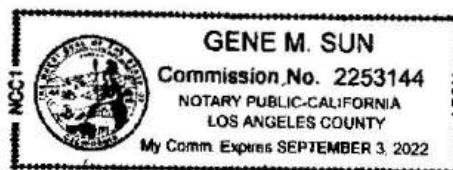
A Notary Public personally appeared YOUNG S. KIM

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)

ATTACHMENT NO. 1
LEGAL DESCRIPTION

ATTACHMENT NO. 1"

Legal Description

For APN/Parcel ID(s): 5408-018-028

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

ALL OF LOTS 8 AND 9, ALL IN BLOCK 35 OF ORD'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 107, PAGES 316 AND 317 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO THE SOUTHWESTERLY 39 FEET OF LOT 2 OF TRACT NO. 182, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 13 PAGE 132 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES AND MINERALS INCLUDING GEOTHERMAL RESOURCES LYING IN AND UNDER SAID LAND ABOVE DESCRIBED, OR PRODUCED AND SAVED THEREFROM, AND FURTHER EXCEPTING TO GRANTOR THE SOLE AND EXCLUSIVE RIGHTS TO DRILL INTO, FROM AND THROUGH SAID LAND AND ALL SUBSURFACE EASEMENTS NECESSARY OR CONVENIENT TO PROSPECTING FOR, PRODUCING AND DEVELOPING OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND MINERALS BY MEANS OF SLANT DRILLING OPERATION CONDUCTED FROM SURFACE LOCATIONS OUTSIDE SAID LAND, INTO OR THROUGH SAID LAND, TO PRODUCING INTERVALS EITHER WITHIN OR BEYOND SAID LAND, ALL SUBJECT HOWEVER, TO THE CONDITION THAT, IN THE ENJOYMENT OF SAID RESERVED AND EXCEPTED RIGHTS AND INTERESTS GRANTOR SHALL NOT ENTER UPON THE SURFACE OF SAID LAND OR INTO THE UPPER 500 FEET THEREOF MEASURED VERTICALLY FROM SAID SURFACE, AS RESERVED BY THE ROMAN CATHOLIC ARCHBISHOP OF LOS ANGELES, A CORPORATION SOLE RECORDED OCTOBER 8, 1982, AS INSTRUMENT NO. 82-1017591, OFFICIAL RECORDS.

ATTACHMENT NO. 2

**CITY MAXIMUM RENTS AND OCCUPANCY
INCOME LIMITS FOR NEW PROJECTS**

[BEHIND THIS PAGE]

ATTACHMENT 2

[Yale Terrace Apartments-Amended and Restated Agreement Containing Covenants-4-22-2020]

ATTACHMENT 2 INCOME AND RENT RESTRICTIONS

Yale Terrace - 716 - 734 Yale Street

2020 AREA MEDIAN INCOME
\$77,300

Allowable Rental Increase Percentage 5.75%

MAXIMUM INCOME LIMITS								
Income Level	Family Size							
	One	Two	Three	Four	Five	Six	Seven	Eight
30% Extremely Low	\$23,700	\$27,050	\$30,450	\$33,800	\$36,550	\$39,250	\$41,950	\$44,650
50% Very Low	\$39,450	\$45,050	\$50,700	\$56,300	\$60,850	\$65,350	\$69,850	\$74,350
80% Low	\$63,100	\$72,100	\$81,100	\$90,100	\$97,350	\$104,550	\$111,750	\$118,950
100% Median	\$54,100	\$61,850	\$69,550	\$77,300	\$83,500	\$89,650	\$95,850	\$102,050
120% Moderate	\$64,900	\$74,200	\$83,450	\$92,750	\$100,200	\$107,600	\$115,000	\$122,450

MAXIMUM MONTHLY AFFORDABLE HOUSING COSTS					
Rent Level	Bedroom Size				
	0BR	1BR	2BR	3BR	4BR
30% Extremely Low	\$406	\$464	\$522	\$580	\$626
50% Very Low	\$676	\$773	\$870	\$966	\$1,044
60% Low	\$812	\$928	\$1,044	\$1,160	\$1,252
110% Moderate	\$1,488	\$1,701	\$1,913	\$2,126	\$2,296

For compliance with HCIDLA's occupancy requirements, "Affordable Rent" shall have the appropriate meaning set forth in California Health and Safety Code Section 50053(b) as it may be amended from time to time, including a reasonable utility allowance, that does not exceed the maximum allowable rent limit as set forth in this agreement. However, for projects with multiple funding sources and/or concessions, the most restrictive rent shall apply.

NUMBER OF UNITS TO BE RESTRICTED

Unit Type	30% AMI Extremely Low Income	50% AMI Very Low Income	60% AMI Low Income	110% AMI Moderate Income	Market Rate Units
SRO					
0BR			3		
1BR			16		
2BR					
3BR					
4BR					
TOTAL	0	0	19	0	0

UTILITY ALLOWANCE

Unit Type	Gas			Water and Sewer	Basic Electricity	Air Conditioning	Electric		
	Space Heating	Cooking	Water Heating				Space Heating	Cooking	Water Heating
SRO									
0BR									
1BR									
2BR									
3BR									
4BR									

- ☐ All utilities in the building are paid by the owner.
- ☐ All units in the building have the same utility allowance as indicated in the table above.
- ☐ One/some of the units in the building have different utility allowances from those indicated in the table above.
(If checked, an itemized utility allowance schedule for each restricted unit/unit type/household is attached)

Utility Schedule | PHA | CUAC | HUSM | OTHER

ATTACHMENT NO. 3
ACCESSIBILITY COVENANTS

[BEHIND THIS PAGE]

ACCESSIBILITY COVENANTS

The Accessibility Covenants (the "Covenants") herein are attached to the Regulatory Agreement as an exhibit and the Owner hereby agrees to comply with each of the requirements of the City set forth as follows:

Section 1. Definitions. Terms not otherwise defined herein shall have the meanings assigned thereto in the Regulatory Agreement as applicable, provided they do not conflict with the terms defined or referenced herein. The definitions contained in the implementing regulations for Section 504, the Fair Housing Act, and the ADA are incorporated by reference. See 24 C.F.R. §§ 8.3, 100.20; 28 C.F.R. § 35.104. The following terms shall have the respective meanings assigned to them in this Section unless the context in which they are used clearly requires otherwise:

"Accessible," when used with respect to a Housing Unit or a Housing Development, means and refers to full compliance with the requirements of the Accessibility Standards.

"Accessible Housing Development" means a Housing Development that is Accessible, including Accessible public and common use areas, as well as the number and type of Accessible Housing Units that are required to be Accessible by the Covenants.

"Accessible Housing Units" or "Accessible Unit" refers collectively to Housing Units with Mobility Features and Housing Units with Hearing/Vision Features that are Accessible, on an Accessible Route, and in an Accessible Housing Development.

"Accessibility Laws" means Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794 et seq.; the Americans with Disabilities Act ("ADA"), 42 U.S.C. § 12131, et seq.; California Government Code Section 11135 et seq.; the federal Fair Housing Act of 1968, as amended ("FHA"), 42 U.S.C. §§ 3601-3620; implementing regulations and design standards for each of the preceding statutes; and the California Building Code. In all instances, the requirements of the Federal Accessibility Laws shall supersede any state or local requirements, unless the state or local requirements are stricter than the Federal requirements.

ATTACHMENT 3

[Yale Terrace Apartments-Amended and Restated Agreement Containing Covenants-4-22-2020]

"Accessibility Standards" means the following compliance standards:

For purposes of Section 504 and the ADA:

- a. For Housing Developments constructed or substantially altered before March 15, 2012:
 - i. The new construction requirements of 24 C.F.R. pt. 8, including 24 C.F.R. §§ 8.4(d), 8.22, 8.26, and 8.32 as well as the new construction requirements of UFAS, or their successor standards.
- b. For Housing Developments constructed or substantially altered on or after March 15, 2012:
 - i. The Alternative Accessibility Standard; or
 - ii. Any future accessibility standard and other regulatory requirements applicable to newly constructed facilities in federally-assisted programs that may be adopted in a final rule issued by the U.S. Department of Housing and Urban Development ("HUD") pursuant to notice and comment rulemaking under Section 504 so long as such accessibility standard and regulatory requirements do not provide for less accessibility for persons with disabilities than either a or b.

For purposes of the Fair Housing Act:

- a. Compliance with the standards set forth in 24 C.F.R. § 100.205, including: the requirements in ANSI A117.1-1998, the Fair Housing Accessibility Guidelines, March 6, 1991, in conjunction with the Supplement to Notice of Fair Housing Accessibility Guidelines: Questions and Answers About the Guidelines, June 28, 1994, and the Fair Housing Accessibility Act Design Manual, Revised April 1998.

ATTACHMENT 3

For purposes of state law:

- a. The accessibility provisions of the California Building Code Chapters 11A and 11B, or any future accessibility standard and other regulatory requirements applicable to newly constructed facilities adopted as part of the California Building Code; and
- b. All applicable building codes in effect for the City of Los Angeles Building and Safety Department.

"Accessible Route" means and refers to a continuous, unobstructed UFAS-compliant path as prescribed in 24 C.F.R. §§ 8.3 and 8.32 and UFAS § 4.3. As used for purposes of the ADA, an Accessible Route is as described in Chapter 4 of the 2010 Standards for Accessible Design, 28 C.F.R. §§ 35.104, as applied to public entities, except that elevator exceptions do not apply.

"Alternative Accessibility Standard" means and refers to the alternative accessibility standard for new construction set out in HUD's notice at 79 Fed. Reg. 29,671 (May 23, 2014), when used in conjunction with the new construction requirements of HUD's regulations at 24 C.F.R. pt. 8, 24 C.F.R. § 8.22, and the new construction requirements of 28 C.F.R. pt. 35, including the 2010 Standards for Accessible Design as defined in 28 C.F.R. § 35.104 and as applied to public entities (excluding any elevator exceptions).

"Assistance Animals" means and refers to animals that work, provide assistance, or perform tasks for the benefit of a person with a disability as well as animals that provide emotional support that alleviates one or more identified symptoms or effects of a person's disability. Assistance Animals are not pets and are not subject to a housing provider's pet policies. Service animals are one type of Assistance Animal. Assistance Animals include animals that are trained and untrained and include dogs and other animals.

"Fair Housing Policy Related to Disability" means the documents containing the policies of the City, as amended periodically, that ensure all Housing Developments be constructed and operated in accordance with all applicable Accessibility Laws, including federal accessibility requirements. The current policies can be accessed on the City's Accessible Housing Program Website. HUD may require modifications to these policies post-closing.

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"Housing Development" or "Development" means the whole of one or more residential structures and appurtenant structures, equipment, roads, walks, and parking lots that (1) received or will receive any Federal financial assistance from or through the City and/or (2) were, are, or will be designed, constructed, altered, operated, administered, or financed in connection with a program administered by the City or by its Subrecipients.

"Housing Unit" means a single unit of residence in the Housing Development that provides spaces for living, bathing, and sleeping, provided such definition shall not be construed to exclude Single Room Occupancy Units. A Housing Unit includes a dwelling unit as that term is used in 24 C.F.R. § 8.22.

"Housing Unit with Hearing/Vision Features" means a Housing Unit that complies with 24 C.F.R. §§ 8.22 and 8.23 and all applicable provisions of UFAS, or the comparable provisions of the Alternative Accessibility Standard including but not limited to § 809 and specifically subsection § 809.5 of the 2010 ADA Standards for Accessible Design, and with the California Building Code Chapters 11A & 11B. Hearing/Vision Features include but are not limited to visual alarms (UFAS §§ 4.34.10, 4.28.3), auxiliary alarms (UFAS §§ 4.34.10, 4.28.4), telephone volume controls and hearing aid compatibility (UFAS § 4.31.5), protections against protruding objects (UFAS § 4.4), stairway requirements (UFAS §§ 4.9, 4.26.4), protections against exposed pipes and surfaces (UFAS §§ 4.19.4, 4.24.6, 4.34.6.5(8)), audible alarms (UFAS § 4.28.2), signage (UFAS § 4.30), push button controls for telephones (UFAS § 4.31.6), consumer information (UFAS § 4.34.4), and range, cooktop, and oven controls (UFAS §§ 4.34.6.6, 4.34.6.7).

"Housing Unit with Mobility Features" means a Housing Unit that is located on an accessible route and complies with 24 C.F.R. §§ 8.22 and 8.23 and all applicable provisions of UFAS, or the comparable provisions of the Alternative Accessibility Standard including but not limited to § 809 and specifically subsections §§ 809.2 through 809.4 of the 2010 ADA Standards, and with the California Building Code Chapter 11 B. A Housing Unit with Mobility Features can be approached, entered and used by persons with mobility disabilities, including people who use wheelchairs.

"Owner" means and refers to an owner of a Housing Development and such owner's successors and assigns who (1) has received, receive, or will receive any federal financial assistance from or through the City since July 11, 1988, and/or (2) was, is, or

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will be the owner of a Housing Development designed, constructed, altered, operated, administered, or financed, in whole or in part, in connection with a program administered in whole or in part by the City since January 26, 1992. An Owner may also be a Subrecipient.

"Property Management Agent" means and refers to a person or entity that manages one or more of the Housing Developments subject to these covenants on behalf of an Owner.

"Reasonable Accommodation" means changes, modifications, exceptions, alterations, or adaptations in rules, policies, practices, programs, activities that may be necessary to (1) provide a person with a disability an equal opportunity to use and enjoy a dwelling, including public and common use areas of a development, (2) participate in, or benefit from, a program (housing or non-housing), service or activity; or (3) avoid discrimination against a person with a disability. Such an accommodation must be granted unless it would (i) pose an undue financial and administrative burden, or (ii) fundamentally alter the essential nature of the program, service, or activity. For purposes of these covenants, a Reasonable Accommodation includes any physical or structural change to a Housing Unit or a public or common use area that would be considered a reasonable modification for purposes of the Fair Housing Act.

"Subrecipient" means and refers to any public or private agency, institution, organization, or other entity or person to which federal financial assistance or financial assistance from or through the City is extended. A Subrecipient also means and refers to a non-federal entity that receives a sub-award from a pass-through entity to carry out part of a federal program, but does not include an individual who is a beneficiary of such program. A Subrecipient may also be a recipient of other federal awards from a federal awarding agency. 2 C.F.R. § 200.93. A Subrecipient may also be an Owner.

"UFAS" means the Uniform Federal Accessibility Standards and refers to a set of scoping requirements and standards for the design and construction of buildings and facilities to ensure that they are readily accessible to and usable by persons with disabilities. See Appendix A to 24 C.F.R. subpart 40 for residential structures and Appendix A to 41 C.F.R. subpart 101-19.6 for general-type buildings (UFAS is also available on-line at <http://www.access-board.gov>).

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Section 2. Owner Obligations. The Owner represents, warrants, covenants and agrees as follows:

- a. A State of California Certified Access Specialist ("CASp") who is a licensed architect or engineer must be identified as part of the development team. A list of CASps can be found at the following link: https://www.apps2.dgs.ca.gov/DSA/casp/casp_certified_list.aspx. The CASp cannot be the architect of record for the project. The cost of CASp activities and certifications should be included in the application's project budget.
- b. The Housing Development shall be constructed in accordance with the Accessibility Standards in Section 1 above to ensure accessibility for persons with disabilities. Owner must work with their CASp to ensure that the Housing Development complies with those Accessibility Standards.
- c. An accessibility report by a CASp inspector certifying that the Housing Development is in compliance with all applicable Accessibility Standards, as defined in Section 1, above, must be submitted to and approved by HCIDLA at the following phases of the project development:
 1. Accessibility Design Review Report and a pdf copy of the plans are due for review by HCIDLA when construction documents have been developed, and prior to the submission of plans to Los Angeles Building and Safety Department;
 2. The Accessibility Design Review Report must be approved by HCIDLA before building permits can be issued;
 3. Accessibility Progress Inspection Reports conducted after all rough inspections have been signed off by the Los Angeles Building and Safety Department and prior to closing of walls; and
 4. The Final Accessibility Report at completion of construction must be approved by HCIDLA before: (a) final retention payment; (b) certificate of occupancy; and (c) final building permit can be signed off by the Los Angeles Building and Safety Department.

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- d. Applicants/developers/owners must list all applicable accessibility standards on title page of plans, including the designated FHA Safe Harbor for the project, and include the following note: *"This is a publicly funded housing project and must comply with federal accessibility standards and California Building Code Chapters 11A & 11B"*.
- e. If the Development is to be rehabilitated, accessibility retrofits of the Housing Development shall take place concurrently with any project rehabilitation in compliance with the Accessibility Standards, including federal accessibility standards.
- f. The Accessible Units shall be prioritized for persons with disabilities who have a disability-related need for the accessibility features of the Accessible Unit. If an Accessible Unit is occupied by residents without disabilities, Owner shall require use of a Lease Addendum to require such residents to relocate to a vacant, non-accessible unit of comparable size, finishes, and amenities, at the same Development at the Development's expense, within thirty (30) days of notice by the Owner or Property Management Agent, or the minimum amount of notice required by state law, that there is an eligible applicant or existing resident with a disability who requires the accessibility features of the unit.
- g. Eleven percent (11%) of the total Housing Units in the Housing Development shall be constructed and maintained by the Owner as Housing Units with Mobility Features.
- h. An additional four percent (4%) of the total Housing Units in the Housing Development shall be constructed and maintained by the Owner as Housing Units with Hearing/Vision Features.
- i. The 4% and 11% calculations shall each be based on the total number of Housing Units in the Housing Development. In determining the number of Accessible Units required, any fractions of units shall be rounded up to the next whole number. Required Accessible Units shall, to the maximum extent feasible and subject to reasonable health and safety requirements, be distributed throughout projects and sites, and shall be available in a sufficient range of sizes and amenities so that a qualified individual with a disability has a choice of living arrangements that is, as a whole, comparable to that of other persons eligible for housing assistance under the same program.

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- j. While additional Accessible Housing Units may be provided, *i.e.*, up to 20 percent (20%), no more than fifteen percent (15%) of the Housing Units in any Housing Development may be counted toward the Target Number of Accessible Housing Units that the City must provide pursuant to the Voluntary Compliance Agreement (VCA) with the U.S. Department of Housing and Urban Development (HUD) (specifically, no more than eleven percent (11%) of the Housing Units in any Housing Development with Mobility Features and no more than four percent (4%) Housing Units in any Housing Development with Hearing/Vision Features) unless HUD provides specific written authorization.
- k. The Accessible Units shall be affordable for households pursuant to the terms of the Loan Agreement Documents and Regulatory Agreement, including any and all amendments, revisions, or modifications.
- l. The project shall comply with the City's Accessibility Regulations Matrix & Overview, Accessible Design/Construction Compliance Requirements, and the Accessibility Report Requirements, which may be amended from time-to-time.
- m. Owners shall adopt and comply with the City's Fair Housing Policy Related to Disability, as amended.
- n. Owners and property managers (including resident managers and on-site managers) of the Housing Development shall attend the City's Fair Housing for People with Disabilities workshops.
- o. Owners shall register the Housing Development on the City's Online Accessible Housing Registry, provide and update required information about the Housing Development and the Accessible Units, allow people with disabilities to apply for the Accessible Units when they become available and to place themselves on the waiting list for the Accessible Units, and comply with all other requirements of the Online Accessible Housing Registry.
- p. Following reasonable notice to Owner, Owner shall allow the City to conduct periodic on-site inspections of the Housing Development in order to verify compliance with the Accessibility Standards and the City's Fair Housing Policy Related to Disability.

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- q. The Housing Development as a whole and all Housing Units shall meet the requirements of the Accessibility Standards as defined in Section 1, above, and any requirements of the City, provided such requirements minimally meet and do not diminish the requirements of the Accessibility Standards.
- r. Owner shall provide a list to the City of all Accessible Units with unit number, bedroom size and type of Accessible Unit ("Housing Unit with Hearing/Vision Features" or "Housing Unit with Mobility Features").

Section 3. Occupancy of Accessible Housing Units. Owner shall follow the requirements of Section 504 and its implementing regulations at 24 C.F.R. Part 8, as well as the City's Fair Housing Policy Related to Disability to assure that information regarding the availability of Accessible Units reaches eligible individuals with disabilities. Owner will take reasonable, nondiscriminatory steps to maximize the utilization of such units by eligible individuals who require the accessibility features of the particular unit. To this end, Owner will take the following steps when an Accessible Unit becomes vacant:

- a. First, Owner will offer the Accessible Unit to a current occupant of the Housing Development who needs the features of an Accessible Unit;
- b. Second, Owner will offer the Accessible Unit to a current occupant of a Housing Development under common control who needs the features of an Accessible Unit;
- c. Third, Owner will offer the Accessible Unit to an eligible, qualified applicant on the waiting list for Accessible Housing Units who needs the features of an Accessible Unit;
- d. Fourth, Owner will offer the Accessible Unit to a current tenant of a Covered Housing Development who needs the accessible features of the Accessible Unit and are registered with the Website.
- e. Fifth, Owner will offer the unit to qualified applicants who need the accessible features of the Accessible Unit and are registered with the Website.
- f. If there are no eligible current tenants or applicants in need of accessible features, then the Owner must conduct targeted outreach and marketing to advertise the unit to qualified individuals who need the accessible features, including listing it as available to individuals

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who need the accessible features at <http://www.Housing.LACity.org>, distributing the information about the accessible vacancy in accord with the Owner's City approved Property Management Plan, distributing it to the most recent list from the City of organizations that serve people with disabilities, and sending an e-blast to parties on the Housing.LACity.org website Outreach List. All such communications shall take appropriate steps to ensure effective communication with individuals with disabilities by utilizing appropriate auxiliary aids and services, such as the use of accessible websites and emails. Outreach efforts to the disability community shall include, but not be limited to, notices and other communications describing the availability of such Accessible Units, specific information regarding the features of Accessible Units, eligibility criteria, and application procedures. These, and additional procedures, are incorporated into the City's Fair Housing Policy Related to Disability, as amended.

In the event more than one household has requested an Accessible Unit, Owners shall offer the Accessible Unit to households in order on the appropriate waiting list within each category.

If, after using the process identified above, there are no households who need the features of that Accessible Unit, then Owner may offer the Accessible Unit to the next household on the conventional waiting list. Should that household choose not to occupy the Accessible Unit, they will remain at the same position on the conventional waiting list. If the household chooses to occupy the Accessible Unit, the tenant must sign a lease addendum in the form approved by the City. The lease addendum requires the household to move to the next available, comparable, conventional unit, when given appropriate notice by the Housing Development that there is an eligible applicant or existing resident with a disability who requires the accessibility features of that Accessible Unit.

For individuals who are required to vacate an Accessible Unit because it is needed by an individual with a disability, Owners will pay the costs of the transfer to a comparable conventional unit, including new utility deposit(s), if required, and reasonable moving expenses.

Section 4. Rental Policies. The Owner shall adopt the City's rental policies that meet the requirements of Section 504, the ADA, the Fair Housing Act, FEHA, and other federal and state laws and regulations as applicable, and of the Fair Housing Policy Related to Disability of the City, as amended. Owner shall develop and utilize a Property

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Management Plan ("PMP"), approved by the City, which describes affirmative marketing, tenancing, and other procedures to ensure that the Housing Development meets all of the civil rights requirements for individuals with disabilities.

Rental applications will include a section to be filled out by applicants to identify whether they are requesting an Accessible Unit or a Reasonable Accommodation. Applicants will not be required to disclose a disability under any circumstances, and Owner shall seek information to be disclosed limited to only what is necessary to establish the disability-related need for the requested accommodation. If both the disability and disability-related need for the requested accommodation are obvious or already known, no additional information may be sought by the Owner. Applicants and residents may request a Reasonable Accommodation at any time.

Section 5. Residential Rental Property. The Owner hereby represents, covenants, warrants and agrees as follows:

- a. All of the Housing Units in the Housing Development will be similarly constructed units, and each income restricted unit in the project will contain complete separate and distinct facilities for living, sleeping, eating, cooking and sanitation for a single person or a family, including a sleeping area, bathing and sanitation facilities and cooking facilities, equipped with a cooking range and oven, a sink and a refrigerator. Each of the Accessible Units shall also comply with these requirements. Notwithstanding the foregoing, a unit shall not fail to be treated as a residential unit merely because such unit is a single room occupancy unit within the meaning of Section 42(i)(3)(B)(iv) of the Code even though such housing may provide eating, cooking and sanitation facilities on a shared basis.
- b. All of the Housing Units (which shall not include any manager units) will be available for rental on a continuous basis to members of the general public, and the Owner will not give preference to any particular class or group in renting the housing units in the project, except to the extent that: (1) Accessible Housing Units shall be made available on a priority basis to persons who need the accessible features, as described in Section 3 above; (2) any Housing Units are required to be leased or rented to low income tenants or persons [62] years of age and older, (3) the requirements of any regulatory agreement executed between the Owner and HUD or between the Owner and a subordinate lender (including the City), (4) the requirements of any Section 8 Housing Assistance Payments

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Contract with respect to the project, and (5) any preference Owner may legally provide pursuant to applicable federal and state law.

Section 6. Monitoring Requirements. The City will monitor the initial production and ongoing occupancy of the Accessible Units and the Housing Development to ensure full compliance with the Accessibility Standards, the Fair Housing Policy Related to Disability and the policies in Sections 1 - 4, above. In order to determine compliance with the Accessibility Standards, Owner shall submit and the City shall review and approve a CASp Inspection Report of the housing development that identifies the necessary and required design elements to make the Housing Units and site accessible for individuals with disabilities. The City shall inspect the construction and/or rehabilitation to verify that the legally required number of Accessible Units have been produced and that the necessary and required design elements have been constructed to make the Housing Units and site accessible for individuals with disabilities and supported by an independent CASp consultant's report.

The City will utilize the Housing Development's City approved PMP and Fair Housing Policy Related to Disability to monitor ongoing occupancy compliance of the Accessible Units and nondiscrimination of individuals with disabilities. Compliance with the policies shall include, but not be limited to, target marketing, establishing and monitoring a waiting list specific to the Accessibility Units, appropriately responding to Reasonable Accommodation requests, implementation of the assistance animal policies, implementation of the policies for re-leasing vacant Accessible Units, and all elements contained in the Fair Housing Policy Related to Disability, as amended.

Section 7. Maintenance of Records. With respect to the Covenants, the owner agrees to keep and maintain books, accounts, reports, files, records, and other documents pursuant to the terms of the Loan Agreement Documents and Regulatory Agreement, including any and all amendments, revisions, or modifications.

Section 8. Notices, Demands, Payments and Communication. Formal notices, demands, payments and communications between the City and the Owner shall be sufficiently given and shall not be given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally pursuant to the Notice provisions in the Loan Agreement.

Section 9. Term of the Covenants. The Covenants shall be recorded upon its execution and shall terminate in accordance with the most restrictive provisions of the Loan Agreement Documents and Regulatory Agreement, including any and all amendments, revisions, or modifications.

Section 10. Covenant to Run with the Land. The Owner hereby subjects the project to the covenants, reservations, and restrictions set forth in the Covenants. The City and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the project. Each and every contract, deed, or other instrument hereafter executed covering or conveying the project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations, and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. In particular, this Covenant is subject to the requirements at HUD's Section 504 regulation at 24 C.F.R. § 8.50(c).

Section 11. Default; Enforcement. As part of ensuring compliance with the Accessibility Covenants, the Accessibility Standards, and the Fair Housing Policy Related to Disability, the City or its agent, will conduct periodic on-site visits inspecting the Housing Development, which inspections may include inspecting the Housing Units and common areas, tenant files, logs and other records. Should the Owner fail to comply, the City will first issue an Order to Comply ("Order") stating the element of the Housing Development that is out of compliance, and providing a date by which the Owner must comply. The Order shall give the Owner not more than 30 days to correct the violation, or such additional time as the City may grant if the Owner is taking steps to correct the violation ("Compliance Date"), and diligently pursues such action until the default is corrected, which extension is in the City's sole discretion. The City shall re-inspect the Housing Development within 10 days of the Compliance Date specified in the Order or any extension, however failure to inspect or re-inspect within the time frame does not remove the obligation of the Owner to comply with the Order.

If the Order is issued and the violation continues to exist after the Compliance Date, then the City shall declare an "Event of Default" and may take any one or more of the following steps:

- a. **Inspection Fee for Non-Compliance.** In the event the Owner fails to comply with the Order within the Compliance Date, the Owner shall

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be liable for subsequent inspection fees in the amount approved by Council until compliance has been achieved. Failure to pay the assessed inspection fee within 30 days of the date of invoice, will result in a late charge equal to or two times the fees and a collection fee equal to 50 percent of the original fee shall be imposed if any fee imposed is not paid within 30 days of service of notice of the imposition of the fee.

The late fee may be imposed without a hearing but may be appealed to the General Manager of HCID. The appeal shall be made in writing, and shall specify the grounds for the appeal. The appeal shall be filed with HCID within ten calendar days of the issuance of the imposition of the late fees and costs. The General Manager or his designee shall issue a decision within ten calendar days of the filing of the appeal. A copy of the decision shall be served on the person or entity subject to the Order or fee by first class United States mail, postage prepaid, or in person. The City shall have the right to bring legal action in any court to enforce the Order and collect the amount of outstanding fees and penalties. City may waive the penalty imposed pursuant to this section if City determines that good causes exist for the Owner's failure to pay in a timely manner.

- b. By mandamus or other suit, action or proceeding at law or in equity, including injunctive relief, require the Owner to perform its obligations and covenants hereunder or enjoin any acts or things which may be unlawful or in violation of the rights of the City hereunder;
- c. Filing of a complaint or referral to HUD or other appropriate agencies for further enforcement actions;
- d. Have access to and inspect, examine and make copies of all or a portion of the books and records of the Owner pertaining to the project, in order to ensure compliance with all provisions of the Covenants, including records relating to the accessibility of the Accessible Units; and
- e. Take such other action at law or in equity as may appear necessary or desirable to enforce the obligations, covenants and agreements of the Owner hereunder.

Section 12. Compliance with Accessibility Requirements. The Owner hereby certifies that it and its property manager and any agent, contractor and subcontractor will

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comply with the Accessibility Standards as defined, and the policies described in Sections 2-5. The Owner and any contractor and subcontractor will provide Reasonable Accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services, and activities in accordance with each of the applicable and stricter of the requirements of the ADA, the 2010 ADA Standards for Accessible Design, the ADAAG, Section 504, UFAS, the Fair Housing Act, the Fair Housing Act Design and Construction Requirements, federal regulations implementing the ADA, Section 504, and the Fair Housing Act, California Government Code 11135 *et seq.*, the California Building Code Chapters 11A and 11B, and all subsequent amendments to those laws. The Owner and any contractor and subcontractor will not discriminate against persons with disabilities or against persons due to their relationship or association with a person with a disability. Any contract and subcontract entered into by the Owner, relating to the Covenants and the Project, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

Section 13. Governing Law. The Covenants shall be governed by the laws of the State of California.

Section 14. Parties Bound. The provisions of the Covenants shall be binding upon and inure to the benefit of the City and Owner and their respective successors and assigns.

Section 15. Severability. Every provision of the Covenants is intended to be severable. If any provision of the Covenants shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired.

Section 16. Waiver. Any waiver by the City of any obligation in the Covenants shall be in writing; however, the City cannot waive the requirement to comply with federal and state law. No waiver will be implied from any delay or failure by the City to take action on any breach or default of Owner or to pursue any remedy allowed under the Covenants or applicable law. Any extension of time granted to Owner to perform any obligation under the Covenants shall not operate as a waiver or release from any of its obligations under the Covenants. Consent by the City to any act or omission by Owner shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the City's written consent to future waivers.

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Section 17. Modifications. There shall be no amendment or modification of the Covenants without the prior written approval of the City. Any amendment or modification of the Covenants shall be by a written instrument executed by the City and the parties to the Covenants and the Regulatory Agreement or their successors in title, and duly recorded in the real property records of the County of Los Angeles, California. Modifications or amendments to the Covenants may occur by operation of law or other agreements binding the City and the parties to the Covenants and the Regulatory Agreement.

Section 18. Conflicts. If the provisions of the Covenants are inconsistent with the provisions of the Regulatory Agreement, the Loan Documents, or any other documents which affect the Property, the more restrictive covenants or restrictions shall control.

Section 19. Recording and Filing. The Owner shall cause the Covenants to be recorded and filed in the real property records of the County of Los Angeles and in such other places as the City may reasonably request. However, failure to record the Covenants by the Owner shall not relieve Owner of any of the obligations specified herein.

EXHIBIT A

For APN/Parcel ID(s): 5408-018-028

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

ALL OF LOTS 8 AND 9, ALL IN BLOCK 35 OF ORD'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 107, PAGES 316 AND 317 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO THE SOUTHWESTERLY 39 FEET OF LOT 2 OF TRACT NO. 182, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 13 PAGE 132 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES AND MINERALS INCLUDING GEOTHERMAL RESOURCES LYING IN AND UNDER SAID LAND ABOVE DESCRIBED, OR PRODUCED AND SAVED THEREFROM, AND FURTHER EXCEPTING TO GRANTOR THE SOLE AND EXCLUSIVE RIGHTS TO DRILL INTO, FROM AND THROUGH SAID LAND AND ALL SUBSURFACE EASEMENTS NECESSARY OR CONVENIENT TO PROSPECTING FOR, PRODUCING AND DEVELOPING OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND MINERALS BY MEANS OF SLANT DRILLING OPERATION CONDUCTED FROM SURFACE LOCATIONS OUTSIDE SAID LAND, INTO OR THROUGH SAID LAND, TO PRODUCING INTERVALS EITHER WITHIN OR BEYOND SAID LAND, ALL SUBJECT HOWEVER, TO THE CONDITION THAT, IN THE ENJOYMENT OF SAID RESERVED AND EXCEPTED RIGHTS AND INTERESTS GRANTOR SHALL NOT ENTER UPON THE SURFACE OF SAID LAND OR INTO THE UPPER 500 FEET THEREOF MEASURED VERTICALLY FROM SAID SURFACE, AS RESERVED BY THE ROMAN CATHOLIC ARCHBISHOP OF LOS ANGELES, A CORPORATION SOLE RECORDED OCTOBER 8, 1982, AS INSTRUMENT NO. 82-1017591, OFFICIAL RECORDS.

EXHIBIT B

Ann Sewill, General Manager
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

City of Los Angeles



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT
1910 Sunset Blvd, Ste 300
Los Angeles, CA 90026
Tel: 213.808.8808

housing.lacity.org

LOS ANGELES HOUSING DEPARTMENT

2024 Rent Limits - CRA-HCD Schedule (HCD POST-1991)

Effective Date: July 1, 2024

2024 Rental Increase % for former CRA/HUD Projects = 0.00%

2023 Area Median Income (AMI) \$98,200

2024 Area Median Income (AMI) \$98,200

Change in AMI from 2023 = 0%

Table II: Maximum Allowable Rent Levels

Rent Level	Bedroom Size					
	Single	One	Two	Three	Four	Five
25%	\$430	\$491	\$552	\$614	\$663	\$712
30% Extremely Low	\$516	\$589	\$663	\$737	\$795	\$854
35%	\$601	\$687	\$773	\$859	\$928	\$997
40%	\$687	\$786	\$884	\$982	\$1,061	\$1,139
45%	\$773	\$884	\$994	\$1,105	\$1,193	\$1,282
50% Very Low	\$859	\$982	\$1,105	\$1,228	\$1,326	\$1,424
60%/80% Lower/Low	\$1,031	\$1,178	\$1,326	\$1,473	\$1,591	\$1,709
100% Moderate	\$1,719	\$1,964	\$2,210	\$2,455	\$2,651	\$2,848
110%/120% Moderate	\$1,890	\$2,160	\$2,430	\$2,701	\$2,917	\$3,133

Note: This Schedule is based on HCD Gross Rent Schedule for Projects with CRA-HCD Covenants

Income: Extremely Low = 30% HCD AMI

Very Low = 50% HCD AMI

Low/Lower = 80% HCD AMI

Moderate = 120% HCD AMI

Rents: Extremely Low = 30% of 30% HCD AMI

Very Low = 30% of 50% HCD AMI

Low/Lower = 30% of 60% HCD AMI

Moderate = 30% of 110% HCD AMI

When applicable, rent increases must follow the lesser of the local rent stabilization regulations or the project's program limits. If your property is subject to the Rent Stabilization Ordinance, you may not be able to raise rents. Consult housing.lacity.org for additional information

EXHIBIT C

YALE TERRACE

LEASING OFFICE

716 YALE ST.

LOS ANGELES, CA, 90012

'24 JUL 31 2:07PM

NINETY DAY NOTICE OF CHANGE OF MONTHLY RENT

7/31/2024

VERONICA CASTELAN, and all others in possession of the premises commonly known as:

Yale Terrace

716 YALE ST. 307

LOS ANGELES, CA 90012

Dear VERONICA CASTELAN ,GUERRERO CASTELAN RUDY ,GUERRERO CASTELAN DANIEL ,GUERRERO CASTELAN NINSI and all others in possession of the premises:

You are hereby notified, in accordance with Civil Code Section 827, that 90 days after service upon you of this Notice, or 11/1/2024, whichever is later, your monthly rent which is payable in advance on or before the 1st day of each month, will be the sum of \$2,328.00, instead of \$1999.00.

The change rent is based on California Tax Credit Allocation Committee Maximum Allowed Rents.

Except as herein provided, all other terms of your tenancy shall remain in full force and effect. Charges for additional optional services (if any) will be applicable as before e.g., laundry,

You may call 213-621-9519 if you wish to arrange a meeting to discuss this change.

Thank you for your cooperation.

Sincerely,

MARIA SALAZAR

Authorized Agent

CC: Tenant File

Note: Please disregard the previous notice dated 05/29/2024, as it was issued in error and has been superseded by this updated notice. The new rent increase will take effect on November 1, 2024.



EXHIBIT D

SAMPLE LETTER FOR TENANT THAT PAID INCREASED RENT AMOUNT

30-DAY NOTICE OF CHANGE OF MONTHLY RENT

December 13, 2024

VERONICA CASTELAN, RUDY GUERRERO CASTELAN, DANIEL GUERRERO CASTELAN, NINSI GUERRERO CASTELAN and all others in possession of the premises commonly known as:

Yale Terrace
716 YALE ST. 307
LOS ANGELES, CA 90012

'24DEC16 12:44

Dear VERONICA CASTELAN, RUDY GUERRERO CASTELAN, DANIEL GUERRERO CASTELAN, NINSI GUERRERO CASTELAN and all others in possession of the premises:

Several months ago, you received a Ninety Day Notice of Change of Monthly Rent dated 7/31/2024 (the "July Notice"), which increased your rent from \$1,999.00 to \$2,328.00 beginning on 11/1/2024. Please be informed that the July Notice was issued in error, and should be disregarded. As of this date, your monthly rent remains at \$1,999.00. Our records indicate that you paid the increased rent amount of \$2,328.00 for the month of November 2024 & December 2024. As such, a refund of \$ 658.00 will be provided to you within the next 14 days.

Please further be informed, in accordance with Civil Code section 827, that 30 days after service upon you of this Notice, or 2/1/2025, whichever is later, your monthly rent which is payable in advance on or before the 1st day of each month will be the sum of \$2,198.00 instead of \$1,999.00.

The change rent is based on California Tax Credit Allocation Committee Maximum Allowed Rents.

Except as herein provided, all other terms of your tenancy shall remain in full force and effect. Charges for additional optional services (if any) will be applicable as before e.g., laundry, Pet fee.

You may call 213-621-9519 if you wish to arrange a meeting to discuss this change.

Thank you for your cooperation.

Sincerely,

TIRSA JOVEL
Authorized Agent

EXHIBIT E

30-DAY NOTICE OF CHANGE OF MONTHLY RENT

25 FEB 26 10:11 AM

February 26, 2025

Veronica Castelan, and all others in possession of the premises commonly known as:

Yale Terrace
716 YALE ST. 307
LOS ANGELES, CA 90012

Dear Veronica Castelan, Rudy Guerrero Castelan, Daniel Guerrero Castelan, Ninsi Guerrero Castelan and all others in possession of the premises:

Several months ago, you received a 30-Day Notice of Change of Monthly Rent dated 12/13/2024 (the "December Notice"), which increased your rent from \$1999 to \$2198 beginning on 2/1/2025. Please be informed that the December Notice was issued in error and should be disregarded. As of this date, your monthly rent remains at \$1999. Our records indicate that you paid the increased rent amount of \$2198 for the month of February 2025. As such, a refund of \$199 will be provided to you within the next 14 days.

Please further be informed, in accordance with Civil Code section 827, that 30 days after service upon you of this Notice, or 4/1/2025, whichever is later, your monthly rent which is payable in advance on or before the 1st day of each month will be the sum of \$2176 instead of \$2198.

The change rent is based on California Tax Credit Allocation Committee Maximum Allowed Rents.

Except as herein provided, all other terms of your tenancy shall remain in full force and effect. Charges for additional optional services (if any) will be applicable as before e.g., laundry, Pet fee.

You may call 213-621-9519 if you wish to arrange a meeting to discuss this change.

Thank you for your cooperation.

Sincerely,

BARBARA ARCHILA
Authorized Agent

CC: Tenant File

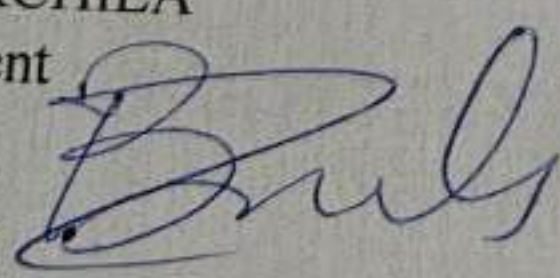


EXHIBIT F

MARCH 21 2025

NOTICE OF SUSPENSION OF RENT INCREASE

March 21, 2025

Veronica Castelan, and all others in possession of the premises commonly known as:

Yale Terrace
716 YALE ST. 307
LOS ANGELES, CA 90012

Dear Veronica Castelan, Rudy Guerrero Castelan, Daniel Guerrero Castelan, Ninsi Guerrero Castelan and all others in possession of the premises:

On February 26, 2025, you received a 30-Day Notice of Change of Monthly Rent (the "February Notice"), which increased your rent beginning on 4/1/2025 from \$1,999.00 to \$2,176.00. Please be informed that the rent increase amount of \$177.00 beginning on 4/1/2025 is suspended until further notice.

Except as herein provided, all other terms of your tenancy shall remain in full force and effect. Charges for additional optional services (if any) will be applicable as before e.g., laundry, Pet fee.

You may call 213-621-9519 if you wish to arrange a meeting to discuss this change.

Thank you for your cooperation.

Sincerely,

BARBARA ARCHILA
Authorized Agent

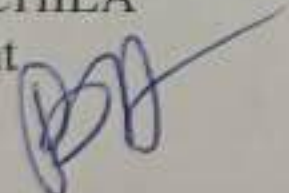
CC: Tenant File 

EXHIBIT G

S. YOUNG LIM
HEESOK PARK
DAVID B. BLOOM, APC
OF COUNSEL
SHELLEY A. SAGARA
DENNIS MCPHILLIPS
JESSIE Y. KIM
ADMITTED IN CALIFORNIA AND NEW YORK
JAMES E. ADLER
OF COUNSEL
RYAN J. DEPOSE

LAW OFFICES OF
PARK & LIM
3530 WILSHIRE BOULEVARD
SUITE 1300
LOS ANGELES, CALIFORNIA 90010
TELEPHONE (213) 386-5595
FAX (213) 384-7110
www.parkandlim.com

October 31, 2024

Via Email Only to rfang@publiccounsel.org
Raymond Fang, Esq.
PUBLIC COUNSEL
610 S. Ardmore Ave.
Los Angeles, CA 90005

Re: 716 Yale Street, Los Angeles, CA 90012 ("Yale Terrace")

Mr. Fang,

This office represents Yale Terrace. We are in receipt of your letters dated September 30, 2024 and October 25, 2024 as well as your email addressed to my partner Heesok Park dated October 18, 2024.¹

Before we substantively respond to your letter, Yale Terrace is a Low Income Housing Tax Credit housing project. It is a highly regulated and monitored by both the California Tax Credit Allocation Committee, as well as the Los Angeles Housing Department. Therefore, any Rent Increases are confirmed prior to issuance of Rent Increase Notices, and any alleged language barriers would have been addressed.

Be aware that from 2020 to 2023, Yale Terrace did not raise rent even though it was EXEMPT from rent increase limitations in an effort help the Tenants despite the fact that operating expenses, labor, and insurance have been dramatically increasing.

The following are the response to your Letter.

¹ We are extremely offended and do not appreciate your baseless and unfounded threats of reporting Mr. Park to the State Bar. As a member of the bar and an associate of Public Counsel, your letter reflects poorly on members of the Bar and Public Counsel.

The Scheduled Rent Increases are Within the Limits Set by the Los Angeles Housing Department

In your October 25, 2024 letter, you state that the allowable maximum rent for Yale Terrace is governed by Los Angeles Housing Department 2024 Rent Schedule – CRA-HCD Schedule (HCD Post-1991). This is incorrect. The correct rent schedule is the Los Angeles Housing Department 2024 Rent Schedule – CFA-HUD. The applicable rent schedule is enclosed for your reference.

If you apply the correct Rent Schedule, the scheduled rent increases for Yale Terrace Apartments are all within the maximum allowed rent levels published by the Los Angeles Housing Department.

Additionally, be aware that the Los Angeles Housing Department hires Urban Futures Bond Administration, Inc. (“Urban Futures”) to audit the rent rolls to confirm that the rent being charged to the tenant is correct.² Since the applicable Rent Schedule for Yale Terrace is published by the Los Angeles Housing Department, Penal Code section 396 and the Los Angeles Municipal Code section 165.09 are not applicable.

Please review the aforementioned and let me know if you have any questions. After you reach the conclusion that the Rent Increases are lawful and the amounts are correct, we demand that you notify the Tenants, and we request a copy of the Notification, advising the Tenants that the Rent Increases are correct.

Very Truly Yours,

/s/ S. Young Lim

S. YOUNG LIM

Enclosure

² Out of an abundance of caution, we confirmed again with Adele Carrasco of Urban Futures that Los Angeles Housing Department 2024 Rent Schedule – CFA-HUD is the correct Rent Schedule to be applied to Yale Terrace.

Ann Sewill, General Manager
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

City of Los Angeles



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT
1910 Sunset Blvd, Ste 300
Los Angeles, CA 90026
Tel: 213.808.8808

housing.lacity.org

LOS ANGELES HOUSING DEPARTMENT

2024 Rent Schedule - CRA-HUD

Effective Date: July 1, 2024

2024 Rental Increase % for former CRA/LA Projects = 0.00%

2023 Area Median Income (AMI) \$98,200

2024 Area Median Income (AMI) \$98,200

Change in AMI from 2023 = 0%

Table II: Maximum Allowable Rent Levels

Rent Level	Bedroom Size					
	SRO	Single	One	Two	Three	Four
30% Extremely Low	\$546	\$728	\$780	\$936	\$1,082	\$1,207
35%	\$637	\$849	\$910	\$1,092	\$1,262	\$1,408
40%	\$728	\$970	\$1,040	\$1,248	\$1,442	\$1,609
45%	\$819	\$1,092	\$1,170	\$1,404	\$1,623	\$1,810
50% Very Low	\$910	\$1,213	\$1,300	\$1,560	\$1,803	\$2,011
60% Lower	\$1,092	\$1,456	\$1,560	\$1,872	\$2,164	\$2,413
80%	\$1,456	\$1,941	\$2,080	\$2,496	\$2,885	\$3,218
120% Moderate	\$2,183	\$2,911	\$3,120	\$3,744	\$4,327	\$4,826

Notes:

When applicable, rent increases must follow the lesser of the local rent stabilization regulations or the project's program limits. If your property is subject to the Rent Stabilization Ordinance, you may not be able to raise rents. Consult housing.lacity.org for additional information

If applicable, projects with multiple funding sources must meet the requirements of the most restrictive funding source. When applicable, Tenant-paid utilities should be subtracted from the above rent levels to determine the maximum actual

EXHIBIT H



LAHD OccupancyMonitoring <lahd.occmonitor@lacity.org>

Rent Increases at Yale Terrace

LAHD OccupancyMonitoring <lahd.occmonitor@lacity.org>

Fri, Jan 24, 2025 at 8:16 AM

To: reporting2@navkarservices.com

Cc: Elaine Zhong <elaine.zhong@lacity.org>

Good morning,

I appreciate you taking the time to speak with me on January 22, 2025. Below is a summary of our discussion:

- Yale Terrace was previously monitored under a 2005 CRA covenant (Instrument #05-2679770).
- The LAHD monitored the project using the CRA-HUD rent and income schedule.
- Yale Terrace remained in compliance with the terms of the aforementioned agreement.
- On August 25, 2020, an Amended and Restated Covenant was executed between the City and the owner (Instrument #20211081518).
- The updated agreement is now monitored using the CRA-HCD Post-1991 rent and income schedule, which is an exhibit of the Amended and Restated Covenant.
- The rent limits under the new CRA-HCD schedule are lower than those in the previously used CRA-HUD schedule.
- LAHD's Rent Increase Policy prohibits rent increases in years where there is not an increase in the Area Median Income. 2024 is a year when the AMI did not increase; therefore increases are not allowed.
- Any recent rent increases that occurred on or after July 1, 2024 must be rescinded.

I kindly request that you provide a plan outlining how you intend to adjust the rents for the affected tenants to rescind any increases that took place on/after July 1, 2024 and adjust rents to the CRA-HCD limits. **Please submit your plan with dates to implement these changes by January 31, 2025.**

Best regards,

Occupancy Monitoring

Housing Development Bureau

Los Angeles Housing Department

E: lahd.occmonitor@lacity.org

O: 213.808.8806



[Quoted text hidden]



LAHD OccupancyMonitoring <lahd.occmonitor@lacity.org>

Notice to Comply - 716-734 Yale Street Los Angeles, CA 90042

LAHD OccupancyMonitoring <lahd.occmonitor@lacity.org>

Thu, Feb 27, 2025 at 4:45 PM

To: KJLaw101@aol.com

Cc: Elaine Zhong <elaine.zhong@lacity.org>, Peter Havas <peter.havas@lacity.org>, reporting2@navkarservices.com

Good afternoon,

It has been reported to LAHD that the tenants recently received rent increases. LAHD wishes to work with you to ensure that Yale Terrace is complying with the 2021 Yale Terrace Apartments-Amended and Restated Agreement Containing Covenants (attached). In particular, LAHD is inquiring about two provisions related to rents and allowable increases.

1. Increases: Section 2(c), page 9 states that "rent increases change from time to time when there are changes by a percentage equal to any percentage change in the Area Median Income (AMI) for LA County as determined by [HCD]." This means rent increases are not allowed in years when HCD does not publish an increase in the AMI. For your reference, please follow this link to find the LAHD's complete Rent Increase Policy: <https://housing2.lacity.org/wp-content/uploads/2023/11/Rent-Increase-Policy.pdf>. Since HCD did not publish an increase to their income limits for 2024, CRA projects subject to this policy are not permitted to raise rents in 2024.
2. Income and Rents: Please see the definitions of Rent and Income in Section 1, page 4 of the agreement. Attachment 2, is the rent schedule for CRA-HCD that applies to Yale Terrace. The 2024 CRA-HCD Income & Rent schedule is attached.

Please respond to the letter in the attached package within ten business days. If you have any questions or concerns, we are available to meet to discuss.

Best regards,

Occupancy Monitoring

Housing Development Bureau
Los Angeles Housing Department
E: lahd.occmonitor@lacity.org
O: 213.808.8806



Notice to Comply - Yale Terrace.pdf

7306K

City of Los Angeles

Tiena Johnson Hall, General Manager
Tricia Keane, Executive Officer

Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager
Craig Arceneaux, Acting Assistant General Manager



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT
1910 Sunset Blvd, Ste 300
Los Angeles, CA 90026
Tel: 213.808.8808

housing.lacity.gov

February 27, 2025

VIA EMAIL

716 Yale Terrace LP C/O Young Kim
3250 Wilshire Blvd. #1805
Los Angeles, CA 90010
kjlaw101@aol.com

Re: NOTICE TO COMPLY WITH THE AMENDED & RESTATED COMMUNITY REDEVELOPMENT AGENCY COVENANT; LOAN NO.: CRA872525-006

Property Address

**716 N. Yale St.
Los Angeles, CA 90012**

Dear Mr. Kim

I am writing to inform you that the property with the common address 716 N. Yale St. (the "Property"), also known as Yale Terrace, is not compliant with the Covenant recorded on July 13, 2021 as Instrument No. 20211081518. Please provide a response to this notice accordingly.

Background

The Property benefitted from a loan in the amount of \$3,050,000 ("City Loan") from the City of Los Angeles resulting in the development of the fifty-five (55) unit, multifamily rental housing structure on the Property. A Covenant was recorded against the Property on October 31, 2005 as Instrument No. 05-2619770 of Official Records of Los Angeles County. On September 18, 2019, the City, the predecessor owner, and 716 Yale Terrace LLC entered into an Assignment, Assumption, and Consent Agreement wherein the predecessor owner assigned all of its rights, obligations, duties, and interests in, to and under the City Loan and covenant to 716 Yale Terrace LLC. An Amended and Restated Covenant was also recorded against the Property on July 13, 2021 as Instrument No. 20211081518 of Official Records of Los Angeles County, a copy of which is enclosed ("Covenant"). Section 23 of the Covenant provides that the provisions of the Amended and Restated Covenant run with the land and binds 716 Yale Terrace LP as Property owner and all successors and assigns in ownership. You signed the Amended and Restated Covenant as an authorized signatory.

Section 2(b) of the Covenant requires you to use the CRA-HCD Post-1991 Rent and Income Schedule. In accordance with the Covenant, LAHD will monitor the same 54 affordable units at the same Area Median Income (AMI) levels using the CRA-HCD Post-1991 Rent and Income Schedule. The 2024 CRA-HCD Post-1991 Rent and Income Schedule is also enclosed.

Rent Increases at Yale Terrace

The Occupancy Monitoring Unit (OM) at LAHD was informed of recent rent increases for tenants in 2024. According to Section 2(c) of the Amended and Restated Covenant, "The maximum allowable rent that may be charged for an Affordable Unit may change from time to time when there are changes, by a percentage equal to any percentage change in the AMI for Los Angeles County as determined by HCD..." (Pg. 9). According to the City's Rent Increase Policy, rent increases are not permitted in years when HCD does not publish an AMI increase. HCD did not increase the AMI in 2024. Accordingly, the 2024 CRA-HCD Post-1991 schedule did not allow rent increases in 2024.

In the attached emails dated December 23, 2024, January 15, 2025, and January 24, 2025, LAHD requested that your property manager submit evidence that since at least January 1, 2025, you have been adhering to the terms of the covenant. Specifically, LAHD requested evidence that the property was following the Rent Increase Policy and that the property was using the CRA-HCD Post-1991 Rent and Income Schedule. In those communications, LAHD requested that you provide a response by January 31, 2025. LAHD staff also followed up with these written requests with your property manager Dorothy Dsouza via telephone on December 30, 2024 and January 22, 2025. During that conversation on January 22, 2025, your property manager stated that she understood LAHD's demand to rescind any rent increases for 2024.

As of the date of this letter, LAHD has not received the records it requested. Additionally, LAHD has been informed that you have not rescinded any rent increases.

Requested Actions

Section 2(g) of the Covenant provides LAHD authority to demand documentation within ten business days. **Within ten days**, please provide documentation that the project is adhering to the Rent Increase Policy and that it is using the CRA-HCD Post-1991 Rent and Income Schedule, specifically the following:

- Provide evidence that all rent increases for the affected units have been reversed, and tenants have been reimbursed for any overpayments. The reimbursements can be in the form of either a refund or credit.
- Submit a plan outlining how you will adjust your rents to use the CRA-HCD Post-1991 Rent and Income Schedule.

If you fail to respond within ten days, LAHD may declare the Property to be in default with the terms of the loan and Covenants and take further enforcement action, including forwarding this matter to the Office of the Los Angeles City Attorney.

Sincerely,



Lamar Sorel, Management Analyst

CC:

Elaine Zhong, Office of the Los Angeles City Attorney

Dorothy Dsouza, Agent for Triumph Residential Services

Peter Havas, Financial Development Officer

Enclosures:

Email Correspondence Between LAHD and Dorothy Dsouza

2024 CRA-HCD Post 1991 Rent and Income Schedule

LAHD's Rent Increase Policy

2021 Yale Terrace Amended and Restated Covenant

EXHIBIT I



LEASE CONTRACT

CERTIFIED LEASE CALIFORNIA

PARTIES AND PREMISES INFORMATION

Residential Community: Yale Terrace				Residence No (Leased Premises): 307
Residence Address (Leased Premises): 716 YALE STREET	City: LOS ANGELES	State: CA	ZIP: 90012	County: Los Angeles
Office Address: 716 Yale Street	City: Los Angeles	State: CA	ZIP: 90012	County: Los Angeles
Parking No / Permit No: 33 C-4052	Garage No: N/A	Carport No: N/A	Storage Space No: N/A	
Residents: VERONICA CASTELAN and NINSI CASTELAN				Term: 4/1/2018 - N/A (month-to-month)
Owner: Yale Terrace Apartments, a California Limited Partnership				Phone: (213) 621-9519
Owner Address: 716 Yale Street	City: Los Angeles	State: CA	ZIP: 90012	County: Los Angeles

OTHER OCCUPANTS

Authorized Occupants: (list all occupants other than those signing the Residential Contract)

DANIEL GUERRERO (Dependent) and RUDY GUERRERO (Dependent)

CHARGES

Late Rent Payment Charge	\$50.00	Failure to Clean Animal Waste Charge	\$25.00
Flea Spraying Charge	\$35.00	Electronic Payment Dishonored/Chargeback Charge	\$25.00
Key Replacement Charge	\$5.00	Smoke/CO Alarm Tampering Charge	\$50.00
Failure to Clean Garbage Charge	\$25.00		

MONTHLY PAYMENTS

DEPOSITS

ONE-TIME FEES

Base Rent	\$1,520.00	Unit Deposit	\$1,441.00	TOTAL ONE-TIME FEES	\$0.00
TOTAL MONTHLY PAYMENTS	\$1,520.00	TOTAL SECURITY DEPOSITS	\$1,441.00		

THIS RESIDENTIAL LEASE CONTRACT (this "Agreement") is made and entered into as of **April 1, 2018** by and between the Owner of the above named Residential Community ("Owner") and the above named individual resident or residents, jointly and severally (hereinafter collectively "Residents"). Owner hereby leases to Residents the above listed Residence (the "Leased Premises") for use exclusively as a private residence, and not for any other purpose. The Leased Premises may also include the rental of other parking, storage or appliance rentals which will be designated above and included in a separate written agreement. If performance of this Agreement has been guaranteed by one or more third parties, separate guarantees have been attached to this Agreement.

- OCCUPANCY OF THE LEASED PREMISES.** The Leased Premises may be occupied solely by the Residents and Authorized Occupants identified above. All changes in occupants require prior written acceptance and approval of Owner. If an occupancy change is accepted and approved by Owner during the term of this Agreement, a new Residential Lease Contract or an amendment to this Agreement shall be executed. Subject to Section 22, any assignment or subletting without Owner's prior written consent shall be void and shall, at Owner's option, terminate this Agreement. It shall be a material violation of this Agreement and grounds for termination of the tenancy for Residents to permit any occupants other than the Residents and Authorized Occupants to reside in the Leased Premises. No other person may occupy or in any way reside in the Leased Premises in excess of either **14 days** consecutive days, or more than twice that number in any **twelve** month period, otherwise, such persons shall be deemed to reside in the Leased Premises in violation of this Agreement.

Owner's acceptance of rent from any other individual shall be deemed to be the payment of rent on behalf of the Resident(s) named

Initial: VCK NCG

above and shall not constitute permission for the person making the payment to occupy the Leased Premises. Should any person not named above make any claim to right of possession of the Leased Premises, any such person shall be deemed to be the guest or invitee of the named Resident(s) and their claim to right of possession shall be denied.

Misstatements On Application: Resident(s) have completed an application in connection with securing this Residential Lease Contract. Owner has relied upon the statements set forth in said application in deciding to rent the Leased Premises to Resident(s). It is agreed that, if Owner subsequently discovers any misstatements of fact in the Resident(s)' application, number of household members or student status, any such misstatements shall be deemed a material and incurable breach of this Residential Lease Contract and shall entitle Owner to serve Resident(s) with a termination as allowed by law.

2. **TERM.** This Agreement shall be month to month. The initial term of this Agreement shall begin on the 1st day of April, 2018 and end at midnight the 30th day of April, 2018.

At the end of the lease term, this Agreement shall automatically renew as a month-to-month tenancy unless, thirty (30) days or more prior to the final date of the lease term, either party gives written notice of termination or intent to vacate as required by this Agreement, or unless the parties agree otherwise in writing. After the first year of occupancy, at least 30 days or more days or more prior written notice of intent to terminate will be given by Owner.

Any holding over by Residents at the expiration of the lease term with the consent of Owner shall create a tenancy from month to month on the same terms and conditions set forth in this Agreement, subject to amendment by Owner as set forth in Civil Code section 827 and terminable by either party proper written notice in accordance with the provisions of California Civil Code Section 1946.

3. **SECURITY DEPOSIT.** Residents have deposited with Owner the sum of \$1,441.00, the receipt of which is hereby acknowledged as a security deposit. All or a portion of the deposit may be retained by Owner in the event Residents become liable for the charges listed below. The retention of the Security Deposit shall not limit Owner's right to proceed against Residents for claims above the amount of the Security Deposit.

Residents will be liable without limitation for the following charges, if applicable:

1) Failure to fully perform Residents duties imposed by statute, this Agreement or any Addendum to this Agreement; 2) failure to clean, repair, or restore the Leased Premises and any appliances, furniture, fixtures, equipment and other property supplied by Owner to its condition at the commencement of this tenancy as evidenced by the inspection report, except normal wear and tear; or 3) failure to pay any rent, returned check charges, late charges, utility charges or other charges which may be owed by Residents pursuant to this Agreement.

Residents may not use the security deposit to pay any month's rent. Owner may withhold from the security deposit only such amounts as reasonably necessary to remedy Residents' defaults, including but not limited to those listed above.

4. **RENT.** Residents agree to pay to Owner as rent for the Leased Premises the sum of \$1,520.00 per month. If the Residents' occupancy initially commences on first day of the month, Residents agree to pay the first month's full rent upon move-in. Rent and all other charges due Owner will be payable to Yale Terrace, 716 Yale Street, Los Angeles, CA 90012, (213) 621-9519.

First Rent Payment. The rent due upon move-in shall be payable in the form of a cashier's check or money order only.

Except as otherwise provided, said sum shall be paid in full and received, in advance with no grace period, and without demand on or before the 1st day of each month in the form of personal check, cashier's check, and money order. Cash is not acceptable as a form of payment. All monthly payments must be made by one check, not multiple checks. Partial payment of rent is not acceptable at any time; all payments must be made in full to include all amounts due. Post-dated or third party payments will not be accepted. Payment made to the office will not be held at the request of anyone; all payments made to the office will be directly deposited. If in any month the rent is paid after the 3rd day of the month, payment must be in the form of certified check or money order. If Owner serves Residents with a notice to pay rent or surrender possession, which Owner may do on any date after the first day of the month rent is considered late, any payment tendered following service of said notice must be in the form of certified check or money order. If one or more payments submitted by Residents are, for any reason whatsoever, returned unpaid by the bank upon which drawn, all subsequent payments for the balance of Residents' occupancy of the Leased Premises (including the payment necessary to replace the dishonored payment) must be in the form of certified check or money order unless Owner agrees, in writing, to waive this requirement. It is Residents' responsibility to be certain that each payment is actually received by Owner on or before its due date. Use of a rental payment drop box, if one is provided by Owner, is for Residents' convenience - the risk of receipt of funds by Owner when such box is used is Residents', and not Owner's, risk. The usual days and hours when rent payments may be made personally are: M-F 9:00am-5:00pm

Pursuant to LAMC Ordinance No. 172537, the Owner may collect a rent surcharge for from the Resident of 1/12th of the annual Code Enforcement Fee that is paid to Los Angeles Housing Department (LAHD).

This surcharge is part of the adjusted Base Rent and must be paid monthly with the rental payment. The Code Enforcement surcharge

is currently \$0.00 per month and is included in the Base Rent. The Code Enforcement surcharge is subject to periodic increases by the Los Angeles Housing Department. Owner reserves the right to pass this increase onto the Resident after providing a 30 day written notice of the increase, regardless of the Expiration Date.

5. **LATE PAYMENTS AND FEES.** Owner and Residents agree that it is and will be impracticable and extremely difficult to fix the actual damages suffered by Owner in the event Residents make a late payment of rent, or when Residents make a payment that is subsequently dishonored by the bank, and that the below charges represent a reasonable approximation of the damages Owner is likely to suffer from a late or dishonored payment. Owner and Residents further agree that this provision does not establish a grace period of the payment of rent, and that Owner may give Residents a written notice to pay or quit the premises in accordance with state law at any time after the payment is due. If Residents don't pay rent on time, Residents will be delinquent and all remedies under this Agreement will be authorized. Owner will also have all other remedies for such violation as allowed by this Agreement and by law, including the submission of a negative credit report to a credit reporting agency, which may result in lowering Residents' credit score.

3 late payments in a twelve (12) month period is considered material noncompliance for chronic late payment of rent.

Late Payments. If Owner has not received the full rent payment within 2 day(s) after it is due to be received under this Agreement, Residents shall pay a sum of \$50.00, as a liquidated damage.

Dishonored Payments. Residents shall pay Owner a sum of \$25.00 for the first returned payment and a sum of \$25.00 for any additional payments, as liquidated damages. If Residents' rent payment is returned, Residents shall pay the rent and the applicable late charges by certified check or money order. If Residents' rent payment is returned more than 1 times in any 12 month period, Residents may, at Owner's option, be required to pay all future rent and other charges by certified check or money order plus any and all costs required in the collection of said payment.

6. **FAILING TO PAY FIRST MONTH'S RENT.** If Residents fail to pay the first month's rent on or before the date this Agreement begins, Owner may terminate this Agreement and recover damages including, but not limited to, future rents (less any mitigation) and other lawful charges.

7. **RENT INCREASES AND LEASE CONTRACT CHANGES.**

Owner and Residents agree that all rent payable by Residents to Owner, which includes all sums, charges, or amounts of whatever nature to be paid by Residents to Owner in accordance with the provisions of this Agreement, will qualify as "rents from real property" within the meaning of both Sections 512(b)(3) and 856(d) of the Internal Revenue Code of 1986, as amended (the "Code") and the U.S. Department of Treasury Regulations promulgated thereunder (the "Regulations"). In the event that Owner, in its sole discretion, determines that there is any risk that all or part of any rent will not qualify as "rents from real property" for the purposes of Sections 512(b)(3) or 856(d) of the Code and the Regulations promulgated thereunder, Residents agree (i) to cooperate with Owner by entering into such amendment or amendments as Owner deems necessary to qualify all rent as "rents from real property," and (ii) to permit an assignment of this Agreement; provided, however, that any adjustments required pursuant to this paragraph shall be made so as to produce the equivalent rent (in economic terms) payable prior to such adjustment.

Owner will provide Residents a minimum of 30 days notice if Residents are on a month-to-month tenancy before Owner increases the rent (a maximum 10% increase over the previous 12 months). Owner will give Residents at least 60 days notice during a month-to-month tenancy before Owners raise the rent more than 10% (over the previous 12 months), unless the increase is caused by a change in Residents' income or family composition as determined by a recertification required by statute or regulation.

8. **UTILITIES.** Owner agrees, at Owner's expense, to furnish the following utilities to the Leased Premises: Water and Sewer. Residents will be responsible for the following utilities: Electric, Gas, Cable, and Internet.

Residents agree to pay all charges (including utility deposits) not supplied by Owner, assessed by the utility provider (or Owner, or Owner's designated Billing Party) in connection with Residents' use of utilities during the term of this Agreement, or the period of occupancy by the Residents, whichever is longer. Residents must not allow utilities to be disconnected-including disconnection for not paying bills-until the lease term or renewal period ends. Residents shall not waste utilities supplied by Owner. Residents shall properly use all electrical, gas and plumbing fixtures and appliances. Residents shall not install or operate any additional equipment or appliance including but not limited to additional refrigerators and freezers, dishwasher, washing machine, clothes dryer or an air conditioning unit in the Leased Premises unless supplied by Owner or with Owner's prior written approval. It is understood and agreed between Owner and Residents that in the event sub metered or allocation payments are not made when due, it shall be considered a default under this Agreement. Owner reserves the right, at any time a past due balance is owing on the utilities, to apply any and all funds received from the Residents, including funds paid as rent, first to the past due balance and then any remaining funds will be applied to Rent. Residents agree to this allocation of funds despite any limiting or restrictive endorsement contained on the payment. When the Residents move from the Leased Premises, the utility charges will be charged to and deducted from the security deposit.

Owner may modify the method by which the utilities are furnished to the Leased Premises or billed to Residents during the term of this Agreement. In the event of interruption or failure of utility services that Owner is required to furnish, Owner shall use reasonable

diligence in its efforts to restore such services. Owner shall not be liable for any damages directly or proximately caused by interruption or failure of utility service unless such interruption or failure of utility service is solely due to Owner's failure to pay for the provision of such services for the property to the service provider.

If a utility is individually metered, it must be connected in Residents' names and Residents must notify the utility provider of Residents' move-out date so the meter can be timely read. If Residents delay getting it turned on in Residents' name by lease commencement or cause it to be transferred back into Owner's name before Residents surrender or abandon the apartment, Residents will be liable for a sum of **\$0.00**, as a liquidated damage, plus the actual or estimated cost of the utilities used while the utility should have been connected in Residents' names. If Residents are in an area open to competition and the Leased Premises is individually metered, Residents may choose or change Residents' retail electric provider at any time. If Residents qualify, Residents' provider will be the same as Owner's, unless Residents choose a different provider. If Residents choose or change Residents' provider, Residents' must give Owner written notice. Residents must pay all applicable provider fees, including any fees to change service back into Owner's name after Residents move out.

- 9. RISK OF LOSS OF RESIDENTS' PROPERTY.** Residents shall bear the risk of loss of any and all of Residents' personal property whether located in the Leased Premises, in garage/carport, designated storage areas or anywhere on the premises. Residents agree not to hold Owner, his/her agents and/or employees liable in any manner for or on account of any loss or damages sustained by reason of the acts or omissions of third parties, or arising from any casualty (including but not limited to fire, smoke, rain, flood, water and pipe leaks, hail, ice, snow, lightning, wind, explosions, earthquakes, interruption of utilities, theft, hurricane, negligence of other residents, occupants, or invited/uninvited guests or vandalism, unless otherwise required by law). Residents understand and agree that Residents, his/her invitees or guests are not beneficiaries of any insurance policies held by the Owner or the Owner's agents.

- 10. ALTERATIONS AND REPAIRS.** Residents shall make no alterations to the Leased Premises without the prior written consent of Owner. Any alteration made to the Leased Premises by Residents after that consent has been given, and any fixtures installed as a part of that work, will at Owner's option become the Owner's property on the expiration or earlier termination of this Agreement, provided, however, that Owner shall have the right to require Residents to remove any fixtures at Residents' cost on termination of this Agreement. Residents shall notify Owner of any dilapidations or other defective conditions on the Leased Premises that require repairs.

Residents agree not to install additional or different locks, gates or alarms on any doors or windows of the Leased Premises without written permission of Owner. If Owner approves Residents' request to install such mechanisms, Residents agree to provide Owner with a key or code for each lock.

IF RESIDENTS OR ANY OCCUPANT NEEDS TO SEND A NOTICE OR REQUEST - FOR EXAMPLE, FOR REPAIRS, INSTALLATIONS, SERVICES, OWNERSHIP DISCLOSURE OR SECURITY-RELATED MATTERS - ALL NOTICES MUST BE SIGNED AND IN WRITING TO OWNER (except in case of fire, smoke, gas, explosion, overflowing sewage, uncontrollable running water, electrical shorts, crime in progress, or fair housing accommodation or modification). Owner's written notes on Residents' verbal/oral request do not constitute a written request from Residents.

Owner's complying with or responding to any verbal/oral request regarding security or any other matters doesn't waive the strict requirement for written notices under this Agreement. Residents' must promptly notify Owner in writing of: water leaks; mold; electrical problems; malfunctioning lights; broken or missing locks or latches; and other conditions that pose a hazard to property, health, or safety. Owner may change or install utility lines or equipment serving the Leased Premises if the work is done reasonably without substantially increasing Residents' utility costs. Owner may turn off equipment and interrupt utilities as needed to avoid property damage or to perform work. If utilities malfunction or are damaged by fire, water, or similar cause, Residents must notify Owner's representative immediately. Air conditioning problems are normally not emergencies. If air conditioning or other equipment malfunctions, Residents must notify Owner as soon as possible on a business day. Owner will act with customary diligence to make repairs and reconnections, taking into consideration when casualty insurance proceeds are received. Rent will not abate in whole or in part.

If Owner believes that fire or catastrophic damage is substantial, or that performance of needed repairs poses a danger to Residents, Owner may terminate this Agreement by giving Residents reasonable notice. Owner may also remove personal property if it causes a health or safety hazard. If this Agreement is so terminated, Owner will refund prorated rent and all deposits, less lawful deductions.

- 11. PERSONAL PROPERTY OF RESIDENTS.** Upon vacating the premises, Residents shall remove all personal property from the Leased Premises.

If any personal property is left in the Leased Premises, Owner will provide Residents, by first class mail, postage prepaid (to the subject premises unless another address has been provided by Residents) the notice to reclaim abandoned property required by CAL. CIV. CODE Section 1984. Owner shall store any such personal property for eighteen days. If within that time period, Residents do not claim said property and pay for the costs of storage, Owner may dispose of said items, deemed in Owner's good faith discretion to be worth less than \$700.00 in value, in any manner Owner chooses.

12. DELIVERY OF PREMISES. Residents understand that, for reasons beyond the control of Owner, Owner may not be able to deliver possession of the Leased Premises to Residents on the commencement date if, for example, a former resident of the Leased Premises who has given notice to leave cancels the notice or fails to leave by the scheduled date. If, for any reason, Landlord is unable to provide occupancy to Residents by the scheduled commencement date, this Agreement shall remain in force, and Residents' remedies in this event shall be limited to the following: 1) abatement of rent on a daily basis during delay; or 2) Residents may terminate this Agreement until the date that Owner delivers possession. Owner shall have no liability to Residents if there is a delay of possession other than promptly to refund any monies paid in the event of termination. Rent abatement or termination of this Agreement does not apply if delay is for cleaning or repairs that don't prevent Residents from occupying the Leased Premises.

13. COMPLIANCE WITH RULES, LAWS, AND REGULATIONS. Residents' receipt of the Residential Community's Policies and Rules ("Rules"), which Rules are incorporated into and made a part of this Agreement. Residents agree to abide by said Rules in all respects. Owner may make reasonable changes to written rules, with a thirty day notice, and Resident agrees to abide by such changes if they are distributed and applicable to the Residential Community and do not change the rent. Failure to comply with the Rules shall be deemed a breach of this Agreement.

Residents agree not to harass, annoy, or endanger any other resident or person, or create or maintain a nuisance, or disturb the peace or solitude of any other resident, or commit waste in or about the Premises. Residents are responsible for the conduct of his/her/their guests or invitees while they are on the Property.

Certain acts are considered to be contrary to the safety, well being, peace, and enjoyment of the other residents of the Community. These include, but are not limited to: 1) violations of this Agreement, the Rules, or fire, safety, health, or criminal laws and regulations; 2) Residents or occupants give incorrect or false answers in a rental application; 3) Residents or any occupant is convicted for an offense involving actual or potential physical harm to a person, or involving possession, manufacture, or delivery of a controlled substance, or drug paraphernalia under a state statute, or any sex-related crime, including a misdemeanor, occurring at the Residential Community; or 4) any illegal drugs or paraphernalia are found in the Leased Premises.

Residents further agree not to harass, verbally abuse, denigrate or otherwise disrespect Owner's employees, agents and/or contractors. Failure to abide by this policy may result in the termination of this Agreement.

14. USE OF LEASED PREMISES AND COMMON AREAS. Residents shall not do or permit anything to be done in or about the Leased Premises that will in any way obstruct or interfere with the rights of other tenants or occupants of the building or injure or annoy them or use or allow the Leased Premises to be used for any improper, unlawful, or objectionable purpose. Further, Residents shall not cause, maintain, or permit any nuisance in, on, or about the Leased Premises, or commit any waste in or on the Leased Premises, and shall promptly notify Owner in writing of any defective or potentially defective conditions, in the Leased Premises, or in the Community. Finally, Residents shall not put the Leased Premises to any use that violates local zoning ordinances or any other law applicable to the Leased Premises. Residents agree to reimburse and indemnify Owner for all fines or other penalties incurred by Owner as a result of the violation of any statute, ordinance, regulation or other governmental restriction by Residents, their guests or invitees. Any violation of this provision shall be deemed a material and incurable breach of this Agreement and shall entitle Owner to serve Residents with notice terminating the tenancy. Nothing set forth herein shall be deemed as disallowing any use of the premises that cannot legally be prohibited.

Residents further agree to the following: 1) Residents must keep the Leased Premises and areas reserved for private use clean and sanitary; 2) trash must be disposed of at least weekly in appropriate receptacles; 3) passageways may be used only for entry or exit; 4) amenity areas must be used with care in accordance with the Rules and posted signs; 5) glass is prohibited in all common areas; 6) conducting business of any kind in the Leased Premises or the Residential Community is prohibited, except that any lawful business conducted at home by computer, mail, or telephone is permissible if customers, clients, patients, or other business associates do not come to the Leased Premises for business purposes; 7) Businesses allowed in a home by state statute will be permitted with proper licensing and notification provided to the Owner in advance of the operation of the business 8) Owner may exclude from the community guests or others, who in Owner's judgment, have been violating the law, violating this lease, or any dwelling rules, which includes anyone who is disturbing other residents, neighbors, visitors, or owner's representatives; 9) Owner may also exclude from any outside area or common area anyone who refuses to show identification or identify themselves as a guest, occupant or resident in the community;

NON-DISCRIMINATION: There shall be no discrimination against or segregation of, any persons on account of race, creed, religion, sex, sexual orientation, marital status, family status (minor children or no minor children), national origin, ancestry, disability or any other protected classification under state or federal law, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Leased Premises, nor shall the Owner or any person claiming under or through Owner, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of residents, lessees, subtenants, sub-lessees or vendees of the Leased Premises.

15. LIQUID FILLED FURNITURE. Liquid filled furniture is allowed only with proper insurance coverage, and prior written approval of Owner. A certificate of insurance in the amount of \$100,000.00 evidencing liquid filled furniture coverage must be provided to Owner

prior to Residents bringing any liquid-filled furniture into the Leased Premises. If Owner permits Residents to install any liquid-filled furniture, the Security Deposit shall be increased in the amount of \$200.00. Residents must provide Owner with at least 24-hours written notice prior to the installation, removal or movement of any liquid-filled furniture and Owner has the right to be present at the time of such installation, removal or movement. Installation movement and removal must be done in accordance with standards set by the manufacturer, retailer or state law, whichever provides the higher degree of safety. No aquarium over 10 gallons is permitted without prior written consent of the Owner. Any damages to the premises, community or other residents' belongings as a result of leaks from liquid filled furniture will be replaced at the expense of the resident. Damages caused by the liquid filled furniture to other residents' belongings will give Owner permission to provide necessary resident information to all parties affected by the damage.

Residents agree to comply with all requirements and conditions of CAL. CIV. CODE Section 1940.5 in connection with the use of a waterbed or other furniture containing a liquid filling material on the Leased Premises.

- 16. ANTENNAS.** The Federal Communications Commission states that Residents have a limited right to install a satellite dish or receiving antenna within the Leased Premises. The Residential Lease Contract must be amended to incorporate requirements and restrictions prior to any installation. A certificate of insurance in the amount of \$100,000.00 evidencing coverage must be provided to Owner prior to Residents installing a satellite dish or receiving antenna in the Leased Premises. Resident is responsible for making sure the Leased Premises is in a location to receive the satellite signal prior to requesting permission to install. For information on requirements and restrictions, contact Owner. Resident shall not install any external media device nor climb or have others climb upon the roof.
- 17. SECURITY.** Owner makes no representations or guarantees to Residents concerning the security of the Leased Premises or the Residential Community. Owner is under no obligation to Residents to provide any security measure or take any action not required by statute. The presence of courtesy patrols, patrol cars, access gates, surveillance cameras or other deterrents do not guarantee that crime can or will be prevented. All such systems are subject to personnel absenteeism, human error, mechanical malfunctions and tampering. Residents are responsible for planning and taking action with respect to the safety of Residents and their property as if such systems and deterrents did not exist.

Owner has no obligation to obtain criminal background checks on any Residents and bears no responsibility or liability related to the criminal background or actions (whether past, present or future) of any person, even if Owner has actually run a criminal background check on applicants. Residents shall not rely on the fact that Owner may have run a criminal background check on Residents or any other applicant when deciding whether to enter into this agreement. Background checks are limited to the information actually reviewed and are not a guarantee that a person with a criminal background does not reside at the premises. Owner has not made and does not make any representations as to the background of any existing or future tenant and Owner is under no obligation to run background checks on any existing tenant or future applicant.

Residents agree to immediately report all suspected or actual criminal activity to the appropriate local law enforcement agencies and, after doing so, to Owner, and shall provide Owner with such law enforcement agency's incident report number upon request.

- 18. HOLD HARMLESS FOR GUESTS.** Residents agree to defend, protect, indemnify, and hold harmless the Owners and the Owner's agents against and from any and all claims, suits, liabilities, judgments, costs, demands, causes of action, and expenses, brought by Residents' guests, invitees or any other person in the Leased Premises with Residents' permission. If any action or proceeding is brought against Owner or Owner's agents by reason of any such claim, upon notice from the Owner, Residents shall defend the same at Residents' expense by counsel reasonably satisfactory to the Owner.
- 19. LEASED PREMISES AND FURNISHINGS.** Residents acknowledge that Residents have inspected the Leased Premises. Residents acknowledge that the Leased Premises are in a clean and good condition including painted surfaces, carpets, flooring, all furniture, furnishings, fixtures, equipment and appliances. It shall be conclusively presumed that said Leased Premises and all items, appliances and fixtures contained therein are in good working condition, unless Residents deliver a contrary statement in writing to Owner prior to the starting date of this Agreement. All appliances are installed per manufacturers' specifications and may be anchored. Resident shall not move, un-hook or relocate any appliance connected to a water source or floor drain connection at any time. Residents agree to diligently maintain the Leased Premises, be responsible for the proper care of any and all furniture, furnishings, fixtures, appliances and equipment therein, and to keep the premises in a neat and clean condition. Residents promise to return the premises and all furniture, furnishings, fixtures, equipment and appliances to Owner in the same condition at the time Residents vacate the Leased Premises as when first rented, less normal wear and tear. Residents agree to promptly notify in writing (service request form) to management any defects, dilapidations, dangerous conditions, or other needed repairs as said conditions become evident. Residents agree to immediately reimburse Owner for any sums incurred by Owner to repair the premises or any item, fixture, appliance or appurtenance damaged by the misuse or neglect of Residents and/or Residents' invitees or guests. This agreement may not be terminated due to interruption of any service, including necessary repairs, beyond the control of the Owner. Residents further acknowledges that the smoke detector and/or carbon monoxide detector is operable and it is the responsibility of Residents to maintain the smoke detector and/or carbon monoxide detector in accordance with state law and the manufacturer's recommendations. Residents must report non-functional smoke and/or carbon monoxide alarms to Owner so repairs can be made. The Leased Premises will be furnished with the following appliances: _____.

20. ANIMALS. No animals are permitted without the prior written consent of the Owner. Any such consent may be revoked at any time, with or without cause, by giving seven (7) days written notice to the Residents. Except to the extent written permission is given, animals may not be brought upon the Premises, whether such animals belong to Residents or to any other person. The presence of any animals as to which written permission has not been given and is not currently in force, even if such animals are "just visiting," shall be deemed a material and incurable breach of this Agreement and shall be cause for the service of a notice terminating the tenancy. Service animals or companion animals are not subject to these provisions; however, Owner may require a written statement from a qualified professional verifying the need for the service or companion animal.

21. ACCESS. Owner may enter the Leased Premises only under the following circumstances: 1) in case of emergency; 2) to make necessary or agreed repairs, decorations, alterations, or improvements; 3) to supply necessary or agreed services; 4) to exhibit the Leased Premises to prospective or actual purchasers, mortgagees, tenants, workers, or contractors; 5) if Residents abandon or surrenders the Leased Premises; 6) Pursuant to court order; or 7) under any circumstances permitted by state law.

Owner will give Residents at least 24 hours notice of Owner's intent to enter unless a) an emergency exists, b) Residents have abandoned or surrendered the Leased Premises, or c) it is impracticable to do so. Further, Owner will enter only during regular business hours unless i) an emergency exists, ii) Residents have abandoned or surrendered the Leased Premises, or iii) Residents consent, at the time of an entry that is not during normal business hours, to the entry.

Residents agree that if they deny Owner access to the Premises when Owner is in compliance with statutory requirements and entitled to access, any such denial of access shall be deemed a material and incurable breach of this Agreement and shall entitle Owner to serve Residents with a notice terminating the tenancy.

22. MULTIPLE RESIDENTS OR OCCUPANTS. Each resident is jointly and severally liable for all obligations under this Agreement. If Residents or any guest or occupant violates this Agreement or rules, all residents are considered to have violated this Agreement. Owner's requests and notices (including sale notices) to any Residents constitute notice to all residents and occupants.

Notices and requests from Residents or occupants (including notices of lease termination, repair requests, and entry permissions) constitute notice from all residents. Security deposit refunds and deduction itemizations of multiple residents will comply with this Agreement.

When there are multiple residents, security deposit refunds and deduction itemizations for the Leased Premises shall be sent in compliance with the terms of this Agreement and will only be sent to one resident in the name of all residents, which shall constitute notice to all Residents, and shall be deemed sent to all Residents.

23. SHORT TERM RENTALS. Residents are prohibited from offering all or part of the Leased Premises for short-term rental, such as through AirBNB, VRBO or other such sites. Any person who is not an Occupant or Resident, who occupies any portion of the Leased Premises, for any period of time whatsoever, for any compensation or consideration whatsoever (including, without limitation, the payment of money and/or trade and/or barter of other goods, services, or property occupancy rights) is not a Guest. This constitutes attempted subletting or assignment under this Agreement.

24. ASSIGNMENT BY OWNER. During the tenancy, Owner may transfer or encumber Owner's interest in the Residential Community. Residents must look solely to Owner's transferee for performance of Owner's obligations relating to the period after the transfer. Residents' obligations under this Agreement will not otherwise be affected by any transfer. Residents' rights in the Leased Premises are subject to and subordinate to any existing or future recorded deed of trust, easement, lien or encumbrance. If a lender forecloses on the Residential Community, Residents agree to recognize the purchaser as the owner under this Agreement if Residents are requested to do so.

25. RESPONSIBILITIES OF OWNER. Owner will act with customary diligence to: 1) keep common areas reasonably clean; 2) maintain fixtures, hot water, heating, and any A/C equipment; 3) substantially comply with all applicable laws regarding safety, sanitation, and fair housing; and 4) make all reasonable repairs, subject to Residents' obligation to pay for damages for which Residents are liable.

If the Leased Premises becomes "untenable," under the applicable provisions of California Civil Code, Residents may terminate this Agreement by following the appropriate statutory procedures and Residents may exercise any applicable statutory remedies including the right to repair and deduct the cost from rent afforded CAL. CIV. CODE Section 1942.

26. REMEDIES IN THE EVENT OF DEFAULT. Owner and Residents agree that every condition, covenant, and provision of this Agreement is material and reasonable. Any breach by Residents of a condition, covenant, or provision of this Agreement will constitute a material breach. For any material breach by Residents, Owner may provide Residents with a written notice that describes the breach and demands that Residents cure the default (if a cure is possible).

No action by Owner, except a written notice of termination given to Residents, shall be deemed a termination of this Agreement. Specifically, the following do not constitute a termination of Residents' right to possession: 1) Owner's acts of maintenance or preservation of the property; 2) Owner's efforts to relet the Leased Premises; 3) The appointment of a receiver on Owner's initiative to protect Owner's interest under this Agreement; 4) Owner's withholding of consent to a subletting or assignment, or terminating a

subletting or assignment, if the withholding or termination does not violate Residents' rights to sublet or assign as specified in this Agreement.

If Residents move out early without Owner's written consent or without paying Owner a negotiated lease termination fee, Residents will be liable to Owner for actual damages, including liability for rents during the entire remainder of Residents' lease term (less mitigation and for the cost of finding and processing a replacement resident, paying a locator service, fees, cleaning, make-ready costs, recouping rent concessions, etc.). In addition to any other rights and remedies allowed by law, Owner shall have the remedies set forth in CAL. CIV. CODE Section 1951.2.

Residents or any occupants, invitees, or guests must not hold over beyond the date contained in Residents' move-out notice or Owner's notice to vacate (or beyond a different move-out date agreed to by the parties in writing). If a holdover occurs, then: a) holdover rent is due in advance on a daily basis and may become delinquent without notice or demand; b) rent for the holdover period will be increased to market rents, without notice; c) Residents shall be liable to Owner (subject to Owner's mitigation duties) for all rent for the full term of the previously signed Residential Lease Contract of a new resident who can't occupy because of the holdover; and d) at Owner's option, Owner may extend the lease term - for up to one month from the date of notice of lease extension - by delivering written notice to Residents or the Leased Premises while Residents continue to hold over.

27. PAYMENTS. At Owner's option and without notice, Owner may apply money received to the following: (other than sale proceeds from property left in the Leased Premises, or utility payments subject to governmental regulations) first to any of Residents' unpaid obligations, then to current rent - regardless of notations on checks, money orders, or other forms of payment and regardless of when the obligations arose. All sums other than rent are due upon Owner's demand. After the due date expiration of a Notice to Pay Rent or Quit, Owner does not have to accept the rent or any other payments.

28. MOVE-OUT NOTICE PROCEDURES. Before moving out, Residents must give Owner advance written move-out notice as provided in section two (2) of this Agreement. Residents' move-out notice will not release Residents from liability for the full term of this Agreement or the renewal term. Residents will still be liable for the entire lease term if Residents move out early, except as described in the section titled Military Personnel Release or by a written addendum or amendment signed by both parties. RESIDENTS' MOVE-OUT NOTICE MUST COMPLY WITH THE FOLLOWING:

- 1) Residents' Move-Out Notice must be in writing;
- 2) Residents' Move-Out Notice must not terminate this Agreement sooner than the end of the lease term or the renewal period;
- 3) The move-out date in Residents' notice must be the last day of the month; and
- 4) Owner must receive advance written notice of Residents' move-out date. The advance notice must be at least the number of days of notice required by this Agreement. However, if a move-out notice is received on the first, it will suffice for move-out on the last day of the month of intended move-out, provided that all other requirements above are met.

RESIDENTS' NOTICE IS NOT ACCEPTABLE IF IT DOES NOT COMPLY WITH ALL OF THE ABOVE. Please use Owner's written move-out form. Residents must obtain from Owner a written acknowledgement that Owner received Residents' move-out notice. If Owner terminates this Agreement, Owner must give Residents the same advance notice - unless Residents are in default.

The move-out date can't be changed unless both parties agree in writing. Residents' won't move out before the lease term or renewal period ends unless all rent for the entire lease term or renewal period is paid in full. Early move-out may result in reletting charges and liability for future rent under this Agreement and applicable law. Residents are prohibited from applying any security deposit to rent. Residents will not stay beyond the date Residents are supposed to move out. Residents must give Owner and the U.S. Postal Service, in writing, each Residents' forwarding address.

Residents have the right to request an initial inspection of the Leased Premises to occur no earlier than two weeks before termination of the tenancy. If requested, Owner will inspect the Leased Premises and provide Residents with a list of repairs to be made at Residents' expense. The purpose of this inspection is to allow Residents the opportunity to identify and correct any deficiencies in the Leased Premises in order to avoid security deposit deductions. Residents have the right to be present during that inspection.

29. CLEANING. Residents must thoroughly clean the Leased Premises, including doors, windows, furniture, bathrooms, kitchen appliances, patios, balconies, garages, carports, and storage rooms. Residents must follow move-out cleaning instructions if they have been provided. If Residents don't clean adequately, Residents will be liable for reasonable cleaning charges-including charges for cleaning carpets, draperies, furniture, walls, etc. that are soiled beyond normal wear (that is, wear or soiling that occurs without negligence, carelessness, accident, or abuse).

30. DEPOSIT RETURN, SURRENDER, AND ABANDONMENT. Owner will mail Residents the security deposit refund (less lawful deductions) and an itemized accounting of any deductions no later than 21 days after surrender or abandonment, unless statutes provide otherwise. When there are multiple residents residing in the Leased Premises, Owner has no obligation to apportion the security deposit refund among them. Owner may mail the security deposit refunds, in the form of a joint check that lists each of the multiple residents, and deduction itemization to Residents' last known address unless a return address is provided. Delivery of the security deposit refund to any one of the multiple residents shall be deemed delivery to all Residents.

Residents have abandoned the Leased Premises when all of the following have occurred: a) Residents' rent has been due and unpaid for at least 14 days; b) Owner has given Residents written notice of such belief and Owner's intent to terminate this Agreement because of Residents' delinquency; c) Owner's notice of abandonment follows substantially the form in CAL. CIV. CODE Section 1951.3(d); d) such notice is given by (i) personal delivery to Residents; or (ii) first class mail, postage prepaid to Residents' last known address; e) the lease termination date in that notice is at least 15 days after personal delivery or 18 days after mailing; and f) such 15 or 18 day notice period has expired without response from Residents as per CAL. CIV. CODE Section 1951.3. If Owner has reason to believe Residents won't receive the notice at Owner's last known address, Owner will, at the same time Owner mails the above notice to Residents' last known address, mail a copy of any other addresses that are known to Owner where Residents could reasonably be expected to receive the notice.

Surrender, abandonment, or judicial eviction ends Residents' right of possession for all purposes and gives Owner the immediate right to: clean up, make repairs in, and relet the Leased Premises; determine any security deposit deductions; and remove property left in the Leased Premises. Surrender, abandonment, and judicial eviction affect Residents' rights to property left in the Leased Premises, but do not affect Owner's mitigation obligations.

- 31. RELEASE OF RESIDENTS.** Unless Residents are entitled to terminate this Agreement by law or pursuant to its terms, Residents won't be released from this Agreement for any reason-including but not limited to voluntary or involuntary school withdrawal or transfer, voluntary or involuntary job transfer, marriage, separation, divorce, reconciliation, loss of co-residents, loss of employment, bad health, death, or property purchase.
- 32. MILITARY PERSONNEL RELEASE.** Residents may terminate this Agreement if Residents enlist or are drafted or commissioned in the U.S. Armed Forces. Residents may also terminate this Agreement if:
- 1) Residents are (i) members of the U.S. Armed Forces or reserves on active duty or (ii) members of the National Guard called to active duty for more than 30 days in response to a national emergency declared by the President; and
 - 2) Residents (i) receive orders for permanent change-of-station, (ii) receive orders to deploy with a military unit or as an individual in support of a military operation for 90 days or more, or (iii) are relieved or released from active duty.

After Residents deliver to Owner written termination notice, this Agreement will be terminated under this military clause 30 days after the date on which Residents next rental payment is due. Residents must furnish Owner a copy of Residents military orders, such as permanent change-of-station orders, callup orders, or deployment orders or letter. Military permission for base housing doesn't constitute a permanent change-of-station order. After Residents move out, Owners will return Residents' security deposit, less lawful deductions. For the purposes of this Agreement, orders described in c) above will only release the resident who qualifies under a) and b) above and receives the orders during the term of this Agreement and such resident's spouse or legal dependents living in the resident's household. A co-resident who is not a spouse or dependent of Residents' cannot terminate under this military clause. Unless Residents state otherwise in this Agreement, Residents represent when signing this Agreement that: i) Residents do not already have deployment or change-of-station orders; ii) Residents will not be retiring from the military during the lease term; and iii) the term of Residents enlistment or obligation will not end before the term of this Agreement ends. Liquidated damages for making a false representation of the above will be the amount of unpaid rent for the remainder of the lease term when and if Residents move out (less mitigation). Residents must immediately notify Owner if Residents are called to active duty or receive deployment or permanent change-of-station orders.

- 33. DISCLOSURE RIGHTS.** If someone, who Owner reasonably believes is an authorized representative of any government or law enforcement agency or a business affiliate requests information on Residents or Residents' rental history for law enforcement, governmental, or business purposes, Owner may provide it.
- 34. WAIVER.** Owner's failure on any occasion to require strict compliance with any provision of this Agreement or to exercise any rights arising hereunder shall not be deemed a waiver of Owner's right to subsequently enforce any such provision or to insist upon any such right. The fact that Owner may have accepted late payment(s) on one or more occasions shall not be deemed a waiver of Owner's right to insist upon timely payment of rent nor to exercise any remedy available for late payment of rent. Acceptance of rent following a breach of this agreement shall not be deemed to constitute a waiver of such breach. No custom or practice which may develop between the parties in the course of the tenancy shall be construed to waive the right of Owner to enforce any provision of this Agreement.

Owner's representatives (including management personnel, employees, and agents) have no authority to waive, amend, or terminate this Agreement or any part of it, unless in writing, and no authority to make promises, representations, or agreements that impose security duties or other obligations on Owner or Owner's representatives unless in writing. Except when notice or demand is required by statute, Residents' waive any notice and demand for performance from Owner if Residents' default. Written notice to or from Owner's agents or representatives managers constitutes notice to or from Owners. All notices must be signed.

- 35. SEVERABILITY.** If a provision or paragraph of this Agreement is legally invalid, or declared by a court to be unenforceable, such provision or paragraph will be deemed deleted and the rest of this Agreement remains in effect. To the extent that any provision of this

Agreement is in conflict with any provisions of applicable law, such provision is hereby deleted, and any provision required by applicable law which is not included in this Agreement is hereby inserted as an additional provision of this Agreement, but only to the extent required by applicable law and then only so long as the provision of the applicable law is not repealed or held invalid by a court of competent jurisdiction.

36. **MISCELLANEOUS.** Neither Owner nor any of Owner's representatives have made any oral promises, representations, or agreements. This Agreement is the entire agreement between Owner and Residents. All remedies are cumulative. This Agreement binds and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of Owner and Residents; provided, however, that nothing in this paragraph shall be construed as a consent by Owner to any assignment of this Agreement or any interest in it by Residents. Neither an invalid clause nor the omission of initials on any page invalidates this Agreement. This Agreement is subordinate to existing and future recorded mortgages, unless the owner's lender chooses otherwise. All obligations in this Agreement must be performed in the county where the Leased Premises is located.

Attorney's Fees. In the event of any litigation relating to this Agreement or the rights or liabilities of any party arising hereunder, the prevailing party of such litigation shall be entitled to its costs, including reasonable attorney's fees, incurred in such litigation, not to exceed a maximum total of \$1,500.00 fees and costs. In the event any such litigation is dismissed prior to trial, the parties agree that there shall be no prevailing party for purposes of an award of attorney's fees and/or costs. An eviction or unlawful detainer action shall be considered an action relating to this Agreement and thus subject to this provision.

Zero Tolerance Crime Policy. Residents, any member of Residents' household, or a guest, invitee, or other person under the control of the Residents shall not engage in criminal activity, including drug-related criminal activity, on or near the Residential Community or the Leased Premises. "Drug-related criminal activity" means the intentional illegal manufacture, sale distribution, use, or possession of a controlled substance (per 21 U.S.C. § 802).

Residents, any member of Residents' household, or a guest, invitee, or other person under the control of Residents shall not engage in any act intended to facilitate criminal activity, including drug-related criminal activity, gang activity, or illegal defacement of property with graffiti or otherwise, on or near public or private property and the Leased Premises.

Residents, any member of Residents' household, or a guest, invitee, or other person under the control of Residents shall not permit the Residential Community or the Leased Premises to be used for, or to facilitate criminal activity, including drug-related criminal activity, regardless of whether the individual engaging in such activity are the Residents, members of Residents' household, invitee, or other person under the control of Residents.

Residents, any member of Residents' household, or a guest, invitee, or other person under the control of Residents shall not engage in the unlawful manufacturing, selling, using, storing, keeping, possessing, or giving of a controlled substance at any location within, or near the Residential Community or the Leased Premises.

Residents, any member of Residents' household, or a guest, invitee, or other person under the control of Residents shall not engage in any illegal activity, including, but not limited to, prostitution, criminal street gang activity, threatening or intimidating any person whomsoever, assault, the unlawful discharge of firearms, or unlawfully brandishing any weapon whatsoever, or any breach of this Agreement that jeopardizes the health, safety and welfare of the Owner, other tenants, or any other person whomsoever, or involving imminent serious property damage.

Violations of the above provisions shall be a material and irreparable violation of this Agreement, and good cause for termination of the tenancy. A single violation of any provision of this Zero Tolerance Crime Policy shall be deemed a serious violation and a material and irreparable noncompliance. It is understood that such single violation shall be good cause for immediate termination of this Agreement.

Registered Sex Offender Notice. Pursuant to CAL. PENAL CODE Section 290.46, 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. 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.

Proposition 65. The state of California requires Owners to warn Residents if the Premises as well as the common areas in and around the Community contain at least one of the following chemical(s) known to the State of California to cause cancer or reproductive toxicity, and for which warnings are now required. These chemicals include, but are not limited to: tobacco, smoke, lead and lead components, asbestos, carbon monoxide and gasoline components. More information on specified exposures is available at www.prop65apt.org and CAL. HEALTH & SAFETY CODE Section 25249.

Authorized Owner/Agent, Notices, Demands, and Service of Process. FPI Management, Inc., 800 Iron Point Road, Folsom, CA 95630, (916) 357-5300 is authorized to manage the Leased Premises on behalf of the Owner, and is authorized to act on behalf of Owner for the purpose of receiving service of process and receiving notices and demands.

Estoppel Certificate. Residents agree to sign and deliver to Owner an estoppel certificate, in a form provided by Owner, within 10

days of receipt. The estoppel certificate acknowledges that: 1) this Agreement is in full force and effect and is unmodified (except as specifically set forth); and 2) Residents have no claims against Owner (except as specifically set forth). Failure to comply with this requirement shall be deemed to be an acknowledgment by Residents that the facts set forth in the estoppel certificate are true, and may be relied on by a purchaser or lender.

Notices. Any notice that Owner gives to Resident(s) shall be deemed properly served (whether or not actually received by Resident(s)) if served in the manner prescribed in Code of Civil Procedure Section 1162. Except as prohibited by law, if Owner fails to serve the notice in accordance with the provisions of Code of Civil Procedure section 1162, but Resident(s) actually receive the notice, the actual receipt shall be deemed to cure any defects in the manner of service and the notice shall be deemed properly and personally served. Service upon any of the Resident(s) of the Premises shall be deemed valid service upon all Resident(s) - it is not necessary individually to serve each Resident unless otherwise required by law.

DOMESTIC VIOLENCE. Upon written request by the victim of domestic violence, Owner will change the locks within 24 hours and provide the protected Resident a key to the new lock.

Resident may terminate this Agreement if Resident is a victim of domestic violence. Resident or other household member must make a request to terminate the Residential Lease Contract within 60 days of the date of the restraining order was issued or the police report was written. Resident that is the victim of domestic violence is responsible for the payment of rent for 14 days following the written notice. If the Leased Premises is occupied by other Residents, the obligation to pay rent will continue until the end of the Residential Lease Contract.

Resident must provide (i) a copy of the restraining order or emergency protective order lawfully issued within the last 180 days (ii) A copy of a written report, written within the last 180 days, by a peace officer employed by the state or local law enforcement agency acting in official capacity, stating that the Resident or household member has filed a report alleging that the Resident or a household member is a victim of domestic violence, sexual assault or stalking.

Owner may terminate the Residential Lease Contract or elect not to renew the lease if the Resident (i) Resident allows the person against whom the protective order has been issued or who was named in the police report of the act or acts of domestic violence, sexual assault or stalking to visit the property or, (ii) Owner reasonably believes that the presence of the person against whom the protection order has been issued or who was named in the police report that outlines the act or acts of domestic violence, sexual assault or stalking poses a physical threat to other Residents, household members, guests or employees or to a Resident's right to quiet possession of the Leased Premises.

Electronic Signatures. The parties agree that they may enter into this transaction by electronic means; although, traditional hard copies with ink signatures may be used instead at Owner's option or if required by law. Residents agree and acknowledge that if Residents are entering into this transaction with Owner by electronic means, doing so is not conditioned on Residents' agreement to conduct the leasing transaction electronically.

37. ATTACHMENTS TO THE AGREEMENT. The Residents certifies that he/she has received a copy of this Agreement and the below listed attachments to this Agreement, and understands that these attachments are part of this Agreement.

Animal Addendum

Bedbug Addendum

Community Policies

Good Cause Addendum

Key, Permits & Access Device Addendum

Low Income Housing Tax Credit (LIHTC) Addendum

Participation Addendum

Pest Control Addendum - CA

Photo Release

Political Sign Addendum - CA

Resident Information Renewal Update

Satellite Dish and Antenna Addendum

Standard Cleaning Charges

VAWA Addendum

38. SIGNATORIES. The undersigned Residents, whether or not in actual possession of the Leased Premises, are jointly and severally responsible for all obligations arising hereunder. This Agreement shall not be considered to be in full force and effect until signed by Owner. Owner may, without liability, refuse to enter into this Agreement and may refuse to allow Residents to occupy the Leased Premises at any time prior to signing this Agreement. Anything to the contrary in this provision notwithstanding, Residents shall be fully liable for all obligations arising hereunder, and Owner may enforce the provisions of this Agreement as against Residents if, for any reason or by any means, Residents obtain occupancy to the Leased Premises before such time as this Agreement has been signed by Owner or Owner's authorized agent.

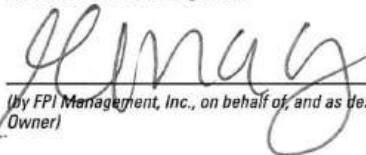
This Agreement provides in Section 2 of the Residential Lease Contract for the automatic renewal of this Agreement as a tenancy from month-to-month at the expiration of the initial lease term unless 1) proper move-out or vacate notice is given; or 2) Residents and Owner agree otherwise in writing.

This Agreement expresses the complete understanding of the parties with respect to the subject matter set forth herein and supersedes all prior proposals, agreements, representations and understandings.

INTENDING TO BE BOUND, the parties hereto have executed this Agreement as of the day and year first written above.

 4-1-18
VERONICA CASTELAN (Resident) Date

 4-1-18
NINSI CASTELAN (Resident) Date

 4-1-18
(By FPI Management, Inc., on behalf of, and as designated agent for, Owner) Date

ANIMAL ADDENDUM

This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

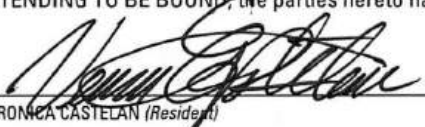
1. No animals are permitted without the prior written consent of Owner. Any such consent may be revoked at any time, with or without cause, by giving seven (7) days written notice to Residents. Except to the extent written permission is given, animals may not be brought upon the Leased Premises, whether such animals belong to Residents or to any other person. The presence of any animals as to which written permission has not been given and is not currently in force, even if such animals are "just visiting," shall be deemed a material and incurable breach of this Addendum and shall be cause for the service of a notice terminating the tenancy. Service animals or companion animals are not subject to these provisions; however, Owner may require a written statement from a qualified professional verifying the need for the service or companion animal.
2. Subject to strict compliance with this Addendum, you are permitted to have the following 0 animal(s) on the Leased Premises:

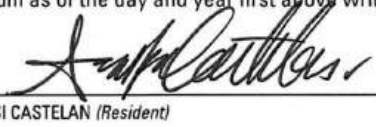
No pets have been authorized at this time.

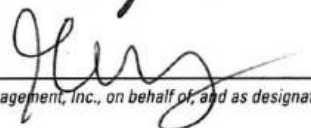
3. **RENT.** A total monthly animal rent of \$0.00 is required. The animal rent shall be due and payable with Resident's monthly rental payment.
4. **DEPOSIT.** An additional deposit of \$0.00 is required. Upon vacating the Leased Premises, Owner shall do an inspection of the Leased Premises and any sanitizing or damage attributable to the animal(s) shall be charged to Residents accordingly. The animal deposit will be considered part of the general security deposit and can be applied to all damages. This additional security deposit shall be deemed part of the general security deposit for all purposes. The security deposit amount set forth in this Addendum is in addition to, and not in lieu of, any other security deposit paid by Residents. Refund of the security deposit will be subject to the terms and conditions set forth in the Residential Lease Contract.
5. **COMMUNITY RESTRICTIONS.**
 - A. Animals must be under Residents' control when outside of Leased Premises and shall not be tied to anything or left unattended outside of Leased Premises. Residents shall be limited to a maximum of 0 animal(s) weighing not more than 15 pounds pounds per animal when fully grown, unless otherwise given written permission by Owner.
 - B. When animal is acquired, additional sums may be required to be paid by Residents. Service or companion animals are not subject to this provision nor the standard animal deposits and animal rent requirements; however, Owner may require a written statement from a qualified professional verifying the need for the service animal or companion animal.
 - C. Animals are to be taken off the community grounds to defecate in order to avoid health and sanitation problems. Residents are responsible for the immediate removal of animal's waste. Animal owners are required to purchase and carry scoopers and/or trash bags when walking dogs within community, including designated dog run areas. Some communities may be equipped with pet waste disposal stations.
 - D. Residents may not leave the animal on the patio, balcony or in the yard for extended periods of time.
 - E. Animals are not allowed on landscaped or grassy areas under any circumstances.
 - F. Patios should be kept clean of animal droppings. During hot weather, especially, odors from such can be extremely offensive to neighbors. No food is to be left outside.
 - G. Because of health regulations, non-service animals are not permitted in or around the pool area, laundry rooms, or other recreational facilities. Any mess on the grounds created by the animal shall immediately be cleaned up by the pet owner.
 - H. Owner is not obligated to make necessary or requested repairs while an animal is present in the Leased Premises.
6. **INOCULATION.** Said animal has been properly licensed and has current inoculations for the type of animal.
7. **DISTURBANCE.** Residents will be asked to remove any animal that regularly disturbs residents, whether inside or outside, or constitutes a problem or obstruction to the agents and employees of the Owner from properly performing their functions, duties and responsibilities.
8. **REVOCATION.** If Residents fail to remove said animal following complaints from residents and requests from Owner, the Residents agree, on seven (7) days written notice, to remove animal from the Leased Premises permanently. Owner may revoke the consent given herein upon seven (7) days written notice, which revocation will require Residents to remove the animal from the Leased Premises within said seven (7) days.
9. **OWNER'S LIABILITY.** In the event of injury or death of a pet, Owner will not be liable to Residents, any member of Residents' household, occupants, guests, invitees, or other persons for any indirect, incidental, consequential or special damages, whether foreseeable or not nor however caused, even if Owner is advised of the possibility of such damages.
10. **VIOLATION OF RULES/VIOLATION FEE.** If Residents, any member of Residents' household, occupants, guests, invitees, or other

persons violate any rule or provision of this Animal Addendum, then Owner may demand that Residents remove the animal permanently from the Leased Premises. Owner also has all other rights and remedies set forth in the Residential Lease Contract, including but not limited to damages, termination, and eviction. If Residents fail to clean up animal waste from any part of the Residential Community and Owner, as a result of Residents' noncompliance, is required to make arrangements to have the waste cleaned up, Residents shall pay Owner a sum of **\$25.00**, per occurrence, as a liquidated damage. Said sum shall not limit Owner's right to terminate the tenancy, force Residents to remove the animal, and/or evict Residents, based upon any violation of this Addendum.

INTENDING TO BE BOUND, the parties hereto have executed this Addendum as of the day and year first above written.

 4-1-18
VERONICA CASTELAN (Resident) Date

 4-1-18
NINSI CASTELAN (Resident) Date

 4/1/18
(by FPI Management, Inc., on behalf of, and as designated agent for, Owner) Date

BEDBUG ADDENDUM

This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

This Addendum is intended to provide information and instructions for preventing and controlling bed bugs in order to maintain and protect the quality of the living environment for all Residents.

Residents agree to maintain the Leased Premises in a manner that prevents the occurrence of a bedbug infestation in the Leased Premises. Residents further agree to uphold this responsibility in part by complying with the following list of responsibilities, and agree and understand that Residents may be liable for any damages resulting from their failure to comply with the following:

1. Prevention Recommendations. Residents will practice good housekeeping, including the following:

- Residents will check for hitch-hiking bedbugs. If Residents stay in a hotel or another home, inspect clothing, luggage, shoes, and belongings for signs of bed bugs before Residents enter the Leased Premises. Check backpacks, shoes, and clothing after visits to friends or family, theaters, or after using public transportation. After guests visit, inspect beds, bedding, and upholstered furniture.
- Residents will remove clutter. Bed bugs like dark, concealed places, such as in and around piles of clothing, shoes, stuffed animals, laundry, especially under the bed and in closets. Reducing clutter also makes it easier to carry out housekeeping.
- Residents will keep the Leased Premises clean. Vacuum and dust regularly, particularly in the bedroom, being especially thorough around and under the bed, drapes, and furniture. Use a brush attachment to vacuum furniture legs, headboard, and in and around the nightstand. While cleaning, look for signs of bed bugs, and report these immediately.
- Residents will arrange furniture to minimize bed bug hiding places. If possible, keep beds and upholstered furniture several inches away from the walls. Bed bugs can jump as far as three inches.
- Residents will cover mattresses and box springs with zippered covers that are impermeable to bed bugs. These are relatively inexpensive, and can prevent bed bugs from getting inside the mattress, their favorite nesting spot. The covers will also prevent any bugs inside from getting out; they will eventually die inside the sealed cover (though this may take many months). Thicker covers will last longer.
- Residents will avoid using appliances, electronics and furnishings that have not been thoroughly inspected for the presence of bedbugs. Make sure that the electronics, appliance, or furniture company has established procedures for the inspection and identification of bedbugs or other pests. This process should include inspection of trucks used to transport appliances, electronics, or furniture. Never accept an item that shows signs of bedbugs. Never take discarded items from the curbside or trash enclosures.

2. Prompt Reporting. Residents must immediately notify Owner, in writing, of any problems. Specifically, Residents will:

- Report any signs of bed bugs. Do not wait. Even a few bugs can rapidly multiply to create a major infestation that can spread from one apartment to another.
- Report any maintenance needs. Bed bugs like cracks, crevices, holes, and other openings. Request that all openings be sealed to prevent the movement of bed bugs from room to room.

3. Cooperation with Pest Control. Residents will cooperate with pest control efforts, including allowing Owner to access the Leased Premises, in accordance with applicable law, to inspect and provide necessary treatments. If the Leased Premises (or a neighbor's residence) is infested with bed bugs, a pest management professional may be called in to provide necessary treatments. The treatment is more likely to be effective if the Leased Premises is properly prepared. Residents will comply with the recommendations from the pest management professional, including:

- Remove all bedding (bed skirts too), drapes, curtains, and small rugs; bag these for transport to the laundry or dry cleaner.
- Check mattresses carefully; those with minimal infestation may be cleaned, encased in vinyl covers, and returned to service. Heavily infested mattresses are not salvageable; seal these in plastic and dispose of them properly.
- Empty dressers, nightstands, and closets. Remove all items from floors and surfaces. Inspect every item for signs of bed bugs. Using sturdy plastic bags, bag all clothing, shoes, boxes, toys, stored goods, etc. Bag washable and non-washable items separately. Take care not to tear the bags, and seal them well. Used bags must be discarded properly.
- Vacuum floors, including inside closets. Pay special attention to corners, cracks, and dark places.
- Vacuum all furniture, including inside drawers and nightstands. Vacuum mattresses, box springs, and upholstered furniture, being sure to remove and vacuum all sides of loose cushions, as well as the undersides of furniture.
- Carefully remove vacuum bags, seal bags in plastic, and discard.
- Clean all machine-washable bedding drapes, clothing, etc. Use the hottest water the machine provides, and dry at highest heat setting. Take other items to a dry cleaner, but be sure to advise the dry cleaner that the items are infested. Discard any items that cannot be decontaminated.
- Move furniture toward the center of the room, so that technicians can easily treat carpet edges where bed bugs congregate, as

well as walls and furniture surfaces. Be sure to leave easy access to closets.

4. **Indemnification.** Residents agree to indemnify and hold harmless Owner from any actions, claims, losses, damages, and expenses, including, but not limited to, attorneys' fees the Owner may sustain or incur as a result of the negligence of Residents or any guest or other person living in, occupying, or using the Leased Premises.

5. **Information about Bed Bugs.**

- **Bed bug Appearance:** Bed bugs have six legs. Adult bed bugs have flat bodies about 1/4 of an inch in length. Their color can vary from red and brown to copper colored. Young bed bugs are very small. Their bodies are about 1/16 of an inch in length. They have almost no color. When a bed bug feeds, its body swells, may lengthen, and becomes bright red, sometimes making it appear to be a different insect. Bed bugs do not fly. They can either crawl or be carried from place to place on objects, people, or animals. Bed bugs can be hard to find and identify because they are tiny and try to stay hidden.
- **Life Cycle and Reproduction:** An average bed bug lives for about 10 months. Female bed bugs lay one to five eggs per day. Bed bugs grow to full adulthood in about 21 days.
- Bed bugs can survive for months without feeding.
- **Bed bug Bites:** Because bed bugs usually feed at night, most people are bitten in their sleep and do not realize they were bitten. A person's reaction to insect bites is an immune response and so varies from person to person. Sometimes the red welts caused by the bites will not be noticed until many days after a person was bitten, if at all.
- **Common signs and symptoms** of a possible bed bug infestation:
 - Small red to reddish brown fecal spots on mattresses, box springs, bed frames, mattresses, linens, upholstery, or walls.
 - Molted bed bug skins, white, sticky eggs, or empty eggshells.
 - Very heavily infested areas may have a characteristically sweet odor.
 - Red, itchy bite marks, especially on the legs, arms, and other body parts exposed while sleeping. However, some people do not show bed bug lesions on their bodies even though bed bugs may have fed on them.
- For more information, see the Internet Web sites of the United States Environmental Protection Agency and the National Pest Management Association.
 - <https://www.epa.gov/bedbugs>
 - <http://www.pestworld.org/all-things-bed-bugs/>

Residents represent that all furnishings and other personal property that will be moved into the Leased Premises are free of bedbugs.

Initial: VCR NCG

INTENDING TO BE BOUND, the parties hereto have executed this Addendum as of the day and year first above written.

Veronica Castelan 4-1-18
VERONICA CASTELAN (Resident) Date

Ninsi Castelan 4-1-18
NINSI CASTELAN (Resident) Date

J. L. NCG 4/1/18
(by FPI Management, Inc., on behalf of, and as designated agent for, Owner) Date

COMMUNITY POLICIES

This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

Yale Terrace, strives to make your living experience in our community pleasant and comfortable. The following policies were designed for your comfort and convenience, for you and your neighbors. Residents are responsible for reviewing all policies with all household occupants and guests. Please take time to thoroughly review the use of the Leased Premises, Residential Community, its equipment and facilities.

"Premises" as used in the Community Policies include not only the Leased Premises, but all of the land and improvements including any parking lots, driveways and common areas privately owned by the Owner and generally referred to as the Community.

Office Telephone #: (213) 621-9519	Emergency Maintenance #:
Office Address: 716 Yale Street, Los Angeles, CA 90012	Office E-mail Address:

Office Hours	Amenities
Sunday Closed	Laundry Hours: between the hours of 9 am - 9 pm
Monday 9:00 am - 5:00 pm	Quiet Hours: between the hours of 10 pm and 8 am
Tuesday 9:00 am - 5:00 pm	
Wednesday 9:00 am - 5:00 pm	
Thursday 9:00 am - 5:00 pm	
Friday 9:00 am - 5:00 pm	
Saturday Closed	

SECTION A: PROPERTY/MOVE-IN INFORMATION

BUSINESS: Residents shall not use the Leased Premises or permit the Leased Premises to be used for any business purpose, without the prior written consent of Owner or as allowed by law.

EXTENDED ABSENCES: Residents should advise Owner of any planned absence for an extended period of time.

MAIL AND NEWSPAPERS: Only registered Residents are to receive mail. All mail must contain the full address of your residence, which includes the number of the Leased Premises as well as the building number - if applicable. Unwanted or "throw-away" advertising should be disposed of properly.

PARCELS: Residents are responsible for making arrangements for parcel delivery that does not fit in the provided mail receptacle. Owner representatives are not authorized to sign for parcels. This includes parcels from UPS, Federal Express, U.S. Postal Service or other mail and delivery services.

PREMISES INSPECTION: Each new Resident has confirmed in writing the condition of the Leased Premises on the Move-in/Move-out inspection form. This form is designed to record the condition of the Leased Premises at the time of move-in and to help determine the final disposition of the security deposit after terminating residency. Periodically, Owner may enter each Leased Premises to check the smoke and/or carbon monoxide detector(s), replace the air conditioner/heater air filter, and to properly maintain the equipment in the Leased Premises. Residents will be notified of the inspections with a written notice **24 hours** in advance. Inspection will be conducted during reasonable business hours. Upon vacating, Residents are entitled to an inspection of the Leased Premises to assess move-out charges.

QUIET HOURS: Quiet hours are established to be respectful of your neighbors. Residents shall not make nor permit any disturbing noises in their Leased Premises and on the grounds of the Community. Residents are responsible for the actions of their family, invitees, and/or

guests. Radio, television, record players, musical instruments, or any other noise producing device shall not be played or permitted to be played so as to disturb neighbors during quiet hours. Vacuum cleaners, dishwashers, disposals, or other noise-producing appliances shall not be operated during quiet hours.

SECTION B: USE OF PREMISES

ALTERATIONS OR ADDITIONS: Residents shall not make any alterations or additions to the Leased Premises. If any repairs, alterations or additions are necessary, Residents shall notify Owner in writing. Residents shall make no repairs, alterations, exterior alterations including, but not limited to, posting of signs, flags, plants on ledges and wind chimes, additions to the dwelling structure inside or out without first obtaining written consent from Owner. American flags may be displayed within the laws of the state and proper flag etiquette. Interior alterations include but are not limited to, changing light fixtures, painting, hanging wallpaper, etc.

BARBECUES: Due to fire and other safety hazard concerns, no charcoal briquette barbecues grills, gas or propane grills, cooking/heating instruments, smokers, hibachi grills, portable gas stoves, etc. are to be stored or operated in the premises or on patios, balconies or breezeway areas. Any use of open flame is prohibited including but not limited to barbecues and torches.

FIRESTOP EXTINGUISHER: The premises you occupy may be equipped with an automatic firestop fire extinguisher. This device is installed above the stop and will open if a flame touches it. The device will release bicarbonate of soda to smother the fire.

Residents acknowledge that the Leased Premises is not equipped with an automatic firestop fire extinguisher.

OUTWARD APPEARANCE: Alterations that affect the outward appearance of the Community, such as installing personal window coverings, foil on windows, towels, blankets or clothing draped over balconies or partitions, are not permitted. Signs or advertising materials will not be permitted to be posted. No foil, sign advertisements, poster, or similar display, shall be affixed to any door, window or exterior wall, that may be visible from the outside of the building by other residents. Flags may be displayed within the rentable space of the Leased Premises. Flags cannot hang over the side of patios, balconies or be attached to the exterior walls of the building, unless otherwise allowed by law.

ROOF ACCESS: The roof access is for emergency access only.

SMOKE DETECTOR: A smoke detection device has been installed in each Leased Premises. Residents acknowledge the smoke detector(s) was/were tested and its operation demonstrated by the Owner in the presence of Residents at the time of initial occupancy and the detector(s) in the Leased Premises was working properly at that time.

In accordance with California Law, Resident shall allow Owner access to the Leased Premises for the purpose of correcting any such defect, malfunction or failure. Residents are not to disable the smoke detector for any reason. Disabled smoke detector puts life at risk. REMOVING OR TAMPERING WITH A SMOKE DETECTOR(S) will be considered cause for termination of residency. Residents will be assessed a charge of \$50.00 for tampering with or removing the smoke detector.

Initial: WCR NCG

SPRINKLER SYSTEMS: The Leased Premises you occupy may be equipped with an automatic sprinkler system. Residents agree to use caution when moving furniture and avoid hanging objects or clothes from the sprinkler heads. A simple depression of the sprinkler head will result in a total draining of the water from the sprinkler system. Do not hang clothing, hangers or other objects from the sprinkler heads. Residents will be held liable for all damages to the Leased Premises, flood clean up and personal property damage caused by triggering the sprinkler system by improper use or damage.

1. The Leased Premises does have a fire sprinkler system.
2. The Leased Premises does have a fire alarm system.
3. The Leased Premises does not have an emergency notification plan for its occupants. The emergency notification plan, if any, has been provided to Residents.
4. The Leased Premises does not have an emergency relocation plan. The emergency relocation plan, if any, has been provided to Residents.
5. The Leased Premises does not have an emergency evacuation plan. The emergency evacuation plan, if any, has been provided to Residents.

CARE OF EQUIPMENT AND PREMISES

Drains: Proper use of the plumbing fixtures and drain systems is essential to prevent clogs and back up. Do not dispose of leftover grease or cooking oil down sink drains. Do not flush non-flushable items such as paper towels, rags, tampons, condoms, wipes or Q-tips in toilet. Preventing water back up of any kind will avoid damages to your personal belongings and the Leased Premises. Residents will be charged for costs due to improper disposal of items that results in drain clogs.

Emergency Water Shut-Off: If you need to turn off your water supply quickly, you will find a shut-off valve for the bathroom and kitchen in the cabinet below the sinks. The toilet shut-off valve is located underneath the toilet tank.

Equipment: The Leased Premises is provided with Refrigerator, Stove/Oven, Garbage Disposal, and Dishwasher. Some units also have air conditioning, garbage disposals, and dishwashers. Residents assume responsibility for any misuse of this equipment. Owner will assist with any questions as to the procedures for proper operation of the equipment. No personal dish-washing machine, clothes

washing machine, clothes dryer or other large appliance is permitted in the Leased Premises without prior written consent of Owner.

Residents agree to utilize washers provided by the Community within the specifications of the manufacturer. Residents will not overload the washer. Residents agree to immediately inform Owner of repair needs. Residents understand that over a period of time, washer hoses can loosen or come free. Residents agree to regularly check hoses to make sure they are secure.

Garbage Disposal: Before turning on your disposal, make sure you have cold water running into the sink. Please keep in mind that your disposal is designed for food only. Never use to grind bones, egg shells, coffee grounds or other non-food items. Residents will be charged for costs due to drain clogs due to misuse.

Lighting Fixture: When replacing light bulbs, always check the correct amount of wattage. Installing a light bulb with improper wattage can be a fire hazard. Replacement of all bulbs within your Leased Premises is your responsibility after move-in.

Locks: Residents shall not alter any lock or install a new lock or knocker on any door of the Leased Premises without the written consent of Owner, and if installed, they shall not be removed. In such case consent is given, Residents shall provide Owner with a key for the use of Owner, pursuant to Owner's right to access to the Leased Premises. Locks or chains must be left in place when Residents vacate.

Residents locked out after hours may call a locksmith at resident's expense to open the door.

Patios: Residents shall not sweep, shake dust mops, or throw anything out of windows or onto patios. Residents may not hang laundry, clothing, towels, or bedding on balconies or windowsills. Residents are responsible for keeping their patio area cleaned, neatly arranged and free from unsightly or unused items. Patio areas are not considered storage areas.

Personal patio furniture must be kept on private patios or balconies. Planting of flowers is permitted only in the fenced-in areas of private patios and on balconies.

Toilets: Water saving toilets may have been installed in your unit. Hold the handle down until you hear the water fully released. Partial flushes may cause overflow. If the water level starts to overflow, immediately shut off the valve at the base of the toilet and plunge. Residents are responsible for trying to clear toilet stoppages. If a stoppage is caused due to Residents misuse the cost of the repair will be billed to the Residents.

Windows and/or Screens: Residents are responsible for the safety of all members of Residents' household or guests in the use and opening of windows. Be aware of the danger of falls from windows. Keep your windows closed and locked when small occupants are around and no adults are around to supervise. When opening windows for ventilation, open windows that a small occupant cannot reach. Keep furniture away from windows. Move chairs, cribs, beds and other furniture away from windows. Window screen will not prevent a fall from a window.

Residents must not remove or tamper with screens. Residents acknowledge all screens are intact and in good condition upon taking occupancy. Window screens found on the ground will be placed back in the window and a labor charge assessed to the Residents. Residents shall be responsible for replacement and/or repair of windows and/or screens damaged or removed by Residents', members of Residents' household or guests.

FACILITIES AT THE RESIDENTIAL COMMUNITY

USE OF FACILITIES: All facilities provided by Owner are provided as a gratuity and are not a part of the Residential Lease Contract, and that Owner reserves the right to change or limit the hours of any such facilities, or to eliminate them completely without prior notice to Residents and that any such action by Owner shall not constitute a claim by Residents of any breach of Residential Lease Contract by Owner, nor be a basis for any reduction in rent or early termination of the Residential Lease Contract.

LAUNDRY ROOM: Laundry Room hours may change without notice at any time.

1. Resident agrees to use machines based upon manufacturer's specifications.
2. Resident agrees to promptly report problems with machine operation to Owner.
3. Owner is not responsible for damaged to clothing caused by machine malfunctions or improper use of equipment.
4. Owner does not provide change for use of machines.
5. Resident agrees to clean machines and areas used after each wash or dry cycle.
6. Resident agrees not to use dyes in washing machines or dryers.
7. Resident must be present in the laundry room at all times when doing laundry. It is not recommended that clothing be left unattended. Owner is not responsible for clothing left unattended.
8. Residents, household member or guests shall not loiter in the Laundry Room.
9. Laundry Rooms may not be used as play areas.
10. Laundry Room will be used during posted hours. Resident agrees to remove clothing 30 minutes prior to posted closing time.

SECTION C: PREMISES SERVICE

EMERGENCIES: Emergencies affecting the Leased Premises should be promptly reported to Owner. Please report emergencies occurring after office hours to the emergency number and leave a message with the answering service, pager system, on call personnel, etc. Residents are not authorized to call any service companies on their own. Owner will not be responsible for charges incurred for services not

authorized by Owner.

SERVICE REQUESTS: Residents are responsible for notifying Owner when maintenance or repair work needs to be performed in the Leased Premises. Requests for maintenance and repairs may be submitted by one of the following methods:

1. By going to the Owner's office during normal working hours, and completing a "Service Request" form.
2. Call the Owner's office during normal business hour to report a service request. Service requests can also be submitted by email.
3. All non-emergency requests for repairs will be handled during normal business hours.
4. Employees cannot enter the Leased Premises to make repairs if there are persons under 18 years of age in the home without an adult guardian. Service technicians may also elect not to enter the Leased Premises in the presence of an unattended animal.
5. Scheduled appointments will be set in an **4 hour** window.
6. Maintenance work performed due to neglect, abuse, misuse or direct fault of Residents, household occupants or guests will be billed to the Residents. This includes service work on garbage disposal and plumbing fixtures due to improper use and Residents caused clogging.

SEWER STOPPAGES: The sewer system is adequate to handle all normal waste, but the system will not handle disposable diapers, feminine products or other such refuse. Addition of toilet cleansing tabs can cause stoppage. Stoppages resulting from alterations to equipment, addition of commercial deodorizer and/or Residents' negligence will be cleared at Residents' expense.

UNSAFE CONDITIONS: Residents agree to report immediately to Owner any accident, injury, damage or loss, or need of service or repairs to water or gas pipes, electrical wiring, drains, toilets, fixtures, or any other property or equipment covered by the Residential Lease Contract, including all breakage, damage, or loss of any kind, including but not limited to, water intrusion, water leaks or moisture problems of any kind, damage from overflow of water from sinks, bathtubs, toilets, or other basins. Residents further agrees to immediately notify Owner of unsafe conditions in the common areas and grounds of the Leased Premises which may be a threat to health and safety or lead to damage or injury.

Owner has the right to enter the Leased Premises if Owner believes an emergency exists.

The following service needs constitute a non-exclusive list of potential emergencies:

1. Main drains stopped up (kitchen, bath, shower) causing flooding or back-up
2. Stopped up toilet (one bathroom premises)
3. Electrical power outage in entire Leased Premises
4. Water leaking from water heater
5. Water leak from plumbing lines, windows, ceilings, or utility rooms causing flooding or damage
6. Exterior flooding from sprinkler systems or pool
7. Water which is running and cannot be shut off
8. Broken window where the Leased Premises is not secure
9. Door locks which will not function and the Leased Premises is not secure
10. Fire (Call 911 first)

Calls made after office hours that are not deemed emergencies may result in a charge to the Resident.

SECTION D: HOUSEKEEPING

HEALTH & SAFETY: Residents agree to comply with all obligations imposed upon Residents by applicable provisions of State and local building and housing codes materially affecting health and safety, including maintaining adequate housekeeping standards.

HOUSEHOLD ODORS: Residents acknowledge that odors caused by cooking or use of strong chemicals or from any other source should not interfere with other residents' rights to the quiet enjoyment of the Leased Premises. Residents agree to utilize proper fans and ventilation when cooking. Owner will make all efforts to minimize a disturbance but due to close proximity of living it is not possible to prevent such odors completely.

PEST CONTROL: Residents shall report the need for pest control to Owner. Residents agree to cooperate with the pest control service and abide by guidelines given by the pest control service or Owner. State Codes may require notification of chemicals to be sprayed and days of services.

PREVENTION OF MOISTURE PROBLEMS: Moisture problems must be prevented and treated immediately to prevent mold. Proper ventilation is essential for preventing mold. If you should have mold develop on windows, walls or ceilings, or a musty odor is present in the carpeting, report these conditions to Owner immediately. To prevent moisture buildup, utilize stove and bathroom vent fans and leave on until steam is gone. Condensation, which develops on windows from indoor moisture, must be wiped down immediately including the window tracks. Condensation on windows indicates that fresh air is not being circulated in the home to prevent moisture buildup. Open your windows and air out your home for short periods of time to keep fresh air present. Excessive running of your heater will cause condensation in your home. Report any running or dripping faucets, plumbing leaks, roof leaks, discoloration of walls or water intrusion immediately to the rental office. Residents acknowledge receipt of the "Mold/Moisture Disclosure Statement".

SMOKING: Residents acknowledge that damage caused by smoking will not be considered normal wear and tear. Households having one or more smokers, or guests that smoke, will be held responsible for additional costs related to smoke related damages. Smoke related damages can be, but are not limited to, yellowed walls and ceilings; mini blinds and draperies, painting or treatment required due to smoke

odor, burns to counters, sinks or extra cleaning of carpets due to smoking. Residents will be considerate of other residents by minimizing the patterns of smoke and/or smell which may be a sensitivity or allergy to other residents. Interference with other residents' rights to the quiet enjoyment of the premises as a result of second hand smoke may be grounds for termination of tenancy. Residents will comply with all local ordinances for smoking in common areas, Leased Premises and exposure to other residents.

STANDARDS: Residents shall keep the interior of the Leased Premises clean according to good housekeeping standards. This includes maintaining all utility services. Residents will assume full responsibility for keeping their patio, entry doors, entrance walkways, porches, patios and balconies area cleaned, neatly arranged and free from unsightly or unused items. Residents shall keep the Leased Premises and such other areas as may be assigned for Residents' exclusive use, including but not limited to, the Leased Premises fixtures, appliances, entry doors, windows and screens, sidewalks, parking space(s) and grounds, in a clean, safe and sanitary condition.

STORAGE: Garbage cans, bottles, brooms, mops, toys, bicycles, fitness equipment, cardboard boxes, household furniture, and similar personal property are to be kept inside the Leased Premises or appropriately designated storage areas and out of view. Patios and/or balconies are to be used for patio furniture only. Areas located outside front doors or on stairway landings are part of the common area and cannot be used for storage.

TRASH: Residents shall deliver and place all garbage and trash in proper bins at designated locations. If the bin you normally use is full, please use another bin. To maximize available space, please break down large objects such as cardboard boxes. Trash bins and/or enclosures are NOT to be used for large items such as furniture, etc. Removal of large items, such as furniture, from the Leased Premises is Resident's responsibility. Residents will be charged the costs to remove any large items placed in the trash enclosures or bins. Residents are responsible for any/all unacceptable items placed in the trash receptacles, such as; toxic waste or other possible harmful items. Residents will be assessed a charge of \$25.00 for the clean-up of any garbage or trash not properly disposed.

Trash shall be wrapped and deposited in designated areas between the hours between 8:00 am and 10:00 pm.

Caution must be taken not to put any flammable material in garbage. Garbage and trash may not be left in hallways or stairwells.

UNIVERSAL WASTE: Disposal of universal waste is prohibited in general trash receptacles in the Community. Disposal of universal waste in the trash receptacles by Residents may result in a fine for Owner, and therefore will be deemed a violation of the Residential Lease Contract. Universal waste includes electronic devices (televisions, computer monitors, computers, printers, VCRs, cell phones, telephones, radios and microwaves), common batteries (AA, AAA, C Cells, D cells and button batteries), Fluorescent Tubes and Bulbs and Other Mercury-Containing Lamps (fluorescent light tubes and bulbs, high intensity discharge (HID), metal halide, sodium and neon bulbs), Mercury added Novelties (greeting cards, athletic shoes and mercury maze games), Non-Empty Aerosol cans (aerosol cans can be flammable).

SECTION E: SUPERVISION HOUSEHOLD MEMBER/VISITORS/GUESTS

GUESTS: Guests staying in excess of 72 hours MUST register with the office. Residents may be permitted to have a guest(s) visit their household. However, any adult person(s) making REOCCURRING visits of 14 days consecutive days, or more than twice that number in any twelve month period shall be deemed to reside in the Leased Premises in violation of the Residential Lease Contract. Persons receiving mail to the Leased Premises will be considered occupants. All adult household members must submit a completed application and qualify for residency.

SUPERVISION: Residents agree that Residents are responsible for the conduct of any member of their household, visitors and guests, and agree to pay for any damage to the Leased Premises caused by members of the household or guests. Residents shall prevent household members and guests from loitering or playing in areas other than designated play areas, and to prevent household members or guests from tampering, in any way, with the landscape, sprinkler system or plants, shrubbery, trees or equipment that is appurtenant to the Leased Premises.

WALKWAYS: Residents shall not store nor allow any personal household property outside the Leased Premises in a manner that may be detrimental to the appearance of the premises or interfere with free passage upon any street or sidewalk in the Leased Premises. Walkways are for pedestrian use. No bicycling, roller skating or in-line skating, skateboarding, coaster riding, drawing with chalk, etc., is allowed on walkways. Walkways are to be kept clear of toys, bicycles, etc.

SECTION F: CONDUCT

ACTS OF VIOLENCE: Residents or members of the household or guests shall not engage in any acts of violence including but not limited to the display of, brandishing, or using in a threatening manner, any dangerous weapons or objects in or about the Leased Premises. Residents shall not keep or use on or about the Leased Premises or project any explosive, flammable, or repellent device, or otherwise dangerous device, and to take every care and precaution to prevent fires.

ALCOHOL/PUBLIC INTOXICATION: Residents shall not engage in, and Residents shall take reasonable action to prevent all members of Residents' household and guests from, drinking alcoholic beverages or using illegal substances in or on common areas, walkways or streets of the Community, or in vehicles parked or moving on the Community.

DRONES: The use of drones is considered an invasion of privacy. Residents may not utilize a drone to enter into the common areas, property grounds or the balcony/patio/yard airspace of the Residential Community or Leased Premises. This includes but is not limited to using the drone to enter into the land or into the airspace above the land of another person without Owner permission or otherwise commits a trespass in order to capture any type of visual image, sound recording, or other physical impression of the plaintiff engaging in a private,

personal, or familial activity and the invasion occurs in a manner that is offensive to a reasonable person.

ILLEGAL ACTIVITY: Residents, any member of the Residents' household, or a guest or other person under the Residents' control shall not engage in illegal or criminal activity, nor in any act intended to facilitate illegal or criminal activity, including gang or drug-related illegal or criminal activity, on or near the premises. Residents, all members of the Residents' household and guests shall not engage in the manufacture, sale, or distribution of illegal drugs or be under the influence of any controlled or illegal substance at any location, whether on or near the premises or otherwise, nor permit the Leased Premises to be used for, or to facilitate, any illegal or criminal activity.

LOITERING: Residents, household members, or guests shall not loiter outside the Leased Premises, after **10:00 p.m.** Residents shall conduct themselves, and cause other persons who are on the Leased Premises with their consent to conduct themselves in a manner, which will be conducive to maintaining the Leased Premises in a decent, safe, and sanitary condition; and to promote the quiet enjoyment of the premises for all residents. Residents will not make, or cause to be made, or permit any disturbance or loud noises in or on the premises, street, or common areas.

NOISE: Residents, household members and guests shall not make or allow to be made any disturbing noises upon the Leased Premises by Residents, household members or guests, etc., nor permit anything to be done by such persons that will interfere with the rights, comforts, or convenience of other Residents. Residents, household members and guests are advised to take care when approaching and leaving their Leased Premises during the quiet time, **between the hours of 10 pm and 8 am** and to show consideration of other residents at all times. Residents shall not play upon or allow to be played upon, any musical instrument or operate or allow to be operated audio equipment, radio, or television in or on the premises **between the hours of 10 pm and 8 am**, if the same shall disturb or annoy other occupants of the Community.

THREATS/OFFENSIVE CONDUCT: To assist in ensuring the safety and quiet enjoyment of all Residents, household members and guests shall not engage in offensive conduct or language on or about the premises. Residents, all members of the Residents' household and guests shall not cause or threaten to cause serious physical injury to another person on the premises, or be involved in a fight while on the premises; commit abuse upon any person on the premises, and will abstain from any activity which impairs the physical or social environment of the premises.

SECTION G: VEHICLES

INOPERABLE VEHICLES: All vehicles must be currently registered, licensed and in operating condition. Any vehicle in violation of this provision may be towed at vehicle owner's expense in compliance with the vehicle codes of the state. Repair work, oil changes and similar work is not permitted in the parking lots. Such work must be done off the property. Residents agree that any vehicles that are inoperable for more than 72 consecutive hours without written permission of Owner may be removed at the expense of the vehicle's owner. Vehicles not moved in excess of 7 days will be considered inoperable. Extra vehicles cannot be stored on the property. Vehicle maintenance on the premises is prohibited. Residents and/or guests shall not park vehicles in a state of disrepair on the premises. This includes operational vehicles leaking on parking surfaces. Leaks and spills and/or damages caused by Residents' vehicles are the responsibility of Residents. The owner of any vehicle that leaks oil in the parking lot will be held responsible for clean-up and/or damage charges.

PARKING/SPEED LIMITS: Residents shall observe, and cause all members of Residents' household and guests to observe, the posted speed limits on drives in the premises, to park and cause members of Residents' household and guests to park only in assigned parking areas; not to block access to other parking spaces, garages or for emergency vehicles, or to other residences, and not drive, or park any vehicle on the lawn, driveway, or other areas for common use in the premises. Vehicles parked within 15 feet of a fire hydrant or in a fire lane may be towed without warning. Vehicles may not be backed into parking spaces. Vehicles which create a nuisance due to excessive music or activation of a car alarm shall be removed from the property at the vehicle owner's expense. Parking designated for the office is not to be used during operating business hours. Vehicles parked in designated handicapped spaces without display of handicap placard or handicap plates are subject to immediate towing. Some communities may require parking stickers for all cars parked on the premises. Cars without required parking stickers will be considered unauthorized and may be towed without warning. Residents agree that any vehicle that is improperly parked, or in violation of vehicle or parking policies without written permission of Owner may be removed at the expense of the vehicle's owner. Owner is the only authorized agent for the towing of vehicles.

Owner, in its sole discretion, reserves the right to reassign any designated parking space(s) during the term of the Residential Lease Contract, subject to any applicable requirements under the Americans with Disabilities Act (ADA).

UNASSIGNED PARKING: *Communities with unassigned parking, the following applies:* Parking is on a first come/first serve basis and a parking space is not guaranteed. Residents having more than one vehicle per household are requested to be considerate of other residents when parking second vehicles. Infrequently used vehicles (any vehicle not used or moved every 72 hours) are to be parked in more remote parking areas as designated by Owner. Additional vehicles (more than 2 per household) are to be parked off the premises.

RECREATIONAL VEHICLES: Recreational vehicles such as trailers, motor homes and boats are not allowed to be parked on the premises. Motorcycles are subject to the same rules as automobiles. They must be operated in a safe manner at all times. Motorcycles are considered vehicles and must be parked in an appropriately designated parking space. Motorcycles may not be parked on sidewalks, in stairwells, on patios, on porches or in any other area not designated for the parking of vehicles. No recreational vehicles, trailers or boats are allowed on the premises except with written consent of Owner.

VEHICLE REGISTRATION: Residents shall register all household vehicles with Owner. Residents agree to provide vehicle information (license number, make, model, etc.) and provide updated information in the event of changes. Vehicles on the premises must be currently

registered and properly insured according to state law.

WASHING VEHICLES: Residents may wash or spray off vehicles only in designated areas of the premises. Residents will make every effort to not waste water if a designated area exists. Owner will advise Residents if a specific area exists on the property. If no designated area exists, Residents may not wash or spray off vehicles anywhere on the premises.

SECTION H: ANIMALS

NO ANIMALS: NO wild or domestic animals of any kind and no aquariums in excess of **10 gallons** are allowed on the community or in the Leased Premises at any time, including pets belonging to others, without the prior written consent of Owner. If a pet is allowed, a separate written agreement and deposit is required. Contact Owner for further information.

SECTION I: MOVE-OUT INFORMATION

MOVE-OUT CHARGES: Residents will be charged for damage to the Leased Premises beyond "normal wear and tear". Repair and replacement damages will be billed at actual charges. Please see your Move-in/Move-out inspection form for additional information concerning this matter.

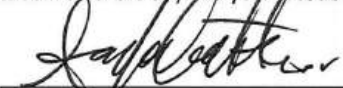
PERSONAL PROPERTY: Residents agree to remove all personal property when vacating the Leased Premises. All personal property left on the Leased Premises when the unit is vacated shall be deemed to be property abandoned by Residents and may be disposed of according to law. All personal property removed from the Leased Premises at the time of physical eviction of Residents shall be deemed abandoned if not claimed within the time prescribed by law, and may be disposed of by Owner in accordance with the Residential Lease Contract and applicable law.

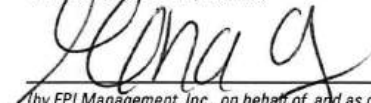
DEPOSITS: Deposits will be refunded when ALL keys are returned and premises are vacated and left in the same general condition as when first occupied, with the exception of normal wear and tear, in accordance with state law.

THESE COMMUNITY POLICIES NOW BECOME A PART OF YOUR RESIDENTIAL LEASE CONTRACT.

INTENDING TO BE BOUND, the parties hereto have executed this Addendum as of the day and year first above written.

 4-1-18
VERONICA CASTELAN (Resident) Date

 4-1-18
NINSI CASTELAN (Resident) Date

 4-1-18
(by FPI Management, Inc., on behalf of, and as designated agent for, Owner) Date

LEASE RIDER GOOD CAUSE ADDENDUM

This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

The Owner of this property rents residential units under the federal Low-Income Housing Tax Credit Program (the "program") administered by the California Tax Credit Allocation Committee (TCAC). Under the program, the owner has agreed to rent some or all of the dwellings in the property to low-income households and restrict the rents for those dwellings. Another protection provided by federal law is that Low Income Tenants may not be evicted without good cause.

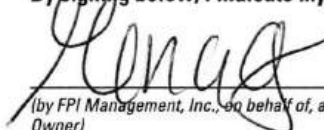
The Lease Rider is an important part of ensuring your rights to good cause for eviction.

Good Cause for Eviction or Nonrenewal of the Lease

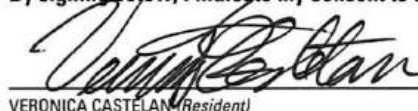
Owner may not terminate the tenancy or refuse to renew the Residential Lease Contract of a Low Income Resident except for good cause, including a serious or repeated violation of the material terms and conditions of the Residential Lease Contract, or a violation of applicable Federal, State, or local law. To terminate the tenancy or refuse to renew the Residential Lease Contract, Owner must provide written notice to the Resident of the grounds with sufficient specificity to enable the Resident to prepare a defense. The notice must be served at least three days before the termination of tenancy, and must comply with all requirements of California law and other applicable programs. Resident has the right to enforce this requirement in state court, including presenting a defense to any eviction action brought by Owner.

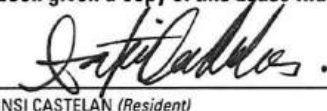
To the extent that any terms contained in the Residential Lease Contract, or any other agreement between the owner and the Resident, contradict the terms of this Rider, the provisions of this Rider shall control.

By signing below, I indicate my consent to this Lease Rider.

 4/1/18
(by FPI Management, Inc., on behalf of, and as designated agent for, Owner) Date

By signing below, I indicate my consent to this Lease Rider. I/we have been given a copy of this Lease Rider.

 4-1-18
VERONICA CASTELAN (Resident) Date

 4-1-18
NINSI CASTELAN (Resident) Date

KEYS, PERMITS, AND ACCESS DEVICES ADDENDUM

This is an addendum to the Residential Lease Contract dated April 1, 2018 between Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the residence located at 716 YALE STREET #307, LOS ANGELES, CA 90012 (the "Leased Premises").

Residents acknowledge that they have been provided with keys and access devices listed below:

<u>1</u>	Mailbox Key(s)
<u>1</u>	Apartment Key(s)
<u>1</u>	Gate Remote(s)
<u>1</u>	Parking Permit(s)

Residents will be liable for the below listed charges for replacing keys, permits, tags, and access devices.

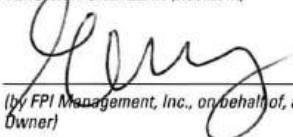
Deposit Amounts	
Mailbox Key	1 X \$0.00 = \$0.00
Apartment Key	1 X \$0.00 = \$0.00
Gate Remote	1 X \$0.00 = \$0.00
Parking Permit	1 X \$0.00 = \$0.00

Replacement Costs	
Mailbox Key	\$5.00
Apartment Key	\$5.00

SUBMIT TO:

 4-1-18
VERONICA CASTELAN (Resident) Date

 4-1-18
NINSI CASTELAN (Resident) Date

 4/1/18
(by FPI Management, Inc., on behalf of, and as designated agent for, Owner) Date

LOW INCOME HOUSING TAX CREDIT (LIHTC) ADDENDUM

This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

Residents agree to the following:

1. **CONDITIONS GOVERNING LIHTC COMMUNITIES.** Residents, age eighteen (18) years of age and older, will provide the required information regarding household composition, student status, assets, and income of all household members and to authorize release of such information from third-party sources. Should Residents fail to provide required information, or submit false information, the Residential Lease Contract shall be considered breached, and Owner, in its sole discretion, may terminate the Residential Lease Contract. Information required is, but is not limited to:

- A. a completed Tenant Certification Form, in the form attached to the Residential Lease Contract (as such form may be modified by the Agency); and
- B. copies of the most recent Federal Income Tax Return filed by each member of Resident's household, as applicable, and annual income statements (employment, social security, pension, etc.), copies of employment pay stub(s) of each member of Resident's household, as applicable, for the past four (4) months, and annual income statements (employment, social security, pension, etc.).

This information will be required at the following times: a) prior to the initial move-in, to determine and certify eligibility; and b) every year prior to the annual anniversary date from the last certification or prior to the final date of the lease term, whichever occurs first. Once notified by Owner of the need to recertify, Residents shall, within thirty (30) days, provide family size and proof of income.

Residents have supplied information to Owner by means of a rental application, questionnaire, or similar instrument. Residents agree that Residents knowingly and voluntarily gave all such information, and if such information proves to be false or misleading in any material respect, Residents shall have committed a material and incurable breach of the Residential Lease Contract.

VCR NCG

2. **LIHTC PROGRAM.** Residents understand that the Residential Community is subject to the Low Income Housing Tax Credit Program (LIHTC). Regulations and guidelines, as defined in the Internal Revenue Code of 1986, Section 42. Maximum income limits are published annually by the Department of Housing and Urban Development.

VCR NCG

3. **ESCALATION CLAUSE/INCOME LIMITS.** The maximum allowable rental amount chargeable to Residents is based upon the Area Median Income Guidelines published by the State's Housing Finance Corporation for the county of the Leased Premises. Should the Area Median Income change for the county, then the parties agree that Owner shall have the right to increase the monthly rental amount to comply with the highest allowable rate then promulgated by your State Housing Finance Corporation. Any such increase in the monthly rental amount shall only become effective after written notice is provided to Residents informing Residents that thirty (30) days from the date of the notice, of the new LIHTC maximum rent charge. Residents then agree that the base rent due and owing on the Residential Lease Contract shall be amended to reflect such change to the base rental rate. This may occur during the term of the current Residential Lease Contract.

VCR NCG

4. **ESCALATION CLAUSE/UTILITY ALLOWANCE.** If, during the term of the Residential Lease Contract, the utility allowance is reviewed and changed, the net rent to Residents may be changed accordingly. Since the maximum LIHTC charge is Residents' rent plus the utility allowance, if the allowance increases, the rent would decrease by the 30-day notice, and should the utility allowance decrease, the rent could be increased in the same fashion. This may occur during the term of the current Residential Lease Contract.

VCR NCG

5. **REGULARLY SCHEDULED RECERTIFICATIONS.** Every year, one hundred-twenty (120) days prior to the expiration of the income certification, Owner will request Residents to report the income and composition of the Residents' household and to supply any other information required by Owner for the purposes of determining Residents' eligibility under IRC Section 42. Residents agree to provide accurate statements of this information and to do so by the date specified in Owner's request. Owner will verify the information supplied by Residents and use the verified information for compliance purposes only.

- A. Residents understand and agree that a recertification of income shall be made to Owner at least once a year from the date of the original certification at the time of admission to the community. Said recertification process must be completed prior to the annual expiration of each one-year term.

VCR NCG

- B. Residents understand and agree to comply promptly with all requests by Owner for information and certifications concerning the

total current household income and household composition.

VCR NCG

- C. Residents understand and agree that if Residents do not submit the required recertification information by the date specified in Owner's request, this will be considered material non-compliance and will result in termination of Residents' tenancy.

VCR NCG

- D. Residents understand and agree that under IRC Section 42, many students are not LIHTC eligible. If changes in student status render the household ineligible, Residents' tenancy may be terminated upon thirty (30) days written notice. This may occur at any time during the term of the Residential Lease Contract.

VCR NCG

- E. Residents understand and agree that Residents shall not assign the Residential Lease Contract, give accommodation to any roomers, lodgers or other persons not listed on the Residential Lease Contract and/or the Tenant Certification without Owner's prior written consent, or permit the use of the Leased Premises for any purpose other than as a private residence solely for Residents and Residents' family. This provision does not exclude reasonable accommodation of Residents' guests or visitors. However, Owner reserves the right to terminate Residents' tenancy if it is suspected that a guest is an unauthorized occupant. Such suspicion may arise whenever an adult person(s) is making reoccurring visits or one continuous visit of fourteen (14) days. All adult household members must submit a completed application and qualify for residency.

VCR NCG

- F. Residents understand that if the number of household members should increase or decrease so that the household size is in conflict with the occupancy criteria established for the Residential Community, Residents will be required to move to an appropriate-sized unit within thirty (30) days of said unit becoming available, or Residents will be required to move from the Residential Community. If an appropriate-sized unit is not available, or if the household income exceeds the maximum allowable limit, Residents will be required to move from the Residential Community.

VCR NCG

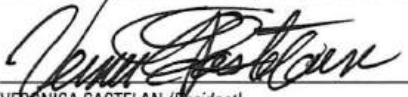
6. **140% RULE.** If at any time of a recertification the household income rises above the current 140% of median income limit, Residents' tenancy may be terminated with sixty (60) days notice unless the Leased Premises is also governed by Section 42 of the Internal Revenue Code, in which case this 140% limitation does not apply. **This may occur at any time during the term of the Residential Lease Contract.**

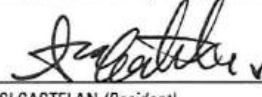
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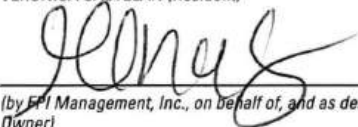
7. **CONFLICT WITH GOVERNING LAW.** To the extent that any part of the Residential Lease Contract or this Addendum conflicts with applicable federal, state, or local laws or regulations, the law or regulation overrides the portion of the Residential Lease Contract or this Addendum.

VCR NCG

INTENDING TO BE BOUND, the parties hereto have executed this Addendum as of the day and year first above written.

 4-1-18
VERONICA CASTELAN (Resident) Date

 4-1-18
NINSI CASTELAN (Resident) Date

 4/1/18
(by FFI Management, Inc., on behalf of, and as designated agent for, Owner) Date

PARKING/STORAGE/GARAGE ADDENDUM

This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

Vehicle Information					
Year:	Make:	Model:	Color:	Plate #:	State:
2002	DODGE			6DMC925	CA
Parking/Storage Information					
Parking Space #(s):	Garage #(s):	Carport #(s):	Parking Permit #(s):	Storage #(s):	
33	N/A	N/A	C-4052	N/A	
Parking Rent:	Garage Rent:	Carport Rent:	Storage Rent:		
\$0.00	\$0.00	\$0.00	\$0.00		

1. Residents agree to rent the herein described premises at the rate of \$0.00 per month. Failure to pay in full will be considered partial payment of the total rent due. Rent is due and payable on or before the 1st of the month, with payment of rent for the Leased Premises. Rent paid after the 3rd of the month will be considered delinquent and assessed a \$0.00 late fee.
2. Residents agree to pay an additional Security Deposit in the amount of \$0.00, prior to taking occupancy of the above-listed item. This additional deposit effectively increases an existing or pre-existing Security Deposit, and, at Owner's sole option, may be retained by Owner to offset any Residents' default in and/or non-compliance with the Residential Lease Contract, the Parking/Storage/Garage Addendum or any applicable law termination.
3. Failure to pay rent before the 4th of the month will result in a 30-Day Notice to terminate this agreement.
4. Any items shall be deemed abandoned if not removed within eighteen (18) days after proper notification. Upon such abandonment, Owner may remove all personal property therein and sell it at public sale and the proceeds from the sale thereof may be applied to the expenses for removal, advertisement of sale, and for lost rental revenues.
5. This addendum will be concurrent with the term of the Residential Lease Contract and terminates upon the termination of occupancy of the Leased Premises.
6. To the extent allowed by applicable law, Owner shall not be liable for any damage or loss to personal property, motor vehicles of, or the contents of motor vehicles of, Residents, any member of Residents' household, occupants, guests, invitees, or other persons. Failure of Residents, any member of Residents' household, occupants, guests, invitees, or other persons to follow Community Rules and/or posted signs relating to parking and operation of vehicles will result in the towing of the offending vehicle at the cost of the vehicle owner. The location and number of any parking space(s) assigned to Residents may be changed at any time at the sole discretion of Owner.

Standard Parking Policies

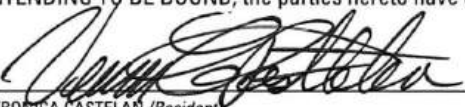
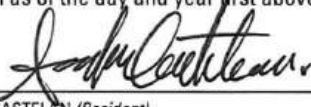
1. Residents agree vehicle(s) must be registered and insured as required by state and local law. Inoperable and/or illegally parked vehicles will be towed at vehicle owner's expense.
2. Vehicles must be operating on a weekly basis. Inoperable vehicles are considered but not limited to those vehicles not driven regularly, those with flat tires, not mechanically fit or properly registered.
3. Auto repairs are not permitted on the premises.
4. Music and noise from vehicles must be kept at a minimum to avoid disturbing other residents.
5. Residents are responsible for maintaining the parking stalls free of oil spills or other fluid leaks.
6. Parking spaces may not be used for storage of any kind.
7. Guest parking is limited to: Open uncovered spaces, Street Parking, Off Premises, Designated Guest Parking, Parking Garage, and By Permit.
8. Vehicles stopped, parked or double parked in handicap spaces (without displaying appropriate permits), fire hydrant restricted areas, non-designated parking areas, red zones, other residents' assigned spaces or rental office parking may be subject to citations and/or towing at the vehicle owner's expense, as allowed by applicable law.
9. Assigned spaces can be changed at any time at the discretion of the Owner.
10. Speed limits are 5 miles per hour miles per hour throughout the community.
11. Residents acknowledge that Owner does not provide insurance to cover vehicles or their contents.

Bicycle Storage Policies

1. Bicycle Racks are provided for use throughout the community.
2. Residents are responsible for locking and securing the bicycle(s). Owner is not responsible for any loss or damage that may occur to a bicycle when utilizing the storage areas.
3. Bicycle storage areas may be used for bicycles only.
4. Residents agree that Residents will not place any hazardous, combustible, explosive or illegal substances in the Bicycle Storage Area.
5. Owner reserves the right to immediately terminate Residents' use of the Bicycle Storage in the event of violation of these provisions.

including but not limited to the payment of any applicable rental charges.

INTENDING TO BE BOUND, the parties hereto have executed this Addendum as of the day and year first above written.

 4/1/18  4/1/18
VERONICA CASTELAN (Resident) Date NINSI CASTELAN (Resident) Date

 4/1/18
(by FPI Management, Inc., on behalf of, and as designated agent for, Date
Owner)

PARTICIPATION ADDENDUM

This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

In consideration of being permitted to enter the entertainment, health and/or recreation facilities, services and programs of the Community for any purpose, including, but not limited to, observation or use of said facilities or equipment, or participation in any off-site or sponsored event program affiliated with the Community, Residents, for himself or herself and any personal representative, heirs, and next of kin, hereby acknowledge, agree and represent that Resident has, or immediately upon entering or participation will, inspect and carefully consider the Community, facilities or the affiliated program(s). It is further warranted that such entry into said facilities of the Community for observation or use of any said facilities or equipment or participation in such affiliated program constitutes an acknowledgment by Resident that the Community and all facilities and equipment thereon and such affiliated program have been inspected and carefully considered by Resident and that Resident finds and accepts same as being safe and reasonably suited for the purpose of such observation, use and/or participation. By way of illustration and not limitation, entertainment, health and recreation facilities includes exercise facilities, swimming pools, spas, and game rooms.

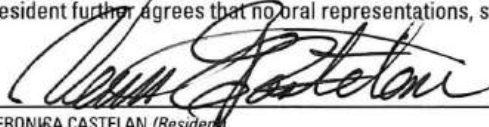
THE UNDERSIGNED HEREBY FURTHER AGREES TO THE FOLLOWING:

To the greatest extent allowed by law, Resident hereby releases, waives, discharges and covenants not to sue Owner, its directors, officers, employees, managers and agents from all liability to Resident, his/her/their personal representatives, assigns, heirs, and next of kin for any loss or damage, and any claim or demands therefore on account of injury to person or property or resulting in death of Resident, whether caused by the negligence of Owner, its directors, officers, employees, managers and agents, or otherwise arising from or relating to the Resident's use of the entertainment, health and/or recreation facilities, or equipment therein or participation in any related program affiliated with the Community.

To the greatest extent allowed by law, Resident agrees to indemnify, save and hold harmless the Owner, its directors, officers, employees, managers and agents from any loss, liability, damage or cost they may incur due to the presence of Resident in, upon or about the Community or in any way observing or using any entertainment, health and/or recreation facilities, or equipment therein, of the Community whether caused by the Owner, its directors, officers, employees, managers and agents or otherwise.

Resident assumes full responsibility for and risk of bodily injury, death or property damage due to negligence of Owner or otherwise while in, about or on any entertainment, health and/or recreation facilities or equipment therein of the Community.

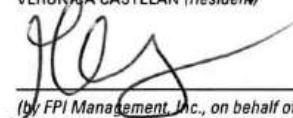
Resident further agrees that no oral representations, statements or inducement apart from the foregoing addendum have been made.


VERONICA CASTELAN (Resident)

4-1-18
Date


NINSI CASTELAN (Resident)

4-1-18
Date


(by FPI Management, Inc., on behalf of, and as designated agent for,
Owner)

4/1/18
Date

PEST CONTROL ADDENDUM

CAUTION -- PESTICIDES ARE TOXIC CHEMICALS

Residents are informed that a licensed pest control company is utilized to provide pest control services at the Leased Premises.

Structural Pest Control Companies are registered and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Pesticide Regulation and the United States Environmental Protection Agency. Registration is granted when the state finds that, based on existing scientific evidence, there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized.

Spraying of the Leased Premises is conducted upon written request of the Resident.

Spraying occurs:

4th Wednesday of the Month.

Resident agrees to complete any required preparation of the Leased Premises for necessary or requested pest control.

If within 24 hours following application you experience symptoms similar to common seasonal flu, dizziness, rash, vomiting, difficulty breathing or other medical systems that are not normal, contact your physician, the pest control company or the local poison control center. Resident also agrees to report any illness related to pest control spraying to the Owner.

For further information, contact any of the following:

For regulatory Information:

Structural Pest Control Board

1418 Howe Ave, Suite #18

Sacramento, CA. 95825

(916)263-2533

For health information: County Health Contact

ALAMEDA COUNTY	(510) 267-8010	ALPINE COUNTY	(530) 694-2146	AMADOR COUNTY	(209) 223-6407
BERKELEY CITY	(510) 981-5301	BUTTE COUNTY	(530) 538-7583	CALAVERAS COUNTY	(209) 754-6460
COLUSA COUNTY	(530) 458-0380	CONTRA COSTA COUNTY	(925) 957-5403	DEL NORTE COUNTY	(707) 464-3191
EL DORADO COUNTY	(530) 621-6277	FRESNO COUNTY	(559) 600-6405	GLENN COUNTY	(530) 934-6588
HUMBOLDT COUNTY	(707) 268-2181	IMPERIAL COUNTY	(760) 482-4429	INYO COUNTY	(760) 873-7868
KERN COUNTY	(661) 868-0413	KINGS COUNTY	(559) 852-2876	LAKE COUNTY	(707) 263-1090
LASSEN COUNTY	(530) 251-8183	LONG BEACH CITY	(562) 570-4047	LOS ANGELES COUNTY	(213) 989-7236
MADERA COUNTY	(559) 675-7893	MARIN COUNTY	(415) 473-4163	MARIPOSA COUNTY	(209) 966-3689
MENDOCINO COUNTY	(707) 472-2777	MERCED COUNTY	(209) 381-1200	MODOC COUNTY	(530) 233-7052
MONO COUNTY	(760) 924-1828	MONTEREY COUNTY	(831) 755-4585	NAPA COUNTY	(707) 253-4566
NEVADA COUNTY	(530) 265-7154	ORANGE COUNTY	(714) 834-3155	PASADENA CITY	(626) 744-6046
PLACER COUNTY	(530) 745-3141	PLUMAS COUNTY	(530) 283-6330	RIVERSIDE COUNTY	(951) 358-7036
SACRAMENTO COUNTY	(916) 875-5881	SAN BENITO COUNTY	(831) 637-5367	SAN BERNARDINO COUNTY	(909) 387-6218
SAN DIEGO COUNTY	(619) 542-4181	SAN FRANCISCO	(415) 554-2898	SAN JOAQUIN COUNTY	(209) 468-3411
SAN LUIS OBISPO COUNTY	(805) 781-5519	SAN MATEO COUNTY	(650) 573-2519	SANTA BARBARA COUNTY	(805) 681-5280
SANTA CLARA COUNTY	(408) 792-3798	SANTA CRUZ COUNTY	(831) 454-4000	SHASTA COUNTY	(530) 225-5594
SIERRA COUNTY	(530) 993-6710	SISKIYOU COUNTY	(530) 841-2145	SOLANO COUNTY	(707) 784-8600
SONOMA COUNTY	(707) 565-8695	STANISLAUS COUNTY	(209) 558-8804	SUTTER COUNTY	(530) 822-7215
TEHAMA COUNTY	(530) 527-6824	TRINITY COUNTY	(530) 623-8209	TULARE COUNTY	(559) 624-8481
TUOLUMNE COUNTY	(209) 533-7405	VENTURA COUNTY	(805) 981-5101	YOLO COUNTY	(530) 666-8550
YUBA COUNTY	(530) 749-6379				

For application information: CALIFORNIA COUNTY AGRICULTURAL COMMISSIONERS
(916)875-6603

ALAMEDA COUNTY	(510) 670-5232	ALPINE COUNTY	(530) 621-5520	AMADOR COUNTY	(209) 223-6487
BUTTE COUNTY	(530) 538-7381	CALAVERAS COUNTY	(209) 754-6504	COLUSA COUNTY	(530) 458-0580
CONTRA COSTA COUNTY	(925) 646-5250	DEL NORTE COUNTY	(707) 464-7235	EL DORADO COUNTY	(530) 621-5520
FRESNO COUNTY	(559) 600-7510	GLENN COUNTY	(530) 934-6501	HUMBOLDT COUNTY	(707) 445-7223
IMPERIAL COUNTY	(442) 265-1500	INYO COUNTY	(760) 873-7860	KERN COUNTY	(661) 868-6300
KINGS COUNTY	(559) 582-3211	LAKE COUNTY	(707) 263-0217	LASSEN COUNTY	(530) 251-8110
LOS ANGELES COUNTY	(626) 575-5451	MADERA COUNTY	(559) 675-7876	MARIN COUNTY	(415) 473-6700
MARIPOSA COUNTY	(209) 966-2075	MENDOCINO COUNTY	(707) 463-4208	MERCED COUNTY	(209) 385-7431
MODOC COUNTY	(530) 233-6401	MONO COUNTY	(760) 873-7860	MONTEREY COUNTY	(831) 759-7325
NAPA COUNTY	(707) 253-4357	NEVADA COUNTY	(530) 273-2648	ORANGE COUNTY	(714) 955-0100
PLACER COUNTY	(530) 889-7372	PLUMAS COUNTY	(530) 283-6365	RIVERSIDE COUNTY	(951) 955-3011
SACRAMENTO COUNTY	(916) 875-6603	SAN BENITO COUNTY	(831) 637-5344	SAN BERNARDINO COUNTY	(909) 387-2115
SAN DIEGO COUNTY	(858) 694-2741	SAN FRANCISCO	(415) 252-3830	SAN JOAQUIN COUNTY	(209) 953-6000
SAN LUIS OBISPO COUNTY	(805) 781-5910	SAN MATEO COUNTY	(650) 363-4700	SANTA BARBARA COUNTY	(805) 681-5600
SANTA CLARA COUNTY	(408) 918-4600	SANTA CRUZ COUNTY	(831) 763-8080	SHASTA COUNTY	(530) 224-4949
SIERRA COUNTY	(530) 283-6365	SISKIYOU COUNTY	(530) 841-4033	SOLANO COUNTY	(707) 784-1310
SONOMA COUNTY	(707) 565-2371	STANISLAUS COUNTY	(209) 525-4730	SUTTER COUNTY	(530) 822-7500
TEHAMA COUNTY	(530) 527-4504	TRINITY COUNTY	(530) 623-1356	TULARE COUNTY	(559) 684-3350
TUOLUMNE COUNTY	(209) 533-5691	VENTURA COUNTY	(805) 388-4222	YOLO COUNTY	(530) 666-8140
YUBA COUNTY	(530) 749-5400				

Owner shall provide written notice to Residents at least 24 hours prior to application of any pesticide to the Leased Premises. If Residents request immediate action towards a pest problem, Residents must agree to immediate notice before Owner applies the pesticides. Residents and Owner may agree to an immediate pesticide application if Residents request that the pesticide be applied before 24-hour advance notice can be given.

Resident agrees to abide by the above provisions of this Addendum.

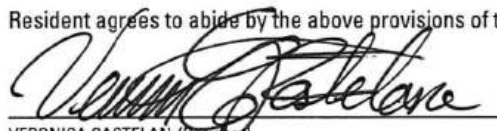
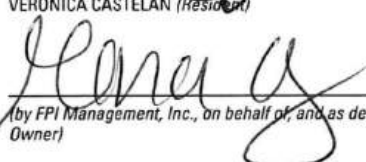
 4-1-18  4-1-18
 VERONICA CASTELAN (Resident) Date NINSI CASTELAN (Resident) Date
 4/1/18
 (by FPI Management, Inc., on behalf of, and as designated agent for, Owner) Date

PHOTO RELEASE

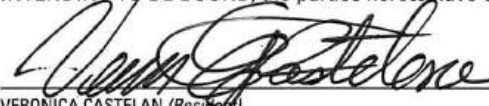
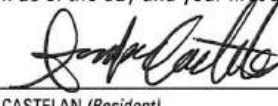
This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

Residents hereby release and agree to hold harmless Owner, its partners, officers, directors, manager, agents, employees, successors and assigns from any liability in the use of Residents photograph in newsletters, promotional items, website, etc. Residents waive any right to inspect or approve the photographs or electronic matter that may be used in conjunction with Residents now or in the future, whether that use is known to Residents or unknown.

In addition, Residents release Owner from any and all privacy and publicity claims, copyright or performing rights claims, royalty or other compensation claims, and all other claims, causes of action, and rights of recovery related to the use of photographic representations of Residents. Residents understand that Owner will retain all rights to photographs.

Resident Initials: VER NCG

INTENDING TO BE BOUND, the parties hereto have executed this addendum as of the day and year first above written.

 4-1-18  4-1-18
VERONICA CASTELAN (Resident) Date NINSI CASTELAN (Resident) Date

 4/1/18
(by FPI Management, Inc. on behalf of, and as designated agent for, Owner) Date

POLITICAL SIGN ADDENDUM

This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

California law allows residents to post political signs, subject to certain limitations,

1. Political Signs: A "political sign" is one that relates to any of the following:

- (a) An election or legislative vote, including an election of a candidate to public office.
- (b) The initiative, referendum, or recall process.
- (c) Issues that are before a public commission, public board, or elected local body for a vote.

2. Size and Location of Signs: Resident may only post political signs in the window or door of the premises leased by Resident in a multi-family dwelling or in the case of a single family home, from the yard, window, door, balcony, or outside wall of the premises leased by the Resident. The signs may not be:

- (a) more than square six (6) square feet in size.
- (b) posted or displayed in violation of any local, state, or federal law.
- (c) posted or displayed in violation of a lawful provision in a common interest development governing document that satisfies the criteria of California Civil Code Section 1353.6.

3. Posting and Removal of Signs: Resident shall post and remove any political signs in compliance with the time limits set by the ordinance for the jurisdiction where the premises are located. Resident shall be solely responsible for any violation of a local ordinance. If no local ordinance exists or if the local ordinance does not include a time limit for posting and removing political signs on private property, political signs may be posted days (90 or more) prior to the date of the election or vote to which the sign relates and must be removed days (15 or more) following the date of the election or vote.

4. Damages: Resident may not install or allow a political sign to be installed that causes any damage to or alteration of the Leased Premises such as drilling holes; nailing into outside walls, door frames, window sills, railings, etc.; or affixing tape or other sticky material in a way that will cause damage to paint or other finishes.

Resident is strictly liable for any damages or injury as a result of such installation, and for the cost of repairs or repainting that may be reasonably necessary to restore the Leased Premises to its condition prior to the posting of the political sign(s).

5. Effect of Breach: A breach of this Addendum by the Resident shall be deemed a material breach of the Residential Lease Contract and grounds for immediate termination of the Residential Lease Contract by the Owner/Agent.

INTENDING TO BE BOUND, the parties hereto have executed the Addendum as of the day and year first above written.

Veronica Castelan 4-1-18
VERONICA CASTELAN (Resident) Date

Ninsi Castelan 4-1-18
NINSI CASTELAN (Resident) Date

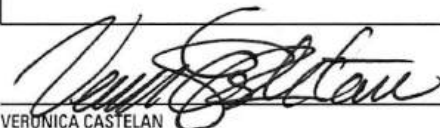
Lena G 4/1/18
(by FPI Management, Inc., on behalf of, and as designated agent for, Owner) Date

Resident Information Renewal Update

Please help us keep our records current by completing the following information.

Please Print

LEASED PREMISES ADDRESS: 716 YALE STREET #307, LOS ANGELES, CA 90012		
RESIDENT: VERONICA CASTELAN		
DAYTIME PHONE #:	CELL PHONE #: 323-314 7623	
E-MAIL ADDRESS: castelan.roni@gmail.com.		
CURRENT VEHICLE MAKE AND MODEL: Nissan XTerra		
LICENSE TAG #: 8A1H816	STATE:	
EMERGENCY CONTACT		
EMERGENCY NAME: Miguel Zelaya	RELATIONSHIP: Esposo	CONTACT NUMBER: 323-434 7986
EMERGENCY NAME:	RELATIONSHIP:	CONTACT NUMBER:

 4-1-10
VERONICA CASTELAN Date

Resident Information Renewal Update

Please help us keep our records current by completing the following information.

Please Print

LEASED PREMISES ADDRESS: 716 YALE STREET #307, LOS ANGELES, CA 90012		
RESIDENT: NINSI CASTELAN		
DAYTIME PHONE #:	CELL PHONE #: 323-518-9927	
E-MAIL ADDRESS: ninsi.castelan@gmail.com		
CURRENT VEHICLE MAKE AND MODEL:		
LICENSE TAG #:	STATE:	
EMERGENCY CONTACT		
EMERGENCY NAME: Marcos Guerrero	RELATIONSHIP: father	CONTACT NUMBER: 323 479 9178
EMERGENCY NAME:	RELATIONSHIP:	CONTACT NUMBER:

 4-1-10
NINSI CASTELAN Date

SATELLITE DISH AND ANTENNA ADDENDUM

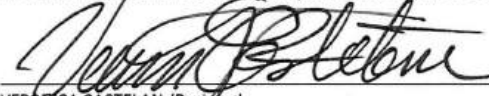
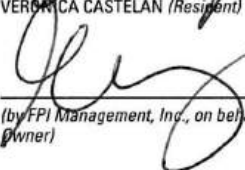
This Addendum to the Residential Lease Contract (this "Addendum") dated the 1st day of April, 2018 between Owner of Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the premises located at 716 YALE STREET, No. 307 in LOS ANGELES, CA 90012 (the "Leased Premises"). All capitalized terms used but not defined herein shall have the meaning set forth in the Residential Lease Contract.

Federal Communications Commission ("FCC") rules allow Residents limited rights to install, maintain, or use a satellite dish or receiving antenna subject to reasonable restrictions by Owner. Residents are required to comply with the restrictions for the installation and use of such equipment set forth below.

1. **Size and Location.** Satellite dishes or antenna may not exceed one meter, or 39.37 inches, in diameter. Residents may install only one satellite dish or antenna in an area of the Leased Premises which Residents have exclusive use or control of. "Exclusive use" refers to an area of the Leased Premises that only the Resident and their guests may enter or use. Residents are prohibited from installing a satellite dish or antenna in restricted and common areas, including but not limited to the roof, exterior walls, windows, or fences.
2. **Installation.** Residents may install a satellite dish or antenna after the following conditions are met: (1) Owner receives this signed addendum; (2) Owner receives applicable written evidence of liability insurance, as detailed below; (3) Owner receives applicable additional security deposit, as detailed below; and (4) Residents receive written confirmation from Owner that the installation materials and the person or company who will do the installation comply with the terms of this addendum.
 - a. **Placement.** Residents are prohibited from making physical modifications to the Leased Premises and installing the satellite dish, antenna, or other equipment in a manner which causes physical or structural damage to the Leased Premises, including but not limited to drilling holes in exterior or interior walls, doors, or windowsills.

If Residents install the satellite or antenna in a permissible exterior area of the Leased Premises, Residents must ensure that any cable or equipment used to transmit a signal into the interior of the Leased Premises does not physically modify or alter the Leased Premises or interfere with the proper function of any doors or windows.
 - b. **Safety.** The satellite dish or antenna must comply with reasonable safety standards and be safely secured within the Leased Premises under exclusive use of Residents by (1) clamping it to a part of the building exterior; (2) securely attaching it to a small slab of concrete or other portable heavy object; or (3) any other method approved in advance by Owner in writing.
 - c. **Noninterference.** The satellite, antenna, and related equipment may not (1) interfere with Owner's or other neighboring properties' electrical, telephone, or cable systems; (2) be connected to Owner's telecommunications system; and (3) be connected to Owner's electrical system other than in a manner determined by Owner. Owner is not responsible for the ability to receive or transmit a signal within the Leased Premises.
3. **Workmanship.** For safety purposes: Residents must obtain Owner's approval of (1) strength and type of materials to be used for installation, and (2) the person or company who will perform the installation. A qualified person or company that has workers compensation insurance and adequate public liability and property damage insurance must do the installation and evidence of licensing and insurance must be provided to Owner. Residents must obtain any permits required by local governmental authorities for the installation and comply with any applicable laws or ordinances.
4. **Maintenance.** Residents are solely responsible for all maintenance of the satellite dish, antenna, and all related equipment. If necessary, Owner may temporarily remove the satellite dish, antenna, or related equipment for maintenance or repairs of the building.
5. **Removal and damages.** The satellite dish, antenna, and all related equipment must be removed when Residents move out of the Leased Premises. Residents are liable for any damage to the Leased Premises and must pay for reasonably necessary costs to repair and repaint the Leased Premises.
6. **Liability insurance and indemnity.** Residents are fully responsible for any satellite dish or antenna and related equipment.

INTENDING TO BE BOUND, the parties hereto have executed this Addendum as of the day and year first above written.

 VERONICA CASTELAN (Resident)	<u>4-1-18</u> Date	 NINSI CASTELAN (Resident)	<u>4-1-18</u> Date
 (by FPI Management, Inc., on behalf of, and as designated agent for, Owner)	<u>4/1/18</u> Date		

ESTIMATED STANDARD CLEANING AND REPAIR CHARGES

This is an addendum to the Residential Lease Contract dated April 1, 2018 between Yale Terrace ("Owner") and VERONICA CASTELAN and NINSI CASTELAN ("Residents") for the residence located at 716 YALE STREET #307, LOS ANGELES, CA 90012 (the "Leased Premises").

The following information is provided to assist you in your move-out and assist in assessing any charges that may be applicable. A full inspection of the Leased Premises will be made only after you have moved out. If the move-out occurs during regular business hours, a property representative should be scheduled to walk the Leased Premises with you. If the Leased Premises are in need of cleaning or repair, the following estimated charges will be used as a guide to assess amounts to be deducted from the security deposit and charged to you, if the amount assessed exceeds the security deposit. In the event that Residents are charged for amounts above the security deposit, Owner requires the sums due be paid via certified funds. Please note that this is not a complete list of all possible estimated charges that you may incur when the Leased Premises are inspected. **Please also note that these charges are estimates only to give you an idea of the charges you may incur for particular items. You may be charged more than the maximum, depending upon the costs or charges we incur.** Please leave a forwarding address on file with the office.

KITCHEN CLEANING

Oven	\$15.00 - \$50.00
Drip Pans	\$5.00 - \$50.00
Stove and Vent-a-Hood	\$10.00 - \$15.00
Refrigerator/Freezer	\$10.00 - \$50.00
Dishwasher/Microwave	\$10.00 - \$25.00
Cabinets and Countertops	\$10.00 - \$30.00
Floors	\$15.00 - \$75.00

BATHROOM CLEANING

Toilet	\$10.00 - \$30.00
Tub/Shower	\$10.00 - \$80.00
Sinks/Counters/Mirrors	\$10.00 - \$40.00

MISCELLANEOUS

Blinds (Windows/Patio)	\$15.00 to Estimate
Carpet Repair	Estimate
Tile Floor Repair or Waxing/Cleaning	\$15.00 to Estimate
Sheetrock Repairs	\$10.00 to Estimate
Furniture Cleaning (if applicable)	Actual Cost
Window Cleaning - Window	\$10.00 each
Window Cleaning - Sliding Glass Doors	\$15.00 each
Graffiti Removal	\$5.00 per letter
Carpet Cleaning/Stain Removal	\$25.00 to Estimate
Standard Trash Removal	\$10.00 per bag
Appliance Damage	Actual Cost
Smoking - Carpet and Painting	Actual Cost
Animals - Carpet and Painting	Actual Cost

REMOVING PROPERTY

Cost of removing property (such as furniture pieces), including storage	\$25.00-100.00 each piece
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ESTIMATED REPLACEMENT CHARGES

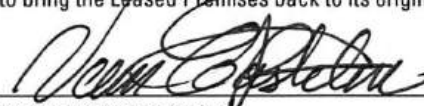
If any items are missing/damaged to the point that they must be replaced when you move out, you will be charged for the cost of the item in addition to possible labor services. The following list represents, but is not limited to, various replacement charges. You may be charged more than the maximum, depending upon the cost or charges we incur.

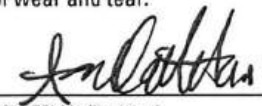
Window Glass	Estimate
Patio Door Glass	Estimate
Window Screens	\$10.00-35.00
Patio Screens	\$30.00-65.00
Mail Box Keys	\$10.00 per key
Furniture Replacement (if applicable)	Actual Cost
Keys Not Returned/New Lock	\$25.00-125.00
Ice Maker Tray	\$10.00
Refrigerator Shelves/Rack	\$35.00 - \$60.00
Disposal Damage	\$65.00 - \$125.00
Window Coverings Replaced	\$12.00-150.00
Interior Door/Door Jam	\$45.00-75.00
Fire Extinguisher	\$35.00 each
Mirrors	\$40.00-200.00
Light Fixtures (if original is not available in apartment)	\$15.00-100.00
Parking Tag	\$20.00 each
Counter Top Repairs	Estimate
Broiler Pans	\$25.00-\$50.00
Smoke Detectors/Carbon Monoxide Detectors	\$25.00-\$95.00
Access Cards	\$10.00 each
Access Remotes/Key Fobs	\$75.00 each
Wall Damage/Sheet Rock Repair	Actual Cost
Full Painting	Actual Cost
Carpet Replacement	Actual Cost

Blinds, carpet, vinyl, appliance, replacements will be based on actual cost including labor and installation.

Carpet Wear & Tear is taken into consideration based upon the following ratio:	
1 year : 14%	2 year : 29%
3 year : 43%	4 year : 57%
5 year : 71%	6 year : 86%
7 year : 100%	

I have reviewed the Estimated Charge Rate Sheet and understand the potential costs associated with the turnover of the Leased Premises if cleaning, repairs or replacements are necessary at the time of move-out. The above price list will be used in determining the standard costs to bring the Leased Premises back to its original condition, with exception of wear and tear.

 4-1-18
 VERONICA CASTELAN (Resident) Date

 4-1-18
 NINSI CASTELAN (Resident) Date

LEASE ADDENDUM

VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF 2005

TENANT	LANDLORD	UNIT NO. & ADDRESS
VERONICA CASTELAN and NINSI CASTELAN	Yale Terrace	716 YALE STREET #307, LOS ANGELES, CA 90012

This lease addendum adds the following paragraphs to the Lease between the above referenced Tenant and Landlord.

Purpose of the Addendum

The lease for the above referenced unit is being amended to include the provisions of the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA).

Conflicts with Other Provisions of the Lease

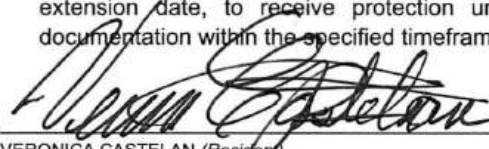
In case of any conflict between the provisions of this Addendum and other sections of the Lease, the provisions of this Addendum shall prevail.

Term of the Lease Addendum

The effective date of this Lease Addendum is April 1, 2018. This Lease Addendum shall continue to be in effect until the Lease is terminated.

VAWA Protections

1. The Landlord may not consider incidents of domestic violence, dating violence or stalking as serious or repeated violations of the lease or other "good cause" for termination of assistance, tenancy or occupancy rights of the victim of abuse.
2. The Landlord may not consider criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that abuse.
3. The Landlord may request in writing that the victim, or a family member on the victim's behalf, certify that the individual is a victim of abuse and that the Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-91066, or other documentation as noted on the certification form, be completed and submitted within 14 business days, or an agreed upon extension date, to receive protection under the VAWA. Failure to provide the certification or other supporting documentation within the specified timeframe may result in eviction.

 4-1-18  4-1-18
VERONICA CASTELAN (Resident) Date NINSI CASTELAN (Resident) Date

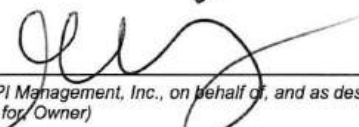
 4/1/18
(by FPI Management, Inc., on behalf of, and as designated agent for, Owner) Date

EXHIBIT J

TRASH AND RECYCLE NOTICE

Date: 03/05/2025

YALE TERRACE

(Name of Property)

716 YALE STREET

(Property Address)

LOS ANGELES, CA 90012

(City, State, Zip)

'25 MAR E

Dear Residents,

It has come to the attention of Management that you have failed a covenant set for on the Lease Agreement and House Rules. This correspondence is intended to serve as a reminder to follow Residents Rules and Policies, violations will result in fines of \$150 per incident, if excessive warnings & fines issued, 3 day notice to perform covenant and it will result in termination of lease agreement. Please discuss with ALL household members and guest. In order to keep the property attractive and to prevent pest infestation, we would like to remind you of the property trash policy. Please note that dumping trash or unwanted belongings anywhere on the property, except into the trash bin or recycle bin is strictly prohibited. You may call 3-1-1 and schedule a pickup.

- a. Please place household waste in the bins provided.
- b. Please cut down your boxes and place them neatly in the bin so that they may be removed by our garbage service. No large, bulky or rigid objects may go into the bins or trash chutes.
- c. It is the resident's responsibility to see that all bed frames, mattresses, furniture etc. be removed from the property. These may not be placed in the property dumpsters, or dumpster areas, as these items are not considered normal trash and garbage.
- d. People disposing of trash must do so in the designated areas. Trash must go inside the bin.
- e. Please: If you drop it, pick it up; if you spill it, clean it up.
- f. Do not use garbage disposal for any materials that are unsuitable, such as potato peels, rice, bones, grease, coffee grounds, etc.
- g. Do not throw loose garbage in trash bins or down garbage chutes. Use of plastic bags is recommended.

Thank you in advance for you corporation.

Sincerely,
Management



EXHIBIT K

YALE TERRACE
UNIT # 307 - VERONICA CASTELAN-RODRIGUEZ
TENANT LEDGER SUMMARY

Period	Security Deposit	Rent	Late Fee	Cleaning Charges	Damages	Tenant Payments	Over/ Under Paid for the Month	Running Balance	NOTES
2012-12	1,441.00					(1,441.00)	-	-	
2019-10		1,639.00				(1,640.00)	(1.00)	(1.00)	
2019-11		1,639.00				(1,639.00)	-	(1.00)	
2019-12		1,639.00				(1,639.00)	-	(1.00)	
2020-01		1,639.00				(1,639.00)	-	(1.00)	
2020-02		1,639.00				(1,639.00)	-	(1.00)	
2020-03		1,639.00				(1,639.00)	-	(1.00)	
2020-04		1,639.00				(1,639.00)	-	(1.00)	
2020-05		1,639.00				(1,639.00)	-	(1.00)	
2020-06		1,639.00				(1,639.00)	-	(1.00)	
2020-07		1,639.00				(1,638.00)	1.00	-	
2020-08		1,639.00				(1,640.00)	(1.00)	(1.00)	
2020-09		1,639.00				(1,640.00)	(1.00)	(2.00)	
2020-10		1,639.00				(1,640.00)	(1.00)	(3.00)	
2020-11		1,639.00				(1,640.00)	(1.00)	(4.00)	
2020-12		1,639.00				(1,640.00)	(1.00)	(5.00)	
2021-01		1,639.00				(1,640.00)	(1.00)	(6.00)	
2021-02		1,639.00				(1,640.00)	(1.00)	(7.00)	
2021-03		1,639.00				(1,640.00)	(1.00)	(8.00)	
2021-04		1,639.00				(1,640.00)	(1.00)	(9.00)	
2021-05		1,639.00				(1,640.00)	(1.00)	(10.00)	
2021-06		1,639.00				(1,640.00)	(1.00)	(11.00)	
2021-07		1,639.00				(1,640.00)	(1.00)	(12.00)	
2021-08		1,639.00				(1,640.00)	(1.00)	(13.00)	
2021-09		1,639.00				(1,640.00)	(1.00)	(14.00)	
2021-10		1,639.00				(1,640.00)	(1.00)	(15.00)	
2021-11		1,639.00				(1,640.00)	(1.00)	(16.00)	
2021-12		1,639.00				(1,640.00)	(1.00)	(17.00)	
2022-01		1,794.70				(1,777.70)	17.00	-	
2022-02		1,794.70				(1,795.70)	(1.00)	(1.00)	
2022-03		1,794.70				(1,794.70)	-	(1.00)	
2022-04		1,794.70				(1,794.70)	-	(1.00)	
2022-05		1,794.70				(1,794.70)	-	(1.00)	
2022-06		1,794.70				(1,794.70)	-	(1.00)	
2022-07		1,794.70				(1,794.70)	-	(1.00)	

YALE TERRACE
UNIT # 307 - VERONICA CASTELAN-RODRIGUEZ
TENANT LEDGER SUMMARY

Period	Security Deposit	Rent	Late Fee	Cleaning Charges	Damages	Tenant Payments	Over/ Under Paid for the Month	Running Balance	NOTES
2022-08		1,794.70				(1,794.70)	-	(1.00)	
2022-09		1,794.70				(1,794.70)	-	(1.00)	
2022-10		1,794.70				(1,794.70)	-	(1.00)	
2022-11		1,794.70				(1,794.70)	-	(1.00)	
2022-12		1,794.70				(1,794.70)	-	(1.00)	
2023-01		1,973.00				(2,000.00)	(27.00)	(28.00)	
2023-02		1,973.00					1,973.00	1,945.00	
2023-03		1,973.00				(3,946.00)	(1,973.00)	(28.00)	
2023-04		1,973.00		55.00		(1,973.00)	55.00	27.00	
2023-05		1,973.00	50.00			(1,794.70)	228.30	255.30	
2023-06		1,973.00	50.00			(2,071.30)	(48.30)	207.00	
2023-07		1,973.00	50.00			(1,973.00)	50.00	257.00	
2023-08		1,973.00	50.00			(1,973.00)	50.00	307.00	
2023-09		1,973.00	-		180.00	(2,153.00)	-	307.00	
2023-10		1,973.00	-			(1,973.00)	-	307.00	
2023-11		1,973.00	-			(1,973.00)	-	307.00	
2023-12		1,999.00	-			(1,999.00)	-	307.00	
2024-01		1,999.00	-			(1,999.00)	-	307.00	
2024-02		1,999.00	-			(1,999.00)	-	307.00	
2024-03		1,999.00	-			(1,999.00)	-	307.00	
2024-04		1,999.00	-		55.00	(1,999.00)	55.00	362.00	
2024-05		1,999.00	-			(1,999.00)	-	362.00	
2024-06		1,999.00	-			(1,999.00)	-	362.00	
2024-07		1,999.00	-			(1,999.00)	-	362.00	
2024-08		1,999.00	-			(1,999.00)	-	362.00	
2024-09		1,999.00	-			(1,999.00)	-	362.00	
2024-10		1,999.00	-			(1,999.00)	-	362.00	
2024-11		1,999.00	-			(2,328.00)	(329.00)	33.00	Tenant paid based on Rent Increase Notice effective 11.01.24
2024-12		1,999.00	-			(2,328.00)	(329.00)	(296.00)	Tenant paid based on Rent Increase Notice effective 11.01.24
2025-01		1,999.00				(1,999.00)	-	(296.00)	
2025-02		1,999.00	50.00			(1,952.00)	97.00	(199.00)	Paid on 02/05/25; Payment Due Date 02/04/25
2025-03		1,999.00				(2,198.00)	(199.00)	(398.00)	Tenant paid based on Rent Increase Notice effective 02.01.25

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On April 14, 2025, I served the foregoing document described as **FIRST AMENDED COMPLAINT FOR INJUNCTIVE RELIEF, DAMAGES, AND DECLARATORY RELIEF** on each interested party, as stated on the attached service list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Elidens
(Signature)

SERVICE LIST

Via Electronic Mail

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