

**NO CHARGE ON THIS DOCUMENT  
PER CALIFORNIA GOVERNMENT  
CODE SECTION 6103**

**Recording Requested By:**

**When Recorded Mail To:**

City Clerk  
City of Chula Vista  
276 Fourth Avenue  
Chula Vista, CA 91910

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
(Otay Ranch Apartments)**

**THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS** (“Declaration”) is dated as of the \_\_\_ day of \_\_\_\_\_, 2020, by Otay Affordable I V8, L.P., a California limited partnership (“Declarant”) in connection with that certain parcel of real property (“Property”) located in the City of Chula Vista, County of San Diego, California, described in Exhibit “A” attached hereto and incorporated herein by reference.

**RECITALS**

A. The City of Chula Vista (“City”) and HomeFed Village 8, LLC, a Delaware limited liability company and Otay Land Company, LLC, a Delaware limited liability company, (collectively, the “Master Developer”), entered into that certain Balanced Communities Affordable Housing Agreement [Otay Ranch Village Eight West] (“Affordable Housing Agreement”). The Affordable Housing Agreement imposes the obligation to provide affordable housing units on the real property described in the Affordable Housing Agreement. The Property is a portion of the real property described in the Affordable Housing Agreement. Declarant has agreed to develop, construct, and operate a residential project on the Property as affordable housing for very low, and low income families, to partially fulfill the Master Developer’s obligations under the Affordable Housing Agreement.

B. Declarant shall construct 173 affordable units (“Affordable Units”) and 2 managers’ units on the Property (collectively the “Project”). The purpose of this Declaration is to regulate and restrict the rent and occupancy of the Affordable Units and to implement controls on the ownership, operation, and management of the Affordable Units. The covenants in this Declaration shall run with the land and be binding on the Declarant and its successors and assigns in the Property.

NOW, THEREFORE, Declarant hereby declares that the Property shall be subject to the covenants, conditions and restrictions set forth below:

1. Restrictive Covenants. Declarant agrees and covenants on behalf of itself and its successors and assigns, and each successor in interest to the Property, that at all times during the term of this Declaration 173 residential units at the Property shall be set aside and reserved as “Affordable Units.” As used herein the term “Affordable Units” shall refer to the 173 residential units at the Property which are owned or held available strictly in accordance with the terms and conditions set forth below.

(a) Affordable Unit Restrictions. The following restrictions shall apply to the 173 Affordable Units. The restrictions set forth in the Table below shall establish the maximum rental rate, which shall be adjusted for family size appropriate for the Affordable Unit, from which a utility allowance as approved by the City Manager shall be deducted. The family size appropriate for the Affordable Unit for purposes of establishing the maximum rental rate shall be 1.5 persons per bedroom.

TABLE OF RENT AND INCOME RESTRICTION CRITERIA

1	2	3	4
NUMBER OF AFFORDABLE UNITS	UNIT TYPE	MAXIMUM MONTHLY RENTS	MAXIMUM INCOME OF ELIGIBLE TENANTS
41	1-Bedroom	LIHTC Rents 50%	50% of AMI
14	1-Bedroom	LIHTC Rents 60%	60% of AMI
7	2-Bedroom	LIHTC Rents 50%	50% of AMI
65	2-Bedroom	LIHTC Rents 60%	60% of AMI
5	3-Bedroom	LIHTC Rents 50%	50% of AMI
41	3-Bedroom	LIHTC Rents 60%	60% of AMI
TOTAL AFFORDABLE UNITS			
173			

(b) “Eligible Tenants” are those tenants: (i) whose aggregate gross annual income does not exceed the respective percentages set forth in the Table of Rent and Income Restriction Criteria set forth in Section 1(a), above, as adjusted for family size; and (ii) who own no interests in real property other than a timeshare which may be used for a maximum of one month per year. For purposes of this Declaration, the current annual area median income shall be the area median income defined by HUD as the then current area median income based on household size for the San Diego-Carlsbad Metropolitan Statistical Area, established periodically by HUD and published or adopted by the State of California Department of Housing and Community Development for the San Diego Standard Metropolitan Statistical Area. The rents and the occupancy restrictions shall be deemed adjusted, from time to time, in accordance with any adjustments that are authorized by HUD or any successor agency. In the event HUD ceases to publish an established area median income as aforesaid, City may, in its sole discretion, use any other reasonably comparable method of computing adjustments in area median income. Notwithstanding anything contained herein to the contrary, to the extent any other restrictions applicable to the Property limit the rent and/or occupancy of the Property, the most restrictive shall apply.

2. Affordable Marketing Plan Compliance; Selection of Residents.

(a) Marketing Plan. Declarant shall utilize the City's standardized management and marketing plan for rental of all of the Affordable Units. The marketing plan, at a minimum, requires publicizing the availability of the Affordable Units within the City, such as notices in any City-sponsored newsletter, advertising in local newspapers and notice in City offices. Provided, however, all tenants of each Affordable Unit shall meet the income requirements set forth herein and tenancy and eligibility shall be in conformance with the terms and standards set forth in the management marketing plan and no preference may be used for the purpose or effect of delaying or otherwise denying admission to the Property or unit based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant household.

(b) Master List. Selection of residents shall be made either by a lottery or based upon the Master List, rather than on a first-come, first-serve basis. In the event the City implements a master waiting list for affordable housing in the City ("Master List"), then Developer shall provide notices to persons on the Master List of the availability of the Affordable Units, prior to undertaking other forms of marketing. Developer shall give the persons on the Master List not fewer than fifteen (15) days after receipt of such notice to respond by submitting application forms for rental of the Affordable Units.

(c) Lottery. Absent a Master List described above, selection of tenants shall be made randomly by lottery within the following levels of priority, subject in all circumstances to applicable limitations imposed by law, including, without limitation, the Fair Housing Act under Federal law:

(1) Priority. Households which are displaced from their primary residence as a result of an action of City or Agency, a condominium conversion involving the household's residence, expiration of affordable housing covenants applicable to such residence, or closure of a mobile home or trailer park community in which the household's residence was located, and the household resided in such housing as the household's primary place of residence for at least two years prior to such action or event.

(2) Second Priority. Households which meet one of the following criteria: (i) households which are displaced from their primary residence as a result of an action of City or Agency, a condominium conversion involving the household's residence, expiration of affordable housing covenants applicable to such residence, or closure of a mobile home or trailer park community in which the household's residence was located, and the household resided in such housing as the household's primary place of residence for at least one year but less than two years prior to such action or event; (ii) households with at least one member who resides within the City, as that person's primary place of residence; (iii) households with at least one member who works or has been hired to work within the City, as that person's principal place of full-time employment; or (iv) households with at least one member who is expected to live within the City as a result of a bona fide offer of employment within the City.

(3) Third Priority. Other Low Income Households who do not meet the criteria for first priority or second priority above.

(d) Screening. Nothing herein shall restrict Declarant from screening tenants through the application of criteria which is lawful and customary in apartment management in San Diego County and otherwise consistent with federal, state and local regulations and restrictions related to the financing for the Project.

3. Determination; Annual Requalification. Declarant shall obtain from each person to whom Declarant leases an Affordable Unit a “Supplemental Rental Application” (“Application”) in the form of Exhibit “B”, attached hereto (or such other form as City may from time to time adopt). Declarant shall be entitled to rely on the Application and supporting documents thereto in determining whether a household is an “Eligible Tenant.” Declarant shall retain the Application and supporting documents for a period of not less than three (3) years after the household ceases to occupy an Affordable Unit. An Affordable Unit occupied by an Eligible Tenant, shall be treated as an Eligible Tenant until a recertification of such tenant’s income demonstrates that such tenant no longer qualifies as an “Eligible Tenant.”

4. Certification; Annual Recertification. Upon completion of construction of the Project (the occurrence of which shall be evidenced by the issuance of a temporary certificate of occupancy for all units within the Project) and annually each year during of the term of this Declaration, Declarant shall certify to the City under penalty of perjury, utilizing such forms and providing such backup documentation as requested by the City. Failure to timely complete the annual certification process described in this Section 4 shall constitute a material default under this Declaration. The City may resort to the remedies set forth hereinbelow upon such material default, as well as any and all other remedies available at law or in equity. Notwithstanding anything herein to the contrary, any cure of any default made or tendered by the limited partner of the Declarant shall be deemed to be a cure by the Declarant and shall be accepted or rejected on the same basis as if made or tendered by the Declarant.

5. Relationship with Declarant. The term “Eligible Tenant” shall not include Declarant, or any individuals who are partners of Declarant, or in any entity having an interest in Declarant, or the Property, or any officer, employee, agent or consultant of the Declarant, or any relative (by blood or marriage) of any officer, employee, agent or consultant of the Declarant.

6. No Students. No Affordable Unit shall be occupied or leased to any person who is a full-time student, or a household comprised exclusively of persons who are full-time students, or any student dependent as defined in the U.S. Internal Revenue Code, unless the taxpayer (upon whom the student in question is dependent) resides in the same dwelling unit.

7. Income of Co-Tenants, Etc. The income of all co-tenants and/or non-dependent occupants shall be taken into account in determining whether a household is an Eligible Tenant hereunder.

8. Eviction.

(a) Any Reason Other Than Over Income. In the event that a tenant who was properly certified as an Eligible Tenant at the commencement of such tenant's occupancy ceases to be eligible, for any reason other than being over income, Declarant shall give sixty (60) days written notice to such tenant to vacate the Affordable Unit. The vacated Affordable Unit shall thereafter be rented to an Eligible Tenant.

(b) Over Income Tenants. Notwithstanding Section 8(a), above, but except as otherwise provided in Sections 8(c), below, a tenant who occupies an Affordable Unit, who becomes over income at the time of recertification shall be given one hundred eighty (180) days notice to vacate the Affordable Unit, effective from and after the date of such failure to requalify (i.e., the recertification date, provided the tenant was properly certified originally). During the time the over-income tenant resides in the Affordable Unit, the tenant shall continue to pay an amount that does not exceed the amount set forth in the Table in Section 1(a). The tenant shall continue to be considered an "Eligible Tenant" until evicted.

(c) Tax Credit Funds. Notwithstanding anything to the contrary set forth herein, when a tenant occupies a unit subject to a regulatory agreement ("TCAC Regulatory Agreement") by and between the Declarant and the California Tax Credit Allocation Committee pursuant to Section 42 of the Internal Revenue Code, such tenant shall be evicted as a result of such tenant being over income only as and when allowed by such TCAC Regulatory Agreement or by Federal law, including 26 U.S.C. §42. In the event of conflict between the over income regulations of this Declaration and the TCAC Regulatory Agreement, the TCAC Regulatory Agreement provisions shall apply.

9. Maintenance.

(a) Physical Condition of Affordable Units. After completion of construction of the Project, Declarant shall continually maintain the Affordable Units in a decent, safe and sanitary condition, and in good repair as described in 24 CFR §5.703, and in a manner which satisfies the Uniform Physical Conditions Standards promulgated by the Department of Housing and Urban Development (24 CFR §5.705), as such standards are interpreted and enforced by the City under its normal policies and procedures. The City shall have the right to inspect the Affordable Units from time to time, on reasonable notice and at reasonable times, in order to verify compliance with the foregoing maintenance covenant. Declarant hereby consents to periodic inspection by the City's designated inspectors and/or designees during regular business hours, including the Code Enforcement Agents of the City of Chula Vista, to ensure compliance with all applicable zoning, building codes, regulations, and property standards. Declarant agrees to comply with the provisions of 24 CFR 92.251, whether or not contained in this Section. Further, each Affordable Unit shall be requalified annually, as to the foregoing maintenance covenant, as part of the annual tenant requalification process described in, and to the extent applicable under, Section 4 above. Any deficiencies in the physical condition of an Affordable Unit shall be corrected by Declarant at Declarant's expense within thirty (30) days of the identification of such deficiency by the City and delivery of written notice of the same to Declarant, provided if the deficiency is of a nature

that it cannot be cured within such thirty (30) day period, the Declarant shall have such additional time to cure as is reasonably determined by the City.

(b) Crime-Free Project. At all times during the term of this Declaration, the Declarant shall participate in the City's Crime-Free Multifamily Housing Program, or any successor or similar program established by the City.

10. Monitoring. It is contemplated that, during the term of this Declaration, the City will perform the following monitoring functions: (a) preparing and making available to Declarant any general information that the City possesses regarding income limitations and restrictions which are applicable to the Affordable Units; (b) reviewing the documentation submitted by Declarant in connection with the annual certification process for Eligible Tenants described in Section 3, above; (c) reviewing the documentation submitted by Declarant in connection with the annual certification process for Eligible Tenants in accordance with Section 4, above; and (d) inspecting the Affordable Units to verify that they are being maintained in accordance with Section 9, above. Notwithstanding the foregoing description of the City's functions, Declarant shall have no claim or right of action against the City based on any alleged failure to perform such function. In addition, the Declarant shall cooperate with and utilize such forms, software, websites and third-party vendors as may be required by the City.

11. Additional Lease Provisions/Annual Income Verification. Declarant agrees that it will require each Eligible Tenant to execute an Authorization for Release of Information, in the form attached hereto as Exhibit "C." Declarant agrees that it will include the following provision in all of its leases:

Lessee agrees, upon written request from the Landlord or the City of Chula Vista ("City"), to certify under penalty of perjury the accuracy of all information provided in connection with the examination or reexamination of annual income of the tenant's household. Further, tenant agrees that the annual income and other eligibility requirements are substantial and material obligations of the tenancy and that the tenant will comply promptly with all requests for information with respect to the tenancy from the Landlord and/or City. Further, tenant acknowledges that tenant's failure to provide accurate information regarding such requirements (regardless of whether such inaccuracy is intentional or unintentional) or the refusal to comply with the request for information with respect thereto, shall be deemed a violation of this lease provision, and a material breach of the tenancy and shall constitute cause for immediate termination of the tenancy.

12. Compliance with Regulations. Declarant shall comply with all regulations, policies and procedures promulgated or otherwise adopted by the City. Declarant's failure to so comply shall constitute a material default hereunder, entitling City to the remedies set forth herein.

13. Successors Bound. Declarant covenants, for itself and its successors and assigns, not to sell, transfer, assign or otherwise dispose of ownership of the Property, without the express written consent of the City. Any prospective purchaser, transferee or assignee shall expressly promise in

writing to be bound by all of the provisions hereof, including the covenant in this Section 13 to require successors to expressly assume the obligations herein.

14. Maximum Rent To Be Collected by Declarant. In no event, shall all of the rent, including the portion paid by the Eligible Tenant and any other person or entity, collected by Declarant (the "Total Rent") for any rent restricted unit exceed the amount of rent set forth in this Declaration. Total Rent includes all payments made by the Eligible Tenant and all subsidies received by Declarant. In the case of persons receiving Section 8 benefits, who are Eligible Tenants, Declarant acknowledges that it shall not accept any subsidy or payment that would cause the Total Rent received for any restricted unit to exceed the maximum rents allowed by this Declaration, for any Affordable Unit. Should Declarant receive Total Rent in excess of the allowable maximum rent set forth in this Declaration, Declarant agrees to immediately notify City and reimburse the City for any such overpayment. Acceptance by Declarant or its successors in interest, of Total Rent in excess of the maximum rent set forth in this Declaration shall constitute a material breach of this Declaration.

15. Term. This Declaration and the covenants and restrictions contained herein shall be effective commencing on the date this Declaration is recorded and shall remain in full force and effect until 12:00 midnight on December 31, 2077.

16. Enforcement. Declarant expressly agrees and declares that the City or any successor public entity or agency is a proper party and shall have standing to initiate and pursue any and all actions or proceedings, at law or in equity to enforce the provisions hereof and/or to recover damages for any default hereunder, notwithstanding the fact that such damages or the detriment arising from such default may have actually been suffered by some other person or the public at large. Further, the City or any successor public entity or agency shall be the proper party to waive, relinquish, release or modify the rights, covenants, obligations or restrictions contained in or arising under this Declaration.

17. Attorneys' Fees. In the event that any litigation for the enforcement or interpretation of this Declaration, whether an action at law or arbitration or any manner of non-judicial dispute resolution to this Declaration by reason of the breach of any condition or covenant, representation or warranty in this Declaration, or otherwise arising out of this Declaration, the prevailing party in such action shall be entitled to recover from the other reasonable attorneys' fees and out of pocket expenses (including expert witness fees) to be fixed by the court which shall render a judgment, as well as the costs of suit.

18. Severability. In the event that any provision or covenant of this Declaration is held by a court of competent jurisdiction to be invalid or unenforceable, then it shall be severed from the remaining portions of this Declaration which shall remain in full force and effect.

19. Covenants to Run With the Land. The covenants contained herein shall constitute "covenants running with the land", and shall bind the Property and every person having an interest therein during the term of this Declaration. Declarant agrees for itself and its successors that, in the event that, for any reason whatsoever, a court of competent jurisdiction determines that the

foregoing covenants do not run with the land, such covenants shall be enforced as equitable servitudes against the Property.

20. Recordation; Waiver and Amendment; Payment of Fees. This Declaration shall be recorded in the Office of County Recorder of San Diego, California. No provision of this Declaration, or breach of any provision, can be waived except in writing. Waiver of any provision or breach shall not be deemed to be a waiver of any other provision, or of any subsequent breach of the same or other provision. Except as otherwise provided herein, this Declaration may be amended, modified or rescinded only in writing signed by Declarant and the City Manager of the City of Chula Vista. In the event the City consents to such an amendment, modification or rescission, the same shall be conditioned upon Declarant's payment of all fees and costs incurred by the City with respect to the same, including without limitation attorneys' fees.

21. Remedies.

(a) Contract Governed by Laws of State of California. This Declaration, its performance, and all suits and special proceedings under this Declaration, shall be constituted in accordance with the laws of the State of California and Federal law, to the extent applicable. In any action, special proceeding, or other proceeding that may be brought arising out of, under or because of this Declaration, the laws of the State of California and the United States, to the extent applicable, shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which the action or special proceeding may be instituted.

(b) Standing, Equitable Remedies; Cumulative Remedies. Declarant expressly agrees and declares that City or any successor or public entity or agency shall be the proper party and shall have standing to initiate and pursue any and all actions or proceedings, at law or in equity, to enforce the provisions hereof and/or to recover damages for any default hereunder, notwithstanding the fact that such damages or the detriment arising from such a default may have actually been suffered by some other person or by the public at large. Further, Declarant expressly agrees that receivership, injunctive relief and specific performance are proper pre-trial and/or post-trial remedies hereunder, and that, upon any default, and to assure compliance with this Declaration. Nothing in this subparagraph, and no recovery by the City, shall restrict or limit the rights or remedies of persons or entities other than the City, against Declarant in connection with the same or related acts by Declarant. The remedies set forth in this Section are cumulative and not mutually exclusive, except the extent that their award is specifically determined to be duplicative by final order of a court of competent jurisdiction.

(c) Remedies at Law for Breach of Tenant Restrictions. In the event of any material default under Sections 1 through 20 hereof regarding restrictions on the operation and the transfer of the Property, the City shall be entitled to recover compensatory damages, in addition to any and all other remedies available at law or in equity. If the default in question involves the collection of rents in excess of the rents permitted hereunder, the amount of such compensatory damages shall be the product of multiplying: (a) the number of months that the default in question has continued until the time of trial by (b) the result of subtracting the rents properly chargeable hereunder for the Affordable Units in question from the amount actually charged for those Affordable Units. Declarant and the City agree that it would be extremely difficult or



impracticable to ascertain the precise amount of actual damages accruing to the City as a result of such a default and that the foregoing formula is a fair and reasonable method of approximating such damages. The City shall be entitled to seek and to recover damages in separate actions for successive and separate breaches which may occur. Further, interest shall accrue on the amount of such damages from the date of the breach in question at the rate of ten percent (10%) per annum or the maximum rate than allowed by law, whichever is less. Nothing in this section shall preclude the award of exemplary damages as allowed by law. Notwithstanding the foregoing, the Declarant's limited partner shall have the right, but not the obligation, to cure defaults hereunder in the same manner as the Declarant.

(d) Expert Witness, Attorneys' Fees, and Costs. The parties agree that the prevailing party in litigation for the breach and/or interpretation and/or enforcement of this Declaration shall be entitled to their expert witness fees, if any, as part of their costs of suit, and reasonable attorneys' fees as may be awarded by the court, pursuant to California Code of Civil Procedure ("CCP") §1033.5 and any other applicable provisions of California law, including, without limitation, the provisions of CCP §998.

(e) Foreclosure. Upon default by the Declarant in the performance of any obligation under this Declaration, after the expiration of any and all applicable notice or cure periods, the City may declare all sums secured by the Deed of Trust immediately due and payable by delivering to the trustee thereof a written declaration of default and demand for sale and a written notice of default and election to sell the Property. The trustee shall cause the notice of default and election to sell to be recorded. After the required time period has lapsed following the recordation of the notice of default, and after notice of sale has been given as required by law, the trustee, without demand on the Declarant, shall sell the Property at the time and place specified in the notice of sale, either as a whole or in separate parcels, and in any order determined by trustee, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale.

(f) Cure by Limited Partner. Declarant's limited partner shall have the right, but not the obligation, to cure defaults of Declarant hereunder, and the City hereby agrees to accept any cure of any default made or tendered by one or more of Declarant's limited partners on the same basis as if made or tendered by Declarant. Copies of all notices which are sent to Declarant hereunder shall also be sent to Declarant's limited partner, at such address as may be provided to the City by Declarant.

22. Property Manager. At all times that this Declaration is in force and effect, and the City has served a thirty (30) day written notice of deficiencies in the property management for the Property which do not conform to the standards of property management of a professional property manager operating similar properties in San Diego County and which deficiencies have not been rectified by Declarant, within the thirty (30) day period (unless such deficiency is not reasonably capable of being cured within such thirty (30) day period, then such reasonable amount of time as is needed not to exceed 90 days, provided Declarant commences cure within such thirty (30) day period and continues to diligently pursue cure), then, the City shall have the right, in its reasonable discretion, and upon thirty (30) days written notice: (i) to require the retention of a professional property management firm to manage the Property; (ii) to approve, in advance and in writing, the retention

of any such property management firm, including the terms of the contract governing such retention; and (iii) to require Declarant to terminate any such property management firm, provided that such termination shall comply with the termination provisions of the management contract in question. Declarant shall cooperate with the City to effectuate the rights set forth in this Section 22.

23. Declarant Required to Pay Monitoring Fees. Declarant shall pay City a set-up fee (the “Set-Up Fee”) in the amount of \$\_\_\_\_\_ which shall be paid by Declarant to City within thirty (30) days of written demand for the same. In each year during the term of this Declaration, Declarant shall pay to City an annual monitoring fee, in an amount equal to the set-up fee, increased by three percent (3%) cumulative each year. The annual monitoring fee shall be paid to City annually within thirty (30) days after City provides a written invoice for the same. Failure to timely pay such fees shall constitute a material default under this Declaration. Both the set-up fee and annual monitoring fee shall be paid City as a consideration for the lending of funds by City to Declarant.

24. Notices. All notices under this Declaration shall be in writing and sent by (a) certified or registered mail, return receipt requested, (b) by a nationally recognized overnight courier such as UPS or FedEx, or (c) by personal delivery. All notices shall be effective upon receipt (or refusal to accept delivery). All notices shall be delivered to the following addresses or as changed by any party from time to time by written notice to the other parties hereto:

City: City of Chula Vista  
276 Fourth Avenue  
Chula Vista, California, 91910

Copy to: City of Chula Vista  
276 Fourth Avenue  
Chula Vista, California 91910  
Attention: City Attorney

Declarant: Otay Affordable I V8, L.P.  
11150 W. Olympic Blvd., Suite 620  
Los Angeles, CA 90064

Copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

25. Non-Discrimination.

(a) Obligation to Refrain from Discrimination. Declarant covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, source of income or disability in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Declarant or any person claiming under or through it establish or permit any such practice or practices of discrimination 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, with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property or the rental, lease sale of the Property and any dwelling unit thereon. The foregoing covenants shall run with the Property.

(b) Nondiscrimination Covenants. Declarant shall refrain from restricting the rental, lease and sale of the Property and any dwelling unit thereon on the basis of race, color, creed, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, source of income or disability of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(1) Deeds. In deeds “The grantee herein covenants by and for itself, its successors 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 race, color, religion, sex, sexual orientation, disability, medical condition, familial status, source of income, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land.”

(2) Leases. In leases “The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, 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 race, color, religion, sex, sexual orientation, disability, medical condition, familial status, source of income, marital status, national origin or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall lessee itself, or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use

or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land herein leased.”

(3) Contracts. In contracts “There shall be no discrimination against or segregation of any person or group of persons on account of race, color, religion, sex, sexual orientation, disability, medical condition, familial status, source of income, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land.”

26. Noticing Requirements Prior to Termination. Prior to termination of this Declaration, Declarant shall comply with any and all noticing requirements required under any applicable laws or regulations, including without limitation, the requirements of California Government Code Sections 65863.10 and 65863.11, if applicable.

27. Signature Authority. All individuals signing this Declaration for a party which is a corporation, limited liability company, partnership or other legal entity, or signing under a power of attorney, or as a trustee, guardian, conservator, or in any other legal capacity, covenant to the City that they have the necessary capacity and authority to act for, sign and bind the respective entity or principal on whose behalf they are signing.

**DECLARANT:**

Otay Affordable I V8, L.P., a California limited partnership

By: FFAH V Otay Ranch I, LLC, a California limited liability company  
Its: Managing General Partner

By: Foundation for Affordable Housing V, Inc., a California non-profit corporation  
Its: Sole Member

By: \_\_\_\_\_  
Deborrah A. Willard, President

By: Otay Affordable I V8, LLC, a California limited liability company  
Its: Administrative General Partner

By: \_\_\_\_\_  
George Russo, Chief Financial Officer

**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 San Diego                )

On \_\_\_\_\_, 2020, before me, \_\_\_\_\_, notary public, personally appeared \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

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

**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 San Diego                 )

On \_\_\_\_\_, 2020, before me, \_\_\_\_\_, notary public, personally appeared \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

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

## **Exhibit "A"**

### **Property Description**

All that certain real property situated in the City of Chula Vista, County of San Diego, State of California, described as follows:

LOT 3 AS SHOWN ON THE MAP ENTITLED, "CITY OF CHULA VISTA TRACT NO. 19-03" FILED \_\_\_\_\_, 2020 IN BOOK \_\_\_\_\_ OF MAPS, MAP NO. \_\_\_\_\_, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, GEOTHERMAL STEAM AND ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING, THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING, AND OPERATING THEREFOR AND STORING IN AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, STORE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF THE PROPERTY, AS RESERVED BY OTAY LAND COMPANY, LLC, A DELAWARE LIMITED LIABILITY COMPANY IN GRANT DEED RECORDED OCTOBER 29, 2018, AS INSTRUMENT NO. 2018-0450260 OF OFFICIAL RECORDS.

APN: 640-070-16-00, 644-070-19-00 & 644-070-24-00

**Exhibit "B"**

**Supplemental Rental Application**



**Exhibit “C”**

**Authorization for Release of Information**