



U.S. Department of Housing and Urban Development

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|-------------------|-------|------|---------|---------|------------|
| Post-it® Fax Note | | 7671 | Date | 11/8/07 | # of pages |
| To | Karen | | From | Margie | |
| Co./Dept. | | | Co. | | |
| Phone # | | | Phone # | | |
| Fax # | | | Fax # | | |

Dear Ms. McCay:


Subject: California Addendum to HUD Lease

In response to your request of September 18, 2007, I have approved the enclosed California Addendum to the HUD Lease that your office developed to address the discrepancies between the HUD Lease and California Law. This approval is retroactively effective to October 1, 2007.

We appreciate your allowing us to share this Addendum with our project owners and management agents in Northern California and you may distribute copies to your clients.

If you have any questions, please contact Margie Winemberg at (415) 489-6616.

Sincerely,


 Angela Corcoran
 Director, Operations Division
 San Francisco Multifamily Hub

Enclosure

cc: LeeAnn Farner
 CAHI Contract Administrator
 505 14th Street, Suite 940
 Oakland, CA 94612-1468

Catina Arterberry
 EAH
 2169 East Francisco Blvd., Suite B
 San Rafael, CA 94901

CALIFORNIA ADDENDUM TO HUD LEASE AGREEMENTS

This CALIFORNIA ADDENDUM TO HUD LEASE AGREEMENTS (the "CA Addendum") is applicable to the Model Lease for Subsidized Programs (Family Model Lease), the Model Lease for Section 202/8 or Section 202 PACs, the Model Lease for Section 202 PRACs, and the Model Lease for Section 811 PRACs, and modifies the Residential Lease ("Lease") dated the same date as this CA Addendum for the rental of Apartment Number _____ located at _____ California ("Premises") and is made and entered by and between:

_____ (hereinafter called "Landlord") and the following individuals (collectively referred to herein as "Tenant"):

| | |
|--------------|--------------|
| Tenant _____ | Tenant _____ |
| Tenant _____ | Tenant _____ |
| Tenant _____ | Tenant _____ |

Landlord and Tenant, in consideration of the covenants and promises contained herein and in the Lease, hereby agree as follows:

1. Disclosure of Manager and Agent for Owner. Pursuant to California Civil Code Section 1962(a)(1), the current on-site property manager is authorized to manage the Premises. The telephone number and street address at which personal service may be effected on this person is _____

The current on-site property manager, so long as he/she is employed at the Premises, is also the person authorized by the Owner of the Premises (hereinafter "Owner") to act for and on behalf of the Owner for the purpose of service of process and for the purpose of receiving and receipting for all notices and demands.

2. Payment of Rent. Pursuant to California Civil Code Section 1962(a)(2), rent checks should be made payable to _____. The name, telephone number and address of the person or entity to whom or to which rent payments shall be given is the same person and address identified in Paragraph 1 of this CA Addendum. The usual days and hours when rent payments may be made personally are Monday through Saturday, _____ a.m. to _____ p.m., and Sunday _____ a.m. to _____ p.m.

3. Initial Move-Out Inspection. Pursuant to California Civil Code Section 1950.5(f), within a reasonable time after notification of either party's intention to terminate the tenancy, or before the end of the lease term, the Landlord shall notify the tenant in writing of Tenant's option to request an initial or "pre-move out" inspection, unless the initial inspection is not required under applicable law as a result of the circumstances of the termination. At a reasonable time, but no earlier than two weeks before the termination or the end of lease date, the Landlord, or its agent,

shall upon the request of the Tenant, make an initial inspection of the Premises prior to any final inspection the Landlord makes after the Tenant has vacated the premises. The purpose of the initial inspection shall be to allow the tenant an opportunity to remedy identified deficiencies, in a manner consistent with the rights and obligations of the parties under the Lease in order to avoid deductions from the security deposit.

4. Authorization for Disclosure of Information. In order to comply with California laws and case decisions protecting each individual's right of privacy guaranteed under the California Constitution, Tenant hereby authorizes Landlord to release all of the information supplied by Tenant to representatives of any local, state or federal agency, committee, council or other entity responsible for providing any funding or oversight of the Premises or the Project in which the Premises is located.

5. Megan's Law Notice. As required by California Civil Code Section 2079.10a:

Notice: Pursuant to Section 290.46 of the Penal Code, information about specified **registered sex offenders** is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. 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.

6. Proposition 65 Warning. Pursuant to California Health and Safety Code Section 25249.5 *et seq.*, the Premises, as well as the common areas in and around the Project, contain at least one of the 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.

7. Duty to Clean and Ventilate. In order to address the increasing concerns about mold and mildew, Tenant hereby acknowledges mold and mildew can grow in the Premises if the Premises is not properly maintained and ventilated and it is important for Tenant to allow air to circulate in the apartment. Tenant agrees to regularly allow air to circulate in the Premises by using bathroom fan(s), using ceiling fans, where available, and regularly opening the windows and/or sliding doors where available. Tenant also agrees to clean all toilets, sinks, counter-tops, showers, bathtubs and tile or linoleum floors with a household cleaner on at least a bi-weekly basis. Tenant further agrees to notify Landlord immediately whenever Tenant learns of any condition which could lead to a build up of moisture in the apartment, including, but not limited to plumbing leaks, broken window or door seals, accumulation of rainwater or other moisture around windows or doors, broken water lines or sprinklers, inoperable fans, doors or windows and/or any failure or malfunction in the heating, ventilation or air-conditioning system in the unit. If Tenant notices mold or mildew growing in the Premises, Tenant agrees to notify Landlord of the condition immediately and in writing.

8. Satellite Dishes or Antenna. In compliance with Section 207 of the Telecommunications Act of 1996, as amended, if Tenant chooses to install an individual satellite dish at the unit, it

must be one meter [approximately 3 feet, 3 inches] or less in diameter or a traditional stick type antenna. Tenant may not install a satellite dish or antenna in any common areas; drill holes through walls, roofs, railways or glass; or mount a satellite dish/antenna in a manner that will cause more than ordinary wear and tear to the Premises. Tenant assumes all risk and responsibility for any injury or property damage caused by the installation, operation or removal of the dish, including any injury or damage caused by a failure to securely attach the dish to the Premises. Because satellite dishes are susceptible to wind or being knocked over by Tenants, Tenant is encouraged to have Renter's Insurance which covers any and all losses from the installation, operation and removal of the dish. Only one dish or antenna is allowed unless more than one is necessary to receive the desired services and Tenant must notify Landlord in writing of the need for second dish or antenna before installing it on the Premises.

9. Security Deposit Interest. Generally, in California, Landlord is not required to place security deposits in interest bearing accounts or pay interest earned on security deposits to Tenant. If, however, the Premises is subject to a State or Federal Program which requires payment of security deposit interest to Tenant or the Premises is located in a city or county which mandates payment of interest on security deposits to Tenant, Landlord will pay such interest either to Tenant or to the Property's operating account in accordance with applicable laws and program regulations.

10. Asbestos Disclosure; Operation And Maintenance Program.

Applicable only if checked here [] (must be checked if building is constructed prior to 1981 or if Landlord knows or believes there is asbestos on the Premises.)

a. Asbestos is a mineral on the list of chemicals known to the State of California to cause cancer. Asbestos is present in the sprayed-on acoustic ceiling material (which has a "cottage cheese" appearance) in the Premises and in hallways and other areas in the building in which the Premises is located. Asbestos may also be present in other materials in the Premises and the building, including the insulation fireproofing and floor tiles.

b. Landlord has instituted operations and a maintenance program directed at maintaining the Premises in accordance with any applicable Federal and State safety requirements regarding asbestos-containing material. This program is designed (among other things) to prevent release of asbestos fibers into the air; minimize disturbance or damage to asbestos-containing materials; monitor the conditions of materials and air in the building; and regulate maintenance, renovation and construction activities. No matter how small the percentage of such material may be, Tenant and Tenant's invitees shall comply with such rules and regulations as Landlord from time to time may prescribe in connection with Landlord's operations and maintenance program, including, without limitation the following:

- i. Hazardous materials: Tenant shall not take or allow any action which in any way damages or disturbs all or part of the ceiling or floor tiles in the Premises, including, but not limited to: piercing the surface of the ceiling or floor tiles by drilling or any other method; hanging plants, mobiles or other objects from the ceiling; allowing any objects to come into contact with the ceiling; permitting water or other liquid to come

into contact with the ceiling; painting or undertaking any repairs or improvements with respect to the ceiling;

- ii. Tenant(s) shall notify Landlord immediately in writing (a) if there is any damage to or deterioration of the ceiling or floor tiles in the Premises, including, without limitation, loose, cracking, hanging or dislodged material, water leaks, or stains in the ceiling or floor tiles; or (b) upon the occurrence of any of the activities described in 8.b.i. above.

11. Lead-Based Paint Disclosure and Warning.

Applicable only if checked here [] (must be checked if building is constructed prior to 1978 or if Landlord knows or believes there to be lead-based paint on the Premises.)

a. Lead Warning Statement. Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, Landlords must disclose the presence of known lead-based paint and/or lead based paint hazards in the dwelling. Tenant(s) must also receive a federally approved pamphlet on lead poisoning prevention.

b. Landlord's Disclosure (check appropriate box or boxes).

- Landlord has no knowledge of lead-based paint and/or lead-based paint hazards in the Premises.
- Landlord has no reports or records pertaining to lead-based and/or lead-based paint hazards in the Premises.
- Landlord knows that lead-based paint and/or lead-based paint hazards are present in the Premises (explain). _____
- Landlord has reports or records pertaining to lead-based and/or lead-based paint hazards in the Premises and Landlord either (1) has provided Tenant with all available records and reports, which are attached to and made a part of this Addendum or, alternatively, (2) has made such reports available for Tenant's inspection upon request during normal business hours (list documents). _____

c. Tenant's Acknowledgment (check all that apply).

- Tenant has received copies of all information listed above, if any.
- Landlord has made copies of all information listed above, if any, available to Tenant for inspection during normal business hours.
- Tenant has received the pamphlet *Protect Your Family from Lead in Your Home*.

12. Limitation of CA Addendum. Except as modified in this CA Addendum, the terms of the Lease and all attachments to the Lease are and shall remain the same and in full force and effect.

13. Approval of CA Addendum by HUD. Pursuant to Section 6-4 D of the HUD Handbook 4350.3 Rev-1, Change 2, this Addendum was approved by HUD on October 17, 2007, for San Francisco Multifamily Housing -- Northern California. If HUD rescinds its approval, the CA Addendum is null and void and shall not be enforced against Tenant; however, the underlying Lease Agreement will remain in full force and effect.

Tenant _____ Date _____

Tenant _____ Date _____

Tenant _____ Date _____

Tenant _____ Date _____

Tenant _____ Date _____

Tenant _____ Date _____

Tenant _____ Date _____

Tenant _____ Date _____

Landlord/Owner/Authorized Agent _____ Date _____