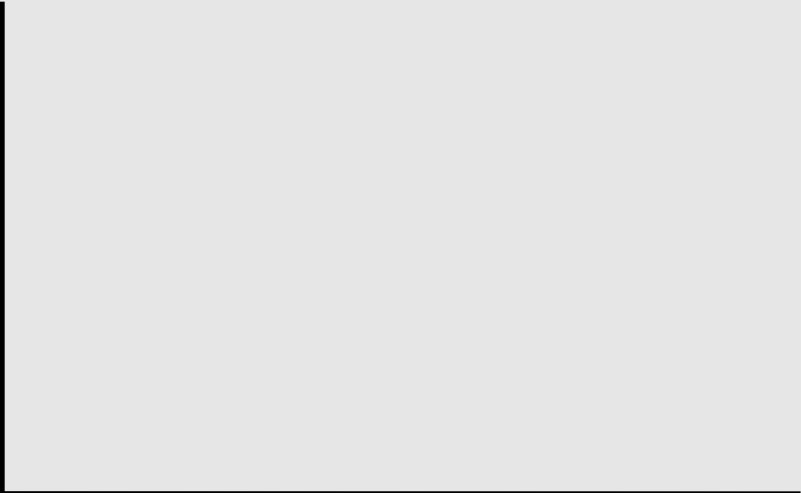


RECORDING REQUESTED BY:
WHEN RECORDED MAIL TO:
Name: _____
Mailing Address: _____
City, State, Zip: _____



SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

**MEMORANDUM SUMMARIZING NON-CONFIDENTIAL PROVISIONS
OF A NOTICE SERVED PURSUANT TO THE CITY OF SAN JOSE'S ELLIS ACT ORDINANCE OF THE INTENT
TO WITHDRAW RENTAL UNITS FROM RENTAL HOUSING USE
ON PROPERTY AT _____, SAN JOSÉ, CA**

Submitted for recording pursuant to California Government Code Sections 7060.4(a) and 7060.4(b), and San José Municipal Code Section 17.23.1145. The owner(s) of the property described in Exhibit A attached to this Memorandum intend(s) to withdraw all accommodations (as defined by California Government Code Section 7060(b) and San José Municipal Code Section 17.23.1120 C. ("Covered Units")) on the property from rent or lease pursuant to California Government Code Sections 7060 et seq.

All interested parties are hereby put on notice that the future use of this property will be subject to certain restrictions, pursuant to California Government Code Sections 7060.2 (including conditions that apply to rental of units on the property within ten (10) years from the date of withdrawal) and 7060.3 and the San José Municipal Code Chapter 17.23. This Memorandum summarizes the non-confidential terms of a Notice of Intent to Withdraw Rental Units from Rental Housing Use, which notice will be filed with the City of San José, Department of Housing.

Pursuant to S.J.M.C. section 17.23.1150, tenant(s) of covered units whose tenancies are terminated in connection with the withdrawal of a building containing the covered unit(s) from the residential rental market are eligible to receive relocation assistance benefits. The owner must provide, and each tenant household residing in a covered unit is entitled to receive from the owner, notice of and access to an application for all vacant residential rental unit(s) owned by the owner and located within the City of San José, as well as the following:

- 1) The owner must pay and the tenant household must receive relocation assistance. The base assistance required must be deposited into escrow at the time of delivery of the notice of intent to withdraw to the tenants (17.23.1150 C.). Any qualified assistance due must be deposited into escrow as soon as the completed tenant qualification form has been verified by the relocation specialist and approved by the director (17.23.1150 (a) (b)).
- 2) Owner must pay to the city a fee for the relocation specialist services which shall be collected as part of the filing fee (17.23.1150 E.).
- 3) Refund of Security Deposit. Owner must refund to tenant any security deposit paid by the

tenant with any interest due. The owner may withhold any properly itemized deductions from the security deposit under California Civil Code Section 1950.5, as amended (17.23.1150 A.).

Pursuant to S.J.M.C. section 17.23.1170, tenant(s) of covered units whose tenancies are terminated in connection with the withdrawal of a building containing the covered unit(s) from the residential rental market in accordance with this Part 11, are entitled to receive, and owner(s) must deliver to the tenant household, on a form approved by the city notice of the tenant(s) right to return to the covered unit and rent the same unit at the rent determined (17.23.1180A) if:

- 1) The tenant has provided the owner a current mailing address and email address at which to receive a notice of the right to return; and
- 2) An owner returns the covered unit to the residential rental market within five years of the effective date of withdrawal of a building containing the covered unit from the residential rental market.

The Ellis Act Ordinance provides that where buildings with Rent Stabilized units are being demolished and new rental units are constructed, it is required that the greater of either 50% of new units built or the same number of units as were removed from the market are subject to the City's Apartment Rent Ordinance.

Section 17.23.1180 provides the following recontrol provisions:

- A. If a building containing a Covered Unit is withdrawn from the residential rental market and is returned by an Owner to the residential rental market within five (5) years, then that unit must be offered and rented or leased at the lawful rent in effect at the time the Notice of Intent to Withdraw was delivered to the City, plus any annual adjustments authorized by Title 17, Chapter 23 of this Code. This Section applies regardless of the occupancy status of each Covered Unit when the building was withdrawn from the residential rental market and regardless of whether a displaced Tenant exercises a Right to Return.
- B. If a building containing a Covered Unit is demolished and new unit(s) are built on the same property and offered for rent or lease within five (5) years of the effective date of withdrawal of the building containing the Covered Unit, then the number of newly constructed rental units equal to greater of; (1) the number of Covered Units or (2) fifty percent (50%) of all newly constructed rental units located on the property where the Covered Unit was demolished, shall be deemed Rent Stabilized Units subject to the Apartment Rent Ordinance, Title 17, Chapter 23 of this Code. Any new units made subject to the Apartment Rent Ordinance which are in excess of the number of demolished Covered Units shall remain subject to the Annual General Increase limit of the monthly Rent charged for the previous twelve (12) months for the Rent Stabilized Unit multiplied by five percent (5%) or some other percentage upon amending the annual general rent increase limit set forth in Section 17.23.310.B.
- C. Waiver for Projects with On-Site Affordable Units. If at least twenty (20) newly constructed rental units are being created, the re-control requirement under this Section will be waived in the event that the Owner:
 - (i) develops fifteen percent (15%) of the newly constructed units as on-site affordable rental units consistent with the standards and affordability restriction requirements in the Inclusionary Housing Ordinance, Chapter 5.08 of Title 5 of the San José Municipal Code and its implementing guidelines; and
 - (ii) develops an additional five percent (5%) of the newly constructed units as on-site affordable rental units restricted at 100% of area median income, but otherwise consistent with the standards in the Inclusionary Housing Ordinance and implementing guidelines.

I. NAMES OF PROPERTY OWNERS

Names should be listed as they appear on the vesting instrument. (Attach additional sheet if necessary.)

II. COMMON DESCRIPTION (Street Addresses) OF PROPERTY BEING WITHDRAWN FROM RENT OR LEASE

III. NUMBER OF UNITS BEING WITHDRAWN FROM RENT OR LEASE (Owner must withdraw all Covered Units)

IV. LEGAL DESCRIPTION OF PROPERTY BEING WITHDRAWN FROM RENT OR LEASE – Refer to EXHIBIT A

V. SIGNATURES

All owners must sign, include their names typed or printed, all signatures must be notarized, including Jurats and Acknowledgments. If there are more than five owners, copy this page and attach extra sheets.

I/we declare under penalty of perjury under the laws of the State of California that the information contained in this Memorandum Summarizing Non-Confidential Provisions of a Notice of Intent to Withdraw Units from Rental Housing Use is true and correct.

Executed on _____ at _____
(month, day & year) (city & state)

By: _____
(signature)

(print name)

Executed on _____ at _____
(month, day & year) (city & state)

By: _____
(signature)

(print name)

Executed on _____ at _____
(month, day & year) (city & state)

By: _____
(signature)

(print name)

Executed on _____ at _____
(month, day & year) (city & state)

By: _____
(signature)

(print name)

Executed on _____ at _____
(month, day & year) (city & state)

By: _____
(signature)

(print name)

EXHIBIT A
Legal Description of Property