RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City of Del Mar
City Clerk’s Office
1050 Camino Del Mar
Del Mar, CA 92014-2698

No fee for recording pursuant to Government Code Section 27383

______________________________________________________________________________

COVENANT AGREEMENT PER THE CITY OF DEL MAR PILOT PROGRAM GOVERNING RENTAL OF THE ACCESSORY DWELLING UNIT AS AN AFFORDABLE HOUSING UNIT BY THE PARTICIPATING OWNER

THIS COVENANT AGREEMENT PER THE CITY OF DEL MAR PILOT PROGRAM GOVERNING RENTAL OF THE ACCESSORY DWELLING UNIT AS AN AFFORDABLE HOUSING UNIT BY THE PARTICIPATING OWNER (the "Covenant Agreement") is made and entered into as of _____________________, 20__ (the "Effective Date"), by and between the City of Del Mar, a municipal corporation (the "City"), and ______________________, or any successor in interest (collectively, the "Owner") with reference to the following:

RECITALS

A. Whereas, the Owner is the fee owner of certain real property in the City of Del Mar, California, which is more particularly described in Exhibit A (the "Property"). As of the Effective Date of the Covenant Agreement, two (2) housing units are located, or will be constructed, on the Property. One unit shall be referred to herein as the "Primary Unit" and the other unit shall be referred to herein as the "Accessory Dwelling Unit". Such units are designated on Exhibit B.

B. Whereas, the Owner voluntarily requested to participate in the City’s Pilot Program in accordance with City Council Ordinance No. 2018-xx, which requires that the City and the participating Owner enter into the Covenant Agreement governing rental of the Accessory Dwelling Unit as an affordable housing unit.

C. Whereas, City Council Ordinance No. 2018-xx requires that the Covenant Agreement be recorded with the San Diego County Recorder.

D. Whereas, this Covenant Agreement shall run with the land and be binding upon the parties, their heirs, assigns, and successors in interest.

E. Whereas, in conjunction with the Covenant Agreement, and commitment by the Owner to rent the Accessory Dwelling Unit at a maximum of thirty percent (30%) of gross income for a person earning no more than eighty percent (80%) of the area median income for a
minimum of 30 years, the Owner received approval of a 500 square foot floor area bonus Incentive from the City in exchange for the Owner’s commitment to participate in the Pilot Program pursuant to City Council Ordinance No. 2018-xx.

NOW THEREFORE, it is hereby agreed by and between the City and the Owner (each a "Party", and, collectively, the "Parties") as follows:

**ARTICLE 1**
**DEFINITIONS**

As used in this Covenant Agreement, the terms set forth below shall have the following meanings (other defined terms herein not referenced below shall have the meanings where first used).

1.1 "**Affordable Rent**" means the maximum allowable Rent for the Accessory Dwelling Unit, equal to one-twelfth (1/12th) of thirty percent (30%) of seventy percent (80%) of the Median Household Income, adjusted for assumed household size of two persons in a one-bedroom or three persons in a two-bedroom.

1.2 "**Eligible Household**" means a household that has been determined to be eligible to be a Tenant of the Accessory Dwelling Unit as a Low Income Household.

1.3 "**HCD**" means the State of California Department of Housing and Community Development, or any successor

1.4 "**HUD**" means the U.S. Department of Housing and Urban Development, or any successor.

1.5 "**Low Income Household**" means a household whose income does not exceed the low income limits applicable to San Diego County, adjusted for household size, as determined by HUD and published annually by the State of California. As of the Effective Date, such income limit is approximately equal to eighty percent (80%) of Median Household Income.

1.6 "**Median Household Income**" means median yearly income in San Diego County as determined by HUD and published by HCD.

1.7 "**Rent**" means the total monthly payment by the Tenant of the Accessory Dwelling Unit for all of the following: (1) use and occupancy of the Accessory Dwelling Unit and land and all facilities associated with the Accessory Dwelling Unit, including but not limited to parking, storage, and use of any common areas; (2) any separately charged fees or service charges assessed by the Owner to the Tenant, except security deposits; (3) an allowance for utilities paid by the Tenant as established by the San Diego County Housing Authority, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel, but not telephone service, Internet, or cable or subscription TV; and (4) any other interest, taxes, fees or charges for use of the Property or associated facilities that are assessed by a public or private entity other than the Owner and paid by the Tenant.
1.8 "Tenant" means an Eligible Household entitled by written or oral agreement with the Owner to have the exclusive right to occupy the Accessory Dwelling Unit as a home or residence to the exclusion of all others.

ARTICLE 2
OWNER'S OBLIGATIONS

2.1 Rental of Accessory Dwelling Unit to Eligible Households. The Owner shall ensure that the Accessory Dwelling Unit is rented to, and occupied by, an Eligible Household in accordance with this Agreement. The Owner shall not use the Accessory Dwelling Unit for any other purpose other than as set forth in this Covenant Agreement. The Accessory Dwelling Unit shall remain continuously available for rent by an Eligible Household and shall not be used for any purpose other than rental as an affordable unit to an Eligible Household.

(a) Income Certification. The Owner shall not enter into a lease or rental agreement, or receive Rent from a Tenant, for the Accessory Dwelling Unit unless the Owner has made a good faith effort to verify that the income provided by an applicant in an 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 for the most recent tax year; (3) conduct a credit agency 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. Copies of initial tenant income certifications and documents used to verify income obtained by Owner shall be provided to the City upon execution of any lease agreement with a Tenant.

(b) Maximum Allowable Rent. The maximum Rent charged to the Tenant of the Accessory Dwelling Unit shall not exceed Affordable Rent.

(c) Increased Income of Tenants. If, upon recertification of a Tenant's income pursuant to Section 2.2, the Owner determines that the Tenant's household income has increased and exceeds the qualifying income for a Low Income Household, then such Tenant shall continue to be considered an "Eligible Household", and shall be permitted to continue to occupy the Accessory Dwelling Unit, at the rent set forth in subsection (c), above; provided, however, nothing in this Agreement shall prohibit the Owner from terminating such tenancy upon the expiration of such Tenant's lease. Following such Tenant's vacancy, the Owner shall lease the Accessory Dwelling Unit to an Eligible Household.

(d) Information. At the request of the Owner, the City shall provide the Owner with the low and very low income limits applicable to San Diego County, adjusted for household size, as published from time to time by HCD.

2.2 Annual Certification. The Owner shall certify the Tenant's household income on an annual basis using the process set forth in Section 2.1(a) above. The Owner shall
provide the City with a certification, in the form attached as Exhibit C, as well as copies of supporting documents used to verify the certification, no later than June 30th of each year of the Term setting forth the following information with respect to the Tenant occupying the Accessory Dwelling Unit: unit address, Tenant name, size of Tenant's household, unit size, and date first occupied, and a copy of the annual income certification obtained by the Owner from the Tenant. The purpose of the yearly Owner certification is to document Owner's compliance with the restrictions set forth herein.

2.3 Lease Provisions. The Owner shall use a form of Tenant lease (the "Tenant Lease") approved by the City for the Accessory Dwelling Unit. The City shall either approve or specify its basis for disapproval, if any, within thirty (30) days after the Owner submits such proposed form lease to City. The Tenant Lease shall, among other matters:

(a) Provide that the Rent may not be raised more often than once every twelve (12) months. The Owner will provide the Tenant with at least sixty (60) days written notice of any increase in Rent, and any Rent increase shall not violate the limitations imposed by this Agreement;

(b) Prohibit the Accessory Dwelling Unit (or any portion of the Accessory Dwelling Unit) from: (i) any sublease, except as permitted by Section 2.6 below; (ii) use as a "short-term vacation rental" for rent less than 30 days for tourist or transient use; and (iii) being listed on any "hosting platform" (as defined in California Business & Professions Code 22590, as may be amended from time to time), including, but not limited to any Internet-based "hosting platform", such as "airbnb.com", or any similar service;

(c) Require the Tenant to provide an annual income certification to the Owner with supporting documentation as set forth in Section 2.1(a) above;

(d) Include, at Owner's option, the obligation for Tenant to provide a security deposit not exceeding two months' rent; and

(e) Be for an initial term of one year.

2.4 Inspection. For purposes of confirming compliance with this Agreement, the Accessory Dwelling Unit shall be made available by Owner to be inspected by the City during regular business hours upon seventy-two (72) hours' written notice; provided, however, that any such inspection shall occur only once during any twelve (12) calendar month period unless: (i) the City receives a complaint that a Tenant is occupying the Accessory Dwelling Unit in violation of this Agreement (or that the Owner is otherwise violating this Agreement); or (ii) a new Tenant is occupying the Accessory Dwelling Unit, in which case City may re-inspect. The Owner hereby irrevocably grants the City (and its agents) a right of entry to enter the Property for the purposes of such inspection.

2.5 Records. The Owner shall maintain reasonably complete and accurate records pertaining to such rental of the Accessory Dwelling Unit throughout the duration of each tenancy. Owner shall permit any authorized representative of the City to inspect such records of any current Tenant upon reasonable notice, including those resident files pertaining to said
rental, for the purpose of confirming compliance with the terms, conditions and covenants of this Agreement.

2.6 Assignments and Subletting. The Owner shall at no time permit the Tenant to assign its leasehold interest in the Accessory Dwelling Unit or to sublet all or a portion of the Accessory Dwelling Unit to any person other than to another Eligible Household. Owner shall have the right to approve or disapprove any proposed assignment or sublease at Owner's sole discretion; provided that prior to approving any proposed assignment or sublease, Owner shall comply with the provisions of Section 2.1 above to confirm the eligibility of the proposed assignee or sub-lessee.

2.7 Agreement to Limitation on Rents.

(a) The Owner acknowledges that the Property, as a component of the agreement to participate in the Pilot Program, received a 500 square foot floor area bonus from the City as an Incentive, and the Incentive is a form of assistance specified in Chapter 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code. Sections 1954.52(b) and 1954.53(a)(2) of the Costa-Hawkins Act provide that, where an owner has received such assistance, certain provisions of the Costa-Hawkins Act do not apply if a property owner has so agreed by contract. The Owner hereby agrees to limit the Rents for the Accessory Dwelling Unit, as provided in this Agreement, in consideration of the Property's receipt of the Incentive and further agrees that any limitations on Rents imposed on the Accessory Dwelling Unit are in conformance with the Costa-Hawkins Act.

(b) The Owner further warrants and covenants that the terms of this Agreement are fully enforceable. The Owner agrees and acknowledges that the City would not have provided approval of the 500 square foot floor area bonus Incentive without the Owner's commitment to record this Covenant Agreement against the Property and comply with the restrictions imposed by this Agreement.

2.1 Deeds. Owner acknowledges that this Covenant Agreement shall be recorded against the Property with the San Diego County Recorder and shall be a covenant running with the land for the term set forth herein as set forth in Section 5.6 below. Any deed transferring any fee interest in the Property shall include the following language; provided, however, the failure to include the following language shall not limit, waive, or impair the obligations set forth in this Covenant Agreement:

2.2 NOTICE: THE ACCESSORY DWELLING UNIT ON THIS PROPERTY IS REQUIRED TO BE RENTED TO PERSONS MEETING CERTAIN ELIGIBILITY REQUIREMENTS AT A BELOW-MARKET RATE RENT, PURSUANT TO THE CITY OF DEL MAR PILOT PROGRAM. FOR MORE INFORMATION, SEE THE AGREEMENT RECORDED AGAINST THIS PROPERTY ENTITLED "COVENANT AGREEMENT PER THE CITY OF DEL MAR PILOT PROGRAM GOVERNING RENTAL OF THE ACCESSORY DWELLING UNIT AS AN AFFORDABLE HOUSING UNIT BY THE PARTICIPATING OWNER". THE
RESTRICTIONS SET FORTH IN THE COVENANT AGREEMENT BIND ALL HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS DEED.

ARTICLE 3
TERM

3.1 Term. This Agreement shall become effective as of the Effective Date and shall remain in full force and effect for a term of thirty (30) years following the recordation of this Agreement with the San Diego County Recorder unless the City elects, in the City's sole discretion, to terminate this Covenant Agreement by written instrument recorded with the San Diego County Recorder.

ARTICLE 4
DEFAULT

4.1 Violations by Owner. Failure of the Owner to cure any default in the Owner's obligations under the terms of this Covenant Agreement within thirty (30) days after the delivery of a written notice of default from the City (or such longer period of time up to an additional sixty (60) days as may be necessary to remedy such default, provided that the Owner has commenced action during the thirty (30) days necessary to remedy such default, and the Owner is proceeding with reasonable diligence to remedy such default) will constitute a default under this Agreement.

4.2 Remedies. Subject to the applicable notice and cure period set forth above, the City may exercise any and all remedies available to it at law or equity with respect to the Owner's failure to satisfy the terms of this Covenant Agreement. Owner acknowledges that any breach in Owner's performance of Owner's obligations under this Covenant Agreement shall cause irreparable harm to the City, and materially impair the public policy objectives set forth by the Del Mar City Council in the Del Mar Community Plan and Housing Element. Therefore, Owner agrees that the City is entitled to equitable relief in the form of specific performance, and that an award of damages may not be adequate to compensate the City for Owner's failure to perform according to the terms of this Covenant Agreement. Notwithstanding the foregoing, the City, in its sole and absolute discretion, may elect the appropriate remedy for Owner's default under this Covenant Agreement. The rights and remedies set forth in this Agreement are not exclusive and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently exist in law or in equity or by statute or otherwise.

ARTICLE 5
GENERAL PROVISIONS

5.1 Notices. All notices required pursuant to this Covenant Agreement shall be in writing and shall be deemed to have been duly given (a) upon personal delivery, including
delivery by courier, or (b) three (3) business days after the mailing by registered or certified mail, return receipt requested, to the Party to receive such notice at the addresses set forth below:

To the City:

City of Del Mar
Planning Department
1050 Camino Del Mar
Del Mar, CA  92014-2698
Attn: Planning Director

To the Owner:

____________________________________
____________________________________
____________________________________

Any Party may change the address to which notices are to be sent by notifying the other Parties of the new address, in the manner set forth above.

5.2  Entire Agreement. The Recitals set forth above, and all exhibits attached hereto, are hereby incorporated into this Covenant Agreement by this reference. This Covenant Agreement contains the entire agreement between the Parties as to the subject matter hereof, and supersedes any and all prior arrangements and understandings between the Parties, and no other agreement, statement or promise made by either Party hereto which is not contained herein shall be binding or valid provided, however, that nothing in this Section limits the effect or enforceability of the City of Del Mar Municipal Code. This Covenant Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared it. The Parties have read and reviewed this Covenant Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (including but not limited to Civil Code Section 1654 as may be amended from time to time) shall not apply to the interpretation of this Covenant Agreement. In the event of any conflict between the terms of this Covenant Agreement, and the terms of the disclosure statement executed by the City and the Owner in conjunction with this Covenant Agreement, the terms of this Covenant Agreement shall prevail.

5.3  Amendment. This Covenant Agreement may be amended only by the written agreement of the Parties which shall be recorded with the County Recorder.

5.4  Severability. In the event any limitation, condition, restriction, covenant, or provision contained in this Agreement is held to be invalid, void or unenforceable by any court of competent jurisdiction, or if any provision of this Agreement is rendered invalid or
unenforceable pursuant to any California statute which became effective after the Effective Date, the remaining portions of this Agreement shall nevertheless remain in full force and effect.

5.5 Waiver. The waiver of or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provisions hereof.

5.6 Covenant Running with the Land. The covenants and conditions herein contained shall apply to and bind, during their respective periods of fee ownership, Owner and its heirs, executors, administrators, successors, transferees, and assignees (each a "Transferee") having or acquiring any right, title or interest in or to any part of the Property, whether by operation of law or in any manner whatsoever, and shall run with and burden the Property for the entire Term unless or until released in accordance with Article 3. All of the provisions of this Covenant Agreement shall be enforceable as equitable servitudes and shall constitute covenants running with the land pursuant to applicable laws, including without limitation Section 1468 of the California Civil Code. Each covenant to do, or to refrain from doing, some act on the Property hereunder: (a) is for the benefit of the Property and is a burden on the Property, (b) runs with the Property, and (c) is binding upon each Party and each successive owner during its ownership of the Property or any portion thereof, and shall be a benefit to and a burden upon each Party and the Property hereunder and each other person or entity succeeding in an interest to the Property.

5.7 Assignment and Assumption; Release. Provided that a Transferee expressly assumes Owner's obligations hereunder pursuant to an assignment and assumption agreement in a form approved by the City in connection with the transfer of any part of the Property, the Owner shall be released from all obligations following the recordation of such assignment and assumption agreement in the Official Records.

5.8 Non-Discrimination. The Accessory Dwelling Unit shall be available for occupancy to members of the general public. The Owner shall not give preference to any particular class or group of persons in renting the Accessory Dwelling Unit or selling the Property, except to the extent that the Accessory Dwelling Unit is required to be rented to Eligible Households; provided, however, 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, source of income (e.g., SSI), age, ancestry, disability, or any other basis prohibited by the Fair Housing Act or the Fair Employment and Housing Act in the leasing, transferring, use, occupancy, tenure, or enjoyment of the Accessory Dwelling Unit nor shall the Owner or any person claiming under or through the Owner, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of Tenants of the Accessory Dwelling Unit. The Owner has agreed to the obligations set forth in this Section in consideration for the Incentive.

5.9 Relationship of Parties. Nothing contained in this Covenant Agreement shall be deemed or construed by the Parties or any third party to create the relationship of principal and agent or of partnership or of joint venture or of association. The relationship of the Parties is that of an owner of real property and an administrator of a City pilot program to incentivize production of Accessory Dwelling Units that are deed restricted as affordable
housing; furthermore, the Parties agree and acknowledge that this Agreement is in furtherance of
the inherent power of City to regulate the use of land within City's jurisdiction. Owner further
acknowledges, understands and agrees that the City does not undertake or assume any
responsibility for or duty to Owner to select, review, inspect, supervise, pass judgment on, or
inform Owner of the quality, adequacy or suitability of the Accessory Dwelling Unit (or any
other portion of the Property). The City owes no duty of care to protect Owner against negligent,
faulty, inadequate or defective building or construction or any condition of the Property and
Owner agrees that neither Owner, or Owner's heirs, successors or assigns shall ever claim, have
or assert any right or action against the City for any loss, damage or other matter arising out of or
resulting from any condition of the Property and will hold the City harmless from any liability,
loss or damage as set forth in Section 5.10. Any review by the City of any documents submitted
by the Owner to the City pursuant to this Agreement, including, but not limited to any Tenant
Lease, is solely to confirm compliance with the requirements of this Agreement and shall not be
debated to be a representation of any kind of the validity or legal enforceability of such
document(s).

5.10 Hold Harmless; Indemnity. Owner shall indemnify, defend (with counsel
reasonably selected by the City), and hold harmless the City and its officers, officials, agents,
and employees against any and all liability, claims, actions, causes of action or demands
whatsoever against any of them, including any injury or death of any person or damage to
property or other liability of any nature, or any claims by a Tenant, a former Tenant or
prospective Tenant, arising out of Owner's performance of its obligations hereunder, except
where the cause of such is the gross negligence or willful misconduct of the City. The
indemnification obligations set forth in this Section shall survive any termination or expiration of
this Agreement.

5.11 Applicable Law and Venue. This Covenant Agreement shall be governed
by California law. Jurisdiction for any dispute arising from this Covenant Agreement shall be the
Superior Court of California. Venue for any dispute arising out of this Covenant Agreement
shall be San Diego County, or as set forth in the California Civil Code for agreements relating to
real property.

5.12 Attorneys' Fees and Costs. In the event any action or proceeding in court
or other dispute resolution mechanism permitted under this Covenant Agreement is commenced
by either party to interpret or enforce the terms of this Agreement, the prevailing Party therein
shall be entitled to recover from the non-prevailing Party all of the prevailing Party's reasonable
costs and expenses in connection therewith, including on any appeal and including expert
witness fees, document copying expenses, exhibit preparation costs, carrier expenses and postage
and communication expenses, and reasonable attorneys' fees and costs for the services rendered
to the prevailing Party in such action or proceeding (which shall include the reasonable costs for
services of the City's in-house counsel).

5.13 Time is of the Essence. In all matters under this Covenant Agreement, the
Parties agree that time is of the essence. References in this Agreement to days shall be to
calendar days. If the last day of any period to give or reply to a notice, meet a deadline or
undertake any other action occurs on a day that is not a day of the week on which the City of Del
Mar is open to the public for carrying on substantially all business functions (a "Business Day"),
then the last day for giving or replying to such notice, meeting such deadline or undertaking any such other action shall be the next succeeding Business Day. In no event shall a Saturday or Sunday be considered a Business Day.

5.14 Interpretation. The use in this Covenant Agreement of the words "including", "such as" or words of similar import when used with reference to any general term, statement or matter shall not be construed to limit such statement, term or matter to the specific statements, terms or matters, unless language of limitation, such as "and limited to" or words of similar import are used with reference thereto. The headings of this Agreement are for convenience only and do not in any way limit or amplify the terms or provisions hereof. All pronouns and variations thereof shall be deemed to refer to the masculine, feminine, or neuter, and to the singular or plural, as the identity of the party or parties may require.

5.15 Government Standards. In the event any standard established and maintained by any governmental agency which is necessary to give effect to this Covenant Agreement ceases to exist, and no comparable replacement is issued, the Parties shall create a replacement standard utilizing the formula and factors previously used to create the discontinued standard.

5.16 No Limitation on Municipal Powers. Nothing in this Covenant Agreement shall limit, waive, or otherwise impair the authority and discretion of: (a) the City's Building Department, in connection with the review and approval of any proposed construction plans for the Property (or any change to such plans), or any use, or proposed use, of the Property; or (b) any other office or department of the City acting in its capacity as a governmental regulatory authority with jurisdiction over the development, use, or operation of the Property.

5.17 Counterparts. This Covenant Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts, which shall constitute one and the same agreement.

Remainder of Page Left Intentionally Blank
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

PROPERTY OWNER: [Notarization of signature shall be attached or provided below]

By: ________________________________ Date: __________________

Signature: ________________________________ ________________________________

CITY OF DEL MAR: [Notarization not required]

By: ________________________________ Date: __________________

Signature: ________________________________ ________________________________
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 ______________________ before me, ______________________________

(here insert name and title of the officer), 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.

________________________
Notary Signature
EXHIBIT A

PROPERTY LEGAL DESCRIPTION

[To be Inserted]
EXHIBIT B

DRAWING DEPICTING PRIMARY UNIT AND ACCESSORY DWELLING UNIT ON PROPERTY

[To be Inserted]
EXHIBIT C

FORM OF OWNER CERTIFICATION

To: City of Del Mar ("City")

From: ___________________________ [name of owner(s)] ("Owner(s)")

Address of Property: __________________________ ("Property")

Date: _______________________

By signature below, I/we _____________________ [insert name or names of Owner(s)] hereby certify to the City, under penalty of perjury, that the second dwelling unit located on the Property (the "Accessory Dwelling Unit") is being utilized in accordance with the "Covenant Agreement per the City of Del Mar Pilot Program Governing Rental of the Accessory Dwelling Unit as an Affordable Housing Unit by the Participating Owner" (the "Covenant Agreement") recorded against the Property.

In accordance with Section 2.2 of the Covenant Agreement, I/we provide the following information regarding the Accessory Dwelling Unit:

1. Tenant name: ________________

2. Size of Tenant's household: ________________

3. Accessory Dwelling Unit size (interior floor space in square feet): ________________

4. Date Accessory Dwelling Unit first occupied by Tenant: ________________

5. A copy of the Tenant's annual income certification is attached.

This Owner Certification is signed on _________________, 20____, under penalty of perjury.

By: ___________________________

Owner signature

Date: _______________________

Due Date: June 30 of each calendar year.