RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Marc H. Goldsmith
McGuireWoods LLP
1800 Century Park East
8th Floor
Los Angeles, CA 90067

CONFORMED COPY of document recorded on,
10/06/2006,2006I267267
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SAN FRANCISCO ASSESSOR RECORDER

COPY

FIRST AMENDMENT TO FIRST RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CITY SHARE OWNERSHIP (SAN FRANCISCO SUITES)

TRACT 50

Jeff Reichel and Benjamin Hart hereby certify:

1. That they are the President and Secretary, respectively, of San Francisco Suites City Share Association (the "Association"), a California nonprofit mutual benefit corporation in San Francisco, California on real estate more particularly described as follows:

> Beginning at the point of intersection of the northerly line of Pine Street and the easterly line of Powell Street; running thence easterly along said line of Pine Street 50 feet; thence at a right angle northerly 68 feet and 9 inches; thence at a right angle westerly 50 feet to the easterly line of Powell Street; and thence at a right angle southerly along last mentioned line 68 feet and 9 inches to the point of beginning.
>
> Being a portion of 50 VARA BLOCK NO. 139.

2. That, by means of a vote taken by members at a special meeting of

members, at least a majority of the total voting power of all members of the Association adopted the amendments set forth as Exhibit "A" attached hereto amending that certain First Restated Declaration of Covenants, Conditions and Restrictions for City Share Ownership (San Francisco Suites) recorded on June 10, 1996 as Instrument No. 96-F985056-00, Official Records, San Francisco County, California (the "Declaration").

3. That the total voting power of the membership of the Association consists of 816 votes and the total number of votes necessary to approve an amendment to the Declaration is 409.

4. That, except as amended by the foregoing resolutions, the Declaration shall be and remain, and continue to be and remain, in full force and effect.

The undersigned declares under penalty of perjury that all of the statements in the foregoing Certificate are true and correct.

Executed at San Francisco, California, this 21 day of ~~June~~ September, 2006

San Francisco Suites City
Share Association, a California
nonprofit mutual benefit corporation

By: _____
Jeff Reichel, President

By: _____
Benjamin Hart, Secretary

State of California)
)
County of San Francisco)

On 9/21/06 before me, C. MORANO,
personally appeared BENJAMIN HART
personally known to me (or 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.

WITNESS my hand and official seal.

Signature _____

C. MORANO
Commission # 1587649
Notary Public - California
San Francisco County
My Comm. Expires Jun 14, 2009

State of California)
)
County of San Francisco)

On 9/21/06 before me, C. MORANO,
personally appeared Jeff Reichert
personally known to me (or 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.

WITNESS my hand and official seal.

Signature _____

C. MORANO
Commission # 1587649
Notary Public - California
San Francisco County
My Comm. Expires Jun 14, 2009

EXHIBIT "A"

1. Paragraph 1.20 ("Managing Agent") of Article I ("Definitions") of the Declaration shall be amended in its entirety to read as follows:

> "1.20 'Managing Agent' means any agent engaged by the Board, whether as an employee of the Association, as a professional management firm, or otherwise, in accordance with Paragraph 4.3 below."

2. Paragraph 1.31 ("Super-Majority of Owners") of Article I ("Definitions") of the Declaration shall be amended in its entirety to read as follows:

> "1.31 'Super-Majority of Owners' mean the vote or written consent of that number of City Share Owners entitled to participate in such determination, owning, in the aggregate, in excess of seventy-five percent (75%) of all City Shares owned by such City Share Owners."

3. Subparagraph (a) of Paragraph 1.35 ("Unit Type") of Article I ("Definitions") of the Declaration shall be amended in its entirety to read as follows:

> "(a) 'Parlor Suite' means a studio type unit of City Share Unit."

4. Items (iv) and (v) of Subparagraph (f) ("Insurance") of Paragraph 4.2 ("Specific Powers and Duties of the Association") of Article IV ("Management") of the Declaration shall be amended in their entirety to read as follows:

> "(iii) Insurance against loss for liability due to injury to, or destruction of personal property belonging to, City Share Owners, Permitted Users and Exchange Users while located within the Property, including without limitation loss due to claims for bodily injury, death and property damage with a combined single limit liability with regard thereto of not less than $1,000,000.00 per occurrence. The Association shall also procure and maintain one or more umbrella liability insurance policies against loss or damage due to claims for personal injury, death and property damage with a limit with regard thereto of not less than $3,000,000.00 per occurrence.
>
> (iv) To the extent available at a reasonable cost, directors' and officers' liability insurance, Worker's Compensation Insurance and any other insurance deemed necessary or desirable by the Association. Such other policy shall cover such risks, be written by such insurers, and be in such amounts as the Association shall deem necessary and proper under the circumstances. The Association shall cause to be covered by a fidelity bond under a blanket crime policy any employee and agent of the Managing Agent or the Association who may have charge of funds of

any City Share Owner, Permitted User, Exchange User or of the Association.

All insurance policies obtained by the Association hereunder shall name all City Share Owners (as a class) as additional insureds. Liability insurance shall contain appropriate waivers of subrogation against any City Share Owner or member of such City Share Owner's household, and a provision that no act or omission by a City Share Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or operate as a condition to recovery by any other person under such authority."

5. Item (y) of Subparagraph (i) ("Bank Accounts") of Paragraph 4.2 ("Specific Powers and Duties of the Association") of Article IV ("Management") of the Declaration shall be amended in its entirety to read as follows:

"(y) Intentionally omitted."

6. The first sentence of Paragraph 4.3 ("Authority and Duty to Engage Managing Agent") of Article IV ("Management") of the Declaration shall be amended in its entirety to read as follows:

"Paragraph 4.3 Authority and Duty to Engage Managing Agent. The Association shall have the authority to engage and the obligation to use its best efforts to engage and maintain a reputable Managing Agent for the Property and the City Share operation pursuant to a written agreement (the "Management Agreement") meeting the requirements of this Paragraph 4.3."

7. Paragraph 5.8 ("Security Deposit") of Article V ("Assessments, Personal Charges an Security Deposit") of the Declaration shall be amended in its entirety to read as follows:

"5.8 Security Deposit. Intentionally omitted."

RECORDING REQUESTED BY:

ADAMS STIRLING PLC
A Professional Law Corporation
2566 Overland Avenue, Suite 730
Los Angeles, CA 900064
Attention: Charlotte K. Tang

San Francisco Assessor-Recorder
Carmen Chu, Assessor-Recorder
DOC- 2017-K491301-00
Check Number 3318
Friday, AUG 04, 2017 10:18:10
Ttl Pd $27.00 Rcpt # 0005656394
OYY/YY/1-5

Space Above this Line Reserved For Recorder's Use

LOCATION OF PROPERTY:
Block: 0256T
Lot: 001M-459M(816 lots)
Street Address: 710 Powell Street
San Francisco, CA 94108

Situs Description: Beginning at the point of intersection of the northerly line of Pine Street and the easterly line of Powell Street; running thence easterly along said line of Pine Street 50 feet; thence at a right angle northerly 68 feet and 9 inches; thence at a right angle westerly 50 feet to the easterly line of Powell Street; and thence at a right angle southerly along last mentioned line 68 feet and 9 inches to the point of beginning.

TITLE(S)

SECOND AMENDMENT TO THE FIRST RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CITY SHARE OWNERSHIP (SAN FRANCISCO SUITES)

SECOND AMENDMENT TO THE FIRST RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CITY SHARE OWNERSHIP (SAN FRANCISCO SUITES)

This Second Amendment to the First Restated Declaration of Covenants, Conditions and Restrictions for City Share Ownership (San Francisco Suites) ("Second Amendment") is attached and made a part of the First Restated Declaration of Covenants, Conditions and Restrictions for City Share Ownership (San Francisco Suites) recorded on June 10, 1996, as Instrument No. 96-F985056-00, Official Records, San Francisco County, California ("CC&Rs"), affecting the real property described as:

> Beginning at the point of intersection of the northerly line of Pine Street and the easterly line of Powell Street; running thence easterly along said line of Pine Street 50 feet; thence at a right angle northerly 68 feet and 9 inches; thence at a right angle westerly 50 feet to the easterly line of Powell Street; and thence at a right angle southerly along last mentioned line 68 and 9 inches to the point of beginning.
>
> Being a portion of 50 VARA BLOCK NO. 139.

The CC&Rs, the First Amendment and this Second Amendment together shall constitute the "Amended CC&Rs" of the San Francisco Suites City Share Association ("Association").

1. **Conflicting Terms**. In the event any term or provision in this Second Amendment conflicts with or is inconsistent with any other term or provision in the CC&Rs or First Amendment, this Second Amendment shall control.

2. **Definitions**. All terms used in this Second Amendment shall, unless otherwise stated, be defined as set forth in the CC&Rs and First Amendment.

3. **Section 2.2 of Article II of the CC&Rs shall be replaced in its entirety to read as follows:**

> 2.2 Occupancy. No City Share Owner shall occupy a City Share Unit or exercise any other rights of ownership with respect to a City Share Unit, other than the rights provided to him in this Article II, during any time period other than his Use Period(s), unless expressly authorized by the City Share Owner entitled to occupy the City Share Unit during such time period. Each City Share Owner shall keep the City Share Unit occupied by him and the Common Furnishings in good condition and repair during his Use Period(s), remove all persons and property there from, excluding only the Common Furnishings, leave the City Share Unit and the Common Furnishings in good and sanitary condition and repair and otherwise comply with such check-out and other procedures and regulations as may from time to time be contained in the rules and Regulations. Any City Share Owner may permit a City Share Unit which he is entitled to occupy to be occupied by other persons (not in excess of the number of occupants permitted by the Rules and Regulations) for the purposes permitted by this Declaration during his Use Period(s), subject to the following:

(a) Loss or Damage. The City Share Owner shall be responsible for any loss, damage, destruction or violation of this Declaration or the Rules and Regulations (except on the part of an Exchange User) which occurs during such occupancy, as if such City Share Owner were occupying the City Share Unit.

(b) City Share Use Limit. No City Shares owned by each City Share Owner shall be used for commercial rental purposes to third persons who have no pre-existing personal or business relationship with the City Share Owner. Exchange timeshare use is permitted by the Association as set forth in the Rules and Regulations which describe how exchange use may occur. At no time shall exchange users be permitted to rent City Share Units to any third parties.

(c) Advertising/Marketing of City Share Units for Rent. City Share Units shall not be advertised on Craigslist, eBay, airBNB, or any other websites or publications for rental purposes. Notwithstanding the foregoing, Owners may offer their time for use by other Owners through the restricted Owners section of the San Francisco Suites website.

4. **A Section 2.10 is added to Article II of the CC&Rs as follows:**

2.10 Nuisance. No City Share Owner may cause or permit to be caused anything which constitutes a nuisance to other City Share Owners or Permitted Users. This may include any activity that causes an unreasonable disturbance or annoyance, be unreasonably injurious to health, be indecent, or be unreasonably detrimental to people or property. Because nuisance is largely subjective, neither the Association nor the Board is obligated to become involved in disputes where, in the opinion of the Board, the alleged disturbance does not constitute a nuisance. Despite the Board's determination, the parties with the dispute retain the right to take appropriate legal action against each other without involving the Association.

CERTIFICATION

The undersigned officers of the San Francisco Suites City Share Association hereby certify that the above Second Amendment was duly approved and adopted at an election wherein the ballots were tabulated and counted on June 11, 2017.

SAN FRANCISCO SUITES CITY SHARE ASSOCIATION

By: Geoffrey Bellah — Printed Name of President; Signature of President; 6-27-17 — Date

By: M. Lynne Spivak — Printed Name of Secretary; Signature of Secretary; 6-29-2017 — Date

SEE ATTACHED NOTARY CERTIFICATE

Melissa A. Boyce
6-27-17

Diane Filchek
6/29/17 — SEE ATTACHED

ALL- PURPOSE
CERTIFICATE OF 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 COLUSA }

On 01/29/2017 before me, Diana Fulcher, Notary Public,
(Here insert name and title of the officer)

personally appeared M. Lynne Spivak,
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.

DIANA FULCHER
COMM. # 2163495
NOTARY PUBLIC - CALIFORNIA
COUNTY OF COLUSA
Comm. Expires SEPT. 20, 2020

WITNESS my hand and official seal.

Diana Fulcher
Notary Public Signature (Notary Public Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

2ND Amendment to CC&R's
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages ____ Document Date ____

CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual (s)
- ☐ Corporate Officer
  ____ (Title)
- ☐ Partner(s)
- ☐ Attorney-in-Fact
- ☐ Trustee(s)
- ☐ Other ____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they,~~ ~~is/are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - Indicate title or type of attached document, number of pages and date.
  - Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT
(CALIFORNIA CIVIL CODE § 1189)

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 RIVERSIDE)

On June 27, 2017 before me, Melissa A. Boyce, Notary Public
(Date) *(Here Insert Name and Title of the Officer)*

personally appeared Geoffrey Bellah,
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.

Melissa A. Boyce
Signature of Notary Public

MELISSA A. BOYCE
Commission # 2077072
Notary Public - California
Riverside County
My Comm. Expires Sep 3, 2018

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

Description of Attached Document

Title or Type of Document: 2ND Amendment to the CCR's Document Date: 6-11-17

Number of Pages: 2 Signer(s) Other Than Named Above: —

Additional Information: —

revision date 01/01/2015

Recording Requested by
and When Recorded Return To:

SAN FRANCISCO SUITES
710 Powell Street
San Francisco, CA 94108

San Francisco Co Recorder's Office
Gregory Joseph Diaz, County Recorder
DOC - 96-F985056-00
Check Number 3578
REQD BY
Monday, JUN 10, 1996 10:39:50
REC $28.00|PAG $24.00|MIC $1.00
STP $23.00|
Ttl Pd $76.00 Nbr-0000561923
REEL G650 IMAGE 0215 ota/JL/24

San Francisco Suites on Nob Hill

FIRST RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CITY SHARE OWNERSHIP (SAN FRANCISCO SUITES)

The Declaration of Covenants, Conditions and Restrictions for City Share Ownership, executed by San Francisco Suites at 710 Powell Street, Ltd., a California limited partnership (Declarant), and recorded on January 21, 1983 as Recorder's Instrument No. D297250, of the official records of San Francisco County, California ("Original Declaration"), which affects all of the Properties described and commonly known as San Francisco Suites City Share Owners Association, is hereby amended and restated in its entirety to read as follows:

RECITALS

A. Declarant was the original owner of certain real property (the "Subject Property") located in the City and County of San Francisco, State of California which is more particularly described as the property commonly known as 710 Powell Street, San Francisco, California on which are situated sixteen (16) separate living units (each of which is herein called a "Unit") together with related "Common Area" (as hereinafter defined) and certain easements appurtenant thereto (the "Easements"). The Subject Property is more particularly described in Exhibit A attached hereto and made a part hereof.

B. Declarant conveyed undivided interests in one of the Parcels comprising the Property, providing in each deed thereof that the grantee or grantees named therein shall have certain defined rights to occupy a "City Share Unit" within the Property and to use the Common Area, the Easements, the "Common Furnishings" during certain specified time periods.

C. It was the further intention of the Declarant to establish a common scheme and plan for the use, enjoyment, repair, maintenance, restoration and improvement of the Property and the interests therein conveyed or reserved, and for the payment of assessments, insurance premiums and other expenses pertaining thereto.

On February 27, 1996, the Owners of Shares representing at least 51 percent of the voting power of the Members of the Association voted by written ballot to amend and restate the Original Declaration, all in accordance with the procedures for amendment set forth in the Original Declaration. It was the intention of the Owners to replace the Original declaration, in its entirety, with the Recordation of this Declaration. The Owners' action to amend and restate the Original Declaration as set forth herein and the fact that the requisite percentage of affirmative votes required in the Original declaration was achieved, is attested by the execution of this Declaration by duly authorized officers of the Association, as required by section 1355 (a) of the California Civil Code. As so amended and restated, the easements, covenants, restrictions and conditions set forth herein shall run with the Properties and shall be binding upon all parties having or acquiring any right, title or interest in the Properties or any portion thereof, and shall inure to the benefit of each Owner thereof.

ARTICLE I
DEFINITIONS

In addition to other definitions provided for herein, as used herein the following terms shall have the following meanings:

1.1 "Articles" means the Articles of Incorporation of the Association which have been or shall be filed in the office of the California Secretary of State, as the same may be amended from time to time.

1.2 "Assigned Unit(s)" means any City Share Unit(s), the use and occupancy of which has been assigned to a City Share Owner in accordance with the provisions of Article II, below.

1.3 "Association" means the San Francisco Suites City Share Association, a California non-profit mutual benefit corporation whose members consist of City Share Owners.

1.4 "Basic Assessment" means, for each City Share Unit and Fiscal Year, an assessment levied by the Association against such City Share interest in an amount determined by dividing the budgeted expenses for such Fiscal Year by 816.

1.5 "Board" means the Board of Directors of the Association.

1.6 "Bonus Use" means the time period(s), other than a City Share Owner's regular use and occupancy entitlement during such City Share Owner's Use Year, during which such City Share Owner or his Permitted User uses and occupies a City Share Unit in accordance with the Rules and Regulations.

1.7 "By-Laws" means the By-Laws of the Association adopted by the Board, as the same may be amended from time to time.

1.8 "Check-In Time" and "Check-Out Time" means the times designated as such in the then-current Rules and Regulations.

1.9 "City Share" means: (a) With respect to City Share Owners, the right to use and occupy a City Share Unit, the Common Area, the Easements, and the Common Furnishings, pursuant to and in accordance with the provisions of the Declaration and the Rules and Regulations, together with one of the following:

(x) If the Original Deed conveys an interest in the Subject Property, an undivided 1/816th interest therein;

(i) With respect to the Subject Property, an undivided 1/816th interest therein;

1.10 "City Share Owner" means and includes the grantee(s) named in each Original Deed and the successor(s) to such grantee(s).

1.11 "City Share Units" means, on and after the Starting Date, each Unit which shall have been designated as such by Declarant in a Declaration of Dedication, in form and substance identical to Exhibit A attached hereto, which shall have been recorded in the Office of the County Recorder for San Francisco County.

1.12 "Common Area" means all portions of the Property other than (a) the interior of the Units and, where applicable, patio or balcony areas appurtenant thereto, (b) the Support Areas.

1.13 "Common Furnishings" means all furniture, furnishings, appliances, fixtures and equipment, telephone system and all other personal property from time to time owned, leased or held for use by the Association and which are located in or upon the Property.

1.14 "Declarant" was San Francisco Suites at 710 Powell Street, Ltd., a California limited partnership.

1.15 "Declaration" means this instrument, as the same may be amended from time to time.

1.16 "Exchange Program" means a service provided by an independent organization whereby City Share Owners and owners of time periods in other timesharing programs may exchange Use Periods for time periods in projects in other locations.

1.17 "Exchange User" means an owner or permitted user of a time period in another timesharing program who occupies a City Share Unit and uses the Common Area, the Easements, and the Common Furnishings pursuant to an Exchange Program.

1.18 "Fiscal Year" means the fiscal year of the Association and the one year period commencing on January 1st.

1.19 "Majority of Owners" means the vote or written assent of that number of City Share Owners entitled to participate in such determination, owning, in the aggregate, an excess of fifty percent (50%) of all City Shares owned by such City Share Owners.

1.20 "Managing Agent" means any agent engaged by the Board, in accordance with Paragraph 4.3 below.

1.21 "Mortgagee" means the beneficiary of a recorded deed of trust or the holder of a recorded mortgage encumbering any City Share. "Mortgage" means a mortgage or deed of trust.

1.22 "Original Deed" means each grant deed from Declarant which conveyed a City Share by Declarant.

1.23 "Owner's Unit Type" means, with respect to each City Share Owner, the Unit Type(s) designated in such City Share Owner's Original Deed.

1.24 "Permitted User" means any person, other than an Exchange User, who occupies a City Share Unit with the permission of a City Share owner, including, without limitation, members of such City Share Owner's family, his guests, licensees or invitees.

1.25 "Reconstruction Assessment" means an assessment levied by the Association against a City Share for the purpose of raising funds to rebuild, restore or replace any of the Common Furnishings and/or Common Area suffering material damage.

1.26 "Rules and Regulations" means the rules and regulations adopted from time to time pursuant to subparagraph 4.2(d), below, relating to the possession, use and enjoyment of the Property.

1.27 "Service Period" means, with respect to each City Share Unit, a period of 7 nights and days during each Fiscal Year, not necessarily consecutive, reserved by the Association as a Service Period for such City Share Unit. The Association shall determine which days and nights will comprise the Service Period for each city share Unit, which determination for any City Share Unit may be changed by the Association from time to time.

1.28 "Special Assessment" means an assessment levied against each City Share to provide funds to the Association in the event the Basic Assessment proves inadequate, in an aggregate amount sufficient to provide for such inadequacy.

1.29 "Starting Date" means the date on which the first Original Deed is recorded.

1.30 "Subject Property" or, alternatively, "710 Powell Street" shall have the meaning ascribed to the term "Subject Property" in Recital Paragraph A, above.

1.31 "Super-Majority of Owners" means the vote or written ascent of that number of City share Owners entitled to participate in such determination, owning, in the aggregate, in excess of seventy-five percent (67%) of all City Shares owned by such City Share Owners and the vote or written ascent of that number of City Share Owners entitled to participate in such determination and owning, in the aggregate, in excess of seventy-five percent (67%) of all City Shares owned by such City Share Owners.

1.32 "Support Areas" means the following portion of the Property: the service and maintenance areas, the registration desk area, and the manager's office.

1.33 "Transfer" means any sale, conveyance, hypothecation or encumbrance of a City Share.

1.34 "Unit" shall have the meaning ascribed thereto in Recital Paragraph A, above.

1.35 "Unit Type" means any one of the two types of City Share Units, being either a "Parlor Suite" or a "Master Suite," which quoted terms shall have the following meanings:

(a) "Parlor Suite" means a studio type of City Share Unit with sleeping capacity for two (2) persons.

(b) "Master Suite" means a one bedroom type of City Share Unit with sleeping capacity for four (4) persons.

1.36 "Use Period" means the time period or periods for which a City Share Owner has reserved the use of a City Share Unit in accordance with the provisions of this Declaration and the Rules and Regulations.

ARTICLE II
RESERVATION RIGHTS, USE RIGHTS AND USE RESTRICTIONS

2.1 Reservation and Use Rights of City Share Owners. Subject to the terms and conditions contained in the Declaration and the Rules and Regulations, each City Share Owner shall have the right, for each City Share owned, to use and occupy an Assigned Unit of his Unit Type, the Easements and the Common Furnishings, and the non-exclusive right to use and enjoy the Common Area during a Use Period; provided, however, that such City Share Owner shall have reserved such use and occupancy in accordance with the requirements and procedures for the making of reservations set forth in the Rules and Regulations..

2.2 Occupancy. No City Share Owner shall occupy a City Share Unit or exercise any other rights of ownership with respect to a City Share Unit, other than the rights provided to him in this Article II, during any time period other than his Use Period(s), unless expressly authorized by the City Share owner entitled to occupy the City Share Unit during such time period. Each City Share owner shall keep the City share Unit occupied by him and the Common Furnishings in good condition and repair during his Use Period(s), remove all persons and property therefrom, excluding only the Common Furnishings, leave the City Share Unit and the Common Furnishings in good and sanitary condition and repair and otherwise comply with such check-out and other procedures and regulations as may from time to time be contained in the rules and Regulations. Any City Share Owner may permit a City Share Unit which he is entitled to occupy to be occupied by other persons (not in excess of the number of occupants permitted by the Rules and Regulations) for the purposes permitted by this Declaration during his Use Period(s), but such City Share Owner shall be responsible for any loss, damage, destruction or violation of this Declaration or the Rules and Regulations (except on the part of an Exchange User) which occurs during such occupancy, as if such City Share Owner were occupying the City Share Unit.

2.3 Failure to Vacate. If any City Share Owner or his Permitted User fails to vacate his Assigned Unit at the end of his Use Period, or otherwise makes unauthorized use or occupancy of a City Share Unit during a period other than his Use Period, or prevents another City Share Owner, Permitted User or Exchange User (the "Detained Owner" or "Detained User") from using or occupying a City Share Unit during such other City Share Owner's User Period, such City Share Owner (the "Detaining Owner") and/or Permitted User (the "Detaining User") shall (a) be subject to immediate removal, eviction or ejection from the City Share Unit wrongfully used or occupied; (b) be deemed to have waived any notice required by law with respect to any legal proceedings regarding removal, eviction or ejection (to the extent that such notices may be waived under California law); (c) reimburse the Association and the Detained Owner or Detained User for all costs and expenses incurred as a result of such conduct, including

but not limited to costs of alternate accommodations, travel costs, court costs and reasonable attorneys' fees incurred in connection with removing, evicting or ejecting the Detaining Owner and/or Detaining User from such City Share Unit, and costs (including reasonable attorneys' fees) incurred in collecting such reimbursement(s); and (d) pay to the Detained Owner and/or the Detained User entitled to use and occupy the City Share Unit during such wrongful occupancy, as liquidated damages in addition to the costs and expenses set forth in subparagraph 2.3(c) above, a sum equal to 200% of the fair rental value per day of the City Share Unit for each day or portion thereof, including the day of surrender, during which the Detaining Owner and/or Detaining User prevents use and occupancy of the City Share Unit; provided, however, that if the Detaining User is an Exchange User, the City Share Owner whose Use Period was used by the Exchange User shall have no liability pursuant to the provisions of clauses (c) and (d) above. The Association shall be responsible for determining the "fair rental value" of a City Share Unit. "Fair rental value" for a City Share Unit shall be based upon the costs of renting comparable accommodations located in the vicinity of the Property. The Association shall use reasonable efforts to attempt to remove such Detaining Owner and/or Detaining User from the City Share Unit, and/or to assist the Detained Owner or Detained User in finding alternate accommodations during such holdover period; to secure, at the expense of the Association, alternate accommodations for any Detained Owner or Detained User which alternate accommodations shall be as near in value to the Detained Owner's or Detained User's Assigned Unit as possible and the cost thereof shall be assessed to the Detaining Owner (unless the Detaining User was an Exchange User) as a "Personal Charge" (as hereinafter defined), in the event that the Association, in its sole discretion, deems it necessary to contract for a period greater than the actual period for which the use is prevented in order to a secure alternate accommodations as set forth above, the cost of the entire period shall be assessed to the Detaining Owner as a Personal Charge. By accepting any conveyance of a City Share, each City Share owner agrees that, in the event of a wrongful occupancy or use by him or any Permitted User, damages would be impracticable or extremely difficult to ascertain and that the measure of liquidated damages provided for herein constitutes fair compensation to those who are deprived of occupancy. If a City Share Owner or his Permitted User by intentional or negligent act renders a City Share Unit uninhabitable for subsequent User Period(s), then (i) such City Share Owner shall be deemed a Detaining Owner, (ii) the foregoing provisions of this Paragraph 2.3 shall apply and (iii) such City Share Owner shall be liable to the City Share Owner(s) and/or Permitted User(s) of subsequent User Period(s) just as if such City Share Owner had refused to vacate the City Share Unit at the end of his Use Period(s). For the purposes of this Paragraph 2.3, the act or negligence of a Permitted User shall be deemed to be the act of the City Share Owner.

2.4 Use Restrictions. Except as required to prevent damage or injury to persons or property in an emergency, no City Share Owner shall make or authorize any alterations, additions or improvements to the Property, any Unit or the Common Furnishings; paint, repaint, tile, paper or otherwise refinish or redecorate the inner surfaces of the walls, ceilings, floors, windows or doors bounding any Unit; or remove, alter or replace any portion of the Common Furnishings without the prior written consent of the Association. The right to perform all of the foregoing acts has been delegated to the Association by this Declaration. The foregoing prohibition, however, shall not modify or affect the obligation of each City Share Owner for the prudent care and

ordinary maintenance and upkeep of all property subject to his use. No animals shall be allowed or kept in or upon any City Share Unit.

2.5 Use of Support Areas by the Association. The Association shall have the full and complete use of the Support Areas and shall be responsible for maintaining the same in good condition and repair.

2.6 Separate Mortgages. Each City Share Owner shall have the right to mortgage or otherwise encumber his City Share. Any Mortgage shall be subordinate to all of the provisions of this Declaration, and in the event of foreclosure, the provisions of this Declaration shall be binding upon any City Share Owner whose title is derived through foreclosure by private power of sale, judicial foreclosure, assignment in lieu of foreclosure or otherwise. Notwithstanding any other provision of this Declaration, no breach of the provisions herein contained, nor the enforcement of any lien created pursuant to the provisions hereof shall defeat or render invalid the lien of any Mortgage of any City Share Owner's City Share if such mortgage is recorded in the Office of the County Recorder of San Francisco County, California, and is given in good faith and for value.

2.7 Partition and Subordination of Tenancy-in-Common Attributes.

(a) It is intended that this Declaration alone shall govern all rights with respect to the use, possession, enjoyment, management and disposition of the City Shares conveyed by Original Deed, and the Property. Accordingly, all rights with respect to the use, possession, enjoyment, management or disposition of a City Share originally conveyed by Original Deed, and the Property, which a City Share Owner might otherwise have as a tenant-in-common, including but not limited to any common law or statutory right jointly to use, possess or manage commonly owned property are hereby unconditionally and irrevocably subordinated to this Declaration for so long as this Declaration shall remain in effect; provided, however, that in the event that an election to terminate this Declaration is made pursuant to Paragraph 8.2, each City Share Owner shall have the rights specified in Paragraph 8.2.

(b) Except as provided in Paragraph 8.2, below, no City Share Owner or other person or entity acquiring any right, lien or interest in any of the Property shall seek or obtain, through any legal procedures, judicial partition of the Property or the sale thereof in lieu of partition of the Property or the sale thereof in lieu of partition. If, however, any City Share is owned by two or more persons as tenants-in-common, joint tenants or community property, nothing herein contained shall prohibit a judicial sale of the City Share in lieu of partition as between such co-tenants or joint tenants.

2.8 Protection of Interest. Except as provided in Paragraph 2.7, above, no City Share Owner shall permit his City Share to be subject to any lien (other than the liens of current real property taxes), claim or charge, the enforcement of which may result in a sale or threatened sale of the City Share of any other City Share owner or any part thereof or in any interference in the use or enjoyment thereof by any other City Share Owner. In the event of a threatened sale of the Property or the City Share of any City Share owner or any part thereof, or should the use and enjoyment of any portion thereof by any City Share Owner by threatened by reason of any lien, claim or charge against the City Share of any other City Share Owner, or should proceedings be instituted to effect any such sale or interference, any City Share Owner acting on his own behalf or through the Association or the Association acting on behalf of any one or more City Share Owners may, but shall not be required to pay or compromise the lien, claim or charge without

inquiry into the proper amount or the validity thereof and, in such event, the City Share Owner whose interest was subjected to such lien, claim or charge shall forthwith pay the amount so paid or expended to the City Share Owner or the Association, whomsoever shall have paid or compromised the lien, claim or charge, together with such reasonable attorneys' fees and related costs as he or it may have incurred. No City Share Owner shall permit his interest in any funds from time to time in possession of the Association to be subjected to any attachment, lien, claim or charge or other legal process and each City Share Owner shall promptly restore any funds held by the Association in respect of his City Share to the extent depleted by the reason of the assertion of any such attachment, lien, claim, charge or other legal process and shall reimburse the Association for all reasonable attorneys' fees or other costs incurred in respect thereof.

2.9 Transfer of Interest. No City Share Owner shall transfer less that his entire interest in a City Share. Any attempt to transfer less than a full City Share shall be null, void and of no effect. When an Owner transfers his entire City Share, that transfer shall be deemed to include the transferor's interest in any assets of the Association even if such assets are not specifically described in the instrument of transfer.

ARTICLE III
THE ASSOCIATION

3.1 Association. San Francisco Suites City Share Association, a California non-profit mutual benefit corporation, shall be the Association.

3.2 Membership in Association. Each City Share Owner shall be a member of the Association and shall remain a member thereof until he ceases to be a City Share Owner.

3.3 Transfer of Membership. The membership of each City Share Owner in the Association is appurtenant to and inseparable from his ownership of a City Share and shall be automatically transferred upon any authorized transfer or conveyance of the ownership of his City Share to any transferee or grantee and, except as provided herein, said membership shall be non-transferable whether by gift, bequest, assignment or otherwise.

3.4 Voting. Each such City Share Owner shall be entitled to one vote for each City Share; provided, that, with respect to a City Share, when more than one person is a City Share Owner with respect to such City Share, all such persons and entities shall be members and the vote for such City Share shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any City Share.

3.5 Board of Directors. The affairs of the Association shall be managed by a Board of five (5) Directors each of whom must be a member of the Association.

ARTICLE IV
MANAGEMENT

4.1 Powers and Duties Generally. Administration of the City Share program, operation, maintenance, repair and restoration of the Property and the Common Furnishings, and

any alterations and additions thereto, shall be vested in the Association. The Association, acting alone (through its Board, its officers, or other duly authorized representatives) may, subject to the provisions of the Articles, the By-Laws and this Declaration, exercise any and all rights and powers herein enumerated and, except as specifically limited herein, all the rights and powers of a non-profit mutual benefit corporation under the laws of the State of California.

4.2 Specific Powers and Duties of the Association. The management and operation of the Property, the maintenance and repair of the Property, the acquisition (by purchase or lease), maintenance, repair and replacement of the Common Furnishings and the administration of the affairs of City Share Owners, the use and occupancy of the City Share Units and payment, as agent, of expenses and costs enumerated in this Declaration shall be under the direction and control of the Association . The Association shall have the duty to maintain and repair the Property to acquire (by lease or purchase), maintain, repair and replace Common Furnishings as needed, to administer the City Share operation as provided herein and to levy, collect and enforce the "Assessments" (as hereinafter defined) enumerated in this Declaration. The Association shall have the exclusive possession of each City Share Unit during the Service Periods for the performance of maintenance and repairs on such City Share Unit. The Association shall have the power to do all things that are required to be done by it pursuant to this Declaration. In amplification and not limitation of the foregoing powers and duties, the Association shall, on behalf of the City Share Owners, do any or all of the following:

(a) Maintenance and Repair. To repair, maintain, repaint, furnish or refurnish the Property or any party thereof; to establish reserves for anticipated costs, including the costs of acquisition and replacement of Common Furnishings; and to acquire and pay for materials, supplies, furniture, furnishings, labor or services which the Association deems necessary or proper for the operation, maintenance and repair of the Property and the Common Furnishings.

(b) Taxes and Assessments. As agent and not as principal, to pay all taxes and assessments, and other costs affecting or relating to the Property or Common Furnishings, and to discharge, contest or protest liens or charges affecting the Property.

(c) Utilities. To obtain and pay the costs of electrical, telephone, gas and other utility services for the Property.

(d) Rules and Regulations. To adopt, publish and enforce, from time to time, Rules and Regulations relating to the possession, use and enjoyment of the Property, which Rules and Regulations shall be consistent with the provisions of this Declaration.

(e) Legal and Accounting. To obtain and pay the cost of legal and accounting services necessary or proper in the operation, maintenance and repair of the Property and the enforcement of this Declaration, the By-Laws and the Rules and Regulations.

(f) Insurance. To obtain and pay the cost of:

(i) Insurance against loss or damage to the City Share Units, the Common Furnishings and the contents thereof, including without limitation machinery used in the service of the City Share Units, by fire and other risks and hazards customarily covered by an insurance policy written on an all risk basis, including, to the extent available at a reasonable cost, earthquakes. The stipulated amount of such insurance shall be based on the full replacement cost thereof, and either such stipulated full replacement cost amount shall be updated annually by the Association to reflect the then-current estimated full replacement cost thereof, or an endorsement

which provides for full reimbursement for the actual cost of repair or replacement thereof, without deduction for depreciation, shall be procured and maintained by the Association. Such insurance includes the Association as a co-insured for itself and as agent for each City Share Owner.

(ii) To the extent available at a reasonable cost, insurance against loss of earnings, continuing charges and expenses, and such other risks and hazards customarily covered by business interruption insurance policies. Such business interruption insurance shall be combined with insurance against loss due to extra expenses arising out of operating the Association.

(iv) Insurance against loss for liability due to injury to, or destruction of personal property belonging to, City Share Owners, Permitted Users and Exchange Users while located within the Property, including without limitation loss due to claims for bodily injury, death and property damage with a combined single limit liability with regard thereto of not less than $1,000,000.00 per occurrence. The Association shall also procure and maintain one or more umbrella liability insurance policies against loss or damage due to claims for personal injury, death and property damage with a limit with regard thereto of not less than $3,000,000.00 per occurrence.

(v) To the extent available at a reasonable cost, directors' and officers' liability insurance, Worker's Compensation Insurance and any other insurance deemed necessary or desirable by the Association. Such other policy shall cover such risks, be written by such insurers, and be in such amounts as the Association shall deem necessary and proper under the circumstances. The Association shall cause to be covered by a fidelity bond under a blanket crime policy any employee and agent of the Managing Agent or the Association who may have charge of funds of any City Share Owner, Permitted User, Exchange User or of the Association.

All insurance policies obtained by the Association hereunder shall name all City Share Owners (as a class) as additional insureds. Liability insurance shall contain appropriate waivers of subrogation against any City Share Owner or member of such City Share Owner's household, and a provision that no act or omission by a City Share Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or operate as a condition to recovery by any other person under such policy.

(g) Levy and Collection of Assessments. To levy, collect and enforce Assessments against the City Share Owners in the manner provided in Articles V and VI hereof in order to pay the expenses of the City Share operation including the fee of the Managing Agent; and to do all things necessary to enforce each City Share Owner's obligations hereunder.

(h) Financial Statements. To cause to be regularly prepared financial statement for the Association and copies thereof distributed to all members as follows:

(i) A pro forma operating statement (the "Budget") of "Basic Expenses" [as that term is defined in subparagraph 5.3(c), below] for the Property for each Fiscal Year which operating statement shall be distributed to City Share Owners not less than 45 days and not more than 60 days before the beginning of each Fiscal Year.

(ii) An annual report shall be distributed, within 120 days after the end of each Fiscal Year, consisting of the following: (a) a balance sheet as of the last day of such Fiscal Year, (b) an operating statement for such Fiscal Year, (c) a statement of changes in financial position for such Fiscal Year, (d) any information required to be reported under Section

1365 of the California Civil Code and (e) a list of the names and mailing addresses of the members of the Board. The annual report shall be prepared by an independent accountant each year.

(i) Bank Accounts. To deposit (a) all funds collected from City Share Owners by the Association and (b) all other funds collected by the Association in connection with its rights and duties hereunder as follows:

(x) All funds shall be deposited in a separate bank account or accounts (the "General Account") with a bank or savings and loan association located in the State of California or invested in Treasury Bills or Certificates of Deposit as selected by the Association. Funds deposited in the General Account(s) may be used by the Association only for the purposes for which such funds have been collected.

(y) Funds which the Association shall collect pursuant to paragraph 5.10, below, shall, within 10 days after deposit in the General Account, be deposited in an account (the "Security Deposit Account") with a bank or savings and loan association in the State of California selected by the Association, and the Association shall keep accurate books and records reflecting the amount in the Security Deposit Account attributable to each City Share Owner. Funds deposited in the Security Deposit Account shall be held in trust and may be used by the Association only for the purposes for which such Security Deposit has been collected.

(z) Funds which the Association shall collect for "Reserve Expenses" (as defined in and collected pursuant to subparagraph 5.3(c)(ii), below) shall, within 10 days after deposit in the General Account, be deposited in an interest bearing account with a bank or savings and loan association selected by the Association and/or invested in Treasury Bills or Certificates of Deposit (said interest bearing bank or savings and loan account and/or Treasury Bills or Certificates of Deposit are all herein collectively referred to as the "Reserve Account"), and the Association shall keep accurate books and records reflecting the amount in the Reserve Account . Funds deposited in the Reserve Account shall be held in trust and may be used by the Association only for the specific purposes for which such funds have been collected.

(j) Statements of Status. Upon the request of any City Share Owner, Mortgagee, prospective Mortgagee, purchaser or other prospective transferee of a City Share, to issue a written statement setting forth any amounts unpaid with respect to the City Share, the use entitlement for the remainder of the current calendar year and the reservation status respecting such City Share. Such statement, for which a reasonable fee may be charged, shall be binding upon the Association in favor of any person who may rely thereon in good faith.

(k) Cleaning and Maid Service. To provide for cleaning and maid service (i) upon the departure of each City Share Owner, Permitted User, or Exchange User from each City Share Unit and (ii) during Service Periods so that the City Share Units are maintained in good order and repair. In addition to cleaning and maid service that is normally provided to each City Share Unit, the Association may provide for such additional cleaning and maid services as shall reasonably be requested by a
City Share Owner, Permitted User, or Exchange User, and may charge a reasonable fee therefor.

(l) Right of Entry. During Service Periods and at any other reasonable time, upon giving reasonable notice if a City Share Unit is occupied, to enter the City Share Unit for the purpose of cleaning, maid service, painting, maintenance and repair, and to enter upon and within any City Share Unit, at any reasonable time, whether or not during a Service Period and whether

or not in the presence of a City Share Owner, for the purpose of (i) making emergency repairs therein, (ii) abating any nuisance or any dangerous, unauthorized, prohibited or unlawful activity being conducted or maintained in such City Share Unit, (iii) protecting property rights and welfare of the other City Share Owners, or (iv) for any other purpose reasonably related to the performance by the Association of its responsibilities under the terms of this Declaration. Such right of entry shall be exercised in such a manner as to avoid any unreasonable or unnecessary interference with the possession, use and/or enjoyment of the City Share Owner, his Permitted User, an Exchange User or other occupant of such City Share Unit, and shall be preceded by reasonable notice to the City Share Owner, his Permitted User, an Exchange User or occupant thereof whenever the circumstances permit.

(m) Minutes and Agenda. To provide each City Share Owner with (i) a copy of the minutes of the Board meetings with the next regular mailing following the approval of the minutes, (ii) a list of the orders of business to be considered at the annual meeting of the Association not later than 30 days nor earlier than 90 days prior to the date of such meeting, which list shall contain the name and a brief biographical sketch (if available) of each person, if any, nominated to stand for election to the Board.

(n) Other Necessary Acts. To do all other things or acts deemed by the Association to be necessary, desirable or appropriate for the operation and maintenance of the City Share operation.

(o) Delegation. To delegate, in its discretion, the authority and responsibilities of the Association hereunder to one or more agents, including, without limitation, the Managing Agent provided for in Paragraph 4.3, below.

(p) Exchange Program. To enter into agreements with organizations to provide for participation by City Share Owners in an Exchange Program.

(q) Roster. The Association shall annually compile a roster of the names of each of the City Share Owners (the "Roster"). Upon the written request of a City Share Owner, the Association shall furnish such City Share Owner with a copy of the Roster and may charge such City Share Owner a reasonable fee therefor. Each City Share Owner who requests and receives a copy of the Roster hereby agrees that he will not make any commercial use of the same and will not distribute a copy of the Roster to any person who is not a City Share Owner.

(r) Compensating Use. If the Association shall make an error which results in the unavailability of a City Share Unit of a City Share Owner's Unit Type during such City Share Owner's Use Period, the Association shall procure alternate accommodations reasonably acceptable to such City Share Owner for the time period constituting his reserved Use Period.

4.3 Authority and Duty to Engage Managing Agent. The Association shall have the authority to engage and the obligation to use its best efforts to engage and maintain a reputable firm as the Managing Agent for the Property and the City Share operation pursuant to a written agreement (the "Management Agreement") meeting the requirements of this Paragraph 4.3. Each Management Agreement shall:

(a) Authorize and obligate the Managing Agent to perform all the duties and obligations of the Association specified in Paragraph 4.2 above.

(b) Provide for a term of not more than one year, except that the Management Agreement may provide that the term will be automatically renewed for successive one-year terms

unless notice of non-renewal is given by either party not then in default thereunder no later than 90 days prior to the end of any term. The Management Agreement shall be subject to termination by the Association:

At any time, for cause or upon the request to do so by a Majority of Owners. In the event that the Managing Agent shall dispute a termination by the Association pursuant to subparagraph 4.3(b)(i), the dispute shall be submitted to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

(c) Provide that the Managing Agent may resign only upon compliance with the following conditions:

(i) The Managing Agent shall have given at least 90 days prior written notice to the Association.

(ii) On or before the effective date of the Managing Agent's resignation, the Managing Agent shall turn over all books and records relating to the management and operation of the Property and the City Share operation to the successor Managing Agent.

(d) Provide for compensation to be paid to the Managing Agent not to exceed 10% of the Basic Expenses, exclusive of the fee to the managing Agent. The limit of such compensation may be increased by the Board if authorized by a Majority of Owners.

(e) The Association shall cause the Managing Agent and any employee of either the Managing Agent or the Association who has charge of the City Share Owners' funds to be bonded or covered by insurance providing for a comprehensive crime endorsement.

4.4 Limitation on Powers of the Managing Agent. Notwithstanding the powers of the Association as set forth in Paragraphs 4.1 and 4.2, the Managing Agent shall not enter into a contract with a third person or entity whereby such person or entity will furnish goods or services for the City Share operation for a term longer than one year unless authorized by the Board except for:

(a) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate.

(b) Prepaid casualty and/or liability insurance policies not to exceed three years duration provided that the policy permits short-rate cancellation by the insured.

(c) A lease of Common Furnishings.

4.5 Limited Liability. Neither the Association nor the Managing Agent shall be responsible for the acts, omissions or conduct of any City Share Owner, Permitted User or Exchange User, or for the breach of any of the obligations of any City Share Owner, Permitted User or Exchange User.

ARTICLE V
ASSESSMENTS, PERSONAL CHARGES AND SECURITY DEPOSIT

5.1 Creation of Personal Obligations for Assessments. Each City Share Owner hereby covenants and agrees, whether or not it shall be so expressed in his Purchase Agreement or

Original Deed, for each City Share owned by such City Share Owner to pay to the Association the "Basic Assessment," all "Special Assessments," and the "Reconstruction Assessment," [as the quoted terms are defined in Paragraphs 5.4, 5.5, 5.6 and 7.2, below, respectively, and all of which are sometimes herein individually and collectively referred to as "Assessment(s)"], which shall be established, paid and collected as hereinafter provided. Subject to the foregoing, the Assessments, together with interest, costs and reasonable attorneys' fees shall be the personal obligation of each City Share owner at the time the Assessment becomes due and payable and shall be a lien and charge upon the City Share against which the Assessment is made. Subject to the provisions of subparagraph 6.2(b) below, the personal obligation for delinquent Assessments shall not pass to successors-in-title to a City Share unless expressly assumed by them. No City Share Owner may waive or otherwise avoid liability for the Assessments by non-use of his City Share or any part thereof or any abandonment thereof.

5.2 Purpose of Assessments. Assessments shall be used exclusively to promote the recreation, health, safety and welfare of the City Share Owners, the operation, maintenance and improvement of the Property, to pay for the administration of the City Share operation and reimbursement of expenses incurred by the Association and other expenditures incurred in the performance of the duties of the Association as set forth in this Declaration.

5.3 Additional Definitions Related to Assessments. "Basic Expenses" means the estimated aggregate amount of expenses, as set forth in the operating Budget, to be incurred by the Association during the applicable Fiscal Year

(i) to operate, manage, maintain, improve and repair the Property, and to administer the City Share operation;

(ii) to provide for reserves to ensure payment when due of the cost of capital expenditures relating to the repair or restoration of the City Share Units, the Common Area and the Support Areas, and the repair and replacement of Common Furnishings, and for such other purposes as may be required by good business practice (the "Reserve Expenses"). Without limiting the generality of the foregoing, Basic Expenses shall include all charges, costs, and expenses whatsoever incurred by the Association for or in connection with the administration and operation of the City Share Units. Basic Expenses for any applicable Fiscal Year shall not exceed 120% of Basic Expenses for the preceding Fiscal Year unless approved by a Majority of Owners. The Reserve Expenses portion of the Budget shall consist of specific items and amount for which such Reserve Expenses are being collected.

5.4 Basic Assessment. On a Fiscal Year basis, an assessment (the "Basic Assessment") for each City Share shall be determined by dividing the Basic Expenses attributable to such Fiscal year by 816.

5.5 Payment of Basic Assessment. The Basic Assessment shall be payable in one lump sum due on or before the date determined by the Board of Directors or, if the Board of Directors shall so elect, in periodic installments payable not more frequently than monthly.

5.6 Special Assessments. If the aggregate of the Basic Assessment with respect to all City Shares is, or will become, inadequate to meet all expenses incurred by the Association hereunder (other than for items constituting Personal Charges) for any reason, including nonpayment by any City Share Owner of Assessments on a current basis, the Board of Directors shall immediately determine the approximate amount of such inadequacy, and may prepare and

distribute a supplemental budget and levy against each City Share Owner, at a uniform rate in accordance with the method established for calculating the Basic Assessment, a special assessment (the "Special Assessment") in an amount sufficient to provide for such inadequacy; provided however, that without the vote or written assent of a Majority of Owners, Special Assessments shall not, in the aggregate, exceed 5% of Basic Expenses for the Fiscal Year in question. Any Special Assessment shall be payable in one lump sum or periodically, as determined by the Association and shall be payable within 15 days after receipt of a statement therefor. This section does not limit assessment increases necessary for emergency situations. An emergency situation is any one of the following:

(a) An extraordinary expense required by an order of a court.

(b) An extraordinary expense necessary to repair or maintain the common interest development or any part of it for which the Association is responsible where a threat to personal safety on the property is discovered.

(c) An extraordinary expense necessary to repair or maintain the common interest development or any part of it for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the pro forma operating budget under Section 1365 of the California Civil Code. However, prior to the imposition or collection of an assessment under this subdivision, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process, and the resolution shall be distributed to the members with the notice of assessment.

5.7 Personal Charges. The term "Personal Charges" means (a) any expense resulting from the act or omission of any City Share owner or Permitted User, including but not limited to, (i) the cost of telephone charges or telephone message unit charges, any optional maid service and other special services or supplies attributable to the occupancy of the City Share Unit during such City Share Owner's Use Period, (ii) the cost to repair any damage to the Property, including without limitation, Units, the Common Area, Support Areas and the Common Furnishings (including replacing same or any portion thereof) occurring during such City Share Owner's Use Period, and (iii) the cost to satisfy any expense to any other City Share Owner(s), Permitted User(s), Exchange User(s) or to the Association due to any intentional or negligent act or omission of such City Share Owner or Permitted User, or resulting from the breach by such City Share Owner or Permitted User of any provisions of this Declaration, the By-Laws or the Rules and Regulations; (b) amounts debited against the City Share Owner's interest in the Security Deposit Account pursuant to the provisions of Paragraph 5.8 below. For purposes of this Paragraph 5.7, the act or negligence of a Permitted User shall be deemed to be the act or negligence of the City Share Owner who permits such Permitted User to use and occupy his Assigned Unit or any portion thereof. Such Personal Charges are due and payable upon check out.

5.8 Security Deposit. Each City Share Owner shall be required to pay to the Association an amount equal to $50.00, which amount shall be retained by the Association in the Security Deposit Account and used to pay any Assessment(s) or other amount(s) due from such City Share Owner and which is then delinquent and apply the same in payment of any other sum(s) due and payable to the Association hereunder. Said sum of $50.00 shall be paid by each

City Share Owner. Such deposit shall be replenished at the beginning of each Fiscal Year and billed with the Basic Assessment.

ARTICLE VI
ENFORCEMENT OF RESTRICTIONS

6.1 In General. In the event that any City Share Owner or his Permitted User(s) fails to comply with any of the provisions of this Declaration, the By-Laws and the Rules and Regulations, the Association or any other City Share Owner(s) shall have full power and authority to enforce compliance with this Declaration, the By-Laws and the Rules and Regulations in any manner provided for herein, by law or in equity, including without limitation the right to enforce the Declaration, the By-Laws and the Rules and Regulations by bringing an action for damages, an action to enjoin the violation or specifically enforce the provisions of this Declaration, the By-Laws and the Rules and Regulations to enforce the liens provided for herein and any statutory lien provided by law, including the foreclosure of any such lien and the appointment of a receiver for a City Share Owner and the right to take possession of the City Share of any City share Owner in any lawful manner. In the event the Association or any city Share Owner(s) shall employ an attorney to enforce the provisions of this Declaration, the By-Laws or the Rules and Regulations, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs in addition to any other amounts due as provided for herein. All sums payable hereunder by a City Share Owner may bear interest at the maximum rate permitted by law, or such lesser rate as determined from time to time by the Board of Directors, from the due date, or if advanced or incurred by the Association, or any other City Share Owner pursuant to authorization contained in this Declaration, commencing 10 days after repayment is requested. All enforcement powers of the Association shall be cumulative. Each City Share Owner by accepting the conveyance of a City Share shall be deemed to have covenanted and agreed that the Association shall have all of the rights, powers and remedies set forth in this Declaration.

6.2 Certain Specific Enforcement Powers. In amplification of, and not in limitation of, the general powers specified in Paragraph 6.1, above, the Association shall have the following rights and powers:

(a) Suspension of Privileges. If any City Share Owner or his Permitted User shall be in breach of this Declaration, the By-Laws or the Rules and Regulations, subject to the limitations hereinafter in this subparagraph 6.2(a) set forth, the Association may suspend the right of such City Share Owner and his Permitted User(s) to reserve and/or occupy any City Share Unit and the right of such City Share Owner to participate in any vote or other determination provided for herein. No such suspension, except a suspension of privileges for the failure of such City Share Owner to pay any Assessments, any portion thereof or any other amount(s) due hereunder on or before the due date therefor, shall be made except after a meeting of the Board at which a quorum of the Board is present, duly called and held for such purpose in the same manner as provided in the By-Laws for the noticing, calling and holding of a meeting of the Board. Written notice of such meeting and the purpose thereof, including the reasons for the suspension sought, shall be given to the City Share Owner whose privileges are being sought to be suspended at least 15 days

prior to the holding of such meeting. Such notice shall be given as provided at Paragraph 8.3, below. Such City Share Owner shall be entitled to appear at such meeting and present his case as to why his privileges should not be suspended. The decision as to whether such privileges should be suspended shall be made by a majority of the members of the Board present at such meeting. Written notice of suspension, the reasons therefor and the length thereof shall be given to the suspended City Share Owner and the suspension shall become effective on the date such notice is given. If such suspension of privileges is based on the failure of a City Share Owner to pay Assessments or any other amount(s) due hereunder when due, the suspended privileges of such City Share Owner shall be reinstated automatically at such time as the City Share Owner shall have paid to the Association, in cash or by cashier's, certified check or money order, all amounts past-due as of the date of such reinstatement. If such suspension of privileges is based on any act or omission other than the failure of a City Share Owner to pay Assessments or any other amount(s) due hereunder when due, the suspended privileges shall be automatically reinstated upon the expiration of the suspension period stated in the suspension notice.

(b) Enforcement by Lien. There is hereby created a claim of lien, with power of sale, on each and every City Share to secure the prompt and faithful performance of each City Share Owner's obligations under this Declaration, the By-Laws and the Rules and Regulations to pay to the Association any and all Assessments levied against any and all City Shares under this Declaration, together with interest thereon at the maximum rate permitted by law from the date of delinquency, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees. At any time within 90 days after the occurrence of any default in the payment of such Assessment, the Association or any authorized representative may, but shall not be required to make a written demand for payment or performance to the defaulting City Share Owner. Said demand shall state the date and amount of the delinquency with respect to which the City Share Owner is in default. Each default shall constitute a separate basis for a demand or claim of lien or a lien, but any number of defaults may be included within a single demand or claim of lien. If such delinquency is not paid within 10 days after delivery of such demand, or within 100 days after the date of delinquency if no written demand is made, the Association may elect to file and record a notice of default and claim of lien (with a copy to the Mortgagee of such defaulting City Share Owner if such mortgagee has requested a copy and furnished its name and address to the Association) on behalf of the Association against the City Share of the defaulting City Share Owner in the office of the Recorder of San Francisco County. Such a notice of default and claim of lien shall be executed and acknowledged by any officer of the Association, and shall contain substantially the following information:

A. The name of the defaulting City Share Owner;

B. The total amount of the delinquency, interest thereon, collection costs and reasonable attorneys' fees and monetary penalties imposed by the Association;

C. That the notice of default and claim of lien is made by the Association pursuant to this Declaration; and,

D. That a lien is claimed and will be foreclosed against the City Share in an amount equal to the amount stated.

Upon such recordation of a duly executed original or copy of such a notice of default and claim of lien, and mailing a copy thereof to the defaulting City Share Owner, the lien claimed therein shall immediately attach and become effective. Any such lien may be foreclosed by appropriate action in court or in the manner provided by law for the foreclosure of a deed of trust by exercise of a power of sale contained therein or in the manner provided by law for the enforcement of a judgment or the laws of the State of California may from time to time be changed or amended. The Association shall have the power to bid in at any foreclosure sale, Trustee's Sale, or judgment sale and to purchase, acquire, lease, hold, mortgage and convey any City Share acquired at such sale, subject to the provisions of the Declaration. Reasonable attorneys' fees, court costs, title search fees, interest and all other costs and expenses shall be allowed to the extent permitted by law.

The proceeds of any foreclosure, Trustee's or Judgment Sale provided for in this Declaration shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees, title costs and costs of the sale, and all other expenses of the proceedings and sale, and the balance of the proceeds, after satisfaction of such charges and unpaid Assessments hereunder or any liens, shall be paid to the defaulting City Share Owner. The purchaser at any such sale shall obtain title to the City Share free from the sums of performance claimed (except as stated in this subparagraph) but otherwise subject to the provisions of this Declaration, the By-Laws and the rules and Regulations; and no such sale or transfer shall relieve such City Share or the purchaser thereof from liability for any Assessments, other payment or performance thereafter becoming due or from the lien therefor as provided for in this subparagraph. All sums assessed hereunder but still unpaid shall remain the obligation of and shall be payable by the person foreclosed upon; but if such sum should prove uncollectible, then it shall be deemed to be a Basic Expense, collectable from all of the other City Share Owners, including the purchaser thereof at foreclosure, and shall be shared among such City Share Owners in the same manner as other Basic Expenses are shared.

Upon the timely curing of any default for which a notice of claim of lien was filed by the Association, the officers of the Association are hereby authorized to record an appropriate release of such lien in the Office of the San Francisco County Recorder.

6.3 Subordination to Certain Mortgages. The lien provided for herein shall be prior to all encumbrances made by a City Share Owner or imposed by legal process upon any City share Owner except taxes, bonds, assessments and other levies, which by law, are prior thereto, whether the notice of lien is recorded prior or subsequent to any such encumbrances, except that the lien provided for herein shall be subordinate to the lien of any first Mortgage and any other Mortgage held by the holder of the first Mortgage made in good faith and for value and recorded in the Office of the County Recorder of San Francisco County, California, (individually and collectively the "Prior Mortgage") prior to the recordation of a notice of lien hereunder. The sale or transfer of any City Share shall not defeat or affect the lien provided for herein; provided, however, that the sale or transfer of any City Share which is subject to any Prior Mortgage pursuant to a foreclosure under such Prior Mortgage shall extinguish the lien provided for herein as to payments which became due prior to such sale or transfer. No such sale or transfer shall relieve such City Share or the purchaser thereof from liability for any Assessment(s) thereafter becoming due or from the lien thereof.

ARTICLE VII
DAMAGE, DESTRUCTION, CONDEMNATION

7.1 In General. In the event of any damage or destruction, whether resulting from an insured casualty, uninsured casualty or a partial taking in eminent domain proceedings of the Property, or any portion thereof, including without limitation any Share or portion thereof, or the Common Furnishings other than by ordinary wear and tear, the Association, subject to the provisions of Paragraph 7.2, shall cause such damage or destruction to be repaired promptly and shall use any available insurance or condemnation proceeds for such purpose. If the damage is not covered by condemnation proceeds or by insurance proceeds, or if the available insurance or condemnation proceeds are insufficient, the Association shall, subject to the provisions of Paragraph 7.2 and the next succeeding sentence, levy against all City Share Owners a "Reconstruction Assessment" at a uniform rate in accordance with the method established for calculating the Basic Assessment for the amount required to meet the cost of such repair or restoration. In the event the damage or destruction was caused by the intentional or negligent act or omission of a City Share Owner or his Permitted User, the cost of such repair or the amount of such deficiency shall be a Personal Charge and paid by such City Share Owner as provided in Paragraph 5.9, above.

7.2 Extensive Damage or Destruction. In the event the amount of the Reconstruction Assessment which would be required to be levied pursuant to Paragraph 7.1, above, shall exceed 10% of Basic Expenses, such Reconstruction Assessment shall not be levied unless such Reconstruction Assessment is approved by a Majority of Owners. If such Reconstruction Assessment is not so approved or if no action is taken with respect to such Reconstruction Assessment within 180 days following the date of such damage or destruction, such disapproval or inaction shall be deemed to be an election to terminate this Declaration with respect to the Share subjected to such damage or destruction, in which event this Declaration shall terminate with respect to such Share upon the consummation of the sale or disposition of such Share, pursuant to subparagraph 8.2(b) below, and the recordation of an amendment stating that the Declaration has been terminated with respect to such Share in accordance with the provisions of this Paragraph 7.2. Any proceeds arising from such sale or disposition, together with any insurance proceeds or condemnation proceeds received as a result of such damage or destruction, shall be distributed by the Association, as trustee, to City Share Owners (subject to the rights of each City Share Owner's Mortgagee), at a uniform rate in accordance with the method established for calculating the Basic Assessment; provided, however, that there shall be deducted from the amount due any City share Owner the amount, if any, of all sums due to the Association from such City Share Owner.

7.3 Excess Insurance Proceeds. Any excess insurance or condemnation proceeds over the cost or repair or restoration or any insurance or condemnation proceeds available in the event the Property or any portion thereof or the Common Furnishings are not rebuilt, restored, repaired or replaced pursuant to the provisions of this Declaration, shall be distributed by the Association, as trustee, or held in trust to be applied to the next Basic Assessment (subject to the rights of

such City Share Owners' Mortgagees) at a uniform rate in accordance with the method established for calculating the Basic Assessment; provided, however, that there shall be deducted from the amount due any City Share Owner, the amount, if any, of all sums due to the Association from such City Share Owner.

ARTICLE VIII
MISCELLANEOUS PROVISIONS

8.1 Amendment. This Declaration may be amended by a Majority of Owners. No amendment shall require the consent or approval of any Mortgagee. Any amendment authorized hereby shall be evidenced by an instrument in writing, signed and acknowledged by any two officers of the Association, which amendment shall be effective upon recordation in the Office of the Recorder of San Francisco County.

8.2 Termination. Subject to the provisions of Paragraph 7.2, above, this Declaration shall remain in effect until terminated in accordance with subparagraphs 8.2(a) through (d), below.

(a) This Declaration may be terminated at any time (i) after thirty (30) years from the date of recordation of this Declaration, by a Super-Majority of Owners electing to terminate the Declaration and authorizing the Association to sell the Property, or (ii) upon the occurrence of the events described in paragraph 7.2, above. In such event, each City Share Owner, by accepting the conveyance of a City Share, whether or not it shall be so expressed in the Original Deed, hereby confers upon the Association, as trustee, the power and authority, as more particularly described in Subparagraph 8.2(b), below, to sell, convey or otherwise transfer the Property, together with any improvements thereon, and this Declaration shall terminate upon the consummation of such sale and the recordation of an instrument stating that this Declaration is terminated pursuant to this subparagraph 8.2(a). Notwithstanding the termination of the Declaration as hereinabove provided in this subparagraph 8.2(a), and the termination thereby of all of the covenants, conditions, restrictions, easements, rules and regulations, liens and equitable servitudes created by this Declaration, the existence of the Association shall continue for so long as reasonably required to provide for the collection and disbursement of the proceeds from the sale, conveyance or transfer of the Property.

(b) Each City Share Owner, by accepting the conveyance of a City Share, whether or not it shall be so expressed in the Original Deed, hereby constitutes and appoints the Association as trustee, as his attorney-in-fact in his name, place and stead, and for his use and benefit, to execute, acknowledge and deliver on behalf of each City Share Owner any instrument or document which is required in order to effect a sale, conveyance or transfer of the Property, together with any improvements thereon, pursuant to this subparagraph 8.2(b), including, but not limited to, (i) a trust agreement pursuant to which the Association, as trustee, may acquire title to the Property for the purpose of disposing of the same as provided in subparagraph 8.2(a), above, and pursuant to which trust agreement each City Share Owner shall be a beneficiary, and (ii) such documents of conveyance as may be reasonably required to convey title to the City Share(s) of

each City Share owner to the Association, as trustee. Each City Share Owner does further give and grant unto the Association, as trustee, as his attorney-in-fact, full power and authority to do and perform any act necessary and proper to be done in the exercise of the foregoing power, including, without limitation, the power and authority to petition for sale in lieu of partition, if necessary to effect such conveyance, as fully as each City Share Owner might or could do. Each and every grant contained in this subparagraph 8.2(b) (i) is coupled with such interest in the Property as such grantor may possess, and (ii) is irrevocable.

(c) In the event that no conveyance, sale or transfer of the Property shall have been effected by the Association within nine (9) months after (i) the date upon which the City Share Owners shall elect to terminate this Declaration as provided in subparagraph 8.2(a), above, or (ii) the date upon which an event described in Paragraph 7.2, above, shall have occurred, each City share Owner shall have the right to petition a court of competent jurisdiction for the sale of the Property in lieu of partition thereof; provided, however, that notwithstanding that the Property shall not have been conveyed, sold or transferred within said nine (9) months period, such court shall recognize and give effect to any agreement, document or instrument made or entered into by the Association within said nine (9) months period and pursuant to which the Property shall be conveyed, soled or transferred.

(d) The proceeds from a sale of the Property (i) by the Association pursuant to the power of sale conferred upon the Association as set forth in subparagraph 8.2(a), above, or (ii) by a referee appointed to do so pursuant to a decree of partition obtained pursuant to subparagraph 8.2(b), above, shall be distributed by the Association, as trustee, to each City share owner, (subject to the rights of such City Share Owner's Mortgagee), at a uniform rate determined in accordance with the method established for calculating the Basic Assessment; provided, however, that there shall be deducted from the amount due any City Share Owner, the amount, if any, of all sums due to the Association from such City Share Owner.

8.3 Notices. Notices provided for in this Declaration shall be in writing and shall be deemed sufficiently given either when delivered personally at the appropriate address set forth below (in which event, such notice shall be deemed effective only upon such delivery) or 3 business days after deposit of same in any United States postal station within California or 4 business days after deposit of same in any such postal station when addressed to a state outside of California, postage prepaid, addressed as set forth below. Any notice to a City Share owner appearing in the records of the Association or, if there be none, at the address of the Property. Notices to the Association shall be addressed to the address designated by the Association by written notice to all City Share Owners. Notices to the managing Agent shall be addressed to the address designated by the Managing Agent. The addresses and addressees for purposes of this Paragraph 8.3 may be changed by giving written notice of such change in the manner herein provided for giving notice. Unless and until such written notice is received, the last address and addressee as stated by written notice or as provided herein, if no written notice of change has been sent or received, shall be deemed to continue in effect for all purposes hereunder.

8.4 Notification of Sale of City Share. No later than 30 days prior to the sale or transfer of any City Share under circumstances whereby the transferee becomes the City share Owner thereof, the transferor shall notify the Association in writing and in whatever form, if any, required by the Association of such pending sale or transfer. Such notice shall set forth the name

and address of the transferee and transferor, the date on which such sale or transfer is to be consummated, and the purchase price to be paid by the transferee for such City Share. Any outstanding and unpaid Personal Charges shall be paid to the Association prior to the transfer of such City Share.

given by the Association shall be deemed duly given and made to the transferee if duly and timely made and given to such transferee's transferor.

8.5 Severability. If any provision of this Declaration, or any section, sentence, clause, phrase or word or the application thereof in any circumstance, shall be held invalid, the validity of the remainder of this Declaration and of the application of such provision, sentence, clause, phrase or word under any other circumstances shall not be affected thereby.

8.6 Successors. The provisions of this Declaration shall be binding upon all parties having or acquiring any City shares or any right, title or interest therein and shall be for the benefit of each city Share Owner and his heirs, successors and assigns. Each City Share Owner shall be fully discharged and relieved of liability on the covenants herein insofar as such covenants relate to each City Share upon ceasing to own such City Share and paying all sums and performing all obligations hereunder insofar as the same relate to each City Share up to the time his ownership interest is terminated.

8.7 Violation or Nuisance. Every act or omission whereby any provision of this Declaration, the By-Laws or the Rules and Regulations is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated whether or not the relief sought is for negative or affirmative action, by the Association or any City Share Owner.

8.8 Interpretation. The captions of these Articles, Paragraphs and subparagraphs hereof are for convenience only and shall not be considered to expand, modify or aid in the interpretation, construction or meaning of this Declaration. As used herein the singular shall include the plural and the masculine shall include the feminine and neuter.

8.9 No Waiver. The failure to enforce any provision of this Declaration shall not constitute a waiver thereof or of the right to enforce such provision thereafter.

IN WITNESS WHEREOF, the Association has hereunto caused this Declaration to be executed as of the day and year first-above written.

SAN FRANCISCO SUITES CITY SHARE ASSOCIATION

By: _____
Robert Pencovic, President

By: _____
Sarah Olson, Secretary

F985056

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of CALIFORNIA

County of SAN FRANCISCO

On 26 MARCH 1996 (Date) before me, Estelle Alberts, Notary (Name and Title of Officer (e.g., "Jane Doe, Notary Public"))

personally appeared SARAH OLSON (Name(s) of Signer(s))

☐ personally known to me – OR – ☑ 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.

ESTELLE ALBERTS
COMM. # 982435
NOTARY PUBLIC-CALIFORNIA
SAN FRANCISCO COUNTY
My Comm. Expires Jan.10, 1997

WITNESS my hand and official seal.

Estelle Alberts
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: San Francisco Suites on Nob Hill

Document Date: 26 MARCH 1996 Number of Pages: 22

Signer(s) Other Than Named Above: NONE - Robert Pencovic HAS NOT SIGNED - WAS NOT PRESENT

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing:

Signer's Name: _____

☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing:

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ACKNOWLEDGMENT

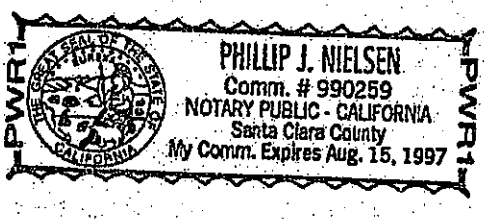
F985056

STATE OF CALIFORNIA

COUNTY OF SANTA CLARA

On this 18th day of April, 1996, before me, PHILLIP J. NIELSEN, the undersigned Notary Public, personally appeared ROBERT L. PENCOVIC, personally known to me (or 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 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.

WITNESS my hand and Official Seal.



Phillip J. Nielsen