



LOAN ESCROW INSTRUCTIONS

Borrower and Lender Instructions

Prepared by: Agent _____
Broker _____

Phone _____
Email _____

DATE: _____, 20____.

Items left blank or unchecked are not applicable.

Escrow number _____

Escrow/Brokerage company _____

Licensed by the Department of _____, State of California, license # _____

Escrow officer _____

Address _____

Phone number _____

Fax _____

Borrower _____

Lender _____

An escrow administrative fee will be charged each principal for postponement of closing by two months or more beyond the originally scheduled closing date in these instructions or on cancellation of these instructions, due to acts or omissions of either principal.

Postponement Fee . . . \$ _____

Cancellation Fee \$ _____

Buyer's Initials	Seller's Initials
_____	_____

TERMS OF LOAN: (for escrow use only)

\$ _____ Note and Trust Deed executed by Borrower

\$ _____ Assessment Bond to remain of Record

\$ _____ 1st Trust Deed to remain of Record

\$ _____ 2nd Trust Deed to remain of Record

You, the escrow officer, are authorized and instructed as follows:

1. Borrower deposits herewith the sum of \$ _____.
- 1.1 On or before _____, 20____, the date set for closing, Borrower will hand You his trust deed, to secure a note executed in favor of Lender in the face amount of \$ _____.
- a. Close of escrow in the date the trust deed is recorded.
- 1.2 Borrower will deliver to You prior to the date set for closing any instruments required which You request.
- 1.3 From Borrower's deposit, You are to pay the following charges and costs on written demand from Loan Broker:
 - a. Credit report and analysis fee of \$ _____ to _____.
 - b. Appraisal report fee of \$ _____ to _____.
 - c. Home/building inspector's fee of \$ _____ to _____.
 - d. _____ fee of \$ _____ to _____.
 - e. _____ fee of \$ _____ to _____.
- 1.4 After the date set for closing, You may use these funds and instruments until such time as You receive written notice not to do so.
2. Lender to deposit with you the proceeds of the trust deed loan together with Lender closing instructions on your call for funds.
3. Upon the use of loan funds and instruments, You are to obtain a policy of title insurance, with the usual title company exceptions:
 - 3.1 showing title vested in Borrower free of encumbrances other than those set forth below;
 - 3.2 insuring Lender's security interest in title under an ALTA form Lender's policy issued by _____;
 - 3.3 with endorsements _____;
 - 3.4 title insurance to be in the amount of \$ _____ covering real property located at _____ and legally described as _____.

3.5 Subject to the following only:

- a. All General and Special taxes for the _____ fiscal year, including any special district taxes or personal property taxes collected with the ad valorem taxes.
- b. Assessments and Bonds with an unpaid balance of \$_____.
- c. Any covenants, conditions, restrictions, reservations, rights, right of ways and easements of record, or in deed to record, and EXCEPTIONS of water, minerals, oil, gas, and kindred substances, on or under said real property, now of record, or in deed to record.
- d. First encumbrance now of record with an unpaid balance of \$_____, payable \$_____ monthly, including interest of _____% per annum. ARM
- e. Second encumbrance now of record with an unpaid balance of \$_____, payable \$_____ monthly, including interest of _____% per annum, all due and payable _____, 20_____.
- f. Deed of Trust to record in the amount of \$_____. Execution of loan documents shall be Borrower's approval of their terms.

4. You are to obtain at Borrower's expense beneficiary statements on the Deed(s) of Trust (or mortgage) now of record (§3.5d and §3.5e above). If the principal balances shown by the statements are more than the amount shown above, Lender may cancel this transaction.

4.1 You are to deliver to Lender for Lender's approval prior to close of escrow a copy of the beneficiary statement for each Deed of Trust to remain of record on closing.

4.2 You are to deliver to Borrower prior to close of escrow any payoff demand necessary to eliminate encumbrances so You can comply with conditions in §3.5 for title insurance.

5. You are to obtain at Borrower's expense a UCC-3 clearance on the following described personal property

showing title thereto to be subject to the following UCC-1 financing statements:

5.1 A UCC-1 obligation on file in the approximate amount of \$_____, payable \$_____ per month, including an annual percentage rate of _____%, all due and payable _____, 20_____.

5.2 A UCC-1 form in favor of Lender filed at Borrower's expense as additional security.

6. Prior to close of escrow, Buyer is to hand You a hazard insurance policy naming Lender as additional loss payee. The policy is to be in an amount sufficient to cover all lien balances or the coverage demanded by Lender if greater in amount.

7. Prior to the close of escrow and at Borrower's expense, Borrower to hand You a structural pest control clearance on the subject property.

8. Prior to the close of escrow and at Borrower's expense, You are to obtain from the homeowners' association (HOA) of any common interest development which includes the described property the following checked item(s) for Lender approval:

8.1 A statement of condition of assessments;

8.2 Copies of the association's articles, bylaws, CC&Rs, collection and lien enforcement policies, operating budget, operating rules, CPA's financial review, insurance policy summary and any age restriction statement;

8.3 Copies from the association of any notice to Borrower of CC&R violations, any list of construction defects, and any assessment charges not yet payable.

9. You are to promptly obtain and hand Lender a preliminary title report on the property from title company for Lender's approval or disapproval and cancellation of this transaction.

10. The close of escrow and disbursement of funds can be affected based on the form of the deposit with escrow. Funds deposited in cash or by electronic payment allow for closing and disbursement on or after the business day of deposit with the escrow's financial institution. Funds deposited by cashier's check allow for closing and disbursement on or after two business days after deposit with the escrow's financial institution. All other forms of deposit cannot be disbursed and thus, the closing cannot occur until the funds are made available to escrow by the escrow's financial institution.

11. In the event You become involved in litigation between Borrower and Lender arising out of this transaction, Borrower and Lender shall pay a reasonable fee for attorney services which You may be required to incur.

11.1 Before any party to this agreement files an action on a dispute arising out of this agreement which remains unresolved after 30 days of informal negotiations, the parties agree to enter into non-binding mediation administered by a neutral dispute resolution organization and undertake a good faith effort during mediation to settle the dispute.

12. You are authorized to use Borrower's instruments when You hold and can deliver to Borrower the money to be delivered to Borrower under these instructions.

12.1 You are to pay and charge Borrower for the following items:

- a. Monetary liens of record to show title as called for.
- b. Loan Broker fees: \$ _____ to _____
\$ _____ to _____
- c. Title insurance premiums on the policy to be issued to Lender.
- d. Cost of recording Borrower's trust deed and any request for notices of default and delinquency, and Lender charge for receipt of notice of delinquency.
- e. Escrow fees for you services.
- f. All costs and charges in connection with escrow.
- g. Charges demanded in Lender's funding instructions to escrow.
- h. Charges for special mail handling, delivery by courier and photocopies.
- i. Charges for incoming and outgoing wire transfer fees at \$ _____ per wire.

13. Provisions with which escrow is not to be concerned:

13.1 Borrower is aware interest accruing on loan of record for which Borrower is responsible continues after the close of escrow until the payoff of the loan is actually received by Lender.

13.2 _____

14. You are to deliver the net proceeds of this escrow on closing as follows:

14.1. all net proceeds to _____

14.2 \$ _____ of net proceeds to _____

14.3 Hold check for pickup;

a. Call for pickup of check. Phone: _____

14.4 Wire funds to (bank) _____

Address _____

Routing number _____

Account number _____

14.5 Send check by regular mail to _____

14.6 Deliver check by overnight courier _____

to _____

15. See attached addendum for supplemental escrow instructions. [See ft Form 250]

I hereby agree to perform all acts called for above to be performed by Borrower.

See attached Signature Page Addendum. [ft Form 251]

Date: _____, 20____

Borrower: _____

Signature: _____

Borrower: _____

Signature: _____

Address: _____

Phone: _____

Fax: _____

Email: _____

I hereby agree to perform all acts called for above to be performed by Lender.

Date: _____, 20____

Lender: _____

Signature: _____

Address: _____

Phone: _____

Fax: _____

Email: _____