



First American Title Company  
3780 State Street  
Santa Barbara, CA 93105  
(805)687-1581  
Fax - (866)866-1277

## SALE ESCROW INSTRUCTIONS

To: **First American Title Company**  
**Cathy Tajima, Escrow Officer**

Date: **March 02, 2011**  
File No.: **4206-3714076 (CT)**

Re: **26 La Calera Way, Goleta, CA 93117 ("Property")**

### Terms of Transaction

To effect the purchase of Property hereinafter described, Buyer will pay total consideration as follows:

Initial Deposit	\$	<b>5,000.00</b>
Down Payment	\$	<b>41,250.00</b>
First New Loan	\$	<b>185,050.00</b>
TOTAL CONSIDERATION	\$	<b>231,300.00</b>

all of which you may use when you hold for me a Grant Deed executed by

### COUNTY OF SANTA BARBARA, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA

and Buyer will deliver to Escrow Holder any instruments and funds required from Buyer to comply with these instructions, all of which Escrow Holder is authorized to use or deliver on or before **MARCH 31, 2011** ("Close of Escrow") provided instruments have been filed for record enabling Escrow Holder to issue a CLTA/ALTA HOMEOWNERS form policy of title insurance with title company's exceptions, having a liability amount of at least the amount of the total consideration covering the following described property situated in the City of Goleta, County of Santa Barbara, State of California:

### LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF

**Vesting:** Buyer directs that title to the Property be vested as follows:

**YONG CHAN and AILIEN LUU, husband and wife (Escrow Holder shall be provided with written instructions as to the exact manner in which buyer will hold title prior to close of escrow)**

**Title Approval:** Buyer acknowledges that the Policy of Title Insurance for the Property will be subject to the following without limitation:

1. All general and special taxes, assessments and/or bonds not delinquent.
2. Covenants, conditions, restrictions, reservations, easements for public utilities, districts, water companies, alleys and streets, rights and rights of way of record, if any; also exceptions of oil, gas, minerals and hydrocarbons, and/or lease, if any, without the right of surface entry.

3. New Deed of Trust to file, securing a Note in the amount of **\$185,050.00** payable in accordance with the terms and conditions contained therein. Borrower's execution of loan documents shall be deemed approval of all terms and conditions contained therein. Escrow Holder is instructed to comply with Lender's requirements in connection with the new loan.

**The following prorations and/or adjustments are to be made as of close of escrow:**

- (1) Taxes based on the amount of the last tax statement of the Tax Collector issued prior to the close of escrow. (If the amount of the new tax bill issued by the Tax Collector after close of escrow is more or less than the amount used for proration purposes, the difference, if any, will be adjusted by the parties hereto outside of escrow.) Seller will forward to Buyer any present or future tax bills on property herein.
- (2) Homeowner Association dues.

**Additional Agreements:** The parties further agree to the following:

**Buyer is aware and agrees that the Property is being sold under the County's affordable housing program. Buyer agrees to execute and record a Resale Restrictive Covenant and Preemptive Right ("Covenant") in a form approved by County. Among other things, the Covenant restricts the price at which the property may be sold for 45 to 90 years, prohibits rental of any portion of the Property, provides for liquidated damages and/or specific performance in the event of breaches of the Covenant, restricts refinancing of the Property and requires that it be sold only to income qualified buyers. Buyer understands that they have been certified to purchase the Property and that the discovery of any false or misleading statements on their Home Ownership Application could result in their disqualification from purchase of the unit.**

**Buyer is also aware that the Property is subject to Covenants, Conditions and Restrictions ("CC&R'S") of Pacific Glen which among other things, require payments of monthly homeowners fees, restrict parking and limit improvements that can be made to the Property.**

**The Buyer understands and agrees that the Property is being sold in "AS-IS" Condition. Seller has no obligation to make repairs or alterations to the property.**

**Insurance:** Buyer is to obtain new fire insurance coverage and will comply with Lender's requirements for hazard insurance. The first year's premium for the policy is to be paid by Buyer through escrow.

**Contingencies:** The Close of Escrow is contingent upon the following:

**Financing/Prequalification:** On or before **SEVENTEEN (17) DAYS FROM ACCEPTANCE**, Buyer shall obtain a new loan in favor of a Lender of Buyer's choice. Buyer shall provide to Seller a letter from Lender stating that Buyer is prequalified for the new loan indicated above by .

**Preliminary Report Approval:** The close of this escrow is contingent upon Buyer's written approval of the preliminary report issued by **First American Title Company** within **5** days of Buyer's receipt of same.

**Homeowners Association documents:** The close of this escrow is contingent upon Buyer's written approval of the Homeowners Association governing documents within 5 days of Buyer's receipt of same.

**Investigation of Property:** Buyer's acceptance of the condition of, and any other matter affecting the Property, on or before Seventeen (17) days from acceptance

**End of Contingencies**

**For Sale By Owner:** You have entered into this transaction without engaging the services of a Real Estate Broker to assist you. It will be your sole responsibility to make sure that you comply with all legal rules that govern the transfer of real property. Further, you understand and acknowledge that First American Title Company is the Escrow Holder in this transaction. An Escrow Holder is not a substitute for a Real Estate Agent. As Escrow Holder, we are not able to provide you with any legal advice. If you have questions concerning your legal responsibilities or do not know what they are, **WE URGE YOU TO SEEK THE ADVICE OF AN ATTORNEY AND/OR REAL ESTATE BROKER.**

These escrow instructions represent the only written agreement between Buyer and Seller. The duties of the Escrow Holder are limited solely to the specific provisions in these escrow instructions.

**Homeowner Association:** Buyer is aware that property is subject to a Homeowner Association and membership in the Association is both automatic and required. Escrow Holder is instructed to obtain a statement from the Association and charge the account of the seller with any amount owing through close of escrow. Buyer is responsible for the payment of dues after close of escrow. The amount of dues and frequency of payment will be supplied to Buyer in documents supplied by the Homeowner Association and any proration made by Escrow Holder at the close of escrow will be based on the statement received by the Homeowner Association. Any charges imposed by the Homeowner Association or Management Company will be set forth on the estimated Settlement Statement executed by Buyer and Seller prior to the close of escrow. Any document preparation fee or transfer fee shall be paid by **BUYER.**

Escrow Holder is instructed to obtain copies of the Association By-Laws, Articles of Incorporation, C.C. & R.s, Budget, and other pertinent financial information as provided by the Association in compliance with Civil Code 1360. In obtaining the afore referenced documents, Escrow Holder will not be deemed to warrant or assure that such documents constitute all of the documents, nor that the information pertinent to the condominium/P.U.D. estate provided to Escrow Holder is sufficient and correct, nor that compliance with the appropriate Civil Code has been achieved. Buyer and Seller indemnify and hold **First American Title Company** harmless, including any costs of defense, on account of such acts performed by Escrow Holder on the parties behalf.

**Termite:** Buyer, at Buyer's expense, may obtain a termite inspection report issued by a licensed pest control operator, covering the property.

**Natural Hazard Disclosure Report:** Buyer to be furnished a natural hazard disclosure report prior to close of escrow for buyer's approval. Cost of report to be paid by **BUYER** and Escrow Holder will charge account of **BUYER** for the cost at the close of escrow.

**Document/Funds Delivery:** After Close of Escrow, all documents, funds and statements are to be sent to the undersigned at the addresses provided to Escrow Holder.

**Escrow General Provisions:** The parties acknowledge receipt of the Escrow General Provisions which are incorporated herein by reference.

**Funds Held Fee:** In the event funds remain in escrow for any reason more than 90 days after the Close of Escrow, or if escrow has not closed 90 days after the estimated closing date set forth in the existing escrow instructions to Escrow Holder ("Dormancy Period"), Escrow Holder will make reasonable efforts to notify the parties regarding same. If funds remain in escrow beyond the Dormancy Period, a monthly "funds held fee" of \$25.00 shall accrue for each month or fraction of a month thereafter that the funds, or any portion thereof, remain in escrow. Escrow Holder is instructed to deduct the monthly funds held fee directly from the funds held in escrow on a monthly or other periodic basis (i.e. quarterly, semi-annually, etc.). The parties agree to pay these sums to compensate Escrow Holder for administering, monitoring, accounting, reminders and other notifications and processing of the funds so held in accordance with this provision.

**Buyer Approval/Acceptance:** Buyer approves of the foregoing instructions and agrees to buy, and will deliver to you papers, instruments and/or funds required, which you are instructed to deliver, when you can issue your policy of title insurance as set forth above. Buyer agrees to pay any charges, including the usual Buyer escrow fee and any advances and expenses that are properly chargeable to Buyer regardless of the consummation of this escrow. I have received a copy of these instructions.

\_\_\_\_\_  
YONG CHAN

\_\_\_\_\_  
AILIEN LUU

Address: **55 NECTARINE AVE., APT. 5, GOLETA, CA 93117**

**Seller Approval/Acceptance:** Seller approves of the foregoing instructions and agrees to sell, and will deliver to you papers, instruments and/or funds required which you are instructed to deliver when you can issue your policy of title insurance as set forth above. Seller agrees to pay any personal property taxes properly chargeable. Escrow Holder is instructed to use the money and record the instruments to comply with said instructions, and to pay all encumbrances of record necessary without further approval, including prepayment penalties, to show title as herein provided. Seller agrees to pay the usual Seller escrow fee, drawing of documents fee, and also agrees to pay the policy of title insurance premium, recording fees, and documentary transfer tax which are properly chargeable. I have received a copy of these instructions.

**Proceeds:** Seller directs that the proceeds check be:

- Held for pick up at this office
- Mailed to the address below
- Sent via certified mail
- Delivered to Seller's Agent
- Sent via next day mail
- Other: \_\_\_\_\_

- Sent via wire transfer  
(if checked, **Attach wiring instructions of receiving bank**)

**Note:** Receiving Banks may impose a charge for the receipt of any wire transfers.

Dated: \_\_\_\_\_

COUNTY OF SANTA BARBARA, A  
POLITICAL SUBDIVISION OF THE STATE  
OF CALIFORNIA

\_\_\_\_\_  
By: JONI GRAY, CHAIR

ATTEST:  
CHANDRA L. WALLAR  
CLERK OF THE BOARD

By: \_\_\_\_\_  
Deputy Clerk

Date: \_\_\_\_\_

APPROVED AS TO FORM:

DENNIS A. MARSHALL  
COUNTY COUNSEL

By: \_\_\_\_\_  
Mary McMaster  
Deputy County Counsel

Date: \_\_\_\_\_

Address: **123 E. ANAPAMU ST., RM. 27, SANTA BARBARA, CA 93101**