

«f80»

«f81»

«f82», «f83»

## LOAN ESCROW INSTRUCTIONS - BORROWER

Escrow No.: «f48»

Date: «f3»

To: «f47»

ESCROW DEPARTMENT, as Escrow Holder (Not a Public Escrow Service):

Borrower (whether one or more) will hand you the Note described below with Deed of Trust, securing the same acceptable to Lender together with any additional instruments and funds necessary to enable you to comply with these instructions, all of which you are authorized to deliver, provided you have received for the account of Borrower the funds required, and you are in a position to procure for Lender a Loan Policy of Title Insurance for Lender's benefit with a liability of not less than the principal amount of the loan, on the following described real property ("the property") in the County of «f63», State of California:

«f189» «f190» «f191» «f192» «f193» «f194»

showing the Deed of Trust securing the Note to be a lien upon the property subject only to: (1) General and special taxes not yet due, including personal property taxes, if any, and also including any special district levies, payments of which are included and collected therewith; (2) Assessments and bonds, not delinquent, rights-of-way, and easements of record for public utilities, if any covenants, conditions, restrictions, and reservations now of record, provided the breach of which would not invalidate the lien of said Deed of Trust made in good faith and for value; and (3) the following encumbrances:

	Lender	Bal.	Int. Rate	Mo. Pmt.	Mat. Date
First Trust Deed	«f181»	«f185»	«f155»	«f159»	«f163»
Second Trust Deed	«f182»	«f186»	«f156»	«f160»	«f164»

The NOTE shall be for \$ «f20», dated «f29», in favor of Lender or order, with interest from date or as endorsed thereon at the rate of «f22» percent («f22» %) per annum; principal and interest payable in «f23» installments of \$ «f24» each. The date of the first payment shall be «f31» days from close of escrow, and shall continue on the same date of each month thereafter until «f26» months shall have elapsed from the date of first payment at which time all sums of principal and interest then remaining unpaid shall be due and payable in full. If the first payment called for in the Note is not sufficient to bring interest current as of that date, you are authorized to deduct from the proceeds due at close of escrow an amount equal to the interest accrued as of close of escrow on funds deposited.

You are further authorized to insert in the Note, Deed of Trust, and these Escrow Instructions subsequent to the execution thereof by the undersigned, the following information which may presently be unknown: name and vesting of the Lender/Beneficiary, correct legal description of the real property to be used as security, information concerning prior encumbrances, date of first payment, maturity date and to fill in on the Note the date from which interest shall accrue (interest shall accrue from date entire loan funds of Lender are deposited in Escrow). The Note shall contain but not be limited to the following recitals: (1) the Principal and accrued interest on this loan may be prepaid in whole or in part at any time, but a prepayment made within seven (7) years of the date of execution shall be subject to the following prepayment charge, whether such prepayment is voluntary, involuntary or results from default in any term of this Note or the Deed of Trust by which it is secured: a sum equal to the payment of six (6) months' advance interest on the amount prepaid in any twelve (12) month period in excess of twenty percent (20%) of the unpaid balance. If the remaining term of the loan is less than six (6) months, the prepayment consideration shall be the amount of advance interest for the remaining term on the amount prepaid in excess of twenty percent (20%) of the unpaid balance; (2) if any installment due hereunder is delinquent more than ten (10) days, the Maker(s) of this Note agrees to pay the following late charge on each installment: For loans less than \$30,000.00 secured by First Trust Deeds or loans less than \$20,000.00 secured by junior liens on a single dwelling unit in a condominium or cooperative or any parcel containing only residential buildings if the total number of units on the parcel is four or less; or loans in excess of those amounts secured by other than a single family owner occupied residence, \$5.00 or 10% of the delinquent payment, whichever is larger; for all other loans \$5.00 or 6% of the delinquent payment, whichever is larger. Said late charge to be due, at the option of the Holder hereof, either at the time of delinquency or at maturity hereof.

In the event of sale or transfer of the real property, or any part thereof, described in the Deed of Trust securing this Note, the indebtedness secured hereby together with the prepayment consideration, if the aforesaid event is voluntary, involuntary or results from default on the part of the Trustor, shall, at the option of the Beneficiary, without demand or notice, immediately become due and payable. No waiver of this right shall be effective unless in writing. Consent to one such transfer shall not constitute a waiver of the right to require such consent to other transfers.

Borrower understands the Note is secured by a Deed of Trust.

Borrower agrees to perform and pay for all matters required by the Deed of Trust, understands a reconveyance fee and recording fee will be charged when the obligations have been paid in full. Borrower understands that substantial costs and expenses will be incurred if default proceedings are commenced resulting from Borrower's non-performance.

You are further authorized and instructed to perform the following:

In the event of default, you are authorized to send any notices to Borrower at the address shown below Borrower's

signature.

The street address of the above-described property is: «f18» «f19»

The Note together with Deed of Trust securing same shall be executed by: «f5» «f6» «f7» «f8» «f10» «f11»«f12»

On close of Escrow you are hereby authorized to pay the following out of the proceeds of the loan, or additional funds furnished by Borrower: (1) Any and all payments then due and delinquencies under existing encumbrances necessary to bring the same to a current status; (2) Any and all taxes, assessments, bonds and/or any encumbrances of record to show Title as called for, or necessary to comply with these instructions; (3) Commission to «f80» (herein referred to as "Company") and all costs, expenses and disbursements as per a Mortgage Loan Disclosure Statement of Loan or separate instructions in this Escrow; (4) At Lender's option, any payment to become due on prior encumbrances within twenty (20) days after close of escrow.

As a condition to the close of escrow, there shall be handed to you or you shall obtain fire insurance coverage in accordance with Fire Insurance Authorization of even date which is incorporated herein by this reference. In any event, if for any reason, you have not received fire insurance with extended coverage and lender's loss payable endorsement in an amount equal to the replacement cost of all existing structures, or its equivalent, on or before the date you are otherwise ready to close this Escrow, you are instructed and authorized to provide such insurance through any agent or broker you may select and to pay the premiums therefore and deduct the same from funds accruing to Borrower. In the event the power of sale contained in the Deed of Trust is exercised, Borrower hereby assigns all of Borrower' interest in casualty insurance on the property to the purchaser at the sale.

#### ARBITRATION OF DISPUTES

All controversies of claims between the parties hereto including «f80» arising out of or relating to the subject matter of this escrow, including but not limited to the arranging of the loan, these escrow instructions, the note, deed of trust and any other documents relating thereto, the servicing of the loan and the enforcement thereof, shall be determined by arbitration in accordance with applicable rules of the American Arbitration Association. Judgment on the arbitrators' award may be entered in any court having jurisdiction. Without waiving a party's right to arbitration any party may apply to any court of competent jurisdiction for the following: (a) to enforce the assignment of rents provision contained in any deed of trust securing the loan, including the appointment of a receiver; (b) to secure possession of the real property subject to the deed of trust by an action for unlawful detainer; (c) or to commence an action in interpleader for the sole purpose of resolving conflicting claims to funds, documents, or instruments deposited in escrow. Any proceeding for judicial foreclosure shall not be subject to arbitration. The exercise of the power of sale contained in the deed of trust securing this loan, or the exercise of any private default remedies under the Uniform Commercial Code shall not constitute a waiver of this agreement to arbitrate nor shall they be deemed inconsistent with arbitration.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

WE HAVE AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

#### GENERAL INSTRUCTIONS

1. Obtain the legal description of the real property to be described in the Deed of Trust from any title company or other competent source using information furnished by the Borrower.
2. Borrower agrees to borrow and Lender agrees to lend, upon the terms and conditions set forth herein. Execution of any later documents at variance with these instructions shall constitute the approval of the form and contents thereof, as though fully provided for in these Escrow Instructions.
3. These instructions may be executed in counterparts each of which so executed shall, irrespective of the date of its execution and delivery, be deemed as original, and said counterparts together shall constitute one and the same instrument. Execution of these escrow instructions by Borrower does not constitute approval of the loan by Company nor does it constitute approval by any Lender to fund the loan; such approval shall only be evidenced by execution of these escrow instructions by a Lender and Lender's funding of this escrow.
4. In consideration of your acting as Escrow Holder, it is agreed that you shall in no case or event be liable for the failure of any of the conditions of this Escrow; damage caused by the exercise of your discretion in any particular manner, or for any other reason, except gross negligence or willful misconduct with reference to the said Escrow; and you shall not be liable or responsible for your failure to ascertain the terms or conditions or to comply with any of the provisions of any agreement, contract, or other documents filed herewith or referred to herein, nor shall you be liable or responsible for forgeries or false personations, incapacity of parties to this Escrow, or false verifications of affidavits.
5. To expedite the closing of this Escrow, you are authorized to record Deed of Trust or other form of security

- upon acceptance of these instructions by Lender and deposit of all of Lender's funds, and to withhold disbursement of any funds until such time as all the conditions of this Escrow have been met.
6. Borrower shall advise Company, in writing, by certified mail, promptly of any change in Borrower's residence address until the Note is paid in full, and Company shall forward, by certified mail, promptly any and all notices received from the Trustee to the Borrower in care of his mailing address, as indicated in these Instructions, or as updated by him.
  7. All notices, disbursements and communications to Borrower relating to this Escrow and the subject loan shall be mailed to the address of Borrower shown on the reverse hereof (unless Borrower has advised Company pursuant to paragraph 6 hereof, of a change in address) and such mailing shall be deemed complete upon deposit in the U.S. Mail.
  8. You are hereby authorized to destroy any and all papers, records and documents which you have in your possession pertaining to this Escrow or the loan herein involved, at any time after four (4) years from the date this loan is paid in full or sooner, provided you have prepared and maintained a reproducible image thereof.
  9. NO NOTICE, DEMAND, OR CHANGE OF INSTRUCTIONS SHALL BE OF ANY EFFECT IN THIS ESCROW UNLESS GIVEN IN WRITING BY THE PARTIES AFFECTED THEREBY. It is further agreed that if any controversy arises between the parties hereto or with any third person with respect to the subject matter of this Escrow, its terms or conditions, you shall not be required to determine the same or take any actions in the premises, but may await the settlement of any such controversy by final appropriate legal proceedings in the nature of an interpleader action or otherwise as you may require, notwithstanding anything in the foregoing Instructions to the contrary; and, in such event, you shall not be liable for interest or damage.
  10. The expression "close of escrow" as written in these Instructions shall mean the date instruments are filed for record or registration, or the date the majority of funds are disbursed, whichever is later.
  11. Borrower, unless otherwise stipulated in this Escrow, will pay on demand, regardless of the consummation of this Escrow, all charges incurred by you, including title company charges, fee for preparing instruments and appraisal fee. It is agreed that the instructions given to and the duties assumed by you as Escrow Holder constitute an escrow and have been accepted by you on the terms expressed herein. In the event the conditions of this Escrow have not been complied with on or before sixty (60) days from the date above, you are instructed to complete the same at the earliest possible date thereafter unless I shall have made written demand upon you for the return of all instruments or funds deposited by me.
  12. The amounts and terms of prior encumbrances set forth on the reverse hereof are approximations. You are to confirm the amounts and terms by means of Beneficiary Statements, examination of payment book or any other means, at your option. If all existing liens are not disclosed, or the terms and amounts stated on the reverse hereof are not substantially correct, you may, without prior notice, return to Lender any funds deposited by Lender, and regardless of the failure of consummation of this Escrow, Borrower agrees to pay all costs, expenses, and charges incurred by this Escrow including accrued interest on loan funds returned to Lender, at the rate prescribed in the Note for the period of the loan funds are on deposit. You are authorized to pay for Borrower's account all such costs, expenses, and charges. If the amounts and terms of prior liens stated above are substantially correct, you are authorized to close the Escrow nevertheless.
  13. Company, as negotiating Broker, is authorized to, and will deposit in this Escrow a copy of the Borrower's Mortgage Loan Disclosure Statement and Insurance Authorizations which Borrower has executed in connection with this loan. You are authorized and instructed to pay existing charges, liens, judgments, encumbrances and delinquencies as above provided; to make disbursements to the creditors listed on said Mortgage Loan Disclosure Statement to pay insurance premiums as per Insurance Authorizations, and/or any similar instructions to pay creditors. The amounts stated in Mortgage Loan Disclosure Statement are Borrower's estimates; you are authorized to pay the actual amounts as represented by the creditors, either orally, by telephone or in writing without further approval by Borrower. You are also authorized to pay costs, expenses, bonuses, brokerage and commissions as shown on the Mortgage Loan Disclosure Statement and to procure the items enumerated thereon, but should there be insufficient funds to pay the creditors, or should the costs and expenses exceed the amounts shown on the Mortgage Loan Disclosure Statement, you are nevertheless authorized and instructed (but not required) to consummate this Escrow and deduct such insufficiency and/or excess from the Company's bonuses, brokerage, and commissions, subject to Company's approval. However, nothing in the foregoing shall in any way amend or void any existing obligation on Borrower's part to reimburse the Company for the deduction.
  14. It is understood and agreed that these Escrow Instructions, the Insurance Authorizations, and a written agreement engaging Company to obtain the loan herein described contain the complete and entire agreement and understanding between the parties hereto, and supersede any other agreement or understanding whether oral or written. By executing these Escrow Instructions, Borrower acknowledges Borrower does not rely upon any oral agreement or representation not contained herein or in the Agreement, and further agrees Borrower shall not hereafter rely upon any oral agreement or representation concerning this loan. These Escrow Instructions and the Agreement may be altered, amended, or changed only by subsequent written instrument. Such subsequent written instrument may be executed by either one of the undersigned Borrower and/or Lender in which event such subsequent written instrument shall be as effective as though all of the Borrower and/or Lender had signed such subsequent written instrument.
  15. Borrower is aware that Company and §88 (Trustee under Deed of Trust), are held under the same or substantially similar ownership and is further aware that Company will earn a brokerage commission for arranging this loan. §80 may earn a commission for any casualty, life or disability insurance written in connection with this loan, and §80 may earn trustee fees in connection with this loan.
  16. Lender shall have the right to assignment or substitution without further notice or consent of the Borrower. Upon such assignment or substitution such assignee or nominee by substitution shall be substituted in the place and instead of the Lender in all respects as though the assignee or nominee had originally entered into this escrow agreement, and you are authorized to accept further instructions, if any, of such assignee or nominee without any approval of Borrower. You are instructed to issue a check for balance of Loan proceeds to Borrower's account. All disbursements out of this Escrow shall be made by check. Each borrower named as payee in the check must

personally endorse the same in order to negotiate the check.

### LENDER'S INSTRUCTIONS

These Escrow Instructions are approved and agreed to by me. I will hand you the monies called for in these Instructions which you are authorized to use provided that, within the time limit specified, you hold in this Escrow for me the documents provided for therein.

The following paragraph applies only to Multiple Lender loans. This is «f219» is not «f218» a Multiple Lender loan.

Lender is aware it holds or will hold an undivided interest in the Note and Deed of Trust as a tenant in common with another or other lenders, all of whom will execute counterparts, (except as to vesting and payment instructions), of these Loan Escrow Instructions. All holders of interest in the Note and Deed of Trust will also execute a Multiple Lender Servicing Agreement with Company to service the Note and Deed of Trust.

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I designate that the Note and Deed of Trust herein be vested as follows:

«f363»

«f200» «f201» «f202» «f203»

I represent that all of the persons designated above are over the age of 18 and are competent.

Each of the undersigned represents that he or she and all payees and vestees of the Note and Deed of Trust are bona fide California residents. I understand that the Note and Deed of Trust described herein may not be transferred to non-California residents. Company relies on the foregoing representations in arranging the loan described in these Instructions.

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«f3»

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Signature - «f5» «f6» «f7» (Borrower)

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Signature - «f10» «f11» «f12» (Borrower)

Address: «f18» «f19» Phone: «f17»  
(Borrower)

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Signature - «f38» (Lender(s))