



791 Arlington Street • Cambria, CA 93428
(805) 927-0621 • Fax: (800) 279-1908

791 Arlington Street
Cambria, CA 93428
Escrow Officer: Jennifer Archer

Escrow Number: P- _____
RE: Voluntary Merger

ESCROW INSTRUCTIONS

The sole purpose of this Escrow is to process a Voluntary Merger with the County of San Luis Obispo "County" in accordance with the Cambria Community Service District (CCSD) Merger Program.

The Following shall be deposited with Placer Title Company (Escrow Holder):

1. Completed and executed original Application of Merger signed by all property owners.
2. Completed and executed original Consent of Landowner signed by all property owners.
3. Executed and notarize Grant Deed and Preliminary Change of Ownership Form, if required.
4. Fully executed Escrow Instructions signed by all property owners.
5. Lender Information Form completed and signed by all property owners.
6. Any additional forms necessary to complete the merger process.
7. Funds from owners, if required

The County Ordinance requires the following in order to process the Voluntary Merger:

- A. Either a Lot Book Guarantee, Condition of Title Guarantee or Preliminary Report. Owner Title Policy must be issued within the last 6 month on all properties (parcels) being merged together.
- B. In the event the legal descriptions are not exactly the same (except the lots) County will require either a Civil Engineer or Licensed Surveyor to prepare a complete new legal description for the Notice of Voluntary merger document the County prepares.
- C. Owner must hold title to all the properties (parcels) in the exact same name and manner (vesting), in the event the owner's names do not match, escrow Holder is instructed to prepare a Grant Deed for owners to execute before an approved notary. Escrow Holder is further instructed to record said Grant Deed prior to Notice on Voluntary Merger.
- D. Any and all Beneficiaries (lenders) on any of the properties being merged must execute for a notary the Notice of Voluntary Merger. Escrow Holder is instructed and authorized by the owners to contact their Lender, provided information required by the lender to prepare a Modification Deed of Trust, if required by their lender. Said Modification Deed of Trust shall be recorded after the Notice of Voluntary Merger. Should the lender require and Endorsement or

new Lender Title Policy, cost of Preliminary Report shall be credited towards the title Endorsement and/or a new lender Title Policy.

- E. County will only accept original signatures and all property owners must sign all documents and forms (they will not accept emails, faxes or copies)

Upon Escrow Holders receipt of the fully executed Notice of Voluntary Merger (county, owners and all lenders), Modification Agreement (if required) and any Grant Deed (if required) in order to complete the merger process. Escrow Holder shall record all documents.

The following fees may or may not be applicable but are for informational purposes only:

- Escrow Fee in the amount of \$500.00 (for processing said Merger)
- Lot Book Guarantee fee \$75.00 per Assessor Parcel Number (APN)
- Condition of Title Guarantee or Preliminary Report fee \$400.00
- Recording Fee (actual recording costs)
- Cost of Civil Engineer or Licensed Surveyor, if required (actual cost)
- County Merger Fee \$121.00
- Lender Modification Processing Fee, if required (actual cost)
- Endorsement or New Lender Title Policy (to be determined)

Cambria Community Services District shall pay up to \$800.00 towards cost per merger under their current Merger Program, any changes over and above the \$800.00 will be paid by the property owners direct to Escrow Holder. Upon recordation of the Merger documents Escrow Holder, in the event total costs are under the \$800.00 Escrow Holder shall refund balance to CCSD. In the event additional funds over \$80.00 are required Escrow Holder shall request the property owners to deposit remaining balance due into escrow.

All parties are aware no Owners Title insurance will be issued to the property owners in this transaction.

CAMBRIA COMMUNITY SERVICES DISTRICT

BY: _____
Authorized Signer (Name and Title)

OWNERS:

BY: _____

BY: _____

BY: _____

BY: _____

DATED: _____



TO: Placer Title Company
Jennifer Archer, Escrow Officer

RE: Voluntary Merger Request

OWNER INFORMATION REQUEST
(Complete and signed by all owners and return original)

Existing 1st Loan

Lender Name: _____

Loan Number: _____

Phone Number: _____

Approximate Balance: \$ _____

Existing 2nd Loan

Lender Name: _____

Loan Number: _____

Phone Number: _____

Approximate Balance: \$ _____

Existing Private Party Loan

Lender Name: _____

Address: _____

Phone Number: _____ Fax: _____

Approximate Balance: \$ _____

Existing Line of Credit

Lender Name: _____

Loan Number: _____

Phone Number: _____

Approximate Balance: \$ _____

Authorization: The undersigned authorize Placer Title Company to: Obtain information and any necessary forms from the above lenders in order to process a Voluntary Merger of land. Above referenced lenders hereby have my/our authorization to discuss, provide information and documentation to process said request.

BY: _____	BY: _____
SS# _____ DATE: _____	SS# _____ DATE: _____
Home Phone: _____	Home Phone: _____
Cell Phone: _____	Cell Phone: _____
Email: _____	Email: _____
Address: _____	Address: _____
_____	_____

GENERAL PROVISIONS
(Addendum #1)

1. DEPOSIT OF FUNDS AND DISBURSEMENTS

All funds deposited in this escrow from any source shall be deposited by escrow holder in a non-interest bearing demand account or accounts in a state or national bank or savings and loan association. The depositors, may, at their election, request deposit of funds in an interest bearing account and escrow holder may charge a fee for establishing such account. The deposit of funds in a non-interest bearing account by escrow holder may result in escrow holder receiving a range of economic benefits from bank in the form of services, credits, benefits, or other things of value. All disbursement shall be made by Escrow Holder's check unless otherwise instructed in writing.

2. PRORATIONS AND ADJUSTMENTS

All prorations and/or adjustments called for in this escrow are to be made on the basis of a thirty (30) day month unless otherwise instructed in writing. The phrase "close of escrow" as used in this escrow means the date on which documents are recorded and relate only to proration and/or adjustments unless otherwise specified.

3. RECORDATION OF INSTRUMENTS

Escrow Holder is authorized to record any documents delivered through this escrow, if necessary or proper for the issuance of the requested policy of title insurance. Recordation of documents shall be construed as "close of escrow" unless otherwise specified in these instructions.

4. AUTHORIZATION TO FURNISH COPIES

Escrow Holder is authorized to furnish copies of these instructions, supplements, amendments or notices of cancellations, and closing statements in this escrow, to the real estate broker(s), agents, lender(s), attorney(s), accountant(s) involved in this escrow as well as the title insurer issuing any requested policy(ies) of title insurance upon the request of said lenders, real estate brokers, agents, attorneys, accountants and title insurer. Escrow Holder is also authorized to furnish to the Buyer's lender, all documents that support Seller's debits being paid through escrow.

5. PERSONAL PROPERTY TAXES

No examination, UCC search or insurance as to personal property and/or the amount of payment of personal property taxes is required unless otherwise instructed in writing.

6. PROPERTY TAXES

Escrow Holder will prorate taxes on real property based on the latest figures available from the Tax Collector as of close of escrow. Assessments neither shown on the Collector's tax rolls as of close of escrow, nor specifically disclosed to Escrow Holder in writing prior to close of escrow are to be adjusted by the parties outside of escrow without liability to Escrow Holder. Any funds returned to Escrow Holder after close of escrow will be returned to the party against whom payment was charged, and any adjustments will be made by the parties outside of escrow without liability to Escrow Holder.

7. SUPPLEMENTAL PROPERTY TAXES

Buyer and Seller herein acknowledge that there may be secured supplemental and/or additional taxes which may be assessed against the subject property by reason of change in ownership or completion of construction pursuant to California Revenue and Taxation Code, Section 75 *et seq.* This will be reflected in the policy of title insurance issued at close of escrow. However, Escrow Holder shall not be concerned with any supplemental taxes assessed after the close of escrow. Escrow Holder shall also not be concerned with, or liable for payment, adjustment or proration of supplemental taxes assessed prior to close of escrow, unless said supplemental tax assessments are specifically reflected on the Tax Collector's rolls, or Seller provides any supplemental tax bills to Escrow Holder with an explanation of time periods covered by the tax bill(s) for proration purposes. All assessments not shown on the tax rolls, nor specifically disclosed to Escrow Holder in writing are to be adjusted by the parties outside of escrow without liability to Escrow Holder. Notwithstanding the foregoing, under no circumstances shall Escrow Holder be concerned with, or responsible for identifying, determining or paying the amount of any unsecured assessment(s).

8. AUTHORIZATION TO CORRECT OR AMEND DEED

Buyer and Seller hereby authorize Escrow Holder to correct or amend after execution, the Grant Deed(s) being executed by Seller herein to (1) conform to the vesting of any Deed of Trust (if applicable, being executed by Buyer in this transaction; (2) at the request of Buyer, change or insert the method of holding title to the subject property; or (3) correct any typographical errors in the name of the grantor or grantee.

9. RIGHT OF CANCELLATION / EARNEST MONEY DISPUTES

Unless the purchase and sale agreement between the parties provides to the contrary, any party instructing Escrow Holder to cancel this escrow shall timely file a notice of cancellation in the specific office of Escrow Holder which is handling the escrow, and so state the reason for cancellation. Upon receipt of such request, Escrow Holder, shall prepare cancellation instructions in accordance with the terms of the request for signatures of the principals and shall forward same to the principals by certified and/or regular mail. If a written objection to cancellation is not received in Escrow Holder's office within ten (10) days after date of mailing, Escrow Holder is authorized at its option to comply with the notice, as well as demand for payment of Escrow Holder's cancellation charges and other fees or costs incurred in the escrow and set forth in the cancellation instructions. If a written objection is received or Escrow Holder does not receive mutual instructions signed by all parties, Escrow Holder is authorized at its sole discretion to hold all earnest money deposits in this escrow, and take no further action until otherwise directed either by mutual instructions or final order of a court of competent jurisdiction. Escrow Holder may collect its cancellation charges and other fees or costs incurred in the escrow unless a written objection to said fees and/or charges was received in writing by Escrow Holder within ten (10) days of mailing the cancellation instructions. This does not in any way limit or revoke the right of Escrow Holder to elect to file an interpleader or institute other legal action as set forth in Paragraph 10 of these General Provisions.

10. ACTION IN INTERPLEADER

The principals hereto expressly agree that you, as Escrow Holder, have the absolute right at your election to file an action in interpleader requiring the principals to answer and litigate their several claims and rights among themselves and you are authorized to deposit with the clerk of the court all documents and funds held in escrow. In the event such action is filed, the principals jointly and severally agree to pay your cancellation charges and costs, expenses and reasonable attorney's fees which you are required to expend or incur in such interpleader action, the amount thereof to be fixed and judgment therefor to be rendered by the court. Upon the filing of such action, you shall thereupon be fully released and discharged from all obligations to further perform any duties or obligations otherwise imposed by the terms of this escrow.

11. TERMINATION OF AGENCY OBLIGATION AND PAYMENT OF FEES AND CHARGES

If there is no action taken on this escrow within three (3) months after the estimated closing date as shown on the escrow instructions or any written extensions thereof, Escrow Holder's agency obligation shall terminate at Escrow Holder's option, and Escrow Holder shall prepare cancellation instructions for all parties in the manner set forth in Section 9 (Cancellation) and Section 10 (Interpleader). Nothing in this section limits or revokes Escrow Holder's right to file an interpleader or institute other legal action pursuant to paragraph 10 of these General Provisions.

12. CONFLICTING INSTRUCTIONS

Should Escrow Holder before or after close of escrow receive or become aware of any conflicting demands or claims with respect to this escrow or the rights of any of the parties hereto, or any money or property deposited herein or affected hereby, Escrow Holder shall have the right to discontinue any or all further acts on Escrow Holder's part until the conflict is resolved to Escrow Holder's satisfaction, and Escrow holder shall have the further right to commence or defend any action or proceeding for the determination of the conflict as provided in Paragraph 9 (Cancellation) and Paragraph 10 (Interpleader) of these General Provisions.

13. ABANDONED, UNCLAIMED OR DISPUTED FUNDS

Any funds held by Escrow Holder after close of escrow, or after conflicting demands have been made to Escrow Holder regarding the funds, or any funds abandoned or remaining unclaimed shall be assessed a holding fee of \$15.00 per month, which may be withdrawn from the funds on deposit. Any such funds described in this paragraph shall be maintained pursuant to paragraph 1 of these General Provisions, unless otherwise instructed by the principals in writing. After three years, the remaining amount of any unclaimed or abandoned funds may escheat to the State of California. Nothing in this section limits or evokes the right of Escrow Holder to file an interpleader or other court action pursuant to paragraph 10 of these General Provisions.

14. INSURANCE POLICIES OTHER THAN TITLE INSURANCE

When dealing with real property and/or improvements located thereon it is advisable to obtain fire, hazard or liability insurance coverage. In all acts in this escrow relating to insurance, including adjustments, if any, Escrow Holder may assume that each policy is in force and that the necessary premium has been paid. Escrow Holder shall not be responsible for obtaining evidence of fire, hazard or liability insurance, unless Escrow Holder has received written instructions prior to close of escrow from the parties and/or their respective lenders.

15. USURY AND NOTE DISCLOSURE

The undersigned acknowledges Escrow Holders obligations concerning the preparation of any notes or loan documents in this escrow are limited to the preparation of the loan documents in accordance with the instructions of the parties to said documents. Escrow Holder shall have no other liability or responsibility in this regard including, but not limited to, any liability or responsibility for questions of usury, the enforceability of any provisions being inserted in the loan documents at the request of one of the parties, the tax ramifications of the loan(s) or the interest thereunder, or any disclosures which are required to be made under the Dodd Frank Wall Street Reform Act or any other state or federal law requiring disclosures by the lender or arranger of credit.

16. LIMITATION OF LIABILITY RE: CLERICAL OR MATHEMATICAL ERRORS

In the event Escrow Holder miscalculates or otherwise makes an error in determining applicable prorations, in computing, paying, and/or obtaining lender or other payoff demands or statements, or in determining the amount of required funds from either party for the close of escrow, such error or miscalculation shall not relieve any party from any liability such party would otherwise have had if no such error or miscalculation had been made. To the extent that Escrow Holder shall advance its own funds to mitigate the effects of any miscalculation or error, Escrow Holder shall have the right to immediate reimbursement of such amounts advanced, together with interest at the rate of 10% per annum on the amount advanced plus any attorney's fees or collection fees incurred.

17. AGREEMENT OF COOPERATION OR REIMBURSEMENT (UNJUST ENRICHMENT)

In the event that any party to this escrow received funds or is credited with funds to which they are not entitled, for whatever reason, they agree upon written demand of Escrow Holder, to return said funds to the proper party entitled or to Escrow Holder for disbursement. Escrow Holder may advance its own funds to mitigate the effects of any erroneous disbursement or credit of funds to which a party to the escrow was not entitled. Escrow Holder may bring a lawsuit to enforce either the return of said funds, or the reimbursement of said funds. In the event that Escrow Holder brings such lawsuit, the parties agree to reimburse the prevailing party in any such action, its reasonable attorney's fees and costs incurred in such action.

18. REAL ESTATE CONTRACTS

Escrow Holder is not a party to the underlying Real Estate Contract. Unless the Real Estate Contract also constitutes joint escrow instructions, which instructions have been accepted in writing by escrow holder, escrow holder accepts no responsibility to discharge conditions or contingencies of the contract, and then only to the extent required by that portion of the contract which constitutes escrow instructions.

19. FACSIMILES AND ELECTRONICALLY TRANSMITTED DOCUMENTS AND SIGNATURES

In the event the parties to the transaction transmit signed documents or instructions (other than those documents which must be recorded and bear original notarized signatures) to Escrow Holder by facsimile, e-mail, or other electronic means authorized by law, Escrow Holder may rely on said documents, instructions or signatures in the same manner as if they bore original signatures. Upon Escrow Holder's request, the party transmitting the document or instruction will provide Escrow Holder the original of the document or instruction which bears original signatures within 72 hours after transmission.

20. REPRESENTATION AND INDEMNIFICATION.

The parties who have affixed their signature(s) to these instructions do hereby represent that they have no knowledge of any obligations, debts, easements, covenants or agreements, other than those specific items referenced within these instructions or any amendment thereto that might result in a lien, outstanding interest, or exception to title as of the close of escrow. Said parties do hereby indemnify and agree to reimburse Escrow Holder for any loss, costs, and attorney's fees resulting from any false representation or failure to disclose such matters referred to under this paragraph, and those which might be created hereafter but prior to said close of escrow.

21. ESCROW NOT RESPONSIBLE FOR PAYMENT OF BILLS

The undersigned acknowledge that any bills or charges for repairs, work or inspections on the property are solely the responsibility of the parties to this escrow. Escrow Holder will not be responsible for payment of or collection of payment from parties to this escrow for any bills submitted to escrow other than those that have been approved for payment on the Buyer's, Seller's and Borrower's settlement statements, and which Escrow Holder reserves the right to refuse to pay through escrow.

22. AUTHORIZATION TO OBTAIN PAYOFF AND OTHER INFORMATION

The undersigned hereby instructs and authorizes escrow holder to obtain pay off demands and such other information as escrow holder deems necessary from any creditors or lien holders that are to be paid in whole or in part through this escrow and authorizes said creditors or lien holders to provide such information to escrow holder.

BY OUR SIGNATURES SET FORTH BELOW, THE PARTIES ACKNOWLEDGE THAT WE HAVE READ, UNDERSTAND AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS CONTAINED HEREIN, IN THEIR ENTIRETY. THESE GENERAL PROVISIONS ARE PART OF THE ESCROW INSTRUCTIONS AND MAY BE EXECUTED IN COUNTERPARTS, EACH OF WHICH SHALL BE DEEMED AN ORIGINAL REGARDLESS OF THE DATE OF ITS EXECUTION AND DELIVERY AND ALL SUCH COUNTERPARTS TOGETHER SHALL CONSTITUTE ONE DOCUMENT.

Date: _____
