**INSTRUCTIONS TO CLOSING AGENT**

#Matter.REV - QEAA Drafted On#

#Matter.Rep 1 Settlement Agent.FirstName# #Matter.Rep 1 Settlement Agent.LastName#

#Matter.Rep 1 Settlement Agent.Escrow Company Name#

#Matter.Rep 1 Settlement Agent.Street1# #Matter.Rep 1 Settlement Agent.Street2#

#Matter.Rep 1 Settlement Agent.City#, #Matter.Rep 1 Settlement Agent.ProvinceState# #Matter.Rep 1 Settlement Agent.ZipPostalCode#

**Escrow #: #Matter.Rep 1 Escrow Number#**

**Property Address: #Matter.Rep 1 Property Address#**

Dear #Matter.Rep 1 Settlement Agent.FirstName#,

This letter is your closing instructions on behalf of **#Matter.REV - EAT Entity Name#** (“Titleholder") for the transaction in which Titleholder will acquire the subject property (the “Replacement Property") of this closing from #Matter.Rep 1 Seller Vesting# ("Seller") pursuant to the terms of the Real Estate Purchase and Sale Agreement, dated #Matter.Rep 1 Purchase Contract Date#, between #Matter.Client Vesting# ("Exchangor") and Seller (the “Agreement"). Exchangor is assigning Exchangor's rights under the Agreement to Titleholder **Please prepare an assignment of the contract for the Replacement property from Exchangor to Titleholder**.

[Titleholder will enter into financing arrangements with a lender for the purpose of acquiring the Replacement Property and constructing the Improvements and/or] Exchangor will loan funds to Titleholder and Titleholder will use these funds to purchase the Replacement Property. The loan will be evidenced by the enclosed Promissory Note and secured by the enclosed Pledge of Membership Interests.

1. **DOCUMENTS ENCLOSED ON WHICH YOU ARE TO OBTAIN SIGNATURES**

* Return Document Checklist;
* Contract Assignment (*to be prepared by escrow/settlement agent*);
* Qualified Exchange Accommodation Agreement;
* Promissory Note – date shall be closing date; amount shall be total cash from buyer to close (for delivery to Exchangor);
* Pledge of Membership Interests – date shall be closing date (for delivery to Exchangor)
* Master Lease – date shall be closing date;
* Property Management Agreement – date shall be closing date;

**B. DOCUMENTS YOU ARE TO PREPARE AND OBTAIN SIGNATURES FOR AT OR BEFORE CLOSING:**

* 1. Deed or other conveyance document required under the Agreement from Seller to Titleholder, together with any necessary transfer tax affidavits. If there is personal property and value is being allocated to such property, please contact us for further instructions. Please send us a copy of the Deed prior to closing.
  2. Settlement Statement. Titleholder must sign the settlement statement as Buyer and Exchangor must approve the settlement statement in writing. Please email us a copy of the settlement statement for signature prior to closing.
  3. [If replacement property will be conveyed to the exchangor by deed, then the title insurance policy will need to be updated at that time. The exchangor should contact the title company prior to closing to discuss the costs of updating the policy. In some cases, the policy can be held open until title is conveyed to the exchangor.] Closing order to the title company, instructing it to “HOLD" the policy pending the transfer of the Replacement Property to the Exchangor. The Replacement Property will be transferred to the Exchangor upon the completion of improvements. We will contact you at that time to prepare and record the necessary documents to convey the Replacement Property to the Exchangor. At that time, the title company will be expected to unconditionally issue an owner's policy of title insurance insuring Exchangor in the amount of the purchase price in accordance with the terms of its preliminary commitment, and showing as exceptions to coverage only those exceptions permitted under the terms of the Agreement and any addenda thereto. If you are unable to hold the policy open, please contact us immediately for additional instructions.

**C. RECORDING:** You are instructed to record when: (i) all of the documents have been executed and delivered to you; (ii) you have received necessary funds; and (iii) any additional instructions of the parties (which are not inconsistent with these instructions) have been met. Closing will be deemed to have occurred when the documents described above have been recorded and the funds are available to you for disbursement.

**D. TITLEHOLDER FEE:** Pay a development fee in the amount of **$6,000.00** payable to Titleholder out of the funds deposited by Exchangor and forward this sum to us soon as possible with the return package. Check or wire should be made out to and sent to **Peak 1031 Exchange, Inc.**, 5900 Canoga Avenue, Suite 360, Woodland Hills, CA 91367.

**E. DELIVERY OF DOCUMENTS:** Give Exchangor a set of copies of all their signed documents. Deliver the Promissory Note and Pledge of Membership Interests to Exchangor. Send to us the items listed on the Return Checklist.

Please indicate your acceptance of these instructions by signing below and returning same to our office. If you have any questions please call.

SETTLEMENT AGENT:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

#Matter.Rep 1 Settlement Agent.FirstName# #Matter.Rep 1 Settlement Agent.LastName#, #Matter.Rep 1 Settlement Agent.Escrow Company Name#

[Exchangor signature on following page]

EXCHANGOR:

#Matter.Client Vesting#

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: #Contact.FirstName# #Contact.LastName#

Its: #Matter.Client 1 Signatory Title#

**RETURN CHECKLIST**

**PLEASE RETURN THE FOLLOWING DOCUMENTS TO TITLEHOLDER WITH THIS CHECKLIST AS A COVER SHEET:**

\_\_\_\_\_ SIGNED QUALIFIED EXCHANGE ACCOMMODATION AGREEMENT

\_\_\_\_\_ SIGNED ASSIGNMENT OF CONTRACT

\_\_\_\_\_ SIGNED PROJECT MANAGEMENT AGREEMENT

\_\_\_\_\_ COPY OF “FINAL" SETTLEMENT STATEMENT

\_\_\_\_\_ COPY OF RECORDED DEED

\_\_\_\_\_ COPY OF FULLY EXECUTED PROMISSORY NOTE

\_\_\_\_\_ COPY OF FULLY EXECUTED PLEDGE OF MEMBERSHIP INTERESTS

\_\_\_\_\_ INSTRUCTIONS TO ESCROW SIGNED BY EXCHANGOR & CLOSING AGENT