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BEACH

Community Services Department
Housing Authority

1922 Artesia Boulevard
Redondo Beach, California 90278
www.redondo.org

tel: 310 318-0635
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June 8, 2022

Cindie Kim
Sr. Escrow Officer
Hana Escrow Company, Inc.
3580 Wilshire Boulevard, Suite 1170
Los Angeles, California 90010

Re: Escrow No. 002719-CK

Dear Ms. Kim:

These instructions are submitted by the City of Redondo Beach (the "**City**") and the Housing Authority of the City of Redondo Beach (the **"Authority"**) in connection with the following transaction.

Taesung Yang and Aiko Shiono(the "**Seller**") and David Taekwon Ahn (the "**Buyer**") have entered into that certain California Residential Purchase Agreement and Joint Escrow Instructions dated February 28, 2022 relating to the sale of the residential unit located at 2750 Artesia Blvd., #116, Redondo Beach, California 90278. The "**Unit**" is more particularly described in the legal description attached to this letter as Exhibit A.

The Unit is subject to the covenants, conditions, restrictions, limitations and provisions contained in the Addendum to Grant Deed – Covenants, Restrictions and Option to Purchase [Moderate Income] dated December 10, 2010, and recorded in the Official Records of Los Angeles County on December 13, 2010, as Instrument No. 10-1837588 (the "**Existing Covenants Agreement**").

The Existing Covenants Agreement places certain income and sale price limits on the Unit to assure that the Unit remains affordable to moderate income senior households. Performance of these obligations are secured by that certain Performance Deed of Trust dated December 10, 2010 and recorded in the land records of Los Angeles County on December 13, 2010 as Instrument No. 10-1837589. The Seller is the trustor, the City is the beneficiary and Lawyers Title Company is the trustee of the Performance Deed of Trust.

The Buyer, the City, and the Authority will execute an Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] (the "**2022 Covenants Agreement**") for recordation against the Unit. The 2022 Covenants Agreement also requires the Buyer to execute a Performance Deed of Trust (Option to Cure and Purchase Agreement) in favor of the City and the Authority, for recordation against the Unit (the "**2022 Performance Deed of Trust**").

The purpose of this letter is to provide the City's and Authority's instructions relating to the above referenced transaction. Your recordation of the "**Recording Documents**" shall be deemed to be your acceptance of these escrow instructions. However, we ask that you return to the undersigned a copy of this letter signed by you, indicating your acceptance of these instructions.

The City and Authority hereby instruct the Escrow Agent as follows. The transaction will close when all conditions precedent to the transaction have been satisfied.

I. DOCUMENTS

Enclosed herewith are the following documents that will need to be signed and returned to the City and Authority prior to execution by the City and the Authority.

1. One original of the 2022 Covenants Agreement that has been signed by the Buyer.

2. One original of the 2022 Performance Deed of Trust that has been signed by the Buyer.

The signed documents are to be returned to the following address:

Angelica Zavala, Housing Supervisor
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278

II. CLOSING PROCEDURES

You are instructed to close this transaction when and only when all of the following occurs:

1. The City and the Authority have deposited into escrow one original 2022 Covenants Agreement executed in recordable form by the Buyer, the City and the Authority.

2. The Buyer has deposited into escrow one original 2022Performance Deed of Trust, executed in recordable form by the Buyer, the City and the Authority.

3. The City and the Authority have deposited into escrow one original Request for Notice Under Section 2924b Civil Code - City, and one Request for Notice Under Section 2924b Civil Code - Authority executed in recordable form by the City and the Authority (the "**Request for Notice**").

4. All of the Buyer's and Seller's conditions precedent to closing this transaction have either been satisfied or waived by the party to be benefited and you have received confirmation from the Buyer and the Seller that you are to proceed with this transaction.

5. You are committed to complying with all the instructions contained in these escrow instructions.

In closing escrow, you will adhere to the procedures set forth in the instructions below. All requirements with respect to closing shall be considered as having taken place simultaneously and no delivery shall be considered as having been made until all deliveries and closing transactions have been accomplished. Do not record or deliver any of the documents described above unless all conditions to closing are satisfied. When all conditions precedent to the close of escrow have been satisfied, you are authorized to:

1. With respect to any documents that have not been dated (whether or not such documents are to be recorded), fill in the date of recordation. With respect to any other blanks in the documents, fill in the appropriate information (for example, recording information or dates of other documents). If you have any questions regarding how to fill in any blanks, contact the undersigned immediately.

2. With respect to any documents that do not have a legal description appended, insert the legal description attached to this letter as Exhibit A.

3. Record the following documents (the "Recording Documents") in the Land Records of Los Angeles County, California, in the following order and in no other order:

   a. The grant deed conveying fee title to the Unit from the Seller to the Buyer.

   b. The 2022 Covenants Agreement.

   c. The 2022 Performance Deed of Trust

   d. The Request for Notice.

4. Promptly after recordation, conformed and certified copies of the Recording Documents (showing all recording information) and a copy of these escrow instructions signed by you in the space provided at the conclusion of this letter to indicate your acceptance are to be delivered to:

   Angelica Zavala, Housing Supervisor
   Housing Authority of the City of Redondo Beach
   1922 Artesia Boulevard
   Redondo Beach, California 90278

5. These instructions may be modified only by written or telephonic instructions from the undersigned. If any of the instructions in this letter cannot be followed for any reason, please call the undersigned immediately.

6. Please bill the Seller for any charges you incur associated with the foregoing documents. Any documents signed by the City or the Authority are entitled to free recording pursuant to Government Code §§ 6103 and 27383:

   a. If any of such documents do not contain a legend to that effect, please insert the legend in the upper left corner of such documents.

   b. Neither the City nor the Authority shall incur any expense in connection with the fulfillment of these escrow instructions.

   c. All costs incurred by you with respect to this escrow shall be the sole obligation of the Seller.

Very truly yours,

City of Redondo Beach, a chartered municipal corporation

Housing Authority of the City of Redondo Beach, a public body, corporate and politic

By: _____
William C. Brand
Mayor and Chairman

The undersigned acknowledges receipt of the within escrow instructions and agrees to proceed in accordance therewith.

Hana Escrow Company, Inc.

By: _____
Cindie Kim
Sr. Escrow Officer