

BLUE FOLDER ITEM

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SPECIAL MEETING OF THE HOUSING AUTHORITY JANUARY 12, 2021

- C.3. AUTHORIZE THE CHAIRMAN TO SIGN THE AFFORDABLE HOUSING AGREEMENT TO PRESERVE THE EXISTING HOUSING COVENANTS AND RESTRICTIONS AND APPROVE ALL NECESSARY AND RELATED DOCUMENTS, FOR THE SALE OF A RESIDENTIAL PROPERTY LOCATED AT 2750 ARTESIA BLVD., #244, REDONDO BEACH, CA 90278**

CONTACT: ANGELICA ZAVALA, HOUSING SUPERVISOR

Attachment: Revised Escrow Instructions

Recreation, Transit and
Community Services Department
Housing Authority

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

tel: 310 318-0635

January 12, 2021

Lorena Christie
Escrow Officer
Metropolitan Escrow
1411 West 190th Street, Suite 125
Gardena, California 90248

Re: Escrow No. 23164

Dear Ms. Christie:

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.

Victor Ilinescu and Elizabeth Ilinescu (collectively the “**Seller**”) and Joseph Madrigal and Mary Anne Lucille Madrigal (collectively the “**Buyer**”) have entered into the following agreements relating to the sale of the residential unit located at 2750 Artesia Blvd., #244, Redondo Beach, California 90278, more particularly described in the legal description attached to this letter as Exhibit A (the “**Unit**”):

1. That certain California Residential Purchase Agreement and Joint Escrow Instructions dated July 22, 2020, and Addenda (the “**Purchase Agreement**”).
2. That certain Supplemental Escrow Instructions & General Provisions dated August 12, 2020 (the “**Supplemental Escrow Instructions**”).
3. The Amended Escrow Instructions dated August 18, 2020.

An Agreement Containing Covenants, Restrictions and Option to Purchase was entered into by the City and the Seller dated August 4, 2015. This agreement was recorded in the office of the County Recorder of the County of Los Angeles, California on August 11, 2015 as Instrument No. 2015-986351 (the “**Covenants**”).

The Covenants place certain income and sale price limits on the Unit to assure that the Unit remains affordable to moderate income senior households. Performance of the Seller's obligations under the Covenants is secured by that certain Performance Deed of Trust dated August 4, 2015 and recorded in the land records of Los Angeles County on August 11, 2015 as Instrument No. 2015-0983042 in which the Seller is the trustor, the City is the beneficiary and USA National Title Company is the trustee (the "**Seller Deed of Trust**"). Upon the sale of the Unit to Buyer, as approved by the City, the Seller Deed of Trust is to be reconveyed as it applies to the Unit.

The Covenants require that the Buyer, the City, and the Authority execute an Agreement Containing Covenants, Restrictions and Option to Purchase – Moderate Income (the "Covenants Agreement") for recordation against the Unit. The Covenants also require 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 "**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 in connection with the above-described escrow:

1. One original Substitution of Trustee and Full Reconveyance, executed in recordable form by the City and the Authority (the "**Substitution and Reconveyance**").
2. One original Covenants Agreement executed in recordable form by the City and the Authority.
3. One original Performance Deed of Trust, to be executed by the Buyer.
4. Two original Requests for Notice Under Section 2924b Civil Code, executed in recordable form by the City (the "**Request for Notice**").

II. CLOSING PROCEDURES

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

1. The Buyer has deposited the original of the Covenant Agreement, executed in recordable form by the Buyer.
2. The Buyer has deposited one original of the Performance Deed of Trust, executed in recordable form by the Buyer.
3. 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.
4. You are committed to complying with all of 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 Substitution and Reconveyance

- b. The grant deed conveying fee title to the Unit from the Seller to the Buyer
 - c. The Covenant Agreement
 - d. The Performance Deed of Trust
 - e. 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.

The City hereby reserves the right to withdraw all the documents described herein prior to the closing of the transactions contemplated hereby.

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

William C. Brand

Mayor and Chairman

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

METROPOLITAN ESCROW

By: _____

Lorena Christie

Escrow Officer

EXHBIT A
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF REDONDO BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 244, OF MODULE 3 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY-24, 2008, AS INSTRUMENT NO. 2008-149824, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/481H FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 3 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 234 THROUGH 249, INCLUSIVE, 334 THROUGH 349, AND 434 THROUGH 449, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 2008-149824, OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS EXCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

PARCEL 3:

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 3 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

Assessor's Parcel Number: 4082-012-168