[DATE]

[Escrow Officer Name]

[Escrow Company]

[Title Company Address]

[Address Line 2]

Dear Mr./Mrs. [Escrow Officer Name]

RE: Joint Escrow Instructions

Escrow # [Insert Escrow No.]

[Easement Name] Agricultural Conservation Easement

[County Name] County, CA

This letter constitutes joint escrow instructions (“Escrow Instructions”) of [Land Trust], a California nonprofit organization (“Land Trust” or “Buyer”), [INSERT LANDOWENRS] (“Seller”), and the Department of Conservation by and through the Sustainable Agricultural Lands Conservation Program (“Department”), in connection with the purchase and recordation of an agricultural conservation easement on certain real property in the unincorporated region of [County] County (commonly known as APNs [Insert APNs]) and legally described in the Pro Forma Title Policy Report dated [insert date] (the ”Property”), and which was prepared by [Title Company] in connection with this transaction (Order No. [Escrow Number]), and which is attached hereto and incorporated herein by this reference (the “Pro Forma”). The Land Trust, a California nonprofit corporation, is purchasing from Seller title to a Deed of perpetual Agricultural Conservation Easement (“Easement”) on the Property.

The purchase price for the Easement is [EASEMENT VALUE] ($XXX, XXX.00) (“Purchase Price”), which represents the total appraised value of the Easement.

On behalf of the people of the State of California, pursuant to a grant to Land Trust, the Department will deposit directly into escrow a state warrant in the total amount of [75% of Easement Value] Dollars ($XXX,XXX.00) on behalf of Land Trust, disbursable for the transaction for which this escrow is established, and solely applicable to the Purchase Price for the Easement. The Department’s warrant may be cashed only upon the Department’s approval of these instructions, the approved Pro Forma Title Policy (Exhibit A), the approved Easement Deed (Exhibit B), [*the Demand and Reconveyance of the Deed of Trust dated [Insert date], Document No. XXXXXX*], and the final Baseline Documentation Report.

For purposes of these Escrow Instructions, the “Close of Escrow” or “Escrow Closing” shall be deemed the date upon which the Easement and other documents contemplated for recordation and delivery in this Escrow have been delivered and recorded in the Official Records of [COUNTY] County. This escrow shall close as soon as possible, but not later than [ESCROW CLOSING DATE], unless extended by mutual written agreement of the parties.

No funds shall be distributed nor documents recorded until you have completed all steps necessary to close this escrow.

The following instruments are delivered to you as Escrow Holder subject to compliance with the instructions herein set forth. Acceptance by you of this Escrow shall constitute a contractual obligation by [TITLE COMPANY] for complete compliance with these instructions and for disposition of the cash sum in accordance herewith.

This letter and the attached [TITLE COMPANY] General Escrow Provisions (“General Provisions”) contain the entire agreement between [TITLE COMPANY]., Land Trust, the Department, and Seller and constitutes the Agreement between the parties with respect to the purchase and sale of the Easement and may not be modified except by written amendment signed by Land Trust, Department, and Seller. To the extent, if any, the General Provisions and these instructions conflict, these instructions shall control.

**A. PARTIES**

The parties to this transaction are as follows:

|  |  |
| --- | --- |
| **Role in Transaction** | |
| [LANDOWNER NAME]  [ADDRESS]  [ADDRESS LINE 2] | **Seller** |
|  |  |
| [LAND TRUST]  [ADDRESS]  [ADDRESS LINE 2]  Attn: [Contact Person] | **Buyer** |

|  |  |
| --- | --- |
| California Department of Conservation  Sustainable Agricultural Lands Conservation Program  715 P Street, MS 1904  Sacramento, CA 95814  Attn: [Grant Manager] | **Funder** |

**B. FUNDS DEPOSITED INTO ESCROW**

Prior to closing, the parties have or will deposit with you the following funds:

1. Warrant from the State of California Department of Conservation Sustainable Agricultural Lands Conservation Program (SALC) in the amount of [write out dollar amount] Dollars ($XXX,XXX).
2. Land Trust will deposit the title and escrow expenses as set forth in the final closing statement.

**C. DOCUMENTS DEPOSITED INTO ESCROW**

Prior to closing, the parties will deposit with you the following documents:

1. Joint closing escrow instructions;
2. The fully executed and acknowledged final Deed of Agricultural Conservation Easement from [Landowner Name(s)] in favor of [Land Trust], a California nonprofit organization;
3. Approved Pro Forma Title Policy,
4. *Payoff Demand and Full Reconveyance for the Deed of Trust dated [Date], Document No. [XXXXXX].*

**D. CLOSING PROCEDURE**

You are not to close this transaction until:

1. You have signed and returned a copy of these Escrow Instructions to the Land Trust, Seller, and Department acknowledging your acceptance of these Escrow Instructions and are prepared to comply with these Escrow Instructions;
2. All other necessary funds have been obtained and deposited in escrow;
3. You hold for recordation or delivery to the appropriate parties the documents and funds described above;
4. You are unconditionally committed to issue an ALTA/CLTA standard policy of title insurance, naming the Land Trust and the California Department of Conservation as insureds, with the specified liability in the amount of $XXX,XXX, insuring Seller is the owner of the clear fee title to the Property and the Land Trust as owner of the Easement subject only to those matters shown in the Pro Forma as exceptions;
5. You have received written authorization to close escrow from [Grant Manager], SALC Grant Manager, Buyer and Seller as evidenced by the signature on these Escrow Instructions;
6. Any financial liens on the Property have been removed or subordinated to the Easement. No deed of trust or other instrument creating a security interest shall be recorded prior to the Deed of Agricultural Conservation Easement, unless such instrument is unconditionally and expressly subordinated to the Easement;
7. You have determined that nothing has been recorded affecting the Property since the preparation of the Pro Forma Title Policy. If anything has been recorded affecting the Property, you shall inform Land Trust and the Department immediately;
8. You have confirmed that the final easement document to be recorded substantially conforms to Attachment B of this document;
9. You have ensured that all blanks on any document have been filled with the appropriate information; and,
10. You are able to deliver and record for the benefit of the Land Trust, the Deed of Agricultural Conservation Easement to the Property. The Deed shall be recorded with the [County] County Recorder immediately upon transfer of title to the Easement on the Property.

Following recordation, you are to deliver to:

The Land Trust

* 1. a conformed copy of the recorded Deed of Agricultural Conservation Easement to the Property,
  2. a final closing statement,
  3. the Land Trust’s policy of title insurance on the Property, and
  4. a conformed copy of the Release of Deed of Trust, dated [Date], Document No. [XXXXX].

The Department of Conservation

1. a conformed copy of the recorded Deed of Agricultural Conservation Easement to the Property,
2. a copy of the Title Policy,
3. a final closing statement, and
4. a conformed copy of the Release of Deed of Trust, dated [Date], Document No. XXXXXX.

The Seller

1. a conformed copy of the recorded Deed of Agricultural Conservation Easement to the Property,
2. a final closing statement, and
3. a conformed copy of the Release of Deed of Trust, dated [Date], Document No. XXXXX.

These instructions may be supplemented, amended, or revoked by the undersigned at any time before close of escrow in writing, subject to the Department’s approval. In the event that this escrow is terminated, and the Easement is not conveyed to Land Trust, then, at the request of Land Trust or Department, [Title Company] shall immediately return all funds and documents to the parties which deposited the same.

These joint escrow instructions may be signed in one or more written, email or facsimile counterparts, each of which shall be deemed to be an original, and all of which shall be deemed to be one and the same document.

Upon close of escrow, correspondence shall be addressed to Land Trust at:

[Address]

[Address Line 2]

[Address Line 3]

Please acknowledge receipt of these instructions and indicate your agreement to act in accordance therewith by signing and returning a copy to the undersigned.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date\_\_\_\_\_\_\_\_\_\_

[Escrow Officer Name], Escrow Officer

Sincerely,

**BUYER: [Land Trust]**

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

[Land Trust Authorized Signer], [Title]

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SELLER: Landowner(s)**

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

[Landowner Name]

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

[Landowner Name]

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**FUNDER: California Department of Conservation**

**Sustainable Agricultural Lands Conservation Program**

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

By: [Grant Manager Name]

Grant Manager, SALC

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**EXHIBIT A**

**Pro Forma Title Policy**

[attached]

**EXHIBIT B**

**Easement Deed**

[attached]