



## SAMPLE CLOSING INSTRUCTIONS

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Re: Closing Instruction Letter - Loan in the principal amount of \$  
(the "Loan") from (the "Lender") to  
(the "Borrower"), secured by certain real property located at  
(the "Property") in County (the "County"), State of (the "State")

Title Insurance Company Commitment/Proforma No.:

Dear Sir or Madam:

Elite Commercial Closings LLC (the "Lender's Representative") represents Lender in connection with the above-referenced transaction.

This letter constitutes Lender's instructions to (the "Title Agent"), as agent for (the "Underwriter"). Title Agent hereby anticipates receipt, on behalf of Lender, of monies in accordance with Lender's closing statement (the "Lender's Funds") and the following documents (the "Loan Documents"), and agrees to hold the same in escrow for the benefit of Lender pending satisfaction of all conditions in the manner set forth herein:

One (1) original Commercial Promissory Note, duly executed by the Borrower

One (1) original Commercial Guaranty, duly executed by (the "Guarantor")

One (1) original Commercial Loan and Security Agreement, duly executed by the Borrower

One (1) original of a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "Security Instrument") granted by in favor of Lender, and encumbering the real property and improvements described therein, such property commonly known as .

One (1) original of a Collateral Assignment of Leases and Rents (the "Collateral Assignment") granted by in favor of Lender, and encumbering the real property and improvements described therein, such property commonly known as .

The Loan Agreement, the Note, the Guaranty, and the Security Instrument, and the Collateral Assignment are hereinafter collectively referred to as the "Loan Documents". Unless otherwise defined in this letter or unless the context otherwise requires, capitalized terms defined in the Loan Agreement shall have the same meaning in this letter.

Title Agent hereby agrees to issue to Lender the Underwriter's 2006 ALTA Loan Policy (the "Lender's Policy"), in the same form and substance as the pro forma policy, or marked-up title commitment (the "Commitment"), provided by Title Agent to Lender, with the following notations, deletions, and additions:

1. The named insured on the Lender's Policy must be stated as follows: \_\_\_\_\_, ISAOA/ATIMA.
2. The effective date of the Lender's Policy (the "Policy Date") must be the date the Security Instrument is filed of record.
3. The Lender's Policy must insure the lien of the Security Instrument as a valid first lien on the Property (with the legal description of the land in the Lender's Policy exactly the same as that of the Security Instrument), subject to no title exceptions other than those specified in SCHEDULE B of the Commitment (the "Permitted Encumbrances"), insuring that indefeasible fee simple title to the Property is vested in Borrower. **REGARDLESS OF WHETHER THE TRANSACTION IS A PURCHASE OR REFINANCE, LENDER MUST RECEIVE A COPY OF EXECUTED DEED VESTING FEE SIMPLE TITLE IN BORROWER.**
4. The Lender's Policy must contain all of the endorsements contained in the Commitment, including an ALTA 25-06 (Same as Survey) endorsement, an ALTA 9 endorsement, and an ALTA 8.1/8.2 endorsement. If the Property is a condominium or is located in a planned unit development, the Lender's Policy must contain a Condo or PUD endorsement.
5. **GAP PERIOD:** As used herein, the term "Gap Period" refers to the period of time subsequent to the Policy Date and prior to the date of recording of the Security Instrument in the real property records (the "Public Records") of the County and State of the Property. The Lender's Policy must not include any exception for matters created or attaching during the Gap Period. In this particular case, title shall date down, record and disburse all the same day. If anything is recorded between the date of the commitment and the date of recording, i.e., during the Gap Period, title will contact Lender immediately and prior to recording and/or disbursement of the funds.
6. **MECHANIC'S LIEN COVERAGE REQUIRED:** The Lender's Policy must not contain any mechanic's lien exception.
7. The Lender expressly requires disposition of any and all intervening matters, as well as satisfaction of any and all requirements, set forth in the Commitment.
8. The Lender will not accept a short form title policy for the Lender's Policy.

Upon (i) Title Agent's delivery by email to Lender's Representative of a copy of this instruction letter, fully executed by a duly authorized signatory of Title Agent and by the Underwriter; (ii) receipt by Lender's Representative of the final, signed Loan Documents; (iii) authorization from Lender's Representative; and (iv) Title Agent's delivery by email to Lender's Representative of a copy of the Closing Certification, fully executed by a duly authorized signatory of Title Agent, Title Agent is hereby directed to record the Security Instrument and the Collateral Assignment in the Public Records. After recording, the Security Instruments and Collateral Assignments must be returned to Elite Commercial Servicing LLC, 75 Gerber Road East, Ste. 102, South Windsor, CT 06074.

Title Agent hereby represents and warrants to Lender and to Lender's Representative that all title matters and information have been checked by Title Agent prior to the execution of this closing instruction letter (and will be checked prior to the time of recording and/or filing, as applicable, of the Security Instruments and Collateral Assignments for recordation as instructed herein), that all prior mortgages, deeds of trust, liens, and other title exceptions, including all taxes due and payable as of the date hereof, other than the Permitted Encumbrances, have been properly released or terminated of record in the Public Records and that the Lender's Policy has been authorized by the Underwriter, and written and issued exactly as required hereby with no additional exceptions (regardless of rank or priority) in the Lender's Policy.

**NOTE REGARDING COVID-19:** Please note Lender will not execute a declaration of understanding and indemnity and hold harmless agreement, nor will Lender accept any title policy which has an exemption regarding title insurer's inability to insure clear title and position of the Security Instruments. Lender is relying on Title Agent to advise Lender, **prior to close of escrow**, if title will require said indemnity or will have any exemption of this type in the Lender's Policy.

Lender's Funds are being disbursed to Title Agent to be applied toward, **inter alia**, (a) costs, expenses, charges, and premiums in connection with the issuance of the Lender's Policy, including recordation of the Loan Documents, and all transfer, stamp, intangibles, or mortgage tax; (b) acquisition or refinance of the Property; and (c) the payment of Borrower's legal fees.

**PRIOR TO DISBURSING LENDER'S FUNDS**, Title Agent shall email a .PDF file of all duly executed loan documents, plus marked-up title commitment (or pro forma title policy) to and await email approval to release the funds.

**WITHIN TWENTY-FOUR (24) OF DISBURSING LENDER'S FUNDS**, Title Agent shall deliver all original Loan Documents to Lender by overnight delivery using the FedEx label provided by Lender. Title Agent shall only retain one (1) original copy of the Security Instrument and Collateral Assignment of Leases and Rents in order to record same. Failure to deliver all original Loan Documents to FedEx with provided label within three (3) business days of disbursing Lender's Funds shall result in Title Agent being liable to Lender for the accrual of liquidated damages as follows: the greater of \$200 per day or 0.1% of the unpaid principal balance of the Loan per day, up to a maximum of the greater of \$20,000 or 10% of the unpaid principal balance of the Loan. Title Agent understands and agrees that failure to deliver all original Loan Documents within the time set forth will cause Lender to suffer damages, and Title Agent further understands and agrees that actual damages are difficult to calculate and that the foregoing liquidated damages are a reasonable approximation of damages Lender will suffer.

Please send the Lender's Policy and the recorded Loan Documents to Lender using the address set forth in the Loan Documents.

Upon the request of Lender's Representative, for any reason or no reason, Title Agent shall immediately return Lender's Funds and the Loan Documents at any time prior to the recording of the Loan Documents.

Upon satisfaction of all of the closing conditions set forth herein, please return an executed copy of this letter to Lender, by overnight delivery, using the address set forth in the Loan Documents.

The services of Title Agent requested herein are to be performed without further cost or expense to Lender or Lender's Representative. Please express your agreement to comply with the instructions and agreements contained herein and acknowledge your receipt of the Loan Documents and Lender's Funds by executing this letter and returning the same by email prior to the release of any portion of Lender's Funds.

Thank you for your assistance with this transaction. Please contact us with any questions or concerns.

Elite Commercial Closings LLC

By  
Melissa S. Harris  
Corporate Counsel

AGREED AND ACCEPTED      day of      , 2024

By:

Name:

Title: