

Terms Completed

ORDER SUMMARY – Case Number: C-11-0871

Name(s): Advantage One Escrow, Inc.

Order Number: C-11-0871-12-CO01

Effective Date: April 12, 2012

License Number: Unlicensed
Or NMLS Identifier [U/L]

License Effect: N/A [not licensed]

Not Apply Until: April 12, 2017

Not Eligible Until: April 12, 2017

Prohibition/Ban Until: April 12, 2017

Investigation Costs	\$562.50	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 4/12/12
Fine	\$4,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 4/12/12
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: _____

RECEIVED

APR 11 2012

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

ENFORCEMENT UNIT
DIVISION OF CONSUMER SERVICES
DEPT OF FINANCIAL INSTITUTIONS

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3 IN THE MATTER OF DETERMINING: No.: C-11-0871-12-CO01
4 Whether there has been a violation of the Escrow Agent Registration Act of Washington by: CONSENT ORDER
5 ADVANTAGE ONE ESCROW, INC.,
6 Respondent.

7 COMES NOW the Director of the Department of Financial Institutions (Director), through his
8 designee Deborah Bortner, Division Director, Division of Consumer Services, and Advantage One
9 Escrow, Inc. (Respondent), and finding that the issues raised in the above-captioned matter may be
10 economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is
11 entered pursuant to chapter 18.44 of the Revised Code of Washington (RCW), and RCW 34.05.060
12 of the Administrative Procedure Act, based on the following:

13 **AGREEMENT AND ORDER**

14 The Department of Financial Institutions, Division of Consumer Services (Department) and
15 Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges
16 No. C-11-0871-12-SC01 (Statement of Charges), entered January 25, 2012, (copy attached hereto).
17 Pursuant to chapter 18.44 RCW, the Escrow Agent Registration Act (Act) and RCW 34.05.060 of the
18 Administrative Procedure Act, Respondent hereby agrees to the Department's entry of this Consent
19 Order and further agree that the issues raised in the above-captioned matter may be economically and
20 efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully
21 resolve the Statement of Charges.

22 Based upon the foregoing:

23
24 CONSENT ORDER
C-11-0871-12-CO01
Advantage One Escrow, Inc.

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902.8703

1 **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter
2 of the activities discussed herein.

3 **B. Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a
4 hearing before an administrative law judge, and hereby waives its right to a hearing and any and all
5 administrative and judicial review of the issues raised in this matter, or of the resolution reached
6 herein. Accordingly, Respondent, by the signature of its representative below, withdraws its appeal
7 to the Office of Administrative Hearings.

8 **C. Escrow Agent License Required.** It is AGREED that Respondent understands it must
9 obtain an Escrow Agent license from the Department or meet an exclusion from licensing, as
10 delineated in the Act, in order to engage in business as an escrow agent by performing escrows or any
11 of the functions of an escrow agent described in the Act within the state of Washington or with
12 respect to transactions that involve personal property or real property located in the state of
13 Washington. It is further AGREED that, until such time as Respondent obtains an Escrow Agent
14 license from the Department or meets an exclusion from licensing, as delineated in the Act,
15 Respondent shall not perform escrows or any of the functions of an escrow agent described in the Act
16 within the state of Washington or with respect to transactions that involved personal property or real
17 property located in the state of Washington.

18 **D. Application for License.** It is AGREED that, for a period of five years from the date of
19 entry of this Consent Order, Respondent shall not apply to the Department for any license under any
20 name. It is further AGREED that, should Respondent apply to the Department for any license under
21 any name at any time later than five years from the date of entry of this Consent Order, Respondent
22 shall be required to meet any and all application requirements in effect at that time.

1 E. **Fine.** It is AGREED that Respondent shall pay a fine to the Department in the amount of
2 \$4,000, in the form of a cashier's check made payable to the "Washington State Treasurer," upon
3 entry of this Consent Order.

4 F. **Investigation Fee.** It is AGREED that Respondent shall pay to the Department an
5 investigation fee of \$562.50, in the form of a cashier's check made payable to the "Washington State
6 Treasurer," upon entry of this Consent Order. The Fine and Investigation Fee may be paid together
7 in one \$4,562.50 cashier's check made payable to the "Washington State Treasurer."

8 G. **Records Retention.** It is AGREED that Respondent, its officers, employees, and agents
9 shall maintain records involving Washington State escrow transactions for a minimum of six years
10 from completion of the escrow transactions. It is further AGREED that Respondent shall provide the
11 Department with, and keep the Department informed of, the location such records and the name,
12 address and telephone number of the individual responsible for maintenance of such records.

13 H. **Authority to Execute Order.** It is AGREED that the undersigned has represented and
14 warranted that he has the full power and right to execute this Consent Order on behalf of the party
15 represented.

16 I. **Non-Compliance with Order.** It is AGREED that Respondent understands that failure to
17 abide by the terms and conditions of this Consent Order may result in further legal action by the
18 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director
19 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

20 J. **Voluntarily Entered.** It is AGREED that the undersigned Respondent has voluntarily
21 entered into this Consent Order, which is effective when signed by the Director's designee.

22 K. **Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read
23 this Consent Order in its entirety and fully understands and agrees to all of the same.

1 **RESPONDENT:**

2 **Advantage One Escrow, Inc.**

3 By:

[Redacted signature]

4 Frank McDowell
President

Date 4/4/12

5 **DO NOT WRITE BELOW THIS LINE**

6 THIS ORDER ENTERED THIS 12th DAY OF April, 2012



[Redacted signature]

8 DEBORAH BORTNER
9 Director
10 Division of Consumer Services
11 Department of Financial Institutions

12 Presented by:

[Redacted signature]

13 MARK T. OLSON
14 Financial Legal Examiner

15 Approved by:

[Redacted signature]

16 JAMES R. BRUSSELBACK
17 Enforcement Chief

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

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IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Escrow Agent Registration Act of Washington by:

ADVANTAGE ONE ESCROW, INC,

Respondent.

No.: C-11-0871-12-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO ASSESS FINE,
COLLECT INVESTIGATION FEE,
AND MAINTAIN RECORDS

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INTRODUCTION

Pursuant to RCW 18.44.410, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 18.44 RCW, the Escrow Agent Registration Act (Act). After having conducted an investigation pursuant to RCW 18.44.420 and WAC 208-680-620, and based upon the facts available as of the date of this Statement of Charges, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondent Advantage One Escrow, Inc. (Respondent) is a California corporation headquartered at 17330 Brookhurst Street, Fountain Valley, California. Respondent has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as an escrow agent in the state of Washington.

1.2 Unlicensed Activity. In or around October 2011, the Department contacted Respondent about apparent unlicensed activity. In or around November 2011, Respondent provided the Department with a list of 12 mortgage loan transactions closed during the prior 25 months and involving real property located in the state of Washington. According to this list, Respondent

1 received at least \$5,950 in “fees” for providing escrow functions in these transactions.¹ On or about
2 November 3, 2011, Respondent provided the Department with an Agreement to Cease and Desist
3 from providing escrow services in the state of Washington until such time as Respondent obtains a
4 license from the Department or meets an exclusion from licensing as delineated in the Act, and a
5 letter stating Respondent had ceased all such activity in June 2011.

6 **1.3 On-Going Investigation.** The Department’s investigation into the alleged violations of the
7 Act by Respondent continues to date.

8 II. GROUNDS FOR ENTRY OF ORDER

9 **2.1 Definition of Escrow.** Pursuant to RCW 18.44.011(7), “Escrow” means any transaction
10 wherein any person or persons, for the purpose of effecting and closing the sale, purchase, exchange,
11 transfer, encumbrance, or lease of real or personal property to another person or persons, delivers any
12 written instrument, money, evidence of title to real or personal property, or other thing of value to a
13 third person to be held by such third person until the happening of a specified event or the
14 performance of a prescribed condition or conditions, when it is then to be delivered by such third
15 person, in compliance with instructions under which he or she is to act, to a grantee, grantor,
16 promisee, promisor, obligee, obligor, lessee, lessor, bailee, bailor, or any agent or employee thereof.

17 **2.2 Definition of Escrow Agent.** Pursuant to RCW 18.44.011(8) “Escrow Agent” means any
18 person engaged in the business of performing for compensation the duties of the third person referred
19 to in RCW 18.44.011(7).

20 **2.3 Requirement to Obtain and Maintain License.** Based on Factual Allegations set forth in
21 Section I above, Respondent is in apparent violation of RCW 18.44.021 for engaging in business as

22 ¹ The Department is also aware of at least one other transaction, escrow number 260295-EM, closing
23 in or around March 2011 and for which Respondent received at least \$500 for providing escrow
functions.

1 an escrow agent by performing escrows or any of the functions of an escrow agent within the state of
2 Washington or with respect to transactions that involve personal property or real property located in
3 the state of Washington without first obtaining a license.

4 **2.4 Requirement to Maintain Records in the State of Washington.** Based on the Factual
5 Allegations set forth in Section I above, Respondent is in apparent violation of RCW 18.44.400 and
6 WAC 208-680-530 for failing to maintain transaction records in the state of Washington for a period
7 of six years from completion of the transaction.

8 III. AUTHORITY TO IMPOSE SANCTIONS

9 **3.1 Authority to Issue an Order to Take Affirmative Action.** Pursuant to RCW 18.44.440 and
10 WAC 208-680-630, if the Director determines after notice and hearing that a person has: violated any
11 provision of the Act; or engaged in any false, unfair and deceptive, or misleading advertising or
12 promotional activity or business practices; the director may issue an order requiring the person to take
13 such affirmative action as in the judgment of the director will carry out the purposes of the Act.

14 **3.2 Authority to Assess Fine.** Pursuant to RCW 18.44.430(3) and WAC 208-680-640, the
15 Director may assess a fine of up to \$100 per day for each violation of the Act.

16 **3.3 Authority to Collect Investigation Fee.** Pursuant to RCW 18.44.410 and WAC 208-680-
17 650, the expense of an investigation pursuant to WAC 208-680-620 shall be borne by the entity
18 which is the subject of the investigation.

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1 **IV. NOTICE OF INTENTION TO ENTER ORDER**

2 Respondent's violations of the provisions of chapter 18.44 RCW and chapter 208-680 WAC,
3 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
4 Sanctions, constitute a basis for the entry of an Order under RCW 18.44.400, RCW 18.44.410, RCW
5 18.44.430, RCW 18.44.440 and WAC 208-680-630. Therefore, it is the Director's intention to
6 ORDER that:

- 7 **4.1** Respondent Advantage One Escrow, Inc. pay a fine. As of the date of this Statement
8 of Charges, the fine totals \$6,500.
- 9 **4.2** Respondent Advantage One Escrow, Inc. pay an investigation fee. As of the date of
10 this Statement of Charges, the investigation fee totals \$562.50.
- 11 **4.3** Respondent Advantage One Escrow, Inc., its officers, employees, and agents maintain
all records involving Washington State escrow transactions within the state of
Washington for a period of six years from completion of the escrow transactions.

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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges is entered pursuant to the provisions of RCW 18.44.410, RCW
3 18.44.430, and RCW 18.44.440, and is subject to the provisions of chapter 34.05 RCW (The
4 Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in
5 the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
6 accompanying this Statement of Charges.

7
8 Dated this 25th day of January, 2012



[Redacted signature]

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

13 Presented by:

[Redacted signature]

14
15 MARK T. OLSON
Financial Legal Examiner

16
17 Approved by:

[Redacted signature]

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19 JAMES R. BRUSSELBACK
Enforcement Chief