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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:

CORNER ESCROW, INC., and  
KIMBERLY M. DIAZ, President,

Respondents.

No.: C-15-1657-15-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER AN  
ORDER TO CEASE AND DESIST, TAKE  
AFFIRMATIVE ACTION,  
PROHIBIT FROM INDUSTRY,  
IMPOSE FINE, AND  
COLLECT INVESTIGATION FEE

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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 Charles E. Clark, institutes this proceeding and finds as follows:

**I. FACTUAL ALLEGATIONS**

**1.1 Respondent Corner Escrow, Inc. (Respondent Corner Escrow)** is headquartered at 161 Fashion Ln. Suite 101, Tustin, California. Respondent Corner Escrow 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 Respondent Kimberly M. Diaz (Respondent Diaz)** is President and Owner of Respondent Corner Escrow. Respondent Diaz has never been licensed by the Department to conduct business as an escrow agent in the State of Washington.

1 **1.3 Unlicensed Activity.** Between at least May 19, 2010, and June 24, 2014, Respondents  
2 performed escrow functions in at least 138 Washington mortgage loan transactions. Respondents  
3 received approximately \$62,900 as fees for those transactions.

4 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the  
5 Act by Respondents continues to date.

## 6 **II. GROUNDS FOR ENTRY OF ORDER**

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

16 **2.2 Definition of Escrow Agent.** Pursuant to RCW 18.44.011(8) "Escrow Agent" means any  
17 person engaged in the business of performing for compensation the duties of the third person referred  
18 to in RCW 18.44.011(7).

19 **2.3 Requirement to Obtain and Maintain License.** Based on Factual Allegations set forth in  
20 Section I above, Respondents are in apparent violation of RCW 18.44.021 for engaging in the  
21 business of an escrow agent by performing escrows or any of the functions of an escrow agent within  
22 the state of Washington or with respect to transactions that involve personal property or real property  
23 located in the state of Washington without first obtaining a license.

### III. AUTHORITY TO IMPOSE SANCTIONS

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2 **3.1 Authority to Issue an Order to Cease and Desist and Take Affirmative Action.** Pursuant  
3 to RCW 18.44.440 and WAC 208-680-630, if the Director determines after notice and hearing that a  
4 person has: violated any provision of the Act the director may issue an order requiring the person to  
5 cease and desist from the unlawful practice and to take such affirmative action as in the judgment of  
6 the director will carry out the purposes of the Act.

7 **3.2 Authority to Prohibit From Industry.** Pursuant to RCW 18.44.430(3), the Director may  
8 prohibit from participation in the conduct of the affairs of any licensed escrow agent any officer or  
9 controlling person of any escrow agent if the officer or controlling person has violated any provision  
10 of the Act.

11 **3.3 Authority to Impose Fine.** Pursuant to RCW 18.44.430(3) and WAC 208-680-640(1)(d), in  
12 addition to or in lieu of license denial the Director may impose a fine up to \$100 per day for each  
13 day's violation of the Act or for filing, upon demand, to produce any record for inspection of the  
14 Director or his authorized representatives.

15 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 18.44.410 and WAC 208-680-  
16 650, the expense of an investigation pursuant to WAC 208-680-620 shall be borne by the person  
17 which is the subject of the investigation.

### 18 IV. NOTICE OF INTENTION TO ENTER ORDER

19 Respondents' violations of the provisions of chapter 18.44 RCW as set forth in the above  
20 Factual Allegations and Grounds for Entry of Order constitute a basis for the entry of an Order under  
21 RCW 18.44.400, RCW 18.44.410, RCW 18.44.430, RCW 18.44.440, and WAC 208-680-630, which  
22 authorize the Director to enforce all laws, rules, and regulations related to the registration of escrow  
23 agents and licensing of escrow officers. Therefore, it is the Director's intention to ORDER that:



1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist,  
3 Prohibit from Industry, Impose Fine and Collect Investigation Fee (Statement of Charges) is entered  
4 pursuant to the provisions of RCW 18.44.410, RCW 18.44.430, and RCW 18.44.440, and is subject  
5 to the provisions of chapter 34.05 RCW (the Administrative Procedure Act). Respondents may make  
6 a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND  
7 OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

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9 Dated this 8<sup>th</sup> day of May, 2015.



10 [Redacted Signature]  
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12 CHARLES E. CLARK  
13 Director  
14 Division of Consumer Services  
15 Department of Financial Institutions

16 Presented by:  
17 [Redacted Signature]  
18 \_\_\_\_\_  
19 ROBERT E. JONES  
20 Financial Legal Examiner

21 Approved by:  
22 [Redacted Signature]  
23 \_\_\_\_\_  
24 STEVEN C. SHERMAN  
Enforcement Chief