



State of Washington

DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES

P.O. Box 41200 ● Olympia, Washington 98504-1200  
Telephone (360) 902-8700 ● TDD (360) 664-8126 ● <http://www.dfi.wa.gov>

June 18, 2010

Sharon E. Best  
Best & DeVrieze, PLLC  
3909 California Ave SW  
Seattle, WA 98116-3705

RE: Revised No Action Letter for Best & DeVrieze, PLLC under the Escrow Agent Registration Act

Dear Ms. Best,

This letter is revised in accordance with the June 10, 2010 draft of the Department of Financial Institution's interim guidance for attorneys who conduct escrow transactions, available at <http://dfi.wa.gov/cs/pdf/rulemaking/2010/eara-laws-2010-interim-guidance.pdf>.

The Department of Financial Institutions, Consumer Services Division ("the Division") has received and reviewed your letter of June 7, 2010, requesting a no-action letter regarding your legal practice and the recent changes to the Escrow Agent Registration Act, RCW 18.44 (the Act). As you know, Substitute House Bill 2564 (chapter 34, Laws of 2010) made significant changes to the attorney exception in the Act.

An escrow is a transaction where a person (the escrow agent) receives any written instrument, money, evidence of title to real or personal property, or other thing of value from a person or persons and transfers it to another person or persons, based on instructions from the principal parties to the transaction. This transaction must be for the purpose of effecting and closing the sale, purchase, exchange, transfer, encumbrance, or lease of real or personal property. Escrow does not include activities that require the exercise of legal discretion by an attorney. The Division considers an escrow transaction that involves exercise of legal discretion by an attorney as incidental to the practice of law and not subject to licensing under the Act.

In your request for a no action letter, you state that you "supervise" the escrow department and review documents prepared by your LPOs. You also stated that 60% of your income last year was from your escrow department, though I assume that some portion of that income was from closing-related legal services and not just pure escrow transactions. You indicate that you advertise as an attorney performing escrow, and while you have advertised "Sharon E. Best Escrow," you always describe it as a division of "Best & DeVrieze, PLLC."

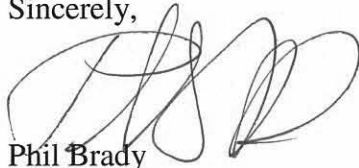
Based on the facts as you present them, the Division will not require you to apply for an escrow license and will take no action against you for unlicensed escrow activity. Because this determination is based upon the representations set forth in your letter, it should be noted that any different facts or conditions might result in a different conclusion. The Division reserves the right to make a different determination in the future, should either your circumstances or the law change.

I would suggest that you carefully review your business practices. A number of your practices give the appearance of an escrow business separate from your law firm—you have a separate phone number, a separate trust account, and appear to operate with primarily different principal employees, at least one of whom is referred to as an escrow closer in professional directories. You track your incomes separately, and 60% of your income came from “escrow transactions” (with no explanation of how much of that actually comes from true escrow, and how much from closing-related legal services). A quick web search also identified several third-party websites that refer to “Sharon E. Best Escrow” without identifying it as a division of a law firm. For the purposes of this letter, we are accepting the assertions made in your letter to the Division, but they would have to be reexamined in the event of a complaint made against you.

This is an individual determination based on your specific circumstances, and has no effect or precedential value for persons in similar situations. Your exception is an individual exception based on your admission to practice law in Washington, and does not apply to any non-attorney employee that might conduct escrow transactions independent of your oversight.

Thank you for contacting DFI. If you have any questions, please let me know. I may be reached at (360) 902 – 8755 or [pbrady@dfi.wa.gov](mailto:pbrady@dfi.wa.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Brady', written over a white background.

Phil Brady  
Staff Attorney