

ORDER SUMMARY – Case Number: C-15-1657

Names: Corner Escrow, Inc.
Kimberly M. Diaz

Order Number: C-15-1657-15-CO01
Effective Date: September 30, 2015
License Number: Unlicensed
Or NMLS Identifier [U/L]
License Effect: N/A

Not Apply Until: September 30, 2020
Not Eligible Until: September 30, 2020
Prohibition/Ban Until: September 30, /2020 (unless respondents apply for and receive a license)

Investigation Costs	\$2,092.60	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 9/24/15
Fine	\$20,000.00	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 9/24/15
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: Cease and desist engaging in the business of an escrow agent in Washington or for Washington
property

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

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

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

No.: C-15-1657-15-CO01

CONSENT ORDER

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

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Charles E. Clark, Division Director, Division of Consumer Services, Corner Escrow, Inc., and Kimberly M. Diaz, President of Corner Escrow, Inc. (Respondents), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 18.44 of the Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-15-1657-15-SC01 (Statement of Charges), entered May 8, 2015, (copy attached hereto). Pursuant to chapter 18.44 RCW, the Escrow Agent Registration Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this Consent Order and further agree that the issues raised in the above-captioned matter may be economically and efficiently settled by entry of this Consent Order. Respondents are agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

Based upon the foregoing:

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 Respondents have been informed of the right to a
4 hearing before an administrative law judge, and hereby waive their 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, Respondents, by their signatures and the signatures of their representatives
7 below, withdraw their appeal to the Office of Administrative Hearings.

8 C. **No Admission of Liability.** The parties intend this Consent Order to fully resolve the
9 Statement of Charges and agree that Respondents do not admit or deny any violation of the Act by its
10 entry.

11 D. **Cease and Desist.** It is AGREED and ORDERED that Respondents shall cease and
12 desist from engaging in the business of an escrow agent in Washington State for transactions
13 involving property located in Washington State.

14 E. **Prohibition from Industry.** It is AGREED that, for a period of five years from the date
15 of entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in the
16 conduct of the affairs of any escrow agent licensed by the Department or subject to licensure or
17 regulation by the Department. It is further AGREED that this Prohibition shall expire and shall be
18 deemed withdrawn as to any Respondent that obtains a license issued by the Department under the
19 Act.

20 F. **Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
21 \$20,000.00, in the form of a cashier's check made payable to the "Washington State Treasurer," upon
22 entry of this Consent Order.

23

24

1. G. **Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
2 investigation fee of \$2,092.62, in the form of a cashier's check made payable to the "Washington
3 State Treasurer," upon entry of this Consent Order. The Fine and Investigation Fee may be paid
4 together in one \$22,092.62 cashier's check made payable to the "Washington State Treasurer."

5 H. **Authority to Execute Order.** It is AGREED that the undersigned have represented and
6 warranted that they have the full power and right to execute this Consent Order on behalf of the
7 parties represented.

8 I. **Non-Compliance with Order.** It is AGREED that Respondents understand that failure to
9 abide by the terms and conditions of this Consent Order may result in further investigation and legal
10 action by the Director. In the event of such legal action, Respondents may be responsible to
11 reimburse the Director for the cost incurred in any such investigation and in pursuing such action,
12 including but not limited to, attorney fees.

13 J. **Voluntarily Entered.** It is AGREED that Respondents have voluntarily entered into this
14 Consent Order, which is effective when signed by the Director's designee.

15 K. **Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read
16 this Consent Order in its entirety and fully understand and agree to all of the same.

17 **RESPONDENTS:**
18 **Corner Escrow, Inc.**

19 By:

20 [Redacted Signature]

21 Kimberly M. Diaz
22 President

9-16-15
Date

23 [Redacted Signature]

24 Kimberly M. Diaz
Individually

9-16-15
Date

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

Approved for Entry:

[Redacted Signature]

09-21-15

Jennifer Felten
RELAW, APC
Attorney for Respondents

Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 30th DAY OF September, 2015.



[Redacted Signature]

CHARLES E. CLARK
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

[Redacted Signature]

ROBERT E. JONES
Financial Legal Examiner

Approved by:

[Redacted Signature]

STEVEN C. SHERMAN
Enforcement Chief

1
2
3
4
5
6
7
8

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

9
10
11
12
13
14
15

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

16
17
18
19
20
21
22
23
24

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

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

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

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

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

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

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

IV. NOTICE OF INTENTION TO ENTER ORDER

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

- 1 **4.1** Respondents Corner Escrow, Inc. and Kimberly M. Diaz cease and desist from
2 performing escrow services in the state of Washington or with respect to personal or
3 real property located in the state of Washington until such time as Respondent Corner
 Escrow, Inc. obtains a license from the Department to provide escrow services in the
 state of Washington or meets an exclusion from licensing as delineated in the Act.

- 4 **4.2** Respondents Corner Escrow, Inc. and Kimberly M. Diaz be prohibited from
5 participation in the conduct of the affairs of any licensed escrow agent for a period of
 five years.

- 6 **4.3** Respondents Corner Escrow, Inc. and Kimberly M. Diaz jointly and severally pay a
7 fine. As of the date of this Statement of Charges, the fine totals \$75,000.

- 8 **4.4** Respondents Corner Escrow, Inc. and Kimberly M. Diaz jointly and severally pay an
9 investigation fee. As of the date of this Statement of Charges, the investigation fee
 totals \$2,092.62.

- 10 **4.5** Respondents Corner Escrow, Inc. and Kimberly M. Diaz maintain records in
 compliance with the Act.

11 //
12 //
13 //
14 //
15 //
16 //
17 //
18 //
19 //
20 //
21 //
22 //
23 //

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.

8
9 Dated this 8th day of May, 2015.



10 [Redacted signature]

11 CHARLES E. CLARK
12 Director
13 Division of Consumer Services
14 Department of Financial Institutions

15 Presented by:

16 [Redacted signature]

17 ROBERT E. JONES
18 Financial Legal Examiner

19 Approved by:

20 [Redacted signature]

21 STEVEN C. SHERMAN
22 Enforcement Chief