1 REAL ESTATE AGENCY 2 BEFORE THE REAL ESTATE COMMISSIONER 3 4 In the Matter of the Escrow Agent License of 5 6 STEWART TITLE COMPANY STIPULATED FINAL ORDER 7 8 9 10 The Real Estate Agency (OREA) and Stewart Title Company (Stewart Title) do hereby 11 agree and stipulate to the following: 12 FINDINGS OF FACT 13 14 CONCLUSIONS OF LAW 15 16 1. 17 At all times mentioned herein, Stewart Title was licensed as an escrow agent in 1.1 18 Oregon. 19 The Agency received a complaint from Larry LaRue (LaRue) against Stewart 1.2 20 Title Company (Stewart Title). The complaint related to the sale of 12640 SE Huron St., 21 Clackamas OR (subject property). 22 At the time of the sale the house was owned by Susan LaRue, but according to the Stipulated General Judgement of Dissolution of Marriage and Money Award Section 3.1.1 23 states, "He is awarded all proceeds remaining from the sale of 12640 SE Huron St., 24 25 Clackamas, OR 97015 AFTER Susan Marie LaRue receives \$80,800.00 and all realtor and 26 closing fees are paid." 27 Richard Fowlks (Fowlks) was the attorney who represented LaRue during his 1.4 divorce from Susan LaRue. Fowlks recorded an attorney lien on the subject property for 28 29 services performed in the amount of \$20,152.89, plus costs of \$4,417.25, totaling \$24,570.14. 30 III

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- 1.5 In late May 2015 both LaRue and Susan LaRue signed Escrow Instructions-Holdback, which stated the escrow agent would withhold \$66,950.00 from the proceeds of the sale.
- 1.6 On July 10, 2015, Fowlks signed a Release of Lien form. On or around July 13, 2015, Stewart Title sent payment to Fowlks in exchange for Fowlks releasing his lien on the subject property.
- 1.7 Payment to Larry LaRue for the remaining \$40,781.53 of the holdback funds did not occur until on or after August 19, 2015.
- (1) Violation: By delaying payment of the remaining holdback funds to Larry LaRue, Stewart Title violated ORS 696.535(1)(h) (2015 Edition) which states the real estate commissioner may discipline an escrow agent's license if the escrow agent failed to deliver within a reasonable time to persons entitled to receive funds, property or documents or other things of value held or agreed to be delivered by the licensee, as and when paid for and due to be delivered.
- 1.8 The July 10, 2015, Release of Lien form signed by Fowlks was not filed with Clackamas County until August 25, 2015, or later.
- (2) Violation: By failing to timely file the Release of Lien form with the county, Stewart Title violated ORS 696.535(1)(b) (2015 Edition) which states the real estate commissioner may discipline an escrow agent's license if the escrow agent demonstrated incompetence to transact the business of an escrow agent.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by OREA and further, the order which follows hereafter. I understand that the findings of fact, conclusions of law and this stipulation and waiver embody the full and complete agreement and stipulation between OREA and Stewart Title. I further understand that if Stewart Title does not agree with this stipulation Stewart Title has the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. Hearings are conducted in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon. Stewart Title freely and voluntarily waives its rights to a hearing, to representation by legal counsel at such a hearing, and to judicial review of this matter.

Stewart Title hereby agrees and stipulates to the above findings of fact and conclusions of law and understands that the order which follows hereafter may be completed and signed by the Real Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an amended notice of intent may be issued in this matter. I understand that, in accordance with the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real Estate News Journal.

ORDER

IT IS HEREBY ORDERED that, pursuant to ORS 696.585 and based upon the violation(s) set forth above, Stewart Title Company pay a civil penalty in the sum of \$5,000.00 (\$3,00.00 for violation 1, \$2,000.00 for violation 2), said penalty to be paid to the General Fund of the State Treasury by paying the same to the OREA.

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IT IS SO ORDERED:

By Way Payne homas	- Henof Strong
Title: VP/Regulatory Compliance Course	Steven Strode
Stewart Title Company Date 10/29/2019	REAL ESTATE COMMISSIONER Date 31 OCHOSE 2019
	Date of Service: 10 31 2019