

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Unlicensed Escrow Activity)
of
WFG LENDER SERVICES

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and WFG Lender Services (WFG) do hereby agree and stipulate to all of the following:

FINDINGS OF FACT, STATEMENTS OF LAW
AND
CONCLUSIONS OF LAW

1.

In establishing the violations set forth herein, the Agency may rely on one or more of the definitions contained in ORS 696.505.

Findings of Fact:

1.1 At all times mentioned herein, WFG was not licensed to conduct escrow activity in Oregon. WFG is part of a larger entity and WFG National Title Insurance Company holds an active Oregon Escrow Agent license.

1.2 In April 2021, the Agency was forwarded a complaint from the Oregon Department of Consumer & Business Services which had been filed by Sadie Ross (Ross). The Agency opened an investigation.

1.3 Ross and her husband refinanced their home in October 2020. According to Ross, she paid \$2,472.96 in additional closing costs to cover property taxes that were due November 16, 2020. The closing disclosure statement showed "WFG Lender Services" as the settlement agent for the transaction which closed on October 16, 2020.

1.4 On October 21, 2021, WFG issued Ross's property tax check to Multnomah County after Ross's closing, but the check was never cashed and WFG issued a stop payment

1 on the check in February 2021. On May 4, 2021, a check was reissued for a higher amount
2 and cleared WFG's account on May 6, 2021.

3 **Statement of Law:** ORS 696.511(1) states a person may not directly or indirectly
4 engage in or carry on, or purport to engage in or carry on, within this state, the business of an
5 escrow agent, or act in the capacity of an escrow agent, unless the person holds an active
6 license as an escrow agent under the provisions of ORS 696.505 to 696.590. ORS 696.505(6)
7 defines "escrow agent" as a person who engages in the business of receiving escrows for
8 deposit or delivery and who receives or is promised compensation, whether contingent or
9 otherwise, for or in anticipation of performance. ORS 696.505(5) defines "escrow" as a
10 transaction in which any written instrument, money, evidence of title to real or personal
11 property or other thing of value is delivered, for the purpose of paying an obligation or effecting
12 the sale, transfer, encumbrance or lease of real or personal property, to a person who does not
13 otherwise have a right, title or interest in the real or personal property, to be held by that
14 person as a neutral third party until a specified event happens or a prescribed condition is
15 performed, when the written instrument, money, evidence of title or other thing of value is to be
16 delivered by the neutral third party to a grantee, grantor, promisee, promisor, obligee, obligor,
17 bailee, bailor or any agent or employee of any of them pursuant to the written instructions of
18 the principals to the transaction. ORS 696.590(1)(a)(b) states: (1) Any person who violates
19 ORS 696.511(1) may be required by the Real Estate Commissioner to forfeit and pay to the
20 General Fund of the State Treasury a civil penalty in an amount determined by the
21 commissioner of: (a) Not less than \$500 nor more than \$1,000 for the first offense of
22 unlicensed professional escrow activity; and (b) Not less than \$1,000 nor more than \$3,000 for
23 the second and subsequent offenses of unlicensed professional escrow activity.

24 **Conclusion of Law:** WFG acted as an escrow agent during the refinancing of Ross's
25 home on October 16, 2020, without an active escrow agent license, in violation of ORS
26 696.511(1) (2019 Edition). WFG is subject to a civil penalty under ORS 696.590(1)(a)(b).

27 2.

28 The Agency reserves the right to investigate and pursue additional complaints that may
29 be received in the future regarding this entity.

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1 In addition to all of the above, WFG agrees that once the Commissioner executes this
2 Stipulated Final Order, WFG will accept service of the Stipulated Final Order by email, and
3 hereby waive the right to challenge the validity of service.

4 ORDER

5 IT IS HEREBY ORDERED that, pursuant to ORS 696.577, WFG immediately cease
6 and desist from offering to engage in or engaging in the business of an escrow agent as
7 defined in ORS 696.505(5) and (6) unless WFG first obtains an escrow license from the
8 Agency. The Commissioner’s authority for this order is under ORS 696.577.

9 IT IF FURTHER ORDERED that, pursuant to ORS 696.585 or 696.590 and based upon
10 the violations set forth above, WFG pay a civil penalty in the sum of \$500.00, said penalty to
11 be paid to the General Fund of the State Treasury by paying the same to the Agency.

12
13 IT IS SO STIPULATED:

IT IS SO ORDERED:



14
15 DocuSigned by:
16 *Donald A. O'Neill*
4061B4EB9647495...
17 Donald A. O'Neill
18 Title: Executive Vice President and Deputy
19 General Counsel
20 WFG Lender Services
21 Date 4/11/2022 | 2:36 PM PDT

DocuSigned by:
Steven Strode
E2C2D0097AD8471...
Steve Strode
Real Estate Commissioner
Date 4/19/2022 | 7:49 AM PDT

Date of Service: 04/19/2022