STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

In re:

Towne Center Escrow, LLC

Respondents.

FINAL ORDER

The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Division"), having issued Towne Center Escrow, LLC ("Respondent") a Notice of Intent to Revoke Escrow Agency License and Notice of Right to Request Hearing on February 8, 2011, attached hereto as Exhibit "1" and incorporated herein by reference, which notified Respondent that a final order would issue in this matter unless Respondent requested a hearing to contest the charges against it, within thirty (30) days of issuance of said Order, and;

Said Order having been served on February 09, 2011 via certified mail and regular mail and received by Respondent on February 10, 2011, and;

Respondent having failed to request a hearing in this matter, and good cause appearing:

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IT IS HEREBY ORDERED that, pursuant to NRS 645A, Respondent's Escrow Agency license is **REVOKED**, and Respondent will be subject to the administrative fines, fees and/or costs as set forth in the original Order attached hereto as Exhibit "1".

IT IS FURTHER ORDERED that the sum of said administrative fines, fees and/or costs be paid in full within **thirty (30) days** of entry of this Order;

Dated this 15th day of March, 2011.

By: [redacted]

Nancy Corbin, Acting Commissioner
State of Nevada
Department of Business and Industry
Division of Mortgage Lending

EXHIBIT "1"

STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

In re:

Towne Center Escrow, LLC

Respondent.

NOTICE OF INTENT TO REVOKE ESCROW AGENCY LICENSE AND NOTICE OF RIGHT TO REQUEST HEARING

The licensing and regulation of escrow agencies and escrow agents in the State of Nevada is governed by Chapter 645A of the Nevada Revised Statutes (hereinafter "NRS") and Chapter 645A of the Nevada Administrative Code (hereinafter "NAC"). The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter the "Division") has the general duty to exercise supervision and control over escrow agencies and escrow agents, as well as escrow agency activity. *See*, NRS 645A.050, NRS 645A.090 and NRS 645A.110. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. Towne Center Escrow, LLC (hereinafter "Respondent") is a limited liability company organized and existing under the laws of the State of Nevada since on or about March 13, 2008. Currently, Respondent's status with the Nevada Secretary of State is "active." The Division currently classifies Respondent's license as "closed."

2. Larry Fisher, an individual, is the manager of Respondent.

3. Based upon information and belief and at all relevant times herein mentioned,

Respondent conducted escrow agency activity out of its offices located at 5210 W. Patrick Lane, Suite 100, Las Vegas, Nevada 89118 [the "Patrick Lane" office] and 2879 St. Rose Parkway, Henderson, Nevada 89052 [the "St. Rose" office]..

4. On November 19, 2010 the Division served upon Respondent an ORDER TO DISCONTINUE (CEASE AND DESIST) AND NOTICE OF RIGHT TO REQUEST HEARING ("Cease and Desist Order") due to:

a. Respondent's failure to deposit and maintain a sufficient surety bond and/or substitute form of security based upon the average monthly balance of the trust account or escrow account maintained by the escrow agency, in violation of NRS 645A.041; and

b. Respondent conducting unlicensed escrow agency activity from its Patrick Lane office and St. Rose office due to its failure to renew its license, in violation of NRS 645A.036 and NRS 645A.210.

5. The Cease and Desist Order (a copy of which is attached hereto as Exhibit "A" and incorporated herein by this reference) also required Respondent to, among other things:

- Within three (3) business days from the date of service of the Cease and Desist on Respondent, provide to the Commissioner in writing:

a. A list of all open escrow transactions;

b. The office address and telephone number for every office location of Respondent, along with the location or locations where its books and records are located.

- Within ten (10) days from the date of service of the Cease and Desist on Respondent, provide to the Commissioner in writing, a complete accounting of all moneys held in trust for any person for whom Respondent is acting as an escrow agency. Such accounting shall include a complete list of all open escrow transactions by party name and address, including loans and accounts being serviced or for which payments are being collected; a list of every person for whom trust moneys are being held, along with the amount of

moneys held on each such person's behalf; and a list of all bank accounts (including bank account number and bank name and address) where any such trust moneys, however denominated (such as tax, insurance, loan payment, interest reserve or construction control accounts), are held, along with the balances in such accounts.

6. Respondent failed to request a hearing on the Cease and Desist Order within the time allotted by law, and a Final Order was entered against Respondent on December 20, 2010. A copy of the Final Order is attached hereto as Exhibit "B" and incorporated herein by this reference.

7. Pursuant to NRS 645A.090, "[t]he Commissioner may... revoke any license or impose a fine of not more than $10,000 for each violation by entering an order to that effect, with the Commissioner's findings in respect thereto, if upon a hearing, it is determined that the applicant or licensee: ...

...(b) Has violated any provision of this chapter or any regulation adopted pursuant thereto or has aided and abetted another to do so;

...(f) Has intentionally or knowingly made or caused to be made to the Commissioner any false representation of a material fact or has suppressed or withheld from the Commissioner any information which the applicant or licensee possesses..."

VIOLATIONS OF LAW

1. Respondent has failed to fully comply with the provisions of the Cease and Desist Order, and Final Order, in that Respondent has:

a. Failed to provide in writing to the Commissioner within 3 business days of the date of service of the Cease and Desist Order upon Respondent:

i. A list of all open escrow transactions; and

ii. The office address and telephone number for every office location of Respondent, along with the location or locations where its books and records are located.

b. Failed to provide in writing to the Commissioner within 10 business days of the date of service of the Cease and Desist Order upon Respondent a complete accounting of all moneys held in trust for any person for whom Respondent is acting as an escrow agency. Such accounting shall include a complete list of all open escrow transactions by party name and address, including loans and accounts being serviced or for which payments are being collected; a list of every person for whom trust moneys are being held, along with the amount of moneys held on each such person's behalf; and a list of all bank accounts (including bank account number and bank name and address) where any such trust moneys, however denominated (such as tax, insurance, loan payment, interest reserve or construction control accounts), are held, along with the balances in such accounts.

ORDER

NOW, THEREFORE, pursuant to NRS 622.080 and NRS 645A.090, the Commissioner of the Division hereby orders that Respondent's escrow agency license be revoked.

IT IS FURTHER ORDERED that Respondent pay a fine of Thirty Thousand Dollars and No Cents ($30,000.00).

IT IS FURTHER ORDERED, pursuant NRS 645A.090, that upon filing a verified petition with the Division within **30 (thirty) days** of receipt of this NOTICE OF INTENT TO REVOKE ESCROW AGENCY LICENSE AND NOTICE OF RIGHT TO REQUEST HEARING ("Notice"), Respondent shall be entitled to a hearing with regard to the contents of this Notice.

Should Respondent request a hearing, Respondent is advised of the following:

a) Respondent is entitled to be represented by legal counsel at its own cost and expense; b) At any hearing Respondent shall be entitled to respond and to present evidence and argument on all issues involved; c) Requests may be made to the Commissioner for the issuance of subpoenas; however, the Commissioner may request the proposed testimony of

any such person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties may agree to an informal resolution or settlement prior to any hearing.

NOTICE TO RESPONDENT: If you request a hearing, you are specifically informed that you have the right to appear and be heard in your defense, either personally or through your counsel of choice at your own expense. At the hearing, if one is timely requested, the Division will call witnesses and present evidence against you. You have the right to respond and to present relevant evidence and argument on all issues involved. You have the right to call and examine witnesses, introduce exhibits and cross-examine opposing witnesses on any matter relevant to the issues involved. If the Division prevails at any hearing, it may request that attorney's fees and costs be awarded pursuant to NRS 622.400.

Should Respondent not request a hearing within **thirty (30) days** of service of this Notice, the Division will enter a Final Order in this matter revoking Respondent's escrow agency license and imposing a fine of Thirty Thousand Dollars and No Cents upon Respondent.

Dated this 8th day of February, 2011.

State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: [redacted]
Joseph L. Waltuch, Commissioner

EXHIBIT “A”

STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

* * *

In re:

Towne Center Escrow, LLC

Respondent.

ORDER TO DISCONTINUE (CEASE AND DESIST) AND NOTICE OF RIGHT TO REQUEST HEARING

The licensing and regulation of escrow agencies and escrow agents in the State of Nevada is governed by Chapter 645A of the Nevada Revised Statutes (hereinafter "NRS") and Chapter 645A of the Nevada Administrative Code (hereinafter "NAC"). The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter the "Division") has the general duty to exercise supervision and control over escrow agencies and escrow agents, as well as escrow agency activity. *See*, NRS 645A.050, NRS 645A.090 and NRS 645A.110. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. Towne Center Escrow, LLC (hereinafter "Respondent") is a limited liability company organized and existing under the laws of the State of Nevada since on or about March 13, 2008. Currently, Respondent's status with the Nevada Secretary of State is "active." The Division currently classifies Respondent's license as "closed."

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2. Based upon information and belief and at all relevant times herein mentioned, Respondent conducted escrow agency activity out of its offices located at 5210 W. Patrick Lane, Suite 100, Las Vegas, Nevada 89118 [the "Patrick Lane" office] and 2879 St. Rose Parkway, Henderson, Nevada 89052 [the "St. Rose" office]..

3. Pursuant to NRS 645A.041(1) "... as a condition to doing business in this State, each escrow agency shall deposit with the Commissioner and keep in full force and effect a corporate surety bond payable to the State of Nevada...which is executed by a corporate surety satisfactory to the Commissioner and which names as principals the escrow agency and all escrow agents employed by or associated with the escrow agency."

4. Pursuant to NRS 645A.041(4): "Each escrow agency shall deposit a corporate surety bond that complies with the provisions of this section or a substitute form of security that complies with the provisions of NRS 645A.042 in the following amount based upon the average monthly balance of the trust account or escrow account maintained by the escrow agency pursuant to NRS 645A.160:

AVERAGE MONTHLY BALANCE	AMOUNT OF BOND OR SECURITY REQUIRED
$50,000 or less	$20,000
...	
More than $1,000,000	$250,000

5. Pursuant to NRS 645A.042 "[a]s a substitute for the surety bond required by NRS 645A.041, an escrow agency may, in accordance with the provisions of this section, deposit with any bank or trust company authorized to do business in this state, in a form approved by the Commissioner...an obligation of a bank, savings and loan association, thrift company or credit union licensed to do business in this state..."

6. Pursuant to NRS 645A.041(1) and (4) and NRS 645A.042, Respondent deposited a letter of credit drawn on Republic Bank in the amount of $20,000 as a substitute

form of security in lieu of the surety bond required to obtain an initial escrow agency license under NRS 645A. [See Exhibit 'A' attached hereto and incorporated herein by this reference.]

7. Pursuant to NRS chapter 645A, Respondent was issued an escrow agency license, License Number 3158, on September 25, 2008 for its Patrick Lane office and an escrow agency license on July 1, 2009 for its St. Rose office.

8. Pursuant to NRS 645A.050(2)(b) "[i]n addition to the other duties imposed upon him by law, the Commissioner shall:... [c]onduct or cause to be conducted each year an examination of each escrow agency licensed pursuant to this chapter."

9. Pursuant to NRS 645A.050(2)(b), on March 9, 2010 the Division commenced a regularly scheduled annual examination of Respondent's books and records for Respondent's Patrick Lane office which revealed, among other things, that the average monthly balance of its trust accounts required an increase in Respondent's bond or substitute security from $20,000 to $250,000.

10. On March 24, 2010 Respondent was advised by Division examiner BS to increase its bond or substitute security amount to $250,000 and Respondent agreed to such an increase; Respondent confirmed that agreement in writing to the Division on July 1, 2010 during its license renewal process. [See Exhibit "B", redacted, incorporated herein by this reference.]

11. Despite assurances from Respondent, Respondent failed to increase its bond or substitute security amount to $250,000 and the Division did not renew Respondent's escrow agency license for its Patrick Lane office and its St. Rose office.

12. The Letter of Credit deposited by Respondent expired on September 30, 2010.

13. Pursuant to NRS 645A.036(3) "...[a] license does not authorize the licensee to transact business from any office other than that designated in the license."

14. Pursuant to NRS 645A.210 "[i]t is unlawful for any person, unless exempted under NRS 645A.015, to engage in or carry on, or hold himself or herself out as engaging in or carrying on, the escrow business or act in the capacity of an escrow agent or agency without first obtaining a license as an escrow agent or agency."

15. Pursuant to NRS 645A.090(1) "The Commissioner may refuse to license any escrow agent or agency or may suspend or revoke any license or impose a fine of not more than $10,000 for each violation by entering an order to that effect, with the Commissioner's findings in respect thereto, if upon a hearing, it is determined that the applicant or licensee... (b) Has violated any provision of this chapter or any regulation adopted pursuant thereto or has aided and abetted another to do so..."

16. Pursuant to NRS 645A.110 "[i]f upon investigation it appears that the agent or agency is so conducting business or an unlicensed person is engaged in the escrow business, the Commissioner may: (a) Order the person to discontinue conducting business in an injurious manner or in violation of this chapter..."

VIOLATIONS OF LAW

The Division has determined that Respondent:

1. Failed to deposit and maintain a sufficient surety bond and/or substitute form of security based upon the average monthly balance of the trust account or escrow account maintained by the escrow agency, in violation of NRS 645A.041; and

2. Conducted, and continues to conduct, unlicensed escrow agency activity from its Patrick Lane office and St. Rose office due to its failure to renew its license, in violation of NRS 645A.036 and NRS 645A.210.

ORDER

NOW, THEREFORE, pursuant to NRS 622.080 and NRS 645A.110, the Commissioner of the Division hereby orders that Respondent **IMMEDIATELY DISCONTINUE CONDUCTING**

BUSINESS IN VIOLATION OF NRS CHAPTER 645A AND IMMEDIATELY CEASE AND DESIST from soliciting and conducting any and all escrow agency activity in the State of Nevada, and Respondent shall:

1. Immediately notify in writing every party involved in an open escrow transaction, loan servicing, payment collection or loan pool servicing of this Order (collectively 'escrow transactions");

2. Delete from all advertising material, including but not limited to Respondent's websites, any and all references to its ability to conduct escrow activity in the state of Nevada for which a license under Chapter 645A is required, and all references to its escrow agency license number.

3. **Within three (3) business days** from the date of service of this Order on Respondent, provide to the Commissioner in writing:

a. A list of all open escrow transactions;

b. The office address and telephone number for every office location of Respondent, along with the location or locations where its books and records are located.

4. **Within ten (10) days** from the date of service of this Order on Respondent, provide to the Commissioner in writing, a complete accounting of all moneys held in trust for any person for whom Respondent is acting as an escrow agency. Such accounting shall include a complete list of all open escrow transactions by party name and address, including loans and accounts being serviced or for which payments are being collected; a list of every person for whom trust moneys are being held, along with the amount of moneys held on each such person's behalf; and a list of all bank accounts (including bank account number and bank name and address) where any such trust moneys, however denominated (such as tax, insurance, loan payment, interest reserve or construction control accounts), are held, along with the balances in such accounts.

All written communication to the Division must be sent by U.S. Postal Service or private carrier or delivery service to:

Commissioner
Division of Mortgage Lending
7220 Bermuda Road, Suite A
Las Vegas, NV 89119

IT IS FURTHER ORDERED that Respondent's failure to abide by any of the above-referenced conditions now imposed upon its license under NRS Chapter 645A shall constitute grounds for summary suspension, revocation or other discipline deemed appropriate in the discretion and within the statutory authority of the Commissioner.

IT IS FURTHER ORDERED, pursuant NRS 645A.110(2)(a), that upon filing a verified petition with the Division within **30 (thirty) days** of receipt of this Order to Discontinue (Cease and Desist), Respondent shall be entitled to a hearing with regard to the contents of this Order to Cease and Desist. Respondent is advised, however, that the provisions of this Order to Cease and Desist are effective immediately upon Respondent being served therewith, whether or not Respondent requests a hearing.

Should Respondent request a hearing, Respondent is advised of the following:

a) Respondent is entitled to be represented by legal counsel at its own cost and expense; b) At any hearing Respondent shall be entitled to respond and to present evidence and argument on all issues involved; c) Requests may be made to the Commissioner for the issuance of subpoenas; however, the Commissioner may request the proposed testimony of any such person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties may agree to an informal resolution or settlement prior to any hearing.

Should Respondent not request a hearing within **thirty (30) days** of service of the instant Order, the Division will enter a Final Order in this matter. Respondent is advised, however, that

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the provisions of this Order are effective immediately upon Respondent being served therewith, whether or not Respondent requests a hearing.

Dated this 17th day of November, 2010.

State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: [redacted]
Joseph L. Waltuch, Commissioner

EXHIBIT "A"

FIRST REPUBLIC BANK
It's a privilege to serve you®

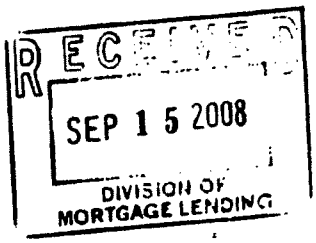
IRREVOCABLE STANDBY LETTER OF CREDIT

Letter of Credit No. **77-445283-6**

Amount of **U.S. $20,000.00**

Dated **September 3, 2008**

State of Nevada Division of Mortgage Lending ("Beneficiary")
3075 E. Flamingo Road, #100
Las Vegas, NV 89121
Attn: Joseph L. Waltuch, Commissioner



Ladies and Gentlemen:

At the request and for the account of **Towne Center Escrow, LLC,** (the "Applicant" or "Account Party"), we hereby establish in your favor our irrevocable standby letter of credit in the aggregate amount of **Twenty Thousand and 00/100 Dollars (U.S. $20,000.00)** available by your draft at sight drawn on us and accompanied by the following:

1. **This original letter of credit together with all executed written amendments hereto.**

2. **A written statement signed by an officer of Beneficiary appointed under the terms of its governing documents, and certifying that such moneys are due and owing to Beneficiary according to that certain agreement between Beneficiary and Applicant.**

3. **Amount of Letter of Credit may not be withdrawn except by direct and sole order of the Commissioner.**

This standby letter of credit expires on **September 30, 2009** (the "Expiry Date") but is subject to automatic extension as provided in the next succeeding paragraph.

Drafts shall be drawn on and presented to us at our offices located at **111 Pine Street, San Francisco, California 94111** no later than the Expiry Date. **Notwithstanding anything to the contrary herein, the Expiry Date of this letter of credit shall automatically be renewed without the necessity of any amendment to this letter of credit for successive periods of one (1) year with a final expiration date of September 30, 2010, unless we provide you written notice no later than thirty (30) days before the then existing Expiry Date that we have elected not to renew this letter of credit (the "Non-Renewal Notice"). The Non-Renewal Notice shall be sent to you by certified mail, return receipt requested, at the address shown above or at such other address as you may provide to us in writing, provided that we receive such change of address not later than ten (10) business days before we have given the Non-Renewal Notice. Such notice shall be deemed provided to and received by you ten (10) days after mailing as provided above.**

A DIVISION OF MERRILL LYNCH BANK & TRUST CO., FSB
111 PINE STREET, SAN FRANCISCO, CALIFORNIA 94111. TEL (415) 392-1400 OR (800) 392-1400. FAX (415) 392-[illegible]

All drafts drawn under this letter of credit shall contain the above-referenced letter of credit number. We agree that all drafts drawn under and in compliance with the terms of this letter of credit will be duly honored by us upon presentation to us.

This letter of credit is **NOT TRANSFERABLE** absent an amendment hereto.

Partial drawings under this letter of credit are not permitted.

We may accept documents which appear on their face to be in order without responsibility for further investigation (even as regards any purported default by Applicant) regardless of any notice or information to the contrary.

This letter of credit is subject to International Standby Practices 1998, International Chamber of Commerce, Publication No. 590 and (to the extent not inconsistent therewith) the Uniform Commercial Code in effect on that date hereof in the State of California.

First Republic Bank, a Division of Merrill Lynch Bank & Trust Co., FSB

By: [redacted]

Title: VICE PRESIDENT

EXHIBIT "B"

Exhibit "B"

TOWNE CENTER ESCROW, LLC

July 1, 2010

RECEIVED

JUL 15 RECD

Foreclosure Lending Division

Bill Theobald
Supervisory Examiner
Department of Business and Industry
Division of Mortgage Lending
7220 Bermuda Road, Ste A
Las Vegas, NV 89119

RE: Examination

Dear Mr. Theobald

This letter is in response to the examination report received by Towne Center Escrow, LLC ("TCE") on or about June 13, 2010. Please review the following response to the alleged violations:

1. Regarding the surety bond. The report is correct, we have agreed to and applied for a surety bond in the amount of $250,000. Kaercher, Cambell and Associates is processing our application and we expect to have the bond in place within 30-days based on recent conversation with them.

REMAINING PORTION REDACTED

Best Regards

[redacted]

Jamison R Albrecht
Chief Operating Officer

EXHIBIT "B"

STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

* * *

In re:

Towne Center Escrow, LLC

Respondent.

FINAL ORDER

The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter, the "Division"), having served the Respondent, Towne Center Escrow, LLC., (hereinafter, "Respondent") on November 17, 2010, with its Order to Discontinue (Cease and Desist) and Notice of Right to Request Hearing, attached hereto as Exhibit "1" and incorporated herein by reference, which notified Respondent that a final order would issue in this matter unless, within thirty (30) days of entry and receipt of said Order, Respondent requested a hearing to contest the charges against it, with said request to be made in writing, and;

Said Order having been sent to Respondent via certified mail and regular mail, and received by Respondent on November 19, 2010, and;

Respondent having failed to request a hearing in this matter, and good cause appearing:

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NOW, THEREFORE, **IT IS HEREBY ORDERED** that, pursuant to NRS 645A.110 and NRS 622.080, Respondent shall immediately **CEASE AND DESIST** conducting business in violation of NRS Chapter 645A and immediately **CEASE AND DESIST** form soliciting and conducting any and all escrow agency activity in the State of Nevada. In addition, Respondent will be subject to the administrative fines, fees and/or costs and restitution amounts as set forth in the original Order attached hereto as Exhibit "1".

IT IS FURTHER ORDERED that the sum of said administrative fines, fees and/or costs be paid in full within **thirty (30) days** of entry of the instant Order;

Dated this 20th day of December, 2010.

State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: [redacted]
Joseph L. Waltuch, Commissioner

EXHIBIT "1"

STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

* * *

In re:

Towne Center Escrow, LLC

Respondent.

ORDER TO DISCONTINUE (CEASE AND DESIST) AND NOTICE OF RIGHT TO REQUEST HEARING

The licensing and regulation of escrow agencies and escrow agents in the State of Nevada is governed by Chapter 645A of the Nevada Revised Statutes (hereinafter "NRS") and Chapter 645A of the Nevada Administrative Code (hereinafter "NAC"). The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter the "Division") has the general duty to exercise supervision and control over escrow agencies and escrow agents, as well as escrow agency activity. *See*, NRS 645A.050, NRS 645A.090 and NRS 645A.110. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. Towne Center Escrow, LLC (hereinafter "Respondent") is a limited liability company organized and existing under the laws of the State of Nevada since on or about March 13, 2008. Currently, Respondent's status with the Nevada Secretary of State is "active." The Division currently classifies Respondent's license as "closed."

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2. Based upon information and belief and at all relevant times herein mentioned, Respondent conducted escrow agency activity out of its offices located at 5210 W. Patrick Lane, Suite 100, Las Vegas, Nevada 89118 [the "Patrick Lane" office] and 2879 St. Rose Parkway, Henderson, Nevada 89052 [the "St. Rose" office]..

3. Pursuant to NRS 645A.041(1) "... as a condition to doing business in this State, each escrow agency shall deposit with the Commissioner and keep in full force and effect a corporate surety bond payable to the State of Nevada...which is executed by a corporate surety satisfactory to the Commissioner and which names as principals the escrow agency and all escrow agents employed by or associated with the escrow agency."

4. Pursuant to NRS 645A.041(4): "Each escrow agency shall deposit a corporate surety bond that complies with the provisions of this section or a substitute form of security that complies with the provisions of NRS 645A.042 in the following amount based upon the average monthly balance of the trust account or escrow account maintained by the escrow agency pursuant to NRS 645A.160:

AVERAGE MONTHLY BALANCE	AMOUNT OF BOND OR SECURITY REQUIRED
$50,000 or less	$20,000
...	
More than $1,000,000	$250,000

5. Pursuant to NRS 645A.042 "[a]s a substitute for the surety bond required by NRS 645A.041, an escrow agency may, in accordance with the provisions of this section, deposit with any bank or trust company authorized to do business in this state, in a form approved by the Commissioner...an obligation of a bank, savings and loan association, thrift company or credit union licensed to do business in this state..."

6. Pursuant to NRS 645A.041(1) and (4) and NRS 645A.042, Respondent deposited a letter of credit drawn on Republic Bank in the amount of $20,000 as a substitute

form of security in lieu of the surety bond required to obtain an initial escrow agency license under NRS 645A. [See Exhibit 'A' attached hereto and incorporated herein by this reference.]

7. Pursuant to NRS chapter 645A, Respondent was issued an escrow agency license, License Number 3158, on September 25, 2008 for its Patrick Lane office and an escrow agency license on July 1, 2009 for its St. Rose office.

8. Pursuant to NRS 645A.050(2)(b) "[i]n addition to the other duties imposed upon him by law, the Commissioner shall:... [c]onduct or cause to be conducted each year an examination of each escrow agency licensed pursuant to this chapter."

9. Pursuant to NRS 645A.050(2)(b), on March 9, 2010 the Division commenced a regularly scheduled annual examination of Respondent's books and records for Respondent's Patrick Lane office which revealed, among other things, that the average monthly balance of its trust accounts required an increase in Respondent's bond or substitute security from $20,000 to $250,000.

10. On March 24, 2010 Respondent was advised by Division examiner BS to increase its bond or substitute security amount to $250,000 and Respondent agreed to such an increase; Respondent confirmed that agreement in writing to the Division on July 1, 2010 during its license renewal process. [See Exhibit "B", redacted, incorporated herein by this reference.]

11. Despite assurances from Respondent, Respondent failed to increase its bond or substitute security amount to $250,000 and the Division did not renew Respondent's escrow agency license for its Patrick Lane office and its St. Rose office.

12. The Letter of Credit deposited by Respondent expired on September 30, 2010.

13. Pursuant to NRS 645A.036(3) "...[a] license does not authorize the licensee to transact business from any office other than that designated in the license."

14. Pursuant to NRS 645A.210 "[i]t is unlawful for any person, unless exempted under NRS 645A.015, to engage in or carry on, or hold himself or herself out as engaging in or carrying on, the escrow business or act in the capacity of an escrow agent or agency without first obtaining a license as an escrow agent or agency."

15. Pursuant to NRS 645A.090(1) "The Commissioner may refuse to license any escrow agent or agency or may suspend or revoke any license or impose a fine of not more than $10,000 for each violation by entering an order to that effect, with the Commissioner's findings in respect thereto, if upon a hearing, it is determined that the applicant or licensee... (b) Has violated any provision of this chapter or any regulation adopted pursuant thereto or has aided and abetted another to do so..."

16. Pursuant to NRS 645A.110 "[i]f upon investigation it appears that the agent or agency is so conducting business or an unlicensed person is engaged in the escrow business, the Commissioner may: (a) Order the person to discontinue conducting business in an injurious manner or in violation of this chapter..."

VIOLATIONS OF LAW

The Division has determined that Respondent:

1. Failed to deposit and maintain a sufficient surety bond and/or substitute form of security based upon the average monthly balance of the trust account or escrow account maintained by the escrow agency, in violation of NRS 645A.041; and

2. Conducted, and continues to conduct, unlicensed escrow agency activity from its Patrick Lane office and St. Rose office due to its failure to renew its license, in violation of NRS 645A.036 and NRS 645A.210.

ORDER

NOW, THEREFORE, pursuant to NRS 622.080 and NRS 645A.110, the Commissioner of the Division hereby orders that Respondent **IMMEDIATELY DISCONTINUE CONDUCTING**

BUSINESS IN VIOLATION OF NRS CHAPTER 645A AND IMMEDIATELY CEASE AND DESIST from soliciting and conducting any and all escrow agency activity in the State of Nevada, and Respondent shall:

1. Immediately notify in writing every party involved in an open escrow transaction, loan servicing, payment collection or loan pool servicing of this Order (collectively 'escrow transactions");

2. Delete from all advertising material, including but not limited to Respondent's websites, any and all references to its ability to conduct escrow activity in the state of Nevada for which a license under Chapter 645A is required, and all references to its escrow agency license number.

3. **Within three (3) business days** from the date of service of this Order on Respondent, provide to the Commissioner in writing:

a. A list of all open escrow transactions;

b. The office address and telephone number for every office location of Respondent, along with the location or locations where its books and records are located.

4. **Within ten (10) days** from the date of service of this Order on Respondent, provide to the Commissioner in writing, a complete accounting of all moneys held in trust for any person for whom Respondent is acting as an escrow agency. Such accounting shall include a complete list of all open escrow transactions by party name and address, including loans and accounts being serviced or for which payments are being collected; a list of every person for whom trust moneys are being held, along with the amount of moneys held on each such person's behalf; and a list of all bank accounts (including bank account number and bank name and address) where any such trust moneys, however denominated (such as tax, insurance, loan payment, interest reserve or construction control accounts), are held, along with the balances in such accounts.

All written communication to the Division must be sent by U.S. Postal Service or private carrier or delivery service to:

Commissioner
Division of Mortgage Lending
7220 Bermuda Road, Suite A
Las Vegas, NV 89119

IT IS FURTHER ORDERED that Respondent's failure to abide by any of the above-referenced conditions now imposed upon its license under NRS Chapter 645A shall constitute grounds for summary suspension, revocation or other discipline deemed appropriate in the discretion and within the statutory authority of the Commissioner.

IT IS FURTHER ORDERED, pursuant NRS 645A.110(2)(a), that upon filing a verified petition with the Division within **30 (thirty) days** of receipt of this Order to Discontinue (Cease and Desist), Respondent shall be entitled to a hearing with regard to the contents of this Order to Cease and Desist. Respondent is advised, however, that the provisions of this Order to Cease and Desist are effective immediately upon Respondent being served therewith, whether or not Respondent requests a hearing.

Should Respondent request a hearing, Respondent is advised of the following:

a) Respondent is entitled to be represented by legal counsel at its own cost and expense; b) At any hearing Respondent shall be entitled to respond and to present evidence and argument on all issues involved; c) Requests may be made to the Commissioner for the issuance of subpoenas; however, the Commissioner may request the proposed testimony of any such person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties may agree to an informal resolution or settlement prior to any hearing.

Should Respondent not request a hearing within **thirty (30) days** of service of the instant Order, the Division will enter a Final Order in this matter. Respondent is advised, however, that

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the provisions of this Order are effective immediately upon Respondent being served therewith, whether or not Respondent requests a hearing.

Dated this 17th day of November, 2010.

State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: [redacted]
Joseph L. Waltuch, Commissioner

EXHIBIT “A”

FIRST REPUBLIC BANK
It's a privilege to serve you®

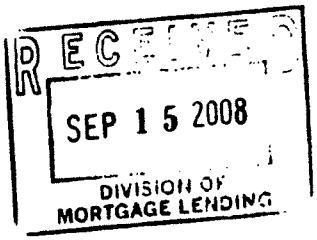
IRREVOCABLE STANDBY LETTER OF CREDIT

Letter of Credit No. **77-445283-5**

Amount of **U.S. $20,000.00**

Dated **September 3, 2008**

State of Nevada Division of Mortgage Lending ("Beneficiary")
3075 E. Flamingo Road, #100
Las Vegas, NV 89121
Attn: Joseph L. Waltuch, Commissioner



Ladies and Gentlemen:

At the request and for the account of **Towne Center Escrow, LLC,** (the "Applicant" or "Account Party"), we hereby establish in your favor our irrevocable standby letter of credit in the aggregate amount of **Twenty Thousand and 00/100 Dollars (U.S. $20,000.00)** available by your draft at sight drawn on us and accompanied by the following:

1. **This original letter of credit together with all executed written amendments hereto.**

2. **A written statement signed by an officer of Beneficiary appointed under the terms of its governing documents, and certifying that such moneys are due and owing to Beneficiary according to that certain agreement between Beneficiary and Applicant.**

3. **Amount of Letter of Credit may not be withdrawn except by direct and sole order of the Commissioner.**

This standby letter of credit expires on **September 30, 2009** (the "Expiry Date") but is subject to automatic extension as provided in the next succeeding paragraph.

Drafts shall be drawn on and presented to us at our offices located at **111 Pine Street, San Francisco, California 94111** no later than the Expiry Date. **Notwithstanding anything to the contrary herein, the Expiry Date of this letter of credit shall automatically be renewed without the necessity of any amendment to this letter of credit for successive periods of one (1) year with a final expiration date of September 30, 2010, unless we provide you written notice no later than thirty (30) days before the then existing Expiry Date that we have elected not to renew this letter of credit (the "Non-Renewal Notice"). The Non-Renewal Notice shall be sent to you by certified mail, return receipt requested, at the address shown above or at such other address as you may provide to us in writing, provided that we receive such change of address not later than ten (10) business days before we have given the Non-Renewal Notice. Such notice shall be deemed provided to and received by you ten (10) days after mailing as provided above.**

A DIVISION OF MERRILL LYNCH BANK & TRUST CO., FSB
111 PINE STREET, SAN FRANCISCO, CALIFORNIA 94111, TEL (415) 392-1400 OR (800) 392-1400, FAX (415) 392-1413

All drafts drawn under this letter of credit shall contain the above-referenced letter of credit number. We agree that all drafts drawn under and in compliance with the terms of this letter of credit will be duly honored by us upon presentation to us.

This letter of credit is **NOT TRANSFERABLE** absent an amendment hereto.

Partial drawings under this letter of credit are not permitted.

We may accept documents which appear on their face to be in order without responsibility for further investigation (even as regards any purported default by Applicant) regardless of any notice or information to the contrary.

This letter of credit is subject to International Standby Practices 1998, International Chamber of Commerce, Publication No. 590 and (to the extent not inconsistent therewith) the Uniform Commercial Code in effect on that date hereof in the State of California.

First Republic Bank, a Division of Merrill Lynch Bank & Trust Co., FSB

By: [redacted]

Title: AVP

EXHIBIT "B"

Exhibit "B"

TOWNE CENTER ESCROW, LLC

July 1, 2010

RECEIVED

JUL 15 REC'D

Mortgage Lending Division

Bill Theobald
Supervisory Examiner
Department of Business and Industry
Division of Mortgage Lending
7220 Bermuda Road, Ste A
Las Vegas, NV 89119

RE: Examination

Dear Mr. Theobald

This letter is in response to the examination report received by Towne Center Escrow, LLC ("TCE") on or about June 13, 2010. Please review the following response to the alleged violations:

1. Regarding the surety bond. The report is correct, we have agreed to and applied for a surety bond in the amount of $250,000. Kaercher, Cambell and Associates is processing our application and we expect to have the bond in place within 30-days based on recent conversation with them.

REMAINING PORTION REDACTED

Best Regards

[redacted]

Jamison R Albrecht
Chief Operating Officer