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8
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
10 OF THE STATE OF CALIFORNIA

11 In the Matter of:) Escrow File No.: 96DBO-48747
)
12 THE COMMISSIONER OF BUSINESS) ACCUSATION IN SUPPORT OF NOTICE OF
OVERSIGHT,) INTENT TO ISSUE PENALTY ORDER
13)
14 Complainant,) (Financial Code § 17213.2)
)
15 v.)
)
16 ELITE ESCROW GROUP INC.,)
)
17 Respondent.)
)
18)
19)

20 The Complainant is informed and believes and based upon such information and belief,
21 charges the Respondent as follows:

22 **I.**

23 **Facts**

24 1. Elite Escrow Group, Inc. (Elite Escrow) is an escrow agent licensed by the
25 Complainant, the Commissioner of Business Oversight (Commissioner) pursuant to the Escrow
26 Law of the State of California (California Financial Code section 17000 et seq.).

27 2. Elite Escrow's license number is 96DBO-48747 with its licensed location at
28 10134 6th Street, Suite E, Rancho Cucamonga, California. Pursuant to a request for information,

1 Elite Escrow listed Marjorie Baladad as the President, Secretary and Treasurer of the business.
2 Fabricio Baladad is listed as the Vice President and Treasurer. Both Marjorie Baladad and
3 Fabricio Baladad are 50% shareholders. Claudia M. Contreras is listed as an Escrow Officer
4 who was hired on August 16, 2016.

5 3. On April 24, 2018, Department of Business Oversight (Department) Corporate
6 examiner Azucena Manalo visited 12065 Paramount Boulevard #D, Downey, California as part
7 of an investigation to determine if Elite Escrow was operating an unlicensed branch office at that
8 address.

9 4. Upon arriving, Corporate examiner Manalo observed a sign on the door that read
10 “Elite Escrow Group, Inc.”

11 5. Once inside, Corporate examiner Manalo met with Claudia Contreras who
12 described herself as an escrow officer for Elite Escrow Group, Inc. Ms. Contreras provided a
13 business card for Elite Escrow with the business address at 10134 6th Street, Suite E, Rancho
14 Cucamonga, California. Ms. Contreras stated that no business was being conducted at the
15 Downey address, as Elite Escrow was waiting for approval of its application for its Downey
16 branch office. However, Ms. Contreras admitted that while at the Downey office, she does
17 correspond with clients of the Rancho Cucamonga office by email and helps with loan files for
18 the Rancho Cucamonga office. While there were no loan files observed by examiner Manolo in
19 the office, it appeared there were such files were stored electronically on a computer. Ms.
20 Contreras related that she started working at the Downey address sometime in late February
21 2018.

22 6. Corporate examiner Manalo advised Ms. Contreras that no business activity, even
23 for the Rancho Cucamonga office, should be conducted out of the Downey address unless and
24 until the Department issues a license for that location.

25 7. On August 15, 2018, Corporate examiner Manalo returned to the Downey address
26 and observed the name Elite Escrow was removed from the door and it appeared that the
27 company had shut down operations at that address.

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II.

Applicable Law

8. Financial Code section 17213.2 provides as follows:

The commissioner may order a licensed escrow agent which opens a branch office or changes its business location or locations without first obtaining the approval of the commissioner to forfeit to the people of the state a sum of up to one hundred dollars (\$100) for every day for the first 10 days and then ten dollars (\$10) for every day thereafter during which the branch office or changed location is maintained without authority.

9. The Commissioner finds that Elite Escrow violated section 17213.2 because it opened a branch office at the Downey address without first obtaining approval of the Commissioner.

10. The Commissioner finds that, for the purposes of this order, penalties should begin to accrue when escrow officer Claudia M. Contreras began working at that location in late February 2018. As this branch office closed sometime after the office visit on April 24, 2018, the Commissioner finds the penalty period to be from March 1, 2018 to April 24, 2018, a period of 54 days.

III.

Conclusion

11. Therefore, the Commissioner will seek a penalty order against Elite Escrow Group Inc. in the amount of \$1,440.00 pursuant to Financial Code section 17213.2 (\$100.00 for first 10 days and \$10.00 for the next 44 days).

WHEREFORE IT IS PRAYED that Elite Escrow will pay \$1,440.00 as a penalty to the Department pursuant to Financial Code section 17213.2 (\$100.00 for first 10 days and \$10.00 for the next 44 days).

Dated: September 28, 2018
Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
PAUL YEE
Senior Counsel
Enforcement Division