

1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
2 ALAN S. WEINGER  
Deputy Commissioner  
3 JOANNE J. ROSS (CA BAR NO. 202338)  
Corporations Counsel  
4 Department of Corporations  
5 1515 K Street, Ste. 200  
6 Sacramento, California 95814  
Telephone: (916) 324-9687  
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8 Attorneys for Complainant

9  
10 BEFORE THE DEPARTMENT OF CORPORATIONS  
11 OF THE STATE OF CALIFORNIA  
12

13 In the Matter of THE CALIFORNIA ) File No.: 963-2209  
CORPORATIONS COMMISSIONER, )  
14 ) ORDER TO DISCONTINUE ESCROW  
Complainant, ) ACTIVITIES PURSUANT TO CALIFORNIA  
15 ) FINANCIAL CODE SECTION 17415  
16 v. )  
17 MARKET STREET ESCROW, )  
18 Respondent. )  
19 )  
20 )

21 TO: MARKET STREET ESCROW  
18928 Ventura Blvd.  
22 Tarzana, CA 91356

23 THE CALIFORNIA CORPORATIONS COMMISSIONER FINDS THAT:

24 MARKET STREET ESCROW has failed to comply with the liquid asset and tangible net  
25 worth requirements of section 17210 of the Escrow Law, set forth at California Financial Code  
26 section 17000 *et. seq.* Market Street Escrow (“Market”) has not met the liquid asset or tangible net  
27 worth requirements of Financial Code Section 17210 since before September 30, 2009.

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1           The 2009 annual report filed by Market disclosed that Market had a liquid asset deficiency of  
2 eleven thousand eight hundred and fifty-eight dollars (\$11,858.00) and a tangible net worth  
3 deficiency of fifty thousand five hundred and eight dollars (\$50,508.00). The Department sent a  
4 letter to Market on or about October 20, 2010 regarding the deficiencies and requested a response  
5 within thirty (30) days. No response was received.

6           The annual report for 2010, filed by Market, showed continued serious liquid asset and  
7 tangible net worth deficiencies. Liquid assets were deficient by forty three thousand two hundred  
8 and twenty-seven dollars (\$43,227.00), and gross tangible net worth was deficient by seventy-four  
9 thousand five hundred and eighty-three dollars (\$74,583.00). On or about May 25, 2011, the  
10 Department sent a letter to Market requesting proof of correction of these deficiencies within thirty  
11 (30) days. No response was received.

12           Based upon the foregoing, Market has permitted its tangible net worth to be lower than the  
13 minimum required by law and has failed to maintain its liquid assets in excess of current liabilities as  
14 set forth in Section 17210.

15           Section 17415 of the Financial Code provides as follows:

16           (a) If the commissioner, as a result of any examination or from any  
17 report made to him or her, shall find that any person subject to this  
18 division is in an insolvent condition, is conducting escrow business in  
19 such an unsafe or injurious manner as to render further operations  
20 hazardous to the public or to customers, has failed to comply with the  
21 provisions of Section 17212.1 or 17414.1, has permitted its tangible  
22 net worth to be lower than the minimum required by law, has failed to  
23 maintain its liquid assets in excess of current liabilities as set forth in  
24 Section 17210, or has failed to comply with the bonding requirements  
25 of Chapter 2 (commencing with Section 17200) of this division, the  
26 commissioner may, by an order addressed to and served by registered  
27 or certified mail or personal service on such person and on any other  
28 person having in his or her possession or control any escrowed funds,  
trust funds or other property deposited in escrow with said person,  
direct discontinuance of the disbursement of trust funds by the parties  
or any of them, the receipt of trust funds, the delivery or recording of  
documents received in escrow, or other business operations. No  
person having in his or her possession any of these funds or documents  
shall be liable for failure to comply with the order unless he or she has  
received written notice of the order. Subject to subdivision (b), the  
order shall remain in effect until set aside by the commissioner in  
whole or in part, the person has been adjudged bankrupt, or pursuant to

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Chapter 6 (commencing with Section 17621) of this division the commissioner has assumed possession of the escrow agent.

(b) Within 15 days from the date of an order pursuant to subdivision (a), the person may request a hearing under the Administrative Procedure Act, Chapter 5 (commencing with Section 11500) of Division 3 of Title 2 of the Government Code. Upon receipt of a request, the matter shall be set for hearing to commence within 30 days after such receipt unless the person subject to this division consents to a later date. If no hearing is requested within 15 days after the mailing of service of such notice and none is ordered by the commissioner, the failure to request a hearing shall constitute a waiver of the right for a hearing. Neither the request for a hearing nor the hearing itself shall stay the order issued by the commissioner under subdivision (a).

NOW, THEREFORE, GOOD CAUSE APPEARING, it is hereby ORDERED pursuant to California Financial Code section 17415 that MARKET STREET ESCROW immediately discontinue acceptance of any new escrow or joint control business, and of money, documents or other property in connection therewith. This order is to remain in full force and effect until further order of the Commissioner.

Dated: August 25, 2011  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
Alan S. Weinger  
Deputy Commissioner

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10 BEFORE THE DEPARTMENT OF CORPORATIONS  
11 OF THE STATE OF CALIFORNIA

13 In the Matter of	)	
	)	FILE NO. 963-2209
14 THE CALIFORNIA CORPORATIONS	)	
15 COMMISSIONER,	)	ORDER WITHDRAWING ORDER TO
	)	DISCONTINUE ESCROW ACTIVITIES
16 Complainant,	)	PURSUANT TO CALIFORNIA FINANCIAL
17 v.	)	CODE SECTION 17415
	)	
18 MARKET STREET ESCROW,	)	
	)	
19 Respondent.	)	
	)	
20	)	
21	)	

22 Good Cause Appearing, it is hereby ordered that the Order to Discontinue Escrow Activities  
23 Pursuant To California Financial Code Section 17415, issued on August 25, 2011 against Market  
24 Street Escrow, is withdrawn without prejudice.

25 Dated: September 30, 2011 PRESTON DuFAUCHARD  
California Corporations Commissioner  
26  
27 By \_\_\_\_\_  
ALAN S. WEINGER  
28 Deputy Commissioner