

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN M. ROONEY
Assistant Chief Counsel
3 AFSANEH EGHBALDARI (State Bar No. 250107)
4 Counsel
5 Department of Business Oversight
1350 Front Street, Room 2034
6 San Diego, CA 92101
Telephone: (619) 645-3166
7 Facsimile: (619) 525-4045
8 Attorneys for Complainant

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

12
13 In the Matter of:) Escrow License No.: 963-0359
)
14 THE COMMISSIONER OF BUSINESS)
OVERSIGHT,) ACCUSATION IN SUPPORT OF ORDER
15) REVOKING ESCROW AGENT’S LICENSE
16 Complainant,)
17 v.)
18 COLONY ESCROW COMPANY,)
19 Respondent.)
20 _____)

21 Complainant is informed and believes, and based upon such information and belief, alleges
22 and charges as follows:

23 I
24 **Introduction**

25 1. Colony Escrow Company (“Colony”) is an escrow agent licensed by the
26 Commissioner of Business Oversight (“Commissioner”) pursuant to the Escrow Law of the State of
27 California (California Financial Code Section 17000, et seq.) (“Escrow Law”).

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1 2. Colony's principal place of business was at 9320 Fuerte Drive, Suite 102, La Mesa, CA
2 91941.

3 3. The Commissioner now seeks to revoke the escrow agent's license issued to Colony
4 for violations of the Escrow Law, as set forth below.

5 **II**

6 **Violations of the Escrow Law**

7 4. Pursuant to California Financial Code section 17600, an escrow agent's license
8 remains in effect until surrendered, revoked, or suspended. A license is not surrendered until the
9 Commissioner has reviewed and accepted the closing audit report, a determination has been made by
10 the Commissioner that acceptance of the surrender is in the public interest, and tender of the license
11 is accepted in writing by the Commissioner.

12 5. On or about September 28, 2015, the Department of Business Oversight
13 ("Department") received written notification from Colony of its intent to surrender its escrow agent's
14 license.

15 6. On or about September 30, 2015, the Department sent Colony written instructions
16 regarding the surrender of its escrow agent's license informing Colony about the license surrender
17 requirements of California Financial Code section 17600, specifically its obligation to submit a
18 closing audit within 105 days of its surrender notice.

19 7. The closing audit report was due on January 13, 2016. Colony failed to submit the
20 closing audit report within 105 days of the written notice to the Commissioner as required by
21 California Financial Code section 17600.

22 8. On or about February 23, 2016, the Department sent another letter to Colony in which
23 the Department noted that it had not yet received Colony's closing audit, and informed Colony that
24 its license was subject to revocation, pursuant to California Financial Code section 17602.5, unless
25 the closing audit was submitted within ten business days of the letter.

26 9. As of the date of this Accusation, Colony has failed to submit a closing audit report to
27 the Commissioner.

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III

Revocation Statutes

10. California Financial Code section 17602.5 provides:

If any licensed escrow agent fails to make any reports required by law or by the commissioner within ten (10) days from the day designated for the making of the reports, or within any extension of time granted by the commissioner, or fails to include therein any matter required by law or by the commissioner, such failure shall constitute grounds for the suspension or revocation of the license held by such escrow agent.

11. California Financial Code section 17608 provides, in pertinent part:

The commissioner may, after notice and a reasonable opportunity to be heard, suspend or revoke any license if he finds that:

(b) The licensee has violated any provision of this division or any rule made by the commissioner under and within the authority of this division.

IV

Conclusion

The Commissioner finds that, by reason of the foregoing, Colony Escrow Company has violated California Financial Code section 17600 and that is in the best interests of the public to revoke the escrow agent’s license of Colony Escrow Company.

THEREFORE, IT IS PRAYED that Colony Escrow Company’s escrow agent’s license be revoked, pursuant to California Financial Code sections 17602.5 and 17608.

Dated: August 30, 2016
San Diego, CA

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
AFSANEH EGHBALDARI
Counsel
Enforcement Division