

1 STATE OF CALIFORNIA
2 BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
3 DEPARTMENT OF BUSINESS OVERSIGHT
4

5 TO: Colonial Realty Group, Inc. doing business as Golden Key Escrow
6 Colonial Investment Group, Inc. doing business as Golden Key Escrow
7 102 E. Grand Blvd., Suite #B
8 Corona, CA 92879
9

10 DESIST AND REFRAIN ORDER

11 (For violations of sections 17200, 17210.2 and 17403 of the Financial Code)

12 The Commissioner of Business Oversight finds that:

13 1. At all relevant times herein, Colonial Realty Group, Inc. (“CRG”) is a California
14 corporation with its principal place of business at 102 E. Grand Blvd., Suite #B, Corona, CA 92879,
15 doing business as Golden Key Escrow.

16 2. At all relevant times herein, Colonial Investment Group, Inc. (“CIG”) was a California
17 corporation with its principal place of business at 102 E. Grand Blvd., Suite #B, Corona, CA 92879,
18 doing business as Golden Key Escrow.

19 3. CRG holds a real estate broker license issued by the State of California, Bureau of
20 Real Estate under License No. 01879689.

21 4. CRG has not been issued a license from the Commissioner of Business Oversight
22 authorizing it to conduct business as an escrow agent, as required under Financial Code section
23 17200.

24 5. CIG held a real estate broker license issued by the State of California, Bureau of Real
25 Estate under License No. 01494484.

26 6. CIG has not been issued a license from the Commissioner of Business Oversight
27 authorizing it to conduct business as an escrow agent, as required under Financial Code section
28 17200.

1 7. In 2010, CRG engaged in the business of an escrow agent by receiving money and
2 disbursing the money in accordance with written escrow instructions, in real estate transactions in
3 which it was not a party. CRG used escrow instructions that contained the statement, “Golden Key
4 Escrow conducts escrow business under a license issued to it under identification no. 01879689 by
5 the Department of Real Estate.”

6 8. In 2010, CIG engaged in the business of an escrow agent by receiving money and
7 disbursing the money in accordance with written escrow instructions, in real estate transactions in
8 which it was not a party. CIG used escrow instructions that contained the statement, “Golden Key
9 Escrow conducts escrow business under a license issued to it under identification no. 01494484 by
10 the Department of Real Estate.”

11 9. At all relevant times herein, CRG was the registered domain user for the internet
12 website, www.mygoldenkeyescrow.com.

13 10. www.mygoldenkeyescrow.com represented that it offers “innovative and cost-
14 effective Escrow services” and that it is “a recognized industry leader in Escrow Services since
15 2000”. Furthermore, www.mygoldenkeyescrow.com allows website visitors to click on a button with
16 the title “Open Escrow Today” which brings prospective customers to a website where they can input
17 their contact information and select an escrow officer in connection with ordering services. Finally,
18 the Contact section of www.mygoldenkeyescrow.com contains the names and telephone numbers of
19 escrow officers employed by CRG.

20
21 Based on the foregoing findings, the Commissioner of Business Oversight is of the opinion
22 that Colonial Realty Group, Inc. and Colonial Investment Group, Inc. both doing business as Golden
23 Key Escrow were engaged in the business of an escrow agent without obtaining a license from the
24 Commissioner of Business Oversight in violation of California Financial Code section 17200.

25
26 Pursuant to California Financial Code section 17416, Colonial Realty Group, Inc. and
27 Colonial Investment Group, Inc. both doing business as Golden Key Escrow are hereby ordered to
28

1 desist and refrain from engaging in the business of receiving escrows for deposit or delivery without
2 first obtaining a license from the Commissioner of Business Oversight.

3
4 Further, the Commissioner of Business Oversight is of the opinion that Colonial Realty
5 Group, Inc. and Colonial Investment Group, Inc., both doing business as Golden Key Escrow,
6 disseminated false, misleading and deceptive statements in their escrow instructions by stating that
7 they were conducting escrow business under a Department of Real Estate license, when in fact a
8 person can only conduct escrow business in California under an escrow agent's license issued by the
9 Commissioner of Business Oversight, in violation of California Financial Code section 17210.2.

10
11 Pursuant to California Financial Code section 17210.2, Colonial Realty Group, Inc. and
12 Colonial Investment Group, Inc. both doing business as Golden Key Escrow are ordered to desist and
13 refrain from disseminating or cause to disseminate in any manner whatsoever, any statement or
14 representation which is false, misleading, or deceptive, or which omits to state material information,
15 or which refers to the supervision of that agent by the State of California or any department or official
16 thereof.

17
18 Further, the Commissioner of Business Oversight is of the opinion that Colonial Realty
19 Group, Inc. and Colonial Investment Group, Inc. both doing business as Golden Key Escrow, used
20 escrow instructions that indicated they were in the escrow business without first obtaining an escrow
21 agent license from the Commissioner of Business Oversight, in violation of California Financial
22 Code section 17403. Additionally, Colonial Realty Group, Inc. doing business as Golden Key Escrow
23 also advertised on www.mygoldenkeyescrow.com that it was engaged in the escrow business without
24 first obtaining an escrow agent license from the Commissioner of Business Oversight, in violation of
25 California Financial Code section 17403.

26
27 Pursuant to California Financial Code section 17403, Colonial Realty Group, Inc. and
28 Colonial Investment Group, Inc. both doing business as Golden Key Escrow are ordered to desist and

1 refrain from issuing, circulating, or publishing, any advertisement by means of any communication,
2 including any internet websites, or making use of or circulating any letterheads, billheads, blank
3 notes, blank receipts, blank escrow instructions, certificates, circulars, or any written or printed paper,
4 containing any fictitious or corporate name or other words indicating that they are in the escrow
5 business, unless the person is a licensed escrow agent.

6
7 This Order is necessary, in the public interest, for the protection of investors and consistent
8 with the purposes, policies, and provisions of the California Escrow Law.

9
10 Dated: May 19, 2014
11 Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

12 By: _____
13 MARY ANN SMITH
14 Deputy Commissioner
15 Enforcement Division
16
17
18
19
20
21
22
23
24
25
26
27
28