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

10 In the Matter of THE COMMISSIONER OF	)	File No. 416-0732
11 BUSINESS OVERSIGHT,	)	
12 Complainant,	)	ORDER TO DISCONTINUE VIOLATIONS
13 v.	)	PURSUANT TO FINANCIAL CODE
14 CITY FIRST MORTGAGE SERVICES, LLC	)	SECTION 50321 AND REFUND EXCESSIVE
15 DOING BUSINESS AS CITY 1 <sup>st</sup> MORTGAGE	)	PER DIEM INTEREST CHARGES
16 AND CITY 1 <sup>st</sup> MORTGAGE SERVICES,	)	PURSUANT TO FINANCIAL CODE
17 Respondent.	)	SECTION 50504
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23 TO: CITY FIRST MORTGAGE SERVICES, LLC  
24 DBA CITY 1<sup>st</sup> MORTGAGE AND CITY 1<sup>st</sup> MORTGAGE SERVICES  
25 750 South Main Street, Suite 104  
26 Bountiful, Utah 84010

27 The Commissioner of Business Oversight of the State of California finds that:  
28 City First Mortgage Services, LLC doing business as City 1<sup>st</sup> Mortgage and City 1<sup>st</sup>

1 Mortgage Services has engaged in the following: (1) charging California borrowers interest on  
2 loans for a period in excess of one day prior to the date that the loan proceeds are disbursed from  
3 escrow in at least 226 of 961 loans during the period of August 2010 through January 2013 in  
4 violation of Financial Code section 50204, subdivision (o), and failing to disclose the amount of  
5 such additional interest as required by Civil Code section 2948.5; (2) failing to comply with  
6 examination and records requirements pursuant to Financial Code section 50314; and, (3) failing to  
7 timely make a report to the Department as required by Financial Code sections 50326 and 50307,  
8 specifically, a self-audit report of per diem interest overcharged to borrowers in violation of  
9 Financial Code section 50204, subdivision (o).

10 NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING, it is hereby  
11 ORDERED under the provisions of Financial Code section 50321 that City First Mortgage Services,  
12 LLC doing business as City 1<sup>st</sup> Mortgage and City 1<sup>st</sup> Mortgage Services immediately discontinue the  
13 violations set forth above. City First Mortgage Services, LLC doing business as City 1<sup>st</sup> Mortgage  
14 and City 1<sup>st</sup> Mortgage Services is further ordered to refund to all California borrowers the excess per  
15 diem interest charged in violation of Financial Code section 50204, with interest at the rate of 10  
16 percent per annum, calculated from the date the excessive per diem interest was imposed, pursuant to  
17 Financial Code section 50504.

18 Dated: July 31, 2013  
19 Sacramento, CA

JAN LYNN OWEN  
Commissioner of Business Oversight

21 By \_\_\_\_\_  
22 MARY ANN SMITH  
23 Deputy Commissioner  
24 Enforcement Division  
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