



STATE OF CALIFORNIA  
**Department of Business Oversight**

GOVERNOR **Gavin Newsom** • COMMISSIONER Manuel P. Alvarez

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## **CitiMortgage agrees to pay \$7.8 million in Overdue Interest on Escrow Impound Accounts**

SACRAMENTO – CitiMortgage, Inc. has agreed to pay \$7.8 million in overdue interest to more than 94,000 California homeowners under a [settlement](#) finalized today with the California Department of Business Oversight (DBO).

The payments will compensate homeowners for interest that state law requires to be paid on escrow impound accounts for residential mortgage loans. Under the settlement, CitiMortgage (CMI) may take up to six months to issue checks to all eligible homeowners. For questions, CitiMortgage has established a toll-free line at 877-503-9046 (or 888-221-9892 for TTY services). Consumers also may call CitiMortgage at 800-283-7918.

“This is California consumers’ money and the DBO is pleased CitiMortgage has agreed to abide by the law,” said Commissioner of Business Oversight Manuel P. Alvarez.

The settlement requires the Missouri-based CMI to pay a required 2 percent interest on the escrow impound balances of 94,483 residential mortgage loans the company serviced dating back to July 1, 2014 and all applicable residential loans going forward. CitiMortgage said it has been paying interest on residential escrow impound balances since Jan. 1.

CitiMortgage, a subsidiary of Citigroup, is a prominent residential mortgage loan servicer in California. The consent order resolves allegations from the DBO’s 2017 examination of CMI’s residential mortgage loan servicing business licensed under the California Residential Mortgage Lending Act.

The DBO licenses and regulates more than 360,000 individuals and entities that provide financial services in California. The department’s regulatory jurisdiction extends over state-chartered banks and credit unions, money transmitters, securities broker-dealers, investment advisers, non-bank installment lenders, payday lenders, mortgage lenders and servicers, escrow companies, franchisors and more.

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