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

11 In the Matter of: ) CRMLA LICENSE No. 413-0901  
12 )  
13 THE COMMISSIONER OF BUSINESS )  
OVERSIGHT, ) STATEMENT OF FACTS IN SUPPORT OF  
14 ) ORDER TO DISCONTINUE VIOLATIONS  
Complainant, ) UNDER FINANCIAL CODE SECTION 50321  
15 ) AND NOTICE OF INTENT TO MAKE  
16 vs. ) ORDER FINAL  
17 )  
18 AMERIFIRST FINANCIAL, INC. )  
19 Respondent. )  
20 )  
21 )

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

24 1. AmeriFirst Financial, Inc. (“AmeriFirst”) is a residential mortgage lender licensed by the  
25 Commissioner of Business Oversight (“Commissioner”) under the California Residential Mortgage  
26 Lending Act (Fin. Code, § 50000 et seq.) (“CRMLA”). Its principal place of business is located at  
27 1550 East McKellips Road, Suite 117, Mesa, Arizona. At all relevant times herein, AmeriFirst  
28 employs mortgage loan originators and operated numerous branch offices in the State of California.

1           2. On or about May 19, 2014, the Commissioner commenced a regulatory examination of  
2 AmeriFirst. The examination disclosed repeat violations of the CRMLA, including the following:

3           a.       At least 4 borrowers were overcharged per diem interest in violation of Financial Code  
4 section 50204, subdivisions (k) and (o), and 2948.5 of the Civil Code.

5           b.       AmeriFirst had overcharged credit report fees in at least 3 loan files in violation of  
6 Financial Code section 50204, subdivisions (c), (i), (k) and California Code of Regulations, title 10,  
7 section 1950.314.4, subdivision (j).

8           c.       AmeriFirst failed to state in its YouTube advertisement that the company was licensed  
9 by the California Department of Business Oversight in violation of California Code of Regulations,  
10 title 10, section 1950.204.3, subdivision (b).

11           3. Financial Code section 50321 provides:

12                   If, after investigation, the commissioner has reasonable grounds to  
13 believe that any licensee has violated its articles of incorporation or any  
14 law or rule binding upon it, the commissioner shall, by written order  
15 addressed to the licensee, direct the discontinuance of the violation.  
16 The order shall be effective immediately, but shall not become final  
17 except in accordance with the provisions of Section 50323.

18           4. Financial Code section 50323 provides:

19                   (a) No order issued pursuant to Section 50321 or 50322 may become  
20 final except after notice to the affected licensee of the commissioner's  
21 intention to make the order final and of the reasons for the finding. The  
22 commissioner shall also notify the licensee that upon receiving a  
23 request the matter will be set for hearing to commence within 15  
24 business days after receipt. The licensee may consent to have the  
25 hearing commence at a later date. If no hearing is requested within 30  
26 days after the mailing or service of the required notice, and none is  
27 ordered by the commissioner, the order may become final without  
28 hearing and the licensee shall immediately discontinue the practices  
named in the order. If a hearing is requested or ordered, it shall be held  
in accordance with the provisions of the Administrative Procedure Act  
(Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of  
Title 2 of the Government Code), and the commissioner shall have all  
of the powers granted under that act. If, upon the hearing, it appears to  
the commissioner that the licensee is conducting business in an unsafe  
and injurious manner or is violating its articles of incorporation or any  
law of this state, or any rule binding upon it, the commissioner shall  
make the order of discontinuance final and the licensee shall

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immediately discontinue the practices named in the order.

(b) The licensee has 10 days after an order is made final to commence an action to restrain enforcement of the order. If the enforcement of the order is not enjoined within 10 days by the court in which the action is brought, the licensee shall comply with the order.

WHEREFORE, good cause showing, the Commissioner intends to issue an Order to Discontinue Violations under Financial Code section 50321 and notifies AmeriFirst Financial, Inc. of her intention to make the order final.

Dated: March 12, 2015  
Los Angeles, CA

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
Blaine A. Noblett  
Senior Counsel  
Enforcement Division