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7 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

11 In the Matter of THE COMMISSIONER OF) File No. 413-0675
CORPORATIONS OF THE STATE OF)
12 CALIFORNIA,)
13)
Complainant,) ORDER TO DISCONTINUE VIOLATIONS
14) PURSUANT TO CALIFORNIA FINANCIAL
vs.) CODE SECTION 50321
15)
16)
GATEWAY FUNDING DIVERSIFIED)
17 MORTGAGE SERVICES, L.P., doing business)
as ARLINGTON CAPITAL MORTGAGE)
18)
19 Respondent.)
20)

22 TO: GATEWAY FUNDING DIVERSIFIED MORTGAGE SERVICES, L.P.
300 Welsh Road, Building #5
23 Horsham, Pennsylvania 19044

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25 The Commissioner of Corporations finds that:
26 Gateway Funding Diversified Mortgage Services, L.P., doing business as Arlington Capital
27 Mortgage (“Gateway”), has:
28 (1) Caused debit balances to exist in escrow accounts in violation of California Code of

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Regulations, title 10, section 1950.314.6;

(2) Charged borrowers interest on loans for a period in excess of one day prior to the disbursement of loan proceeds in at least 20 loans in violation of Financial Code Section 50204 (o);

(3) Failed to timely reconcile the escrow liability ledgers to its trust account in violation of California Code of Regulations, title 10, section 1950.314.1; and

(4) Failed to maintain a self-audit report that would disclose which borrowers Gateway overcharged on interest rates in violation of Financial Code section 50314.

NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING,

It is hereby ORDERED under the provisions of California Financial Code section 50321, that Gateway Funding Diversified Mortgage Services, L.P., doing business as Arlington Capital Mortgage immediately discontinue the violations set forth above.

Dated: June 11, 2013
Los Angeles, CA

JAN LYNN OWEN
California Corporations Commissioner

By _____
Mary Ann Smith
Deputy Commissioner
Enforcement Division

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8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

10
11 In the Matter of THE COMMISSIONER OF) File No. 413-0675
CORPORATIONS OF THE STATE OF)
12 CALIFORNIA,)
13)
Complainant,) ORDER TO REFUND EXCESSIVE PER DIEM
14) INTEREST CHARGES PURSUANT TO
vs.) CALIFORNIA FINANCIAL CODE SECTION
15) 50504(b)
16)
17 GATEWAY FUNDING DIVERSIFIED)
MORTGAGE SERVICES, L.P., doing business)
18 as ARLINGTON CAPITAL MORTGAGE)
19 Respondent.)
20)
21)

22 TO: GATEWAY FUNDING DIVERSIFIED MORTGAGE SERVICES, L.P.
300 Welsh Road, Building #5
23 Horsham, Pennsylvania 19044

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25 The Commissioner of Corporations finds that:

26 Gateway Funding Diversified Mortgage Services, L.P., doing business as Arlington Capital
27 Mortgage (“Gateway”), has willfully charged and received from borrowers interest on loans for a
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period in excess of one day prior to the recording of the mortgage or deed of trust in violation of California Financial Code sections 50204 (i), 50204 (k), and 50204 (o).

NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING,

It is hereby ORDERED under the provisions of California Financial Code section 50504(b), that Gateway Funding Diversified Mortgage Services, L.P. immediately refund to all borrowers charged excessive per diem interest, the amount of the excessive per diem interest along with interest at the rate of ten percent per annum, calculated from the date the excessive per diem interest was imposed.

Dated: June 11, 2013
Los Angeles, CA

JAN LYNN OWEN
California Corporations Commissioner

By _____
Mary Ann Smith
Deputy Commissioner
Enforcement Division