FILED

MIDTOWN MORTGAGE, INC., ET AL.

	
1	DEPARTMENT OF REAL ESTATE November 13, 2012
2	P. O. Box 187007 Sacramento, CA 95818-7007
3	DEPARTMENT OF REAL ESTATE
4	Telephone: (916) 227-0789
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8	BEFORE THE DEPARTMENT OF REAL ESTATE
9	STATE OF CALIFORNIA
10	* * *
11	To:
12) NO. H-5908 SAC
13	MIDTOWN MORTGAGE, INC., RODDY WONG and ORDER TO DESIST AND REFRAIN
13	JAMES RICHARD CLARY, JR., (B & P Code Section 10086)
15	The Real Estate Commissioner of the State of California (Commissioner) has
16	caused an investigation to be made of the activities of MIDTOWN MORTGAGE, INC.
17	(MIDTOWN), RODDY WONG (WONG) and JAMES RICHARD CLARY, JR. (CLARY)
18	and/or any other names or fictitious names used by MIDTOWN and WONG, including engaging
19	in the business of, acting in the capacity of, advertising, or assuming to act as a real estate broke
20	in the State of California within the meaning of Section 10131(a) of the California Business and
21	Professions Code (the Code). Based upon the findings of that investigation, as set forth below,
22	the Commissioner has determined and is of the opinion that:
23	MIDTOWN and WONG have violated Section 10137 of the Code by employing
24	and/or compensating one or more unlicensed persons to act in the capacity of a real estate broker
25	or salesperson; and CLARY, has violated Section 10130 of the Code by engaging in the business
26	of or acting as a real estate salesperson or broker, within the meaning of Section 10131(A)
27	(Soliciting Buyers/Sellers for Sale of Real Property) of the Code without first having obtained a
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ORDER TO DESIST AND REFRAIN

real estate license from the California Department of Real Estate (Department). Whenever acts referred to below are attributed to MIDTOWN or WONG, those acts are alleged to have been done by MIDTOWN or WONG, acting by itself or himself, or by and/or through one or more agents, associates, and/or co-conspirators, and using other names or fictitious names unknown at this time (the related entities).

MIDTOWN has violated Section 2742(c), Title 10 of the California Code of Regulations (Regulations) by failing to keep its corporate status in good standing with the California Secretary of State.

FINDINGS OF FACT

- Since April 28, 2007, MIDTOWN has been licensed by the Department corporate real estate broker.
- 2. As of October 5, 2012, the status of MIDTOWN was "suspended" by the California Secretary of State.
- 3. Since June 22, 1990, WONG has been licensed by the Department as a real estate broker.
- 4. At no time mentioned herein was CLARY licensed by the Department as a real estate broker or real estate salesperson, as appropriate.
- At all times mentioned herein between on or about July 27, 2012, and continuing up to at least November 1, 2012, CLARY engaged in the business of, acted in the capacity of, or assumed to act as a real estate broker within the State of California within the meaning of Section 10131(a) of the Code, including solicitation of prospective sellers or purchases of, soliciting or obtaining listing of, negotiating the purchase, sale or exchange of real property or business opportunities.
- 6. On July 27, 2012, a Special Investigator for the Department, who indicated that he wanted to purchase a house, made a shop visit to MIDTOWN and spoke to CLARY.

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- 7 CLARY advised the Special Investigator that he would help him get a loan at MIDTOWN'S cost and that CLARY would not be doing the loan for free, but would be paid by the bank.
- 8. CLARY represented that he and WONG were partners for quite some time.
- 9. CLARY represented that he would show the special investigator the wholesale rate sheet and that he would need to complete and submit a mortgage application.
- 10. CLARY represented that one of his current clients was staying with CLARY and his wife while they are trying to find a house for the client and that CLARY would discount the loan if the Special Investigator allowed CLARY to represent the Special Investigator in purchasing a house.
- CLARY began taking information from the Special Investigator for a written loan application.
- 12. From approximately July 27, 2012, through November 1, 2012, MIDTOWN and WONG employed and/or compensated CLARY for performing the acts set out above which require a real estate license pursuant to Section 10131(a) of the Code (Soliciting Buyers/Sellers for Sale of Real Property).

CONCLUSIONS OF LAW

- 1. Based on the Findings of Fact contained in Paragraphs 1 through 12, above, JAMES RICHARD CLARY, JR has performed and/or participated in soliciting and/or negotiating loans secured by real property which require a real estate license under Section 10131(a) of the Code during a period of time when JAMES RICHARD CLARY, JR. was not licensed by the Department in any capacity, in violation of Section 10130 of the Code.
- 2. Based on the Findings of Fact contained in Paragraphs 1 through 12, above, MIDTOWN MORTGAGE, INC. and RODDY WONG employed and/or compensated one or more unlicensed persons to act in the capacity of a real estate broker or salesperson in violation of Section 10137 of the Code.

1	3. Based on the Findings of Fact contained in Paragraphs 1 through 12,
2	above, MIDTOWN MORTGAGE, INC. was not in good standing with the California Secretary
3	of State in violation of Section 2742(c) of the Regulations.
4	DESIST AND REFRAIN ORDER
5	Now, therefore, JAMES RICHARD CLARY, JR., IS HEREBY ORDERED to
6	immediately Desist and Refrain from:
7	1. Performing any and all acts within the State of California for which a real
8	estate salesperson or broker license is required, unless and until he obtains a real estate
9	salesperson or broker license.
10	Now, therefore, MIDTOWN MORTGAGE, INC. AND RODDY WONG ARE
11	HEREBY ORDERED to immediately Desist and Refrain from:
12	Employing and/or compensating any person for performing any acts which
13	require a real estate license within the State of California unless and until that person has
14	obtained from the Department a real estate salesperson or real estate broker license.
15	Now, therefore, MIDTOWN MORTGAGE, INC. IS HEREBY ORDERED to
16	immediately Desist and Refrain from:
17	1. Performing any and all acts within the State of California for which a
18	corporate real estate broker license is required, unless and until it regains good legal status with
19	the California Secretary of State.
20	DATED:
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22	Real Estate Commissioner
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24	San
25	/// By WAYNE S. BELL Chief Counsel
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ORDER TO DESIST AND REFRAIN

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MIDTOWN MORTGAGE, INC., ET AL.

NOTICE

TO: RODDY WONG

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As Agent for Service of Process for MIDTOWN MORTGAGE, INC. 1014 Fourth Street Sacramento, CA 95814

RODDY WONG

As Agent for Service of Process for MIDTOWN MORTGAGE, INC. 128 J Street, Suite A.

Sacramento, CA 95814

RODDY WONG 128 J Street, Suite A. Sacramento, CA 95814

JAMES RICHARD CLARY, JR. 128 J Street, Suite A Sacramento, CA 95814

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ATTY RKU/ga 27