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FILED

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DEPARTMENT OF REAL ESTATE
By L. Krupp

8
9 BEFORE THE DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

11 In the Matter of the Accusation of)
12) NO. H- 12658 SF
13)
14 MORTGAGE ONLY, INC. and)
15 BENJAMIN LYNN GREER,) ACCUSATION
16 Respondents.)

16 The Complainant, STEPHANIE YEE, a Supervising Special Investigator of the
17 State of California, for Accusation against Respondents MORTGAGE ONLY, INC. (MOI) and
18 BENJAMIN LYNN GREER (GREER), hereinafter collectively RESPONDENTS, is informed
19 and alleges as follows:

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21 The Complainant makes this Accusation against RESPONDENTS in her official
22 capacity.

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24 At all times herein mentioned, MOI was and is presently licensed and/or has
25 license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and
26 Professions Code (the Code), by the Department of Real Estate (the Department) as a corporate

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1 real estate broker. At all times herein mentioned MOI held a Mortgage Loan Originator
2 Endorsement (MLO Endorsement).

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4 GREER is presently licensed and/or has license rights under the Real Estate Law,
5 Part 1 of Division 4 of the Code, as a real estate broker and as the designated officer of MOI. At
6 all times herein mentioned GREER held an MLO Endorsement.

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8 As the designated officer, GREER was responsible, pursuant to Section 10159.2
9 of the Code, for the supervision of the activities of the officers, agents, real estate licensees, and
10 employees of MOI for which a real estate license is required.

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12 Whenever reference is made in an allegation in this Accusation to an act or
13 omission of MOI, such allegation shall be deemed to mean that the officers, directors,
14 employees, agents and real estate licensees employed by or associated with MOI committed
15 such act or omission while engaged in furtherance of the business or operations of MOI and
16 while acting within the course and scope of their corporate authority and employment.

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18 At all times mentioned herein, RESPONDENTS engaged in the business of, acted
19 in the capacity of, or assumed to act as a real estate broker within the State of California within
20 the meaning of Section 10131(d) of the Code, including solicitation of borrowers for or
21 negotiation of loans or performance of services for borrowers or lenders or note owners in
22 connection with loans secured directly or collaterally by liens on real property, including but not
23 limited to direct solicitation as described above of individual mortgage borrowers whose names
24 are set forth below.

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1 FIRST CAUSE OF ACTION

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3 Complainant refers to Paragraphs 1 through 6, above, and incorporates the same
4 herein by reference.

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6 Sometime before February of 2020, Sandra B and Bradley B (Borrowers) agreed
7 to have RESPONDENTS act as their mortgage lender for that certain real property commonly
8 known as 8941 Mulberry Dr., Sunland, California 91040 (Sunland Property).

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10 On or about February 21, 2020, RESPONDENTS prepared and advised
11 Borrowers to sign a "Recapture Fee Agreement and Disclosure" (Agreement). The Agreement
12 provided that Borrowers will pay a recapture fee if they pay off the loan within 180 days from the
13 funding date.

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15 On or about March 6, 2020, Borrowers signed the Loan Estimate which indicated
16 that there was no prepayment penalty.

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18 On or about March 13 and 17, 2020, Borrowers signed the Closing Disclosure
19 with United Wholesale Mortgage (UWM) which stated that there was no Prepayment Penalty.

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21 On or about March 17, 2020, Borrowers signed a Borrower Loan Options form
22 with UWM that stated there was no risky features (including prepayment penalty).

23 13

24 On or about March 23, 2020, the loan closed.

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26 At no time did RESPONDENTS inform UWM of the Agreement.

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1 In or around July of 2020, Borrowers refinanced the loan on the Mulberry
2 Property again, with a different loan broker. On or about August 12, 2020, RESPONDENTS
3 emailed Borrowers, referenced the Agreement and asserted that Borrowers owed
4 RESPONDENTS the Recapture Fee.
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6 Shortly after receiving the email referenced above in Paragraph 15, Borrowers
7 contacted UWM about the recapture fee. UWM responded that they were not aware of the
8 Agreement and would not have funded the loan had they known of the Agreement.
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10 The acts of RESPONDENTS, described above, constitute violations of Sections
11 10176(a) (substantial misrepresentation) and 10176(i) (other conduct constituting fraud/dishonest
12 dealing) and are grounds for discipline under Sections 10176(a), 10176(i), 10177(d) (violate real
13 estate law) and 10177(g) (negligence/incompetence of licensee) of the Code.
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15 SECOND CAUSE OF ACTION

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16 Complainant refers to Paragraphs 1 through 17, above, and incorporates the same
17 herein by reference.
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19 At all times herein above mentioned, GREER, was responsible as the supervising
20 broker for MOI, for the supervision and control of the activities conducted on behalf of MOI's
21 business by its employees. GREER failed to exercise reasonable supervision and control over
22 the mortgage loan activities of MOI. In particular, GREER permitted, ratified and/or caused the
23 conduct described above, to occur, and failed to take reasonable steps, including but not limited
24 to supervision of employees, and the implementation of policies, rules, and systems to ensure the
25 compliance of the business with the Real Estate Law and the Regulations.
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The above acts and/or omissions of GREER violate Section 10159.2 (responsibility/directing officer) of the Code and Section 2725 (broker supervision) of the Regulations and constituted grounds for disciplinary action under the provisions of Sections 10177(g) and 10177(h) (broker supervision) of the Code.

COSTS

Section 10106 of the Code provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department, the Commissioner may request the Administrative Law Judge to direct a licensee found to have committed a violation of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that, upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and license rights of Respondent under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), and for such other and further relief as may be proper under other provisions of law.



STEPHANIE YEE
Supervising Special Investigator

Dated at Oakland, California,
this 30th day of January, 2023.

DISCOVERY DEMAND

The Department of Real Estate hereby requests discovery pursuant to Section 11507.6 of the California Government Code. Failure to provide discovery to the Department may result in the exclusion of witnesses and/or documents at the hearing, and other sanctions as the Administrative Law Judge deems appropriate.