

Accusation

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FILED

AUG 20 2012

DEPARTMENT OF REAL ESTATE
BY: *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

11	In the Matter of the Accusation of)	No. H- 38350 LA
12	RATE MODIFICATIONS, INC.;)	<u>A C C U S A T I O N</u>
13	and RICHARD JAMES UNGER)	
14	individually and as the former)	
15	designated officer of)	
16	Rate Modifications, Inc.,)	
	Respondents,)	

17
18 The Complainant, Veronica Kilpatrick, a Deputy Real
19 Estate Commissioner of the State of California, for cause of
20 accusation against RATE MODIFICATIONS, INC., and RICHARD JAMES
21 UNGER individually and as the former designated officer of Rate
22 Modifications, Inc., alleges as follows:

23 1. The Complainant, Veronica Kilpatrick, acting in her
24 official capacity as a Deputy Real Estate Commissioner of the
25 State of California, makes this Accusation against RATE
26 MODIFICATIONS, INC., and RICHARD JAMES UNGER.

1 2. RATE MODIFICATIONS, INC., and RICHARD JAMES UNGER
2 individually and as the former designated officer of Rate
3 Modifications, Inc. (hereinafter referred to as "Respondents")
4 are presently licensed and/or have license rights under the Real
5 Estate Law (Part 1 of Division 4 of the Business and Professions
6 Code, hereinafter Code).

7 3. Respondent RATE MODIFICATIONS, INC. was licensed as
8 a real estate broker on or about October 21, 2008, with
9 Respondent RICHARD JAMES UNGER as its designated officer.

10 3900 BROOKE COURT

11 4. During 2009, for or in expectation of compensation,
12 Respondents solicited and negotiated a re-finance loan and loan
13 modification on real property located at 3900 Brooke Court, La
14 Mesa, California for borrowers Bill and Earnestine S.

15 5. Respondents violated Code Sections 10145(a), 10146
16 and Regulation 2832 by collecting \$4,295 in advance fees from the
17 borrowers and not depositing the fees into a real estate broker
18 trust account.

19 6. Respondents misappropriated the funds they received
20 from the borrowers without the knowledge or permission of the
21 borrowers.

22 7. Respondents violated Regulation 2972 by failing to
23 provide the borrowers with the required itemized accountings.

24 2463 GOLFCREST LOOP

25 8. During 2009, for or in expectation of compensation,
26 Respondents solicited and negotiated a re-finance loan and loan
27 modification for a first and second mortgage on real property

1 located at 2463 Golfcrest Loop, Chula Vista, California for
2 borrowers David and Judith M.

3 9. Respondents violated Code Sections 10145(a), 10146
4 and Regulation 2832 by collecting \$5,390 in advance fees from the
5 borrowers and not depositing the fees into a real estate broker
6 trust account.

7 10. Respondents violated Regulation 2972 by failing to
8 provide the borrowers with the required itemized accountings.

9 11. Respondent RATE MODIFICATIONS, INC. violated
10 Regulation 2742(c) by being dissolved by the California Secretary
11 of State.

12 12. The conduct of Respondents, as alleged above,
13 subjects their real estate license and license rights to
14 suspension or revocation pursuant to Sections 10176(i) and
15 10177(j) of the Business and Professions Code, and Sections
16 10177(d) and/or 10177(g) for violation of Code Sections 10145,
17 10146 and Regulations 2742(c), 2832 and 2972, Title 10,
18 California Administrative Code..

19 COST RECOVERY

20 Code Section 10106 provides, in pertinent part, that in
21 any order issued in resolution of a disciplinary proceeding
22 before the department, the commissioner may request the
23 administrative law judge to direct a licensee found to have
24 committed a violation of this part to pay a sum not to exceed the
25 reasonable costs of the investigation and enforcement of the
26 case.

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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all licenses and license rights of Respondents
5 RATE MODIFICATIONS, INC., and RICHARD JAMES UNGER individually
6 and as the former designated officer of Rate Modifications, Inc.
7 under the Real Estate Law (Part 1 of Division 4 of the Business
8 and Professions Code), for the cost of investigation and
9 enforcement as permitted by law, and for such other and further
10 relief as may be proper under other applicable provisions of law.

11 Dated at Los Angeles, California

12 this 7 day of August 2012.

13 
14 VERONICA KILPATRICK
Deputy Real Estate Commissioner

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21 cc: Rate Modifications, Inc.
22 Richard James Under
23 Veronica Kilpatrick
24 Sacto.
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