

1 JAMES R. PEEL, Counsel (SBN 47055)
2 Department of Real Estate
3 320 West Fourth Street, Suite 350
4 Los Angeles, CA 90013-1105
5
6
7
8 Telephone: (213) 576-6982
9 -or- (213) 576-6913 (Direct)

FILED

OCT 16 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)
13 RATE MODIFICATIONS, INC.;) FIRST AMENDED
14 and RICHARD JAMES UNGAR) ACCUSATION
15 individually and as the former)
16 designated officer of)
17 Rate Modifications, Inc.,)
18 Respondents,)
19)
20)
21)

22 The Accusation amends the Accusation filed on
23 August 20, 2012. Respondent's name is amended to read Richard
24 James Ungar.

25 The Complainant, Veronica Kilpatrick, a Deputy Real
26 Estate Commissioner of the State of California, for cause of
27 accusation against RATE MODIFICATIONS, INC., and RICHARD JAMES
28 UNGAR individually and as the former designated officer of Rate
29 Modifications, Inc., alleges as follows:

30 ///
31 ///

1 1. The Complainant, Veronica Kilpatrick, acting in her
2 official capacity as a Deputy Real Estate Commissioner of the
3 State of California, makes this Accusation against RATE
4 MODIFICATIONS, INC., and RICHARD JAMES UNGAR.

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

11 3. Respondent RATE MODIFICATIONS, INC. was licensed as
12 a real estate broker on or about October 21, 2008, with
13 Respondent RICHARD JAMES UNGAR as its designated officer.

14 3900 BROOKE COURT

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

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

23 6. Respondents misappropriated the funds they received
24 from the borrowers without the knowledge or permission of the
25 borrowers.

26 ///

27 ///

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

3 2463 GOLFCREST LOOP

4 8. During 2009, for or in expectation of compensation,
5 Respondents solicited and negotiated a re-finance loan and loan
6 modification for a first and second mortgage on real property
7 located at 2463 Golfcrest Loop, Chula Vista, California for
8 borrowers David and Judith M.

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

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

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

18 12. The conduct of Respondents, as alleged above,
19 subjects their real estate license and license rights to
20 suspension or revocation pursuant to Sections 10176(i) and
21 10177(j) of the Business and Professions Code, and Sections
22 10177(d) and/or 10177(g) for violation of Code Sections 10145,
23 10146 and Regulations 2742(c), 2832 and 2972, Title 10,
24 California Administrative Code.

25 ///

26 ///

27 ///

1 COST RECOVERY

2 Code Section 10106 provides, in pertinent part, that in
3 any order issued in resolution of a disciplinary proceeding
4 before the department, the commissioner may request the
5 administrative law judge to direct a licensee found to have
6 committed a violation of this part to pay a sum not to exceed the
7 reasonable costs of the investigation and enforcement of the
8 case.

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

19 Dated at Los Angeles, California

20 this 1st day of October, 2012.

21
22 
23 VERONICA KILPATRICK
Deputy Real Estate Commissioner

24 cc: Rate Modifications, Inc.
25 Richard James Ungar
26 Veronica Kilpatrick
27 Sacto.