

FLAG

FILED

SEP 26 2013

BUREAU OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE By Norma Jimenez

STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of )  
 ) No. H-38350 LA  
RATE MODIFICATIONS, INC.; )  
 and RICGARD JAMES UNGAR )  
 individually and as the former )  
 designated officer of )  
 Rate Modifications, inc., )  
 )  
 Respondents. )  
 \_\_\_\_\_ )

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on August 19, 2013, and the findings of fact set forth herein are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

The right to reinstatement of a revoked license is controlled by Section 11522 of the Government Code. A copy of the Commissioner's Criteria of Rehabilitation is attached hereto for the information of the Respondent.

FINDINGS OF FACT

1.

On October 1, 2012, Veronica Kilpatrick made the First Amended Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, to Respondents' last known mailing address on file with the Department on October 16, 2012.

On August 19, 2013, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

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2.

Respondent is presently licensed and has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter Code).

3.

Respondent was licensed as a real estate broker on or about October 21, 2008.

4.

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

5.

Respondent violated Code Sections 10145(a), 10146 and Regulation 2832 by collecting advance fees from the borrowers and not depositing the fees into a real estate broker trust account.

6.

Respondent misappropriated the funds it received from the borrowers without the knowledge or permission of the borrowers.

7.

Respondent violated Regulation 2972 by failing to provide the borrowers with the required accounting.

8.

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

9.

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

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10.

Respondent violated Regulation 2972 by failing to provide the borrowers with the required itemized accounting.

11.

Respondent violated Regulation 2742(c) by being dissolved by the California Secretary of State.

DETERMINATION OF ISSUES

1.

Cause for disciplinary action against Respondent exists pursuant to Business and Professions Code Sections 10176(i) and 10177(j) of the Business and Professions Code, and Sections 10177(d) and 10177(g) for violation of Code Sections 10145, 10146, and Regulations 2742(c), 2832, and 2972, Title 10, California Administrative Code.

2.

The standard of proof applied was clear and convincing proof to a reasonable certainty.

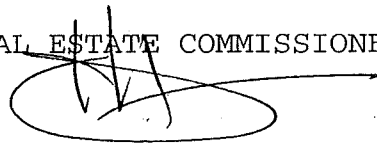
ORDER

The license and license rights of Respondent RATE MODIFICATIONS, INC. under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon  
OCT 16 2013.

DATED: Sept 3, 2013.

REAL ESTATE COMMISSIONER



**By: JEFFREY MASON**  
Chief Deputy Commissioner

1 Department of Real Estate  
2 320 West Fourth Street, Suite 350  
3 Los Angeles, California 90013-1105  
4 (213) 576-6982

**FILED**

**AUG 19 2013**

**BUREAU OF REAL ESTATE**

By James B. Allen

6 BEFORE THE DEPARTMENT OF REAL ESTATE

7 STATE OF CALIFORNIA

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9 In the Matter of the Accusation of )  
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11 RATE MODIFICATIONS, INC.; )  
12 and RICHARD JAMES UNGAR )  
13 individually and as the former )  
14 designated officer of )  
15 Rate Modifications, Inc., )  
16 Respondents. )

NO. H-38350 LA

DEFAULT ORDER

16 Respondent, RATE MODIFICATIONS, INC., having failed  
17 to file a Notice of Defense within the time required by  
18 Section 11506 of the Government Code, is now in default. It  
19 is, therefore, ordered that a default be entered on the record  
20 in this matter.

21 IT IS SO ORDERED

August 5, 2013.

23 REAL ESTATE COMMISSIONER

24 By: Dolores Weeks

25 DOLORES WEEKS  
26 Regional Manager  
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