

1 Department of Real Estate  
2 320 West 4th Street, Ste. 350  
3 Los Angeles, California 90013-1105  
4 Telephone: (213) 576-6982

FILED

MAY 31 2015

DEPT. OF REAL ESTATE

By *Sybil Danne*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of ) No. H-04957 SD  
12 )  
12 FEDERAL HOME LOANS CORPORATION; ) STIPULATION  
13 ) AND  
13 EVANGELINE MICHAEL SALAS, ) AGREEMENT  
14 designated officer of Federal Home )  
14 Loans Corporation; )  
15 )  
15 JAMES DONALD SALAS; and )  
16 )  
16 JOHN CHARLES PAPE, )  
17 )  
18 )  
19 )  
20 Respondents. )

21 It is hereby stipulated by and between Respondents FEDERAL HOME LOANS  
22 CORPORATION ("FHLC"), EVANGLINE MICHAEL SALAS ("EMS"), and JAMES  
23 DONALD SALAS ("JDS"), all represented by Frank M. Buda, Esq., and the Complainant, acting  
24 by and through Julie L. To, Counsel for the Department of Real Estate ("Department" or  
25 "DRE"), as follows for the purpose of settling and disposing of the Accusation ("Accusation")  
26 filed on December 6, 2017, in Case No. H-04957 SD, in this matter.

27 DRE Stipulation & Agreement, H-04957 SD: Federal Home Loans Corporation, et al.

1                   1. All issues which were to be contested and all evidence which was to be  
2 presented by Complainant and Respondents at a formal hearing on the Accusation, which hearing  
3 was to be held in accordance with the provisions of the Administrative Procedure Act ("APA"),  
4 shall instead and in place thereof be submitted solely on the basis of the provisions of this  
5 Stipulation and Agreement ("Stipulation").

6                   2. Respondents have received, read and understand the Statement to Respondent,  
7 the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate  
8 ("Department") in this proceeding.

9                   3. On January 5, 2018, Respondents timely filed Notices of Defense pursuant to  
10 Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations  
11 in the Accusation. Respondents hereby freely and voluntarily withdraw said Notices of Defense.  
12 Respondents acknowledge that they understand that by withdrawing said Notices of Defense they  
13 thereby waive their right to require the Commissioner to prove the allegations in the Accusation  
14 at a contested hearing held in accordance with the provisions of the APA and that they will waive  
15 other rights afforded to them in connection with the hearing such as the right to present evidence  
16 in their defense and the right to cross-examine witnesses.

17                   4. This Stipulation is based on the factual allegations contained in the Accusation.  
18 In the interest of expedience and economy, Respondents choose not to contest these allegations,  
19 but to remain silent, and understand that, as a result thereof, these factual allegations, without  
20 being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to  
21 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove  
22 said factual allegations.

23                   5. This Stipulation is made for the purpose of reaching an agreed disposition of  
24 this proceeding and is expressly limited to this proceeding and any other proceeding or case in  
25 which the Department or another licensing agency of this state, another state, or if the federal  
26 government is involved, and otherwise shall not be admissible in any other criminal or civil

1 proceeding.

2 6. It is understood by the parties that the Real Estate Commissioner may adopt  
3 this Stipulation as the Commissioner's Decision in this matter, thereby imposing the penalty and  
4 sanctions on Respondents' real estate licenses and license rights as set forth in below "Order." In  
5 the event that the Commissioner in his discretion does not adopt the Stipulation and Agreement,  
6 the Stipulation shall be void and of no effect and Respondents shall retain the right to a hearing  
7 and proceeding on the Accusation under the provisions of the APA and shall not be bound by any  
8 admission or waiver made herein.

9 7. The Order or any subsequent Order of the Real Estate Commissioner made  
10 pursuant to this Stipulation shall not constitute an estoppel, merger or bar to any further  
11 administrative or civil proceedings by the Department of Real Estate with respect to any matters  
12 which were not specifically alleged to be causes for Accusation in this proceeding but do  
13 constitute a bar, estoppel and merger as to any allegations actually contained in the Accusations  
14 against Respondents herein.

15 10. Respondents understand that by agreeing to this Stipulation, Respondents  
16 agree to pay, pursuant to Code Section 10106, the Commissioner's cost of the investigation and  
17 enforcement which resulted in the determination that Respondents committed the violations  
18 found in the Determination of Issues. The amount of said investigation and enforcement costs is  
19 \$5,116.05; therefore, Respondents agree to pay, pursuant to Code Section 10106, the amount  
20 \$5,116.05.

### 21 DETERMINATION OF ISSUES

22 By reason of the foregoing stipulations, admissions and waivers, and solely for the  
23 purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed  
24 that the following determination of issues shall be made:

25 The conduct, acts or omissions of Respondent FHLC as described in Paragraph 4,  
26 herein above, are in violation of: Code Sections 10130 and 10131, and are bases for the

1 suspension or revocation of the licenses and license rights of Respondent FHLC as a violation of  
2 the Real Estate Law pursuant to Code Section 10177(d).

3 The conduct, acts or omissions of Respondent EMS, as described in Paragraph 4,  
4 herein above, are in violation of Code Section 10159.2, and is the basis for the suspension or  
5 revocation of the licenses and license rights of Respondent EMS as a violation of the Real Estate  
6 Law pursuant to Code Sections 10177(d), 10177(g) and 10177(h).

7 **ORDER**

8 WHEREFORE, THE FOLLOWING ORDER is hereby made:

9 I.

10 All licenses and licensing rights of Respondents EVANGELINE MICHAEL  
11 SALAS and FEDERAL HOME LOANS CORPORATION under the Real Estate Law are  
12 suspended for a period of ninety (90) days from the effective date of this Decision and Order;  
13 provided, however, that:

14 1. Ninety (90) days of said suspension shall be stayed for two (2) years upon the  
15 following terms and conditions:

16 a) Respondents EMS and FHLC shall obey all laws, rules and regulations  
17 governing the rights, duties and responsibilities of a real estate licensee in the  
18 State of California; and,

19 b) That no final subsequent determination be made, after hearing or upon  
20 stipulation, that cause of disciplinary action occurred within two (2) years from  
21 the effective date of this Decision and Order. Should such a determination be  
22 made, the Commissioner may, in his discretion, vacate and set aside the stay  
23 order and reimpose all or a portion of the stayed suspension. Should no such  
24 determination be made, the stay imposed herein shall become permanent.

25 2. Respondent EMS shall, within six (6) months from the effective date of this  
26 Decision and Order, take and pass the Professional Responsibility Examination administered by

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determination be made, the stay imposed herein shall become permanent.

2. Respondent EMS shall, within six (6) months from the effective date of this

Decision and Order, take and pass the Professional Responsibility Examination administered by the Department, including the payment of the appropriate examination fee. If Respondent EMS fails to satisfy this condition, Respondent EMS' real estate license shall automatically be suspended until Respondent EMS passes the examination.

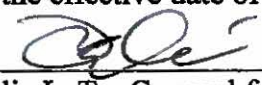
3. Respondent EMS shall, within nine (9) months from the effective date of this

Decision and Order, present evidence satisfactory to the Commissioner that Respondent EMS has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent EMS fails to satisfy this condition, Respondent EMS' real estate license shall automatically be suspended until Respondent EMS presents evidence satisfactory to the Commissioner of having taken and successfully completed the continuing education requirements. Proof of completion of the continuing education courses must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013.

4. All licenses and licensing rights of Respondents FHLC and EMS are

indefinitely suspended unless or until Respondents FHLC and EMS jointly and severally pay the sum of \$5,116.05 for the Commissioner's reasonable cost of the investigation and enforcement which led to this disciplinary action. Said payment shall be in the form of a cashier's check or certified check made payable to the Department of Real Estate. The investigation and enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and Order.

DATED: 4-29-19

  
\_\_\_\_\_  
Julie L. To, Counsel for  
Department of Real Estate

1 \* \* \*

2 EXECUTION OF THE STIPULATION

3 We have read the Stipulation and Agreement. Its terms are understood by us and  
4 are agreeable and acceptable to us. We understand that we are waiving rights given to us by the  
5 California Administrative Procedure Act (including but not limited to Sections 11506, 11508,  
6 11509 and 11513 of the Government Code), and we willingly, intelligently and voluntarily waive  
7 those rights, including the right of requiring the Commissioner to prove the allegations in the  
8 Accusation at a hearing at which we would have the right to cross-examine witnesses against us  
9 and to present evidence in defense and mitigation of the charges.

10 MAILING AND FACSIMILE

11 Respondents can signify acceptance and approval of the terms and conditions of  
12 this Stipulation and Agreement by sending a hard copy of the original signed signature page of  
13 the Stipulation herein to Julie L. To, Legal Section, Department of Real Estate, 320 W. Fourth  
14 St., Suite 350, Los Angeles, California 90013-1105. In the event of time constraints before an  
15 administrative hearing, Respondents can signify acceptance and approval of the terms and  
16 conditions of this Stipulation and Agreement by e-mailing a scanned copy of the signature page,  
17 as actually signed by Respondents, to the Department counsel assigned to this case. Respondents  
18 agree, acknowledge, and understand that by electronically sending to the Department a scan of  
19 Respondents' actual signatures as they appear on the Stipulation and Agreement, that receipt of  
20 the scan by the Department shall be binding on Respondents as if the Department had received  
21 the original signed Stipulation and Agreement.

22 DATED: 04.23.2019

*Michael Individual*  
EVANGELINE MICHAEL SALAS, Respondent

23 DATED: 04.23.2019

*Michael PRES/BROKER*  
FEDERAL HOME LOANS CORPORATION,  
Respondent  
By: Evangeline Michael Salas, Designated Officer

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*I have reviewed the Stipulation and Agreement as to form and content and have advised my clients accordingly.*

DATED: 4-23-19 Frank M. Buda

Frank M. Buda, Attorney for Respondents  
EVANGELINE MICHAEL SALAS and  
FEDERAL HOME LOANS CORPORATION

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The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents EVANGELINE MICHAEL SALAS and FEDERAL HOME LOANS CORPORATION, and shall become effective at 12 o'clock noon on JUN 19 2019, 2019.

IT IS SO ORDERED May 21, 2019.

DANIEL J. SANDRI  
ACTING REAL ESTATE COMMISSIONER

Daniel J. Sandri