

1 Department of Real Estate  
2 320 W. 4<sup>th</sup> St., Room 350  
3 Los Angeles, California 90013  
4 Telephone: (213) 576-6982

**FILED**  
JUL 25 2008  
DEPARTMENT OF REAL ESTATE  
*[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of ) No. H-31958 LA  
12 ) L-2007 120 380  
13 CLAUDIA EVELYN BAELO ) STIPULATION AND AGREEMENT  
14 )  
15 Respondent. )

16  
17 It is hereby stipulated by and between CLAUDIA EVELYN  
18 BAELO (sometimes referred to as Respondent) and her attorney,  
19 Robert M. Orr, and the Complainant, acting by and through James  
20 R. Peel, Counsel for the Department of Real Estate, as follows  
21 for the purpose of settling and disposing of the Accusation  
22 filed on May 26, 2005, in this matter.

23 1. All issues which were to be contested and all  
24 evidence which was to be presented by Complainant and Respondent  
25 at a formal hearing on the Accusation, which hearing  
26 was to be held in accordance with the provisions of the  
27 Administrative Procedure Act ("APA"), shall instead and in place

1 thereof be submitted solely on the basis of the provisions of  
2 this Stipulation and Agreement ("Stipulation").

3 2. Respondent has received, read and understands the  
4 Statement to Respondent, the Discovery Provisions of the  
5 Administrative Procedure Act ("APA") and the Accusation filed by  
6 the Department of Real Estate in this proceeding.

7 3. On September 7, 2007, Respondent filed a Notice of  
8 Defense pursuant to Section 11506 of the Government Code for the  
9 purpose of requesting a hearing on the allegations in the  
10 Accusation. Respondent hereby freely and voluntarily withdraws  
11 said Notices of Defense. Respondent acknowledges that she  
12 understands that by withdrawing said Notices of Defense she will  
13 thereby waive her right to require the Commissioner to prove the  
14 allegations in the Accusation at a contested hearing held in  
15 accordance with the provisions of the APA and that she will  
16 waive other rights afforded to her in connection with the  
17 hearing, such as the right to present evidence in defense of the  
18 allegations in the Accusation and the right to cross-examine  
19 witnesses.  
20

21 4. This Stipulation is based on the factual  
22 allegations contained in the Accusation filed in this  
23 proceeding. In the interest of expedience and economy,  
24 Respondent chooses not to contest these factual allegations, but  
25 to remain silent and understands that, as a result thereof,  
26 these factual statements, will serve as a prima facie basis for  
27 the disciplinary action stipulated to herein. The Real Estate

1 Commissioner shall not be required to provide further evidence  
2 to prove such allegations.

3 5. This Stipulation and Respondent's decision not to  
4 contest the Accusation is made for the purpose of reaching an  
5 agreed disposition of this proceeding and is expressly limited  
6 to this proceeding and any other proceeding or case in which the  
7 Department of Real Estate ("Department"), the state or federal  
8 government, or an agency of this state, another state or the  
9 federal government is involved.

10 6. It is understood by the parties that the Real  
11 Estate Commissioner may adopt the Stipulation as his decision  
12 in this matter thereby imposing the penalty and sanctions on  
13 Respondent's real estate licenses and license rights as set  
14 forth in the below "Order". In the event that the Commissioner  
15 in his discretion does not adopt the Stipulation, the  
16 Stipulation shall be void and of no effect, and Respondent shall  
17 retain the right to a hearing on the Accusation under all the  
18 provisions of the APA and shall not be bound by any stipulation  
19 or waiver made herein.  
20

21 7. The Order or any subsequent Order of the Real  
22 Estate Commissioner made pursuant to this Stipulation shall not  
23 constitute an estoppel, merger or bar to any further  
24 administrative or civil proceedings by the Department of Real  
25 Estate with respect to any conduct which was not specifically  
26 alleged to be causes for accusation in this proceeding.  
27

DETERMINATION OF ISSUES

1  
2 By reason of the foregoing stipulations and waivers  
3 and solely for the purpose of settlement of the pending  
4 Accusation without a hearing, it is stipulated and agreed that  
5 the following determination of issues shall be made:

6 The conduct, acts and/or omissions of Respondent  
7 CLAUDIA EVELYN BAELO, as set forth in the Accusation,  
8 constitute cause for the suspension or revocation of all of the  
9 real estate licenses and license rights of Respondent under the  
10 provisions of Section 10177(j) of the Business and Professions  
11 Code ("Code").

ORDER

12  
13 All licenses and licensing rights of Respondent  
14 CLAUDIA EVELYN BAELO under the Real Estate Law are suspended  
15 for a period of one hundred eighty (180) days from the effective  
16 date of this Decision; provided, however, that one hundred fifty  
17 (150) days of said suspension shall be stayed for two (2) years  
18 upon the following terms and conditions:

19  
20 1. Respondent shall obey all laws, rules and  
21 regulations governing the rights, duties and responsibilities of  
22 a real estate licensee in the State of California; and

23 2. That no final subsequent determination be made,  
24 after hearing or upon stipulation that cause for disciplinary  
25 action occurred within two (2) years of the effective date of  
26 this Decision. Should such a determination be made, the  
27 Commissioner may, in his discretion, vacate and set aside the

1 stay order and reimpose all or a portion of the stayed  
2 suspension. Should no such determination be made, the stay  
3 imposed herein shall become permanent.

4 3. Provided, however, that if Respondent petitions,  
5 the remaining thirty (30) days of said one hundred eighty (180)  
6 day suspension shall be stayed upon condition that:

7 a. Respondent pays a monetary penalty pursuant to  
8 Section 10175.2 of the Business and Professions Code at the rate  
9 of \$100 for each day of the suspension for a total monetary  
10 penalty of \$3,000.

11 b. Said payment shall be in the form of a  
12 cashier's check or certified check made payable to the Recovery  
13 Account of the Real Estate Fund. Said check must be received by  
14 the Department prior to the effective date of the Decision in  
15 this matter.

16 c. No further cause for disciplinary action  
17 against the real estate licenses of Respondent occurs within two  
18 (2) years from the effective date of the Decision in this  
19 matter.  
20

21 d. If Respondent fails to pay the monetary  
22 penalty in accordance with the terms and conditions of the  
23 Decision, the Commissioner may, without a hearing, order the  
24 immediate execution of all or any part of the stayed suspension  
25 in which event the Respondent shall not be entitled to any  
26 repayment nor credit, prorated or otherwise, for money paid to  
27 the Department under the terms of this Decision.

1 e. If Respondent pays the monetary penalty and if  
2 no further cause for disciplinary action against the real estate  
3 license of Respondent occurs within two (2) years from the  
4 effective date of the Decision, the stay hereby granted shall  
5 become permanent.

6 4. Respondent shall, prior to the effective date of  
7 this Stipulation and Waiver, submit satisfactory evidence to the  
8 Department of Real Estate that Respondent has made complete  
9 restitution to Hector Tortuga in the sum of \$1,669.20 plus  
10 interest at 10% from November 26, 2002, to date of payment.

11  
12 DATED: 6-2-08

James R. Peel  
13 JAMES R. PEEL, Counsel for the  
14 Department of Real Estate

15 \* \* \*

16 I have read the Stipulation and Agreement and  
17 discussed it with my counsel and its terms are understood by me  
18 and are agreeable and acceptable to me. I understand that I am  
19 waiving rights given to me by the California Administrative  
20 Procedure Act (including but not limited to Sections 11506,  
21 11508, 11509 and 11513 of the Government Code), and I willingly,  
22 intelligently and voluntarily waive those rights, including the  
23 right of requiring the Commissioner to prove the allegations in  
24 the Accusation at a hearing at which I would have the right to  
25 cross-examine witnesses against me and to present evidence in  
26 defense and mitigation of the charges.  
27

1 Respondent can signify acceptance and approval of the  
2 terms and conditions of this Stipulation and Agreement by faxing  
3 a copy of the signature page, as actually signed by Respondent,  
4 to the Department at the following telephone/fax number:

5 (213) 576-6917. Respondent agrees, acknowledges and understands  
6 that by electronically sending to the Department a fax copy of  
7 his or her actual signature as it appears on the Stipulation and  
8 Agreement, that receipt of the faxed copy by the Department  
9 shall be as binding on Respondent as if the Department had  
10 received the original signed Stipulation and Agreement.

11 Further, if the Respondent is represented, the  
12 Respondent's counsel can signify his or her agreement to the  
13 terms and conditions of the Stipulation and Agreement by  
14 submitting that signature via fax.  
15

16  
17 DATED: \_\_\_\_\_

\_\_\_\_\_  
CLAUDIA EVELYN BAELO,  
Respondent

18  
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21 DATED: \_\_\_\_\_

\_\_\_\_\_  
ROBERT M. ORR,  
Counsel for Respondent

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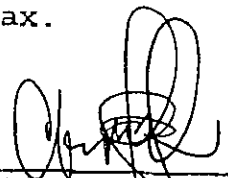
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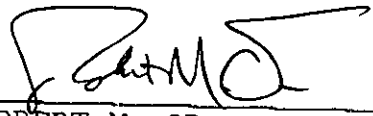
Respondent can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by Respondent, to the Department at the following telephone/fax number: (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Department a fax copy of his or her actual signature as it appears on the Stipulation and Agreement, that receipt of the faxed copy by the Department shall be as binding on Respondent as if the Department had received the original signed Stipulation and Agreement.

Further, if the Respondent is represented, the Respondent's counsel can signify his or her agreement to the terms and conditions of the Stipulation and Agreement by submitting that signature via fax.

DATED: 5/28/08

  
\_\_\_\_\_  
CLAUDIA EVELYN BAELO,  
Respondent

DATED: MAY 28, 2008

  
\_\_\_\_\_  
ROBERT M. ORR,  
Counsel for Respondent

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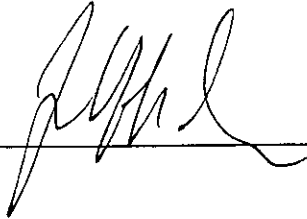
\* \* \*

1                   The foregoing Stipulation and Agreement is hereby  
2  
3 adopted as my Decision and Order in this matter, and shall  
4 become effective at 12 o'clock noon on August 14, 2008

5                   IT IS SO ORDERED

7/18/08

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7                   JEFF DAVI  
8                   Real Estate Commissioner

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*S. R. Peel*

**FILED**  
MAY 26 2005

DEPARTMENT OF REAL ESTATE



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 Telephone: (213) 576-6982  
6 -or- (213) 576-6913 (Direct)

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9 STATE OF CALIFORNIA

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11	In the Matter of the Accusation of	)	No. H-31958 LA
12		)	<u>A C C U S A T I O N</u>
13	CLAUDIA EVELYN BAELO,	)	
14	Respondent.	)	

15  
16 The Complainant, Janice A. Waddell, a Deputy Real  
17 Estate Commissioner of the State of California, for cause of  
18 Accusation against CLAUDIA EVELYN BAELO, alleges as follows:

19 I

20 The Complainant, Janice A. Waddell, acting in her  
21 official capacity as a Deputy Real Estate Commissioner of the  
22 State of California, makes this Accusation against CLAUDIA EVELYN  
23 BAELO.

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II

CLAUDIA EVELYN BAELO (hereinafter referred to as "Respondent") is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (hereinafter Code).

III

Respondent was licensed by the Department of Real Estate of the State of California as a real estate salesperson on May 18, 1999.

IV

On or about November 26, 2002, Coastal Home Mortgage, Inc. (CHMI) issued its check No. 3244 made payable to Hector Tortuga in the amount of \$1,669.20.

V

CHMI made this payment because Hector Tortuga complained that the loan origination fee in the amount of \$3,338.40 was excessive and not initially disclosed on the Borrower Estimated Closing Statement.

VI

CHMI gave the check to Respondent for delivery to Hector Tortuga.

VII

Respondent, without the knowledge or permission of CHMI and Hector Tortuga, endorsed the check and converted the check proceeds to her own personal use and benefit.

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VIII

The conduct of Respondent, as alleged above, subjects her real estate license and license rights to suspension or revocation pursuant to Section 10177(j) of the Code.

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 CLAUDIA EVELYN BAELLO 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 applicable provisions of law.

Dated at Los Angeles, California  
this 23 day of May, 2005.

  
Deputy Real Estate Commissioner

cc: Claudia Evelyn Baello  
Rogelito Ona Baello  
Janice A. Waddell  
Sacto.