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**FILED**

DEC - 6 2011

Department of Real Estate  
320 W. 4<sup>TH</sup> Street, Suite 350  
Los Angeles, CA 90013-1105

DEPARTMENT OF REAL ESTATE  
BY: *Jan. B. Dem*

Telephone: (213) 576-6982

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of	)	No. H-37171 LA
J BLAKE CAPITAL INC, d.b.a. Truth	)	L-2011080779
in Lending Agency, <u>JONATHAN BLAKE</u>	)	<u>STIPULATION AND AGREEMENT</u>
<u>SCHEIFELE</u> , individually and	)	
formerly as designated officer of	)	
J Blake Capital Inc,	)	
Respondents.	)	

It is hereby stipulated by and between Respondent JONATHAN BLAKE SCHEIFELE, represented by Frederick W. Gartside, Esq. and the Complainant, acting by and through James A. Demus, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation ("Accusation") filed on March 24, 2011, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondent at a formal hearing on the Accusation, which hearing was to be

1 held in accordance with the provisions of the Administrative  
2 Procedure Act ("APA"), shall instead and in place thereof be  
3 submitted solely on the basis of the provisions of this  
4 Stipulation and Agreement ("Stipulation").

5           2. Respondent has received, read and understands the  
6 Statement to Respondent, the Discovery Provisions of the APA and  
7 the Accusation filed by the Department of Real Estate in this  
8 proceeding.

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

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

5 5. This Stipulation is made for the purpose of  
6 reaching an agreed disposition of this proceeding and is  
7 expressly limited to this proceeding and any other proceeding or  
8 case in which the Department of Real Estate ("Department"), the  
9 state or federal government, or any agency of this state, another  
10 state or federal government is a party.

11 6. It is understood by the parties that the Real  
12 Estate Commissioner may adopt this Stipulation as her Decision in  
13 this matter thereby imposing the penalty and sanctions on  
14 Respondent's real estate license and license rights as set forth  
15 in the "Order" herein below. In the event that the Commissioner  
16 in her discretion does not adopt the Stipulation, it shall be  
17 void and of no effect and Respondent shall retain the right to a  
18 hearing and proceeding on the Accusation under the provisions of  
19 the APA and shall not be bound by any stipulation or waiver made  
20 herein.  
21

22 7. The Order or any subsequent Order of the Real  
23 Estate Commissioner made pursuant to this Stipulation shall not  
24 constitute an estoppel, merger or bar to any further  
25 administrative or civil proceedings by the Department of Real  
26 Estate with respect to any matters which were not specifically  
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1 alleged to be causes for Accusation in this proceeding but do  
2 constitute a bar, estoppel and merger as to any allegations  
3 actually contained in the Accusation against Respondent herein.

4 DETERMINATION OF ISSUES

5 By reason of the foregoing, it is stipulated and agreed  
6 that the following determination of issues shall be made:

7 The conduct of JONATHAN BLAKE SCHEIFELE as described in  
8 Paragraph 4 above, is a basis for discipline of Respondent's  
9 license and license rights as violations of the Real Estate law  
10 pursuant to Business and Professions Code ("Code") Sections  
11 10085, 10177(d), 10177(g) and 10177(h).

12 ORDER

13 WHEREFORE, THE FOLLOWING ORDER is hereby made:

14 I.

15 All licenses and licensing rights of Respondent  
16 JONATHAN BLAKE SCHEIFELE under the Real Estate Law are suspended  
17 for a period of thirty (30) days from the effective date of this  
18 Decision; provided, however, that said suspension, shall be  
19 stayed for one (1) year upon the following terms and conditions:  
20

- 21 1. Respondent shall obey all laws, rules and  
22 regulations governing the rights, duties and responsibilities of  
23 a real estate licensee in the State of California; and  
24 2. That no final subsequent determination be made,  
25 after hearing or upon stipulation that cause for disciplinary  
26 action occurred within one (1) year of the effective date of this  
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1 Decision. Should such a determination be made, the Commissioner  
2 may, in his discretion, vacate and set aside the stay order and  
3 reimpose all or a portion of the stayed suspension. Should no  
4 such determination be made, the stay imposed herein shall become  
5 permanent.

6 II.

7 All licenses and licensing rights of Respondent

8 JONATHAN BLAKE SCHEIFELE are indefinitely suspended unless or  
9 until Respondent provides evidence satisfactory to the Real  
10 Estate Commissioner that he has made payment of restitution in  
11 the amount of \$2,475 to Eric Swanson.

12 III.

13 Respondent JONATHAN BLAKE SCHEIFELE shall within six

14 (6) months from the effective date of the Decision herein, take  
15 and pass the Professional Responsibility Examination  
16 administered by the Department including the payment of the  
17 appropriate examination fee. If Respondent JONATHAN BLAKE  
18 SCHEIFELE fails to satisfy this condition, the Commissioner may  
19 order suspension of Respondent JONATHAN BLAKE SCHEIFELE's  
20 license until Respondent passes the examination.  
21

22  
23  
24 DATED: 10/25/11

James A. Demus  
25 JAMES A. DEMUS, Counsel for  
26 the Department of Real Estate  
27

EXECUTION OF THE STIPULATION

1 I have read the Stipulation and discussed it with my  
2 counsel. Its terms are understood by me and are agreeable and  
3 acceptable to me. I understand that I am waiving rights given to  
4 me by the California Administrative Procedure Act (including but  
5 not limited to Sections 11506, 11508, 11509 and 11513 of the  
6 Government Code), and I willingly, intelligently and voluntarily  
7 waive those rights, including the right of requiring the  
8 Commissioner to prove the allegations in the Accusation at a  
9 hearing at which I would have the right to cross-examine  
10 witnesses against me and to present evidence in defense and  
11 mitigation of the charges.  
12

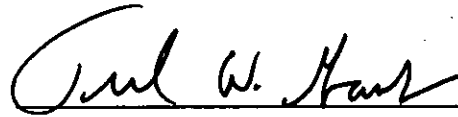
13 Respondent can signify acceptance and approval of the  
14 terms and conditions of this Stipulation by faxing a copy of its  
15 signature page, as actually signed by Respondent, to the  
16 Department at the following telephone/fax number: James A. Demus  
17 at (213) 576-6917. Respondent agrees, acknowledges and  
18 understands that by electronically sending to the Department a  
19 fax copy of Respondent's actual signature as it appears on the  
20 Stipulation, that receipt of the faxed copy by the Department  
21 shall be as binding on Respondent as if the Department had  
22 received the original signed Stipulation.  
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26 DATED: 9-22-11

  
JONATHAN BLAKE SCHEIDELE Respondent

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DATED: 9-22-11

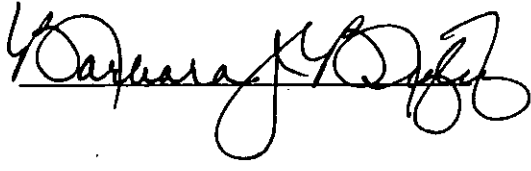
  
FREDERICK W. GARTSIDE  
Attorney for Respondent

\* \* \*

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondent JONATHAN BLAKE SCHEIFELE  
and shall become effective at 12 o'clock noon on  
DEC 27 2011, 2011.

IT IS SO ORDERED 11/17, 2011.

BARBARA J. BIGBY  
Acting Real Estate Commissioner



*File*  
*File*

**FILED**

DEC - 6 2011

DEPARTMENT OF REAL ESTATE

BY: *James B. Brown*

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of	)	No. H-37171 LA
	)	L-2011080779
J BLAKE CAPITAL INC,	)	
	)	
Respondent.	)	
	)	
	)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On March 24, 2011, an Accusation was filed in this matter against Respondent J BLAKE CAPITAL INC .

On October 10, 2011, Respondent petitioned the Commissioner to voluntarily surrender its real estate broker license(s) pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent J BLAKE CAPITAL INC's petition for voluntary surrender of its real estate broker license(s) is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in Respondent's Declaration dated October 10, 2011(attached as Exhibit "A" hereto). Respondent's license



1 certificate(s), pocket card(s) and any branch office license  
2 certificate(s) shall be sent to the below listed address so that  
3 they reach the Department on or before the effective date of this  
4 Order:

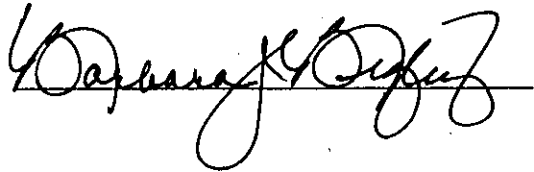
5 DEPARTMENT OF REAL ESTATE  
6 Attn: Licensing Flag Section  
7 P. O. Box 187000  
8 Sacramento, CA 95818-7000

9 This Order shall become effective at 12 o'clock noon

10 on DEC 27 2011

11 DATED: 11/17/11

12 BARBARA J. BIGBY  
13 Acting Real Estate Commissioner

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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In the Matter of the Accusation of	)	No. H-37171 LA
	)	
<u>J BLAKE CAPITAL INC</u> , d.b.a. Truth	)	
in Lending Agency, JONATHAN BLAKE	)	
SCHEIFELE, individually and	)	
formerly as designated officer of J	)	
Blake Capital Inc,	)	
	)	
Respondents.	)	

DECLARATION

My name is Jonathan Blake Scheifele and I am authorized and empowered to sign this declaration on behalf of J BLAKE CAPITAL INC, which is licensed as a corporate real estate broker and/or has license rights with respect to said license. J BLAKE CAPITAL INC is represented in this matter by Frederick W. Gartside, Attorney at Law.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code) J BLAKE CAPITAL INC wishes to voluntarily surrender its real estate licenses issued by the

1 Department of Real Estate ("Department"), pursuant to Business  
2 and Professions Code Section 10100.2.

3 I understand that J BLAKE CAPITAL INC, by so  
4 voluntarily surrendering its license, can only have it reinstated  
5 in accordance with the provisions of Section 11522 of the  
6 Government Code. I also understand that by so voluntarily  
7 surrendering its license, J BLAKE CAPITAL INC agrees to the  
8 following:

9 The filing of this Declaration shall be deemed as its  
10 petition for voluntary surrender. It shall also be deemed to be  
11 an understanding and agreement by J BLAKE CAPITAL INC that it  
12 waives all rights it has to require the Commissioner to prove the  
13 allegations contained in the Accusation filed in this matter at a  
14 hearing held in accordance with the provisions of the  
15 Administrative Procedure Act (Government Code Sections 11400 et  
16 seq.), and that it also waives other rights afforded to it in  
17 connection with the hearing such as the right to discovery, the  
18 right to present evidence in defense of the allegations in the  
19 Accusation and the right to cross-examine witnesses. I further  
20 agree on behalf of J BLAKE CAPITAL INC that upon acceptance by  
21 the Commissioner, as evidenced by an appropriate order, all  
22 affidavits and all relevant evidence obtained by the Department  
23 in this matter prior to the Commissioner's acceptance, and all  
24 allegations contained in the Accusation filed in the Department  
25 Case No. H-37171 LA, may be considered by the Department to be  
26 true and correct for the purpose of deciding whether or not to


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1 grant reinstatement of the license of J BLAKE CAPITAL INC,  
2 pursuant to Government Code Section 11522.

3 I declare under penalty of perjury under the laws of  
4 the State of California that the above is true and correct and  
5 that I am acting freely and voluntarily on behalf of J BLAKE  
6 CAPITAL INC to surrender its license and all license rights  
7 attached thereto.

8 10/10/11

9 Date and Place

  
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J BLAKE CAPITAL INC by  
JONATHAN BLAKE SCHEIFELE

**FILED**

MAR 24 2011

DEPARTMENT OF REAL ESTATE

BY: James B. [Signature]

1 JAMES DEMUS, Counsel (SBN 225005)  
2 Department of Real Estate  
3 320 West Fourth St., #350  
4 Los Angeles, CA 90013

5 (213) 576-6982  
6 (213) 576-6910 (direct)

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8  
9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation of )

No. H-37171-LA

13 )  
14 J BLAKE CAPITAL INC, d.b.a. Truth )  
15 in Lending Agency, and JONATHAN )  
16 BLAKE SCHEIFELE, individually, and )  
17 formerly as designated officer of J )  
18 Blake Capital Inc, )

A C C U S A T I O N

19 Respondents. )

20  
21 The Complainant, Robin Trujillo, a Deputy Real Estate  
22 Commissioner of the State of California, for cause of  
23 Accusation against J BLAKE CAPITAL INC, d.b.a. Truth in Lending  
24 Agency, and JONATHAN BLAKE SCHEIFELE, individually, and  
25 formerly as designated officer of J Blake Capital Inc, is  
26 informed and alleges as follows:

27 1.

The Complainant, Robin Trujillo, a Deputy Real Estate  
Commissioner of the State of California, makes this Accusation  
in her official capacity.

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2.

J BLAKE CAPITAL INC, d.b.a. Truth in Lending Agency, (hereinafter "JBCI") presently has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter "Code"), as a corporate real estate broker.

3.

JONATHAN BLAKE SCHEIFELE (hereinafter "SCHEIFELE") is presently licensed and/or has license rights under the Real Estate Law, as a real estate broker. He was also designated officer of JBCI between August 7, 2008 and December 16, 2009.

4.

At all times material herein, Respondents JBCI and SCHEIFELE were engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California, within the meaning of Code Sections 10131(d) and 10131.2, including performing loan modification activities and claiming, demanding, charging, receiving, collecting or contracting for the collection of an advance fee, within the meaning of Code Section 10026, including, but not limited to, the following loan modification activities with respect to loans which were secured by liens on real property.

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1 FIRST CAUSE FOR ACCUSATION

2 (Advance Fee Agreement)

3 5.

4 In or about December 16, 2008, Eric Swanson  
5 ("Swanson") entered into a loan modification agreement with  
6 JBCI, in which JCBI agreed to negotiate modifications of five  
7 home loans for Swanson, in exchange for \$2,500 in advance fees.  
8 In between December 18, 2008 and December 22, 2008, Swanson  
9 issued five checks, totaling \$2,475, to JCBI as advance fees  
10 for loan modifications.

11 6.

12 The agreement made by JBCI, as described in Paragraph  
13 5 above, constitutes an advance fee agreement within the  
14 meaning of Code Section 10026. JBCI and SCHEIFELE failed to  
15 submit the advance fee agreement, described in paragraph 5  
16 above, to the Commissioner ten days before using it, in  
17 violation of Code Sections 10085 and 10085.5, as well as  
18 Section 2970 of Title 10, California Code of Regulations  
19 ("Regulations"). This provides cause for the suspension or  
20 revocation of the licenses and license rights of Respondents  
21 JBCI and SCHEIFELE pursuant to Code Sections 10085, 10177(d)  
22 and/or 10177(g).

23 SECOND CAUSE FOR ACCUSATION

24 (SUPERVISION AND COMPLIANCE)

25 7.

26 The conduct, acts and/or omissions of Respondent  
27 SCHEIFELE, as set forth above, constitutes a breach of

1 responsibility by the corporate officer in charge, in violation  
2 of Code Section 10159.2 and Regulation 2725. It also provides  
3 cause for the suspension or revocation of the licenses and  
4 license rights of Respondent SCHEIFELE pursuant to Code  
5 Sections 10177(d), 10177(h) and/or 10177(g).

6 WHEREFORE, Complainant prays that a hearing be  
7 conducted on the allegations of this Accusation and that upon  
8 proof thereof, a decision be rendered imposing disciplinary  
9 action against all the licenses and license rights of  
10 Respondents J BLAKE CAPITAL INC and JONATHAN BLAKE SCHEIFELE  
11 under the Real Estate Law, and for such other and further  
12 relief as may be proper under other applicable provisions of  
13 law.

14 Dated at Los Angeles, California

15 this 14 day of December, 2010.

16  
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19 Robin Trujillo  
20 Deputy Real Estate Commissioner  
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24

25 cc: J BLAKE CAPITAL INC  
26 Jonathan Blake Scheifele  
27 Robin Trujillo  
Sacto.