

FILED

DEC 30 2020

DEPT. OF REAL ESTATE

[Handwritten signature]

1 DEPARTMENT OF REAL ESTATE
2 320 West 4th Street, Suite 350
3 Los Angeles, California 90013-1105
4 Telephone: (213) 620-2072

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation against

DRE No. H-05171 SD

12 SOURCE CAPITAL FUNDING, INC. and
13 SACHA DAMIAN FERRANDI as designated
14 officer for Source Capital Funding, Inc.,

STIPULATION AND
AGREEMENT IN SETTLEMENT
AND ORDER

15 Respondents.

16 It is hereby stipulated by and between Respondents SOURCE CAPITAL FUNDING,
17 INC. and SACHA DAMIAN FERRANDI (collectively "Respondents"), represented by attorney
18 Daniel I. Singer, Esq., and the Complainant, acting by and through Lissete Garcia, Counsel for
19 the Department of Real Estate ("Department"), as follows for the purpose of settling and
20 disposing the Accusation filed on August 7, 2020, with Department Case No. H-05171 SD
21 ("Accusation") in this matter:

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

Stipulation and Agreement
H-05171 SD

1 instead and in place thereof be submitted on the basis of the provisions of this Stipulation and
2 Agreement in Settlement and Order ("Stipulation").

3 2. Respondents have received, read, and understand the Statement to Respondent, the
4 Discovery Provisions of the APA, and Accusation filed by the Department in this proceeding.

5 3. Respondents filed a Notice of Defense pursuant to Section 11506 of the Government
6 Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondents
7 hereby freely and voluntarily withdraw said Notice of Defense. Respondents acknowledge and
8 understand that by withdrawing said Notice of Defense, Respondents will thereby waive
9 Respondents' rights to require the Real Estate Commissioner ("Commissioner") to prove the
10 allegations in the Accusation at a contested hearing held in accordance with the provisions of the
11 APA and that Respondents will waive other rights afforded to Respondents in connection with
12 the hearing such as the right to present evidence in defense of the allegations in the Accusation
13 and the right to cross-examine witnesses.

14 4. This Stipulation is based on the factual allegations contained in the Accusation filed in
15 this proceeding. In the interest of expedience and economy, Respondents choose not to contest
16 these factual allegations, but to remain silent and understand that, as a result thereof, these
17 factual statements, will serve as a prima facie basis for the disciplinary action stipulated to
18 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove
19 such allegations.

20 5. This Stipulation and Respondents' decision not to contest the Accusation are made for
21 the purpose of reaching an agreed disposition of this proceeding and are expressly limited to this
22 proceeding and any other proceeding or case in which the Department, or another licensing
23 agency of this state, another state or if the federal government is involved and otherwise shall not
24 be admissible in any other criminal or civil proceedings.

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

8 7. The Order or any subsequent Order of the Real Estate Commissioner made pursuant to
9 this Stipulation and Agreement shall not constitute an estoppel, merger or bar to any further
10 administrative or civil proceedings by the Department of Real Estate with respect to any matters
11 which were not specifically alleged to be causes for accusation in this proceeding.

12 8. Respondents understand that by agreeing to this Stipulation, Respondents agree to
13 pay, pursuant to California Business and Professions Code ("Code"), section 10106(a), the
14 investigative and enforcement costs of \$4,332.95 which led to this disciplinary action.

15 9. Respondents understand that by agreeing to this Stipulation, Respondents agree to
16 pay, pursuant to section 10148 of the Code, the cost of the audit which resulted in the
17 determination that Respondent committed the violations found in the "Determination of Issues"
18 below. The audit cost is \$5,825.40.

19 10. Respondents further understand that by agreeing to this Stipulation, the findings set
20 forth below in the Determination of Issues become final, and the Commissioner may charge
21 Respondents for the cost of any subsequent audit conducted pursuant to Code section 10148 to
22 determine if the violations have been corrected. The maximum cost of the follow-up audit will
23 not exceed one-hundred twenty-five percent (125%) of the cost of the original audit; in the
24 instant case, the cost of the original audit is \$5,825.40, and the maximum cost of the follow-up

1 audit will not exceed \$7,281.75. Therefore, Respondents may be charged a maximum of
2 \$7,281.75 in the event of a subsequent audit.

3 DETERMINATION OF ISSUES

4 By reason of the foregoing stipulation and agreement and solely for the purpose of
5 settlement of the pending Accusation without a hearing, it is stipulated and agreed that the
6 following determination of issues shall be made:

7 I.

8 The conduct, acts and/or omissions of Respondent SOURCE CAPITAL FUNDING,
9 INC. ("SCFI") as set forth herein above in Paragraph 4, constitute cause for the suspension or
10 revocation of all real estate licenses, mortgage loan originator license endorsements, and license
11 rights of Respondent pursuant to the provisions of Code sections 10177(d), 10177(g), and
12 10166.051, for violation of Code sections 10145, 10240, 10241, 10238, subdivisions (d), (f), and
13 (k), 10163, 10176(a), and Regulations of the Real Estate Commissioner, Title 10, Chapter 6,
14 California Code of Regulations ("Regulations") 2832, 2842.5, 2848(a)(13), and 2715.

15 II.

16 The conduct, acts and/or omissions of Respondent SACHA DAMIAN FERRANDI
17 ("FERRANDI") as set forth herein above in Paragraph 4, constitute cause for the suspension or
18 revocation of all real estate licenses and license rights of Respondent FERRANDI pursuant to
19 Code sections 10159.2, 10166.051, 10177, subdivisions (d) and (g), and Regulation 2725.

20 ///

21 ///

22 ///

23 ///

24 ///

1 condition in a timely manner as provided for herein, Respondents' real estate
2 licenses and mortgage loan originator license endorsements shall automatically be
3 suspended until payment is made in full, or until a decision providing otherwise is
4 adopted following a hearing held pursuant to this condition.

- 5 5. Pursuant to Section 10148 of the Code, Respondent SCFI shall pay, separately or
6 jointly with Respondent FERRANDI, the total sum of \$5,825.40 for the
7 Commissioner's cost of the audit which led to this disciplinary action.

8 **Respondents shall pay such cost within sixty (60) days of receiving an invoice**
9 **therefore from the Commissioner. Payment of audit costs should not be**
10 **made until Respondent receives the invoice.** If Respondents fail to satisfy this
11 condition in a timely manner as provided for herein, Respondents' real estate
12 licenses and mortgage loan originator license endorsements shall automatically be
13 suspended until payment is made in full, or until a decision providing otherwise is
14 adopted following a hearing held pursuant to this condition.

- 15 6. Pursuant to Section 10148 of the Code, Respondent SCFI shall pay, separately or
16 jointly with Respondent FERRANDI, the Commissioner's reasonable costs for
17 any subsequent audit (said costs may not to exceed a maximum of \$7,281.75) to
18 determine if Respondents have corrected the violations found in the
19 Determination of Issues. In calculating the amount of the Commissioner's
20 reasonable cost, the Commissioner may use the estimated average hourly salary
21 for all persons performing audits of real estate brokers, and shall include an
22 allocation for travel time to and from the auditor's place of work. **Respondents**
23 **shall pay such cost within sixty (60) days of receiving an invoice therefore**
24 **from the Commissioner. Payment of the audit costs should not be made until**

1 Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento,
2 CA 95813-7013, within 180 days of the effective date. Payment of
3 investigation and enforcement costs should not be made until the Stipulation
4 has been approved by the Commissioner. If Respondents fail to satisfy this
5 condition in a timely manner as provided for herein, Respondents' real estate
6 licenses and mortgage loan originator license endorsements shall automatically be
7 suspended until payment is made in full, or until a decision providing otherwise is
8 adopted following a hearing held pursuant to this condition.

9 5. Pursuant to Section 10148 of the Code, Respondent FERRANDI shall pay,
10 separately or jointly with Respondent SCFI, the total sum of \$5,825.40 for the
11 Commissioner's cost of the audit which led to this disciplinary action.

12 Respondents shall pay such cost within sixty (60) days of receiving an invoice
13 therefore from the Commissioner. Payment of audit costs should not be
14 made until Respondents receive the invoice. If Respondents fail to satisfy this
15 condition in a timely manner as provided for herein, Respondents' real estate
16 licenses and mortgage loan originator license endorsements shall automatically be
17 suspended until payment is made in full, or until a decision providing otherwise is
18 adopted following a hearing held pursuant to this condition.

19 6. Pursuant to Section 10148 of the Code, Respondent FERRANDI shall pay,
20 separately or jointly with Respondent SCFI, the Commissioner's reasonable costs
21 for any subsequent audit (said costs may not to exceed a maximum of \$7,281.75)
22 to determine if Respondents have corrected the violations found in the
23 Determination of Issues. In calculating the amount of the Commissioner's
24 reasonable cost, the Commissioner may use the estimated average hourly salary

1 for all persons performing audits of real estate brokers, and shall include an
2 allocation for travel time to and from the auditor's place of work. **Respondents**
3 **shall pay such cost within sixty (60) days of receiving an invoice therefore**
4 **from the Commissioner. Payment of the audit costs should not be made until**
5 **Respondents receive the invoice.** If Respondents fail to satisfy this condition in
6 a timely manner as provided for herein, Respondents' real estate licenses and
7 mortgage loan originator license endorsements shall automatically be suspended
8 until payment is made in full, or until a decision providing otherwise is adopted
9 following a hearing held pursuant to this condition.

10 DATED: 11/19/2020


Lissete Garcia, Counsel
Department of Real Estate

12 * * *

13 We have read this Stipulation and its terms are understood by us and are agreeable and
14 acceptable to us. We understand that we are waiving rights given to us by the California APA
15 (including, but not limited to, Sections 11506, 11508, 11509, and 11513 of the Government
16 Code), and we willingly, intelligently, and voluntarily waive those rights, including the right of
17 requiring the Commissioner to prove the allegations in the Accusation at a hearing at which we
18 would have the right to cross-examine witnesses against us and to present evidence in defense
19 and mitigation of the charges.

20 Respondents can signify acceptance and approval of the terms and conditions of this
21 Stipulation and Agreement by electronically e-mailing a copy of the signature page, as actually
22 signed by Respondents, to the Department. Respondents agree, acknowledge, and understand
23 that by electronically sending to the Department an electronic copy of Respondents' actual
24 signatures, as they appear on the Stipulation, that receipt of the emailed copy by the Department

1 shall be as binding on Respondents as if the Department had received the original signed
2 Stipulation. By signing this Stipulation, Respondents understand and agree that Respondents
3 may not withdraw Respondents' agreement or seek to rescind the Stipulation prior to the time the
4 Commissioner considers and acts upon it or prior to the effective date of the Stipulation and
5 Order.

6 DATED: 11.18.20



Respondent SOURCE CAPITAL FUNDING, INC.

By (Printed Name): Sacha Ferrandi

Title: President

10 DATED: 11.18.20



Respondent SACHA DAMIAN FERRANDI

12 DATED: 11/18/20



Daniel I. Singer, Esq., Counsel for Respondents
Approved as to Form

16 The foregoing Stipulation and Agreement in Settlement and Order is hereby adopted by
17 me as my Decision in this matter and shall become effective at 12 o'clock noon

18 on 12.10.20

19 IT IS SO ORDERED JAN 19 2021

21 REAL ESTATE COMMISSIONER

23 
DOUGLAS R. McCAULEY