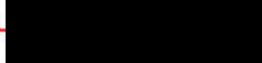


FILED

OCT 22 2024

DEPT. OF REAL ESTATE

By- 

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

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8 **BEFORE THE DEPARTMENT OF REAL ESTATE**
9 **STATE OF CALIFORNIA**

10 * * *

11 In the Matter of the Accusation Against) DRE No. H-05737 SD
12) OAH No. 2024020620
13 CAL COAST FUNDING, INC.;)
14 ALEXANDR SCHAMONIN, individually and as)
15 Designated Officer of Cal Coast Funding, Inc.;) STIPULATION AND AGREEMENT
16 FIRST BANC HOME LOANS;) IN SETTLEMENT AND ORDER
17 MAXIMINO MICHEL, individually and as)
Designated Officer of First Banc Home Loans;)
DEREK FOSTER NICHOLS.)
Respondents.)

18
19 It is hereby stipulated by and between Respondent DEREK FOSTER NICHOLS
20 (sometimes referred to as "Respondent"), acting by and through his attorney Frank M. Buda,
21 Esq., and the Complainant, acting by and through Judith A. Buranday, Counsel for the
22 Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation
23 ("Accusation") filed on July 7, 2023, in this matter:

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

1 Stipulation and Agreement (“Agreement”).

2 2. Respondent has received, read and understands the Statement to Respondent,
3 the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate
4 (“Department”) in this proceeding.

5 3. Respondent filed a Notice of Defense pursuant to Section 11506 of the
6 Government Code for the purpose of requesting a hearing on the allegations in the Accusation.
7 Respondent hereby freely and voluntarily withdraws said Notice of Defense. Respondent
8 acknowledges that Respondent understands that by withdrawing said Notice of Defense
9 Respondent thereby waives Respondent’s right to require the 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 Respondent will waive other rights afforded to Respondent in connection with the
12 hearing such as the right to present evidence in his defense, and the right to cross-examine
13 witnesses.

14 4. This Agreement is based on the factual allegations contained in the Accusation
15 filed in this proceeding. In the interest of expedience and economy, Respondent chooses not to
16 contest these factual allegations, but to remain silent and understands that, as a result thereof,
17 these 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 Agreement is made for the purpose of reaching an agreed disposition of
21 this proceeding and is expressly limited to this proceeding and not any other proceeding or case
22 in which the Department, or another licensing agency of this state, another state, or the federal
23 government is involved, and otherwise shall not be admissible in any criminal or civil
24 proceeding.

25 6. It is understood by the parties that the Real Estate Commissioner may adopt
26 the Agreement as her Decision in this matter, thereby imposing the penalty and sanctions on
27 Respondent’s real estate licenses, endorsements, and license rights as set forth in the below

1 "Order." In the event that the Commissioner in her discretion does not adopt the Agreement, it
2 shall be void and of no effect, and Respondent shall retain the right to a hearing and proceeding
3 on the Accusation under all the provisions of the APA and shall not be bound by any admission
4 or waiver made herein.

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

9 DETERMINATION OF ISSUES

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

12 The conduct, acts or omissions of Respondent DEREK FOSTER NICHOLS, as
13 set forth in the Accusation, are in violation of California Business and Professions Code
14 ("Code") section 10130, 10131, 10137, 10166.02(b), 10166.02(f) and are a basis for discipline of
15 Respondent's licenses, mortgage loan originator ("MLO") license endorsements, and licensing
16 rights pursuant to Code sections 10177(d) and/or 10177(g).

17 ORDER

18 WHEREFORE, THE FOLLOWING ORDER is hereby made:

19 I.

20 All licenses, MLO endorsements, and licensing rights of Respondent DEREK
21 FOSTER NICHOLS under the Real Estate Law are revoked; provided, however, a restricted real
22 estate broker license and restricted MLO endorsement shall be issued to Respondent pursuant to
23 Section 10156.5 of the Code if Respondent makes application therefor and pays to the
24 Department the appropriate fee for the restricted license within ninety (90) days from the
25 effective date of this Decision and Order. The restricted license and MLO endorsement issued to
26 Respondent shall be subject to all of the provisions of Section 10156.7 of the Code and to the
27

1 following limitations, conditions and restrictions imposed under authority of Section 10156.6 of
2 that Code:

3 1. The restricted license and restricted MLO endorsement issued to Respondent
4 may be suspended prior to hearing by Order of the Commissioner in the event of Respondent's
5 conviction or plea of nolo contendere to a crime which is substantially related to Respondent's
6 fitness or capacity as a real estate licensee.

7 2. The restricted license and restricted MLO endorsement issued to Respondent
8 may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence
9 satisfactory to the Commissioner that Respondent has violated provisions of the California Real
10 Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or
11 conditions attaching to the restricted license and MLO endorsement.

12 3. Respondent shall not be eligible to petition for the issuance of any unrestricted
13 real estate license or MLO endorsement, nor for removal of any of the conditions, limitations or
14 restrictions of a restricted license until three (3) years have elapsed from the effective date of this
15 Decision and Order. Respondent shall not be eligible to apply for any unrestricted licenses or
16 endorsements until all restrictions attaching to the license and endorsement have been removed.

17 4. Respondent shall not have any real estate salespersons or broker-associates
18 affiliated with Respondent's individual restricted license, restricted MLO endorsement, or any
19 other corporations for which Respondent is a designated broker or officer.


20 5. Respondent shall, within nine (9) months from the effective date of this
21 Decision, present evidence satisfactory to the Real Estate Commissioner that Respondent has,
22 since the most recent issuance of an original or renewal real estate license, taken and successfully
23 completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate
24 Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the
25 Commissioner may order the suspension of the restricted license until the Respondent presents
26 such evidence. Proof of completion of the continuing education courses must be delivered to the
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1 Department of Real Estate, Flag Section at 651 Bannon Street, Suite 500-D, Sacramento, CA
2 95811.

3 II.

4 Respondent shall pay his pro rata share of \$3,987.77 for the Commissioner's
5 reasonable costs of the investigation and enforcement which led to this disciplinary action. The
6 total amount of said investigation (\$8,036.85) and enforcement (\$6,190.80) costs is \$14,227.65.
7 Said payment shall be in the form of a cashier's check made payable to the Department of Real
8 Estate. The investigation and enforcement costs must be delivered to the Department of Real
9 Estate, Flag Section, at 651 Bannon Street, Suite 500-D, Sacramento, CA 95811, prior to the
10 effective date of this Decision and Order. If Respondent fails to pay his pro rata share of the
11 costs of the investigation and enforcement in accordance with the terms and conditions of the
12 Decision and Order, all licenses, endorsements, and licensing rights of Respondent shall be
13 automatically suspended unless or until Respondent pays the costs of the investigation and
14 enforcement.

15 DATED: 6/18/2024

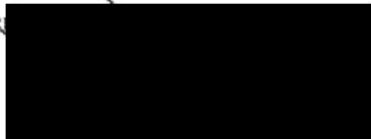

16 Judith A. Buranday, Counsel for
17 Department of Real Estate

18 EXECUTION OF THE STIPULATION

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

26 Respondent shall mail the original signed signature page of the stipulation herein
27 to Judith A. Buranday, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St.,
Suite 350, Los Angeles, California 90013-1105.


1 In the event of time constraints before an administrative hearing, Respondent can
2 signify acceptance and approval of the terms and conditions of this Agreement by emailing a
3 scanned copy of the signature page, as actually signed by Respondent, to the Department counsel
4 assigned to this case. Respondent agrees, acknowledges, and understands that by electronically
5 sending the Department a scan of Respondent's actual signature as it appears on the Stipulation
6 and Agreement that receipt of the scan by the Department shall be binding on Respondent as if
7 the Department had received the original signed Agreement.

8 Respondent's signature below constitutes acceptance and approval of the terms and
9 conditions of this Agreement. Respondent agrees, acknowledges and understands that by signing
10 this Agreement, Respondent is bound by its terms as of the date of such signatures and that this
11 agreement is not subject to rescission or amendment at a later date except by a separate Decision
12 and Order of the Real Estate Commission. 

13
14 DATED: 6-18-2024

DEREK FOSTER NICHOLS
Respondent

15
16 DATED: 6-18-2024



Frank M. Buda, Esq.
Counsel for Respondent
Approved as to Form

17
18
19 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
20 Respondent DEREK FOSTER NICHOLS and shall become effective at 12 o'clock noon on

21 NOV 11 2024

22 IT IS SO ORDERED 10/15/2024

23 CHIKA SUNQUIST
24 REAL ESTATE COMMISSIONER

25 
26 By: Marcus L. McCarther
27 Chief Deputy Real Estate Commissioner