

FILED

JUN 09 2021

DEPT. OF REAL ESTATE
By *[Signature]*

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

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation against

PACIFIC WEST HOMES & INVESTMENTS, INC. and
DEREK GEORGE HAYMOND, individually and as
designated officer for Pacific West Homes &
Investments, Inc.,
Respondents.

DRE No. H-41682 LA
OAH No. 2020110585

In the Matter of the ORDER TO DESIST AND REFRAIN

To: PACIFIC WEST HOMES & INVESTMENTS, INC.,
DEREK GEORGE HAYMOND, and WALTER
STEVEN NEVAREZ.

DRE No. H-41699 LA
OAH No. 2021020850

It is hereby stipulated by and between PACIFIC WEST HOMES & INVESTMENTS,
INC., DEREK GEORGE HAYMOND, and WALTER STEVEN NEVAREZ (collectively
"Respondents"), acting by and through Respondents' attorney, Jacob G. Reinhardt, Esq., and
Complainant, acting by and through Lissete Garcia, Counsel for the Department of Real Estate
("Department"), as follows for the purpose of settling and disposing the First Amended

Stipulation and Agreement
H-41682 LA & H-41699 LA

1 Accusation filed on January 20, 2021, with Department Case No. H-41682 LA (“Accusation”)
2 and the Order to Desist and Refrain (“D&R”) filed on June 18, 2020 in these matters:

3 1. All issues which were to be contested and all evidence which was to be presented by
4 Complainant and Respondents at a formal hearing for the Accusation and D&R, which hearing
5 was to be held in accordance with the provisions of the Administrative Procedure Act (“APA”),
6 shall instead and in place thereof be submitted on the basis of the provisions of this Stipulation
7 and Agreement in Settlement and Order (“Stipulation”).

8 2. Respondents have received, read, and understand the Statement to Respondents, the
9 Discovery Provisions of the APA, Accusation, and D&R filed by the Department in this
10 proceeding.

11 3. Respondents filed a Notice of Defense pursuant to Section 11506 of the Government
12 Code for the purpose of requesting a hearing on the allegations in the Accusation and D&R.
13 Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents
14 acknowledge and understand that by withdrawing said Notice of Defense, Respondents will
15 thereby waive Respondents’ rights to require the Real Estate Commissioner (“Commissioner”) to
16 prove the allegations in the Accusation and D&R at a contested hearing held in accordance with
17 the provisions of the APA and that Respondents will waive other rights afforded to Respondents
18 in connection with the hearing such as the right to present evidence in defense of the allegations
19 in the Accusation and D&R, and the right to cross-examine witnesses.

20 4. Respondents, pursuant to the limitations set forth below, hereby admit that the factual
21 allegations in Accusation and D&R filed in these proceedings are true and correct and the Real
22 Estate Commissioner shall not be required to provide further evidence of such allegations.

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II.

The conduct, acts and/or omissions of Respondent DEREK GEORGE HAYMOND as set forth in Paragraphs 4 through 52 of the Accusation, constitute cause for the suspension or revocation of all real estate licenses and license rights of Respondent DEREK GEORGE HAYMOND under the provisions of Code section 10177, subdivisions (a) and (h), for violations of Code sections 10159.2 and Regulation 2725.

ORDER

I.

All licenses and licensing rights of Respondent PACIFIC WEST HOMES & INVESTMENTS, INC. ("PWHII") under the Real Estate Law are revoked; provided, however, a restricted real estate corporation license shall be issued to Respondent PWHII pursuant to Section 10156.5 of the Code if Respondent PWHII makes application therefor and pays to the Department the appropriate fee for the restricted license within 90 days from the effective date of this Decision and Order. The restricted license issued to Respondent PWHII shall be subject to all of the provisions of Section 10156.7 of the Code and to the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:

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

2. The restricted license issued to Respondent PWHII may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands

1 Law, Regulations of the Real Estate Commissioner or conditions attaching to the restricted
2 license.

3 3. Respondent PWHII shall not be eligible to petition for the issuance of any
4 unrestricted real estate license nor for removal of any of the conditions, limitations or restrictions
5 of a restricted license until four (4) years have elapsed from the effective date of this Decision
6 and Order. Respondent PWHII shall not be eligible to apply for any unrestricted licenses until
7 all restrictions attaching to the license have been removed.

8 4. All licenses and licensing rights of Respondents are indefinitely suspended
9 unless or until Respondents provides proof satisfactory to the Commissioner, of having paid,
10 jointly or separately, the amounts of \$20,000.00 in total as restitution to Rhett Martin and
11 \$19,000.00 in total as restitution to Maria Perez. Proof of satisfaction of this requirement
12 includes: a certified copy of a satisfaction of judgment; a letter from an attorney or certified
13 public accountant testifying under penalty of perjury to the fact that said judgment has been paid
14 by any of the Respondents; a copy of a cancelled check to the victim(s); and/or a letter from the
15 victim(s) attesting that repayment of funds has been received. **Proof of payment must be**
16 **delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento,**
17 **CA 95813-7013 or by fax at 916-263-8758, prior to the effective date of this Decision and**
18 **Order.**

19 5. All licenses and licensing rights of Respondent PWHII are indefinitely
20 suspended unless or until Respondent PWHII provides proof satisfactory to the Commissioner,
21 that PWHII is in good legal standing with the Office of the Secretary of State for the State of
22 California, as required pursuant to Regulation 2742, subdivision (c). If Respondent PWHII fails
23 to satisfy this condition, Respondent PWHII's real estate license and license rights shall
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1 automatically be suspended until Respondent PWHII provides proof of good legal standing with
2 the Office of the Secretary of State for the State of California.

3 6. All licenses and licensing rights of Respondent PWHII are indefinitely
4 suspended unless or until Respondent PWHII provides proof satisfactory to the Commissioner,
5 that WALTER STEVEN NEVAREZ has relinquished all ownership interest in and/or
6 involvement with PWHII, including, but not limited to, being barred from holding any position
7 of employment, management, or control, receiving any form of compensation or profit from, or
8 participating in any real-estate related business activities with PWHII or on the premises of
9 PWHII's offices.

10 7. Respondent PWHII shall pay, separately or jointly with Respondent HAYMOND
11 and/or WALTER STEVEN NEVAREZ, the total sum of \$9,514.20 for the Commissioner's
12 reasonable cost of the investigation and enforcement which led to this disciplinary action. Said
13 payment shall be in the form of a cashier's check made payable to the Department of Real Estate.
14 **The investigative and enforcement costs must be delivered to the Department of Real**
15 **Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, within 180 days of**
16 **the effective date. Payment of investigation and enforcement costs should not be made**
17 **until the Stipulation has been approved by the Commissioner. If Respondents fail to satisfy**
18 **this condition in a timely manner as provided for herein, Respondents' real estate licenses and**
19 **license rights shall automatically be suspended until payment is made in full, or until a decision**
20 **providing otherwise is adopted following a hearing held pursuant to this condition.**

21 9. Pursuant to Section 10148 of the Code, Respondent PWHII shall pay, separately
22 or jointly with Respondent DEREK GEORGE HAYMOND and/or WALTER STEVEN
23 NEVAREZ, the total sum of \$4,626.99 for the Commissioner's cost of the audit which led to this
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1 disciplinary action. Respondents shall pay such cost within sixty (60) days of receiving an
2 invoice therefore from the Commissioner. Payment of audit costs should not be made until
3 Respondent receives the invoice. If Respondents fail to satisfy this condition in a timely
4 manner as provided for herein, Respondents' real estate licenses and license rights shall
5 automatically be suspended until payment is made in full, or until a decision providing otherwise
6 is adopted following a hearing held pursuant to this condition.

7 10. Pursuant to Section 10148 of the Code, Respondent PWHII shall pay, separately
8 or jointly with Respondent DEREK GEORGE HAYMOND, the Commissioner's reasonable
9 costs for any subsequent audit (said costs may not to exceed a maximum of \$5,783.74) to
10 determine if Respondents have corrected the violations found in the Determination of Issues. In
11 calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the
12 estimated average hourly salary for all persons performing audits of real estate brokers, and shall
13 include an allocation for travel time to and from the auditor's place of work. Respondents shall
14 pay such cost within sixty (60) days of receiving an invoice therefore from the
15 Commissioner. Payment of the audit costs should not be made until Respondents receive
16 the invoice. If Respondents fail to satisfy this condition in a timely manner as provided for
17 herein, Respondents' real estate licenses and license rights shall automatically be suspended until
18 payment is made in full, or until a decision providing otherwise is adopted following a hearing
19 held pursuant to this condition.

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II.

All licenses and licensing rights of Respondent DEREK GEORGE HAYMOND ("HAYMOND") under the Real Estate Law are revoked; provided, however, a restricted real estate broker license shall be issued to Respondent HAYMOND pursuant to Section 10156.5 of the Code if Respondent HAYMOND makes application therefor and pays to the Department the appropriate fee for the restricted license within 90 days from the effective date of this Decision and Order. The restricted license issued to Respondent HAYMOND shall be subject to all of the provisions of Section 10156.7 of the Code and to the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:

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

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

3. Respondent HAYMOND shall not be eligible to petition for the issuance of any unrestricted real estate license nor for removal of any of the conditions, limitations or restrictions of a restricted license until four (4) years have elapsed from the effective date of this Decision and Order. Respondent HAYMOND shall not be eligible to apply for any unrestricted licenses until all restrictions attaching to the license have been removed.

1 4. All licenses and licensing rights of Respondents are indefinitely suspended unless
2 or until Respondents provides proof satisfactory to the Commissioner, of having paid, jointly or
3 separately, the amounts of \$20,000.00 in total as restitution to Rhett Martin and \$19,000.00 in
4 total as restitution to Maria Perez. Proof of satisfaction of this requirement includes: a certified
5 copy of a satisfaction of judgment; a letter from an attorney or certified public accountant
6 testifying under penalty of perjury to the fact that said judgment has been paid by any of the
7 Respondents; a copy of a cancelled check to the victim(s); and/or a letter from the victim(s)
8 attesting that repayment of funds has been received. **Proof of payment must be delivered to**
9 **the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-**
10 **7013 or by fax at 916-263-8758, prior to the effective date of this Decision and Order.**

11 5. Respondent HAYMOND shall, **within nine (9) months from the effective date**
12 **of this Decision and Order**, present evidence satisfactory to the Commissioner that Respondent
13 has, since the most recent issuance of an original or renewal real estate license, taken and
14 successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the
15 Real Estate Law for renewal of a real estate license. The continuing education courses must
16 include courses on ethics, supervision of real estate activities, and trust fund accounting and
17 handling specified in Section 10170.5 of the Business and Professions Code. Proof of
18 satisfaction of these requirements includes evidence that Respondent has successfully completed
19 the trust fund account and handling continuing education courses, no earlier than 120 days prior
20 to the effective date of the Decision and Order in this matter. If Respondent HAYMOND fails to
21 satisfy this condition, Respondent HAYMOND's real estate license and license rights shall
22 automatically be suspended until Respondent HAYMOND presents evidence satisfactory to the
23 Commissioner of having taken and successfully completed the continuing education
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1 requirements. **Proof of completion of the continuing education courses must be delivered to**
2 **the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-**
3 **7013.**

4 6. Respondent HAYMOND shall, **within twelve (12) months from the effective**
5 **date of this Decision and Order**, take and pass the Professional Responsibility Examination
6 administered by the Department including the payment of the appropriate examination fee. If
7 Respondent HAYMOND fails to satisfy this condition, Respondent's real estate license and
8 license rights shall automatically be suspended until Respondent HAYMOND passes the
9 examination.

10 7. Respondent HAYMOND shall pay, separately or jointly with Respondent PWHII
11 and/or WALTER STEVEN NEVAREZ, the total sum of \$9,514.20 for the Commissioner's
12 reasonable cost of the investigation and enforcement which led to this disciplinary action. Said
13 payment shall be in the form of a cashier's check made payable to the Department of Real Estate.
14 **The investigative and enforcement costs must be delivered to the Department of Real**
15 **Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, within 180 days of**
16 **the effective date. Payment of investigation and enforcement costs should not be made**
17 **until the Stipulation has been approved by the Commissioner.** If Respondents fail to satisfy
18 this condition in a timely manner as provided for herein, Respondents' real estate licenses and
19 license rights shall automatically be suspended until payment is made in full, or until a decision
20 providing otherwise is adopted following a hearing held pursuant to this condition.

21 8. Pursuant to Section 10148 of the Code, Respondent HAYMOND shall pay,
22 separately or jointly with Respondent PWHII and/or WALTER STEVEN NEVAREZ, the total
23 sum of \$4,626.99 for the Commissioner's cost of the audit which led to this disciplinary action.
24

1 Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore
2 from the Commissioner. Payment of audit costs should not be made until Respondent
3 receives the invoice. If Respondents fail to satisfy this condition in a timely manner as provided
4 for herein, Respondents' real estate licenses and license rights shall automatically be suspended
5 until payment is made in full, or until a decision providing otherwise is adopted following a
6 hearing held pursuant to this condition.

7 9. Pursuant to Section 10148 of the Code, Respondent HAYMOND shall pay,
8 separately or jointly with Respondent PWHII, the Commissioner's reasonable costs for any
9 subsequent audit (said costs may not to exceed a maximum of \$5,783.74) to determine if
10 Respondents have corrected the violations found in the Determination of Issues. In calculating
11 the amount of the Commissioner's reasonable cost, the Commissioner may use the estimated
12 average hourly salary for all persons performing audits of real estate brokers, and shall include
13 an allocation for travel time to and from the auditor's place of work. Respondents shall pay
14 such cost within sixty (60) days of receiving an invoice therefore from the Commissioner.
15 Payment of the audit costs should not be made until Respondents receive the invoice. If
16 Respondents fail to satisfy this condition in a timely manner as provided for herein,
17 Respondents' real estate licenses and license rights shall automatically be suspended until
18 payment is made in full, or until a decision providing otherwise is adopted following a hearing
19 held pursuant to this condition.

20 DATED: May 4, 2021


Lissete Garcia, Counsel
Department of Real Estate

22 * * *

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

7 Respondents can signify acceptance and approval of the terms and conditions of this
8 Stipulation and Agreement by electronically e-mailing a copy of the signature page, as actually
9 signed by Respondents, to the Department. Respondents agree, acknowledge, and understand
10 that by electronically sending to the Department an electronic copy of Respondents' actual
11 signatures, as they appear on the Stipulation, that receipt of the emailed copy by the Department
12 shall be as binding on Respondents as if the Department had received the original signed
13 Stipulation. By signing this Stipulation, Respondents understand and agree that Respondents
14 may not withdraw Respondents' agreement or seek to rescind the Stipulation prior to the time the
15 Commissioner considers and acts upon it or prior to the effective date of the Stipulation and
16 Order.

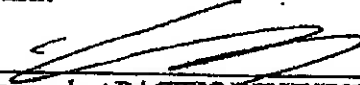
17 MAILING

18 Respondents and their counsel shall, within five (5) business days from signing the
19 Stipulation, mail the original signed signature page(s) of the Stipulation herein to Lissete Garcia,
20 Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Room 350, Los
21 Angeles, California 90013-1105.

22 Respondents' signatures below constitutes acceptance and approval of the terms and
23 conditions of this Stipulation. Respondents agree, acknowledge, and understand that by signing
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1 this Stipulation, Respondents are bound by its terms as of the date of such signature and that this
2 agreement is not subject to rescission or amendment at a later date except by a separate Decision
3 and Order of the Real Estate Commissioner.


4 DATED: MAY 3 2021


Respondent PACIFIC WEST HOMES &
INVESTMENTS, INC.
By: WALTER STEVEN NEVAREZ

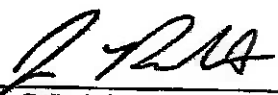
7 DATED: 5/3/2021


Respondent DEREK GEORGE HAYMOND

10 DATED: MAY 3 2021


Respondent WALTER STEVEN NEVAREZ

12 DATED: 5/3/21


Jacob G. Reinhardt, Esq., Counsel for Respondents
Approved as to Form

15 ***

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 7/9/2021

19 IT IS SO ORDERED 6-3-21

21 REAL ESTATE COMMISSIONER

23 
DOUGLAS R. MCCAULEY