

FILED

AUG 15 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 * * *

<p>11 In the Matter of the Accusation Against</p> <p>12 CAL COAST FUNDING, INC.;</p> <p>13 ALEXANDR SCHAMONIN, individually and as</p> <p>14 <u>FIRST BANC HOME LOANS;</u></p> <p>15 <u>MAXIMINO MICHEL,</u> individually and as</p> <p>16 Designated Officer of First Banc Home Loans;</p> <p>17 DEREK FOSTER NICHOLS,</p> <p style="text-align: center;">Respondents.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>DRE No. H-05737 SD</p> <p>OAH No. 2024020620</p> <p><u>STIPULATION AND AGREEMENT</u></p> <p><u>IN SETTLEMENT AND ORDER</u></p>
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18 It is hereby stipulated by and between Respondents FIRST BANC HOME
19 LOANS (“FBHL”) and MAXIMINO MICHEL (“MICHEL”), individually and as Designated
20 Officer of First Banc Home Loans (sometimes collectively referred to as “Respondents”), acting
21 by and through their attorney Fredrick M. Ray of Ray & Bishop, PLC, and the Complainant,
22 acting by and through Judith A. Buranday, Counsel for the Department of Real Estate, as follows
23 for the purpose of settling and disposing of the Accusation (“Accusation”) filed on July 7, 2023,
24 in this matter:

25 1. All issues which were to be contested and all evidence which was to be
26 presented by Complainant and Respondents at a formal hearing on the Accusation, which
27 hearing was to be held in accordance with the provisions of the Administrative Procedure Act

1 (“APA”), shall instead and in place thereof be submitted solely on the basis of the provisions of
2 this Stipulation and Agreement (“Agreement”).

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

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

14 4. Respondents hereby admit that the factual allegations of the Accusation filed
15 in this proceeding are true and correct and the Real Estate Commissioner shall not be required to
16 provide further evidence of such allegations.

17 5. This Agreement is made for the purpose of reaching an agreed disposition of
18 this proceeding and is expressly limited to this proceeding and not any other proceeding or case
19 in which the Department, or another licensing agency of this state, another state, or the federal
20 government is involved, and otherwise shall not be admissible in any criminal or civil
21 proceeding.

22 6. It is understood by the parties that the Real Estate Commissioner may adopt
23 this Agreement as her Decision in this matter thereby imposing the penalty and sanctions on
24 Respondents’ real estate licenses and license rights as set forth in the below “Order.” In the event
25 that the Commissioner in her discretion does not adopt the Agreement, the Agreement shall be
26 void and of no effect and Respondents shall retain the right to a hearing and proceed on the
27 Accusation under the provisions of the APA and shall not be bound by any stipulation or waiver

1 made herein.

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

6 DETERMINATION OF ISSUES

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

9 I.

10 The conduct, acts or omissions of Respondent FIRST BANC HOME LOANS, as
11 set forth in the Accusation, are in violation of California Business and Professions Code
12 (“Code”) section 10137 and are a basis for discipline of Respondent’s licenses, endorsements,
13 and licensing rights pursuant to Code sections 10177(d) and/or 10177(g).

14 II.

15 The conduct, acts or omissions of Respondent MAXIMINO MICHEL, as set forth in the
16 Accusation, are in violation of Code section 10159.2 and Section 2725 of Title 10, Chapter 6 of
17 the California Code of Regulations (“Regulations”) and are a basis for discipline of
18 Respondent’s licenses, endorsements, and licensing rights pursuant to Code sections 10177(d),
19 10177(g), and/or 10177(h).

20 ORDER

21 WHEREFORE, THE FOLLOWING ORDER is hereby made:

22 (FIRST BANC HOME LOANS)

23 I.

24 All licenses, endorsements, and licensing rights of Respondent FIRST BANC
25 HOME LOANS under the Real Estate Law are suspended for a period of sixty (60) days from
26 the effective date of this Decision and Order; provided, however, that:
27

1 A. The initial thirty (30) days of said suspension shall be stayed upon the
2 following terms and conditions:

3 1. Respondent shall pay a monetary penalty pursuant to Code section
4 10175.2 at the rate of \$75.00 per day for each of the thirty (30) days of suspension for a total
5 monetary penalty of \$2,250.00.

6 2. Said payment shall be in the form of a cashier's check made payable to
7 the Department of Real Estate. Said check must be delivered to the Department of Real Estate,
8 Flag Section, at 651 Bannon Street, Suite 500-D, Sacramento, CA 95811, within thirty (30) days
9 from the effective date of this Decision and Order.

10 3. No further cause for disciplinary action against the real estate licenses of
11 Respondents occurs within one (1) year from the effective date of the Decision and Order in this
12 matter.

13 4. If Respondent fails to pay the monetary penalty in accordance with the
14 terms and conditions of the Decision and Order, the suspension shall go into effect automatically.
15 Respondent shall not be entitled to any repayment nor credit, prorated or otherwise, for money
16 paid to the Department under the terms of this Decision and Order.

17 5. If Respondent pays the monetary penalty and if no further cause for
18 disciplinary action against the real estate licenses of Respondent occurs within one (1) year from
19 the effective date of the Decision and Order, the entire stay hereby granted pursuant to this
20 Decision and Order shall become permanent.

21 B. The remaining thirty (30) days shall be stayed for one (1) year upon the
22 following terms and conditions:

23 1. That Respondent shall obey all laws, rules and regulations governing the
24 rights, duties and responsibilities of a real estate licensee in the State of California; and

25 2. That no final subsequent determination be made after hearing or upon
26 stipulation, that cause for disciplinary action occurred within one (1) year from the effective date
27 of this Decision and Order. Should such a determination be made, the Commissioner may, in her

1 discretion, vacate and set aside the stay order and re-impose all or a portion of the stayed
2 suspension. Should no such determination be made under this section, the stay imposed herein
3 shall become permanent.

4 (MAXIMINO MICHEL)

5 II.

6 All licenses, endorsements, and licensing rights of Respondent MAXIMINO
7 MICHEL under the Real Estate Law are suspended for a period of sixty (60) days from the
8 effective date of this Decision and Order; provided, however, that:

9 A. The initial thirty (30) days of said suspension shall be stayed upon the
10 following terms and conditions:

11 1. Respondent shall pay a monetary penalty pursuant to Code section
12 10175.2 at the rate of \$75.00 per day for each of the thirty (30) days of suspension for a total
13 monetary penalty of \$2,250.00.

14 2. Said payment shall be in the form of a cashier's check made payable to
15 the Department of Real Estate. Said check must be delivered to the Department of Real Estate,
16 Flag Section, at 651 Bannon Street, Suite 500-D, Sacramento, CA 95811, within thirty (30) days
17 from the effective date of this Decision and Order.

18 3. No further cause for disciplinary action against the real estate licenses
19 of Respondents occurs within one (1) year from the effective date of the Decision and Order in
20 this matter.

21 4. If Respondent fails to pay the monetary penalty in accordance with the
22 terms and conditions of the Decision and Order, the suspension shall go into effect automatically.
23 Respondent shall not be entitled to any repayment nor credit, prorated or otherwise, for money
24 paid to the Department under the terms of this Decision and Order.

25 5. If Respondent pays the monetary penalty and if no further cause for
26 disciplinary action against the real estate licenses of Respondent occurs within one (1) year from
27

1 the effective date of the Decision and Order, the entire stay hereby granted pursuant to this
2 Decision and Order shall become permanent.

3 B. The remaining thirty (30) days shall be stayed for one (1) year upon the
4 following terms and conditions:

5 1. That Respondent shall obey all laws, rules and regulations governing
6 the rights, duties and responsibilities of a real estate licensee in the State of California; and

7 2. That no final subsequent determination be made after hearing or upon
8 stipulation, that cause for disciplinary action occurred within one (1) year from the effective date
9 of this Decision and Order. Should such a determination be made, the Commissioner may, in her
10 discretion, vacate and set aside the stay order and re-impose all or a portion of the stayed
11 suspension. Should no such determination be made under this section, the stay imposed herein
12 shall become permanent.

13 (CONTINUING EDUCATION)

14 III.

15 Respondent MICHEL shall, within nine (9) months from the effective date of this
16 Decision and Order, present evidence satisfactory to the Commissioner that Respondent has,
17 since the most recent issuance of an original or renewal real estate license, taken and successfully
18 completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate
19 Law for renewal of a real estate license. If Respondent fails to satisfy this condition,
20 Respondent's real estate license and endorsements shall automatically be suspended until
21 Respondent presents evidence satisfactory to the Commissioner of having taken and successfully
22 completed the continuing education requirements. Proof of completion of the continuing
23 education courses must be delivered to the Department of Real Estate, Flag Section at 651
24 Bannon Street, Suite 500-D, Sacramento, CA 95811.

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(COOPERATION)

IV.


Respondents agree to fully cooperate with the Department by providing testimony at the administrative hearing on the Accusation filed in this proceeding. Respondents agree to waive their constitutional rights regarding self-incrimination in this matter. Upon determination by the Commissioner that Respondents knowingly or willfully withheld information, misrepresented information, or refused to fully testify at the hearing, this Agreement may be revoked and the Agreement shall be void and of no effect and Respondents shall retain the right to a hearing and proceed on the Accusation under the provisions of the APA. Respondents' licenses, endorsements, and licensing rights will be automatically suspended until a final determination is rendered by the Commissioner.

(INVESTIGATION AND ENFORCEMENT COSTS)

V.

Respondents FBHL and MICHEL shall pay their pro rata share of \$2,306.97 each for the Commissioner's reasonable costs of the investigation and enforcement which led to this disciplinary action. The total amount of said investigation (\$8,036.85) and enforcement (\$3,498.00) costs is \$11,534.85. Said payment shall be in the form of a cashier's check made payable to the Department of Real Estate. The investigation and enforcement costs must be delivered to the Department of Real Estate, Flag Section, at 651 Bannon Street, Suite 500-D, Sacramento, CA 95811, prior to the effective date of this Decision and Order. If Respondents fail to pay their pro rata share of the costs of the investigation and enforcement in accordance with the terms and conditions of the Decision and Order, all licenses, endorsements, and licensing rights of Respondents shall be automatically suspended unless or until Respondents pay the costs of the investigation and enforcement.

DATED: 6/14/2024



Julith A. Buranday, Counsel for
Department of Real Estate

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EXECUTION OF THE AGREEMENT

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

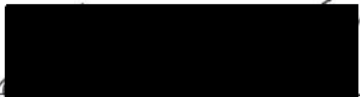
Respondents shall mail the original signed signature page of the stipulation herein to Judith A. Buranday, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350, Los Angeles, California 90013-1105.

In the event of time constraints before an administrative hearing, Respondents can signify acceptance and approval of the terms and conditions of this Agreement by emailing a scanned copy of the signature page, as actually signed by Respondents, to the Department counsel assigned to this case. Respondents agree, acknowledge and understand that by electronically sending the Department a scan of Respondents' actual signature as it appears on the Agreement that receipt of the scan by the Department shall be binding on Respondents as if the Department had received the original signed Agreement. Respondents shall also mail the original signed signature page of this Agreement to the Department counsel.


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

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1 DATED: 6/11/24


FIRST BANC HOME LOANS
Respondent
By: Maximino Michel

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4 DATED: 6/11/24


MAXIMINO MICHEL, individually and
as Designated Officer of First Banc Home Loans,
Respondent

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8 DATED: 6/11/24


Fredrick M. Ray, Esq.
Counsel for Respondent
Approved as to Form

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11 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
12 Respondents FIRST BANC HOME LOANS and MAXIMINO MICHEL and shall become
13 effective at 12 o'clock noon on SEP - 4 2024.

14 IT IS SO ORDERED 8/9/2024.

15
16 CHIKA SUNQUIST
17 REAL ESTATE COMMISSIONER

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19 
20 By: Marcus L. McCarther
21 Chief Deputy Real Estate Commissioner