

NEW JERSEY REAL ESTATE COMMISSION

NEW JERSEY REAL ESTATE COMMISSION)	DOCKET NUMBER MID-19-014
)	(REC Ref. No. 10007844)
Complainant,)	
)	ORDER TO SHOW CAUSE
v.)	
)	
PAUL BADER, licensed New Jersey real estate)	
broker-salesperson (Ref. No. 0231143))	
)	
Respondent.)	

THIS MATTER being commenced by the New Jersey Real Estate Commission (the "Commission") in the Department of Banking and Insurance, State of New Jersey, on its own motion, pursuant to the provisions of N.J.S.A. 45:15-17, 45:15-18 and N.J.A.C. 11:5-1.1 et seq., and it appearing that:

1. Respondent Paul Bader ("Bader") is an actively licensed New Jersey real estate broker-salesperson, who was first licensed as a salesperson on July 3, 2002, and is currently licensed through Kessler Schanen, Inc., d/b/a Century 21 Charles Smith Agency, licensed New Jersey real estate broker, whose primary office is located at 150 Morgan Avenue, South Amboy, New Jersey. Bader operates out of the branch office located at 1931 Highway 27, Edison, New Jersey; and

2. At all relevant times herein, Bader represented Bellie Holding, LLC ("Bellie") in connection with the purchase and sale of the property located at 38 Sine Road, Edison, New Jersey 08817 (the "Property"); and

3. On or about April 26, 2018, Bader filed an application with the Township of Edison for a Certificate of Continued Occupancy ("CCO"). Bellie was listed as the buyer of Property on the CCO application, with a tentative closing date of May 7, 2018; and

4. The Property was inspected for the issuance of a CCO on April 30, 2018. The CCO application was "not approved." Five violations were listed in the inspector's report, including that there was no permit for the installation of a 2014 hot water heater; and

5. Upon information and belief, Bellie took title to the Property in or around May of 2018. Upon information and belief, the above noted violations were never addressed and closing occurred without the issuance of a CCO; and

6. On or about August 25, 2018, Bellie entered into a contract to sell the Property to buyer Senate Maxwell (the "Buyer"); and

7. On or about August 28, 2018, the Buyer's attorney sent an attorney review letter to Bellie's attorney. The attorney review letter was signed by Bellie's attorney, representing that all necessary permits and approvals have been obtained by Bellie and that there were no "open permits." Bellie added to the letter that: "Only cosmetic work has been done... We will provide clear CO prior to closing"; and

8. On or about September 20, 2018, Bader applied for a CCO on behalf of Bellie, in connection with the sale of the Property from Bellie to the Buyer. The tentative closing date on the application was listed as September 28, 2018; and

9. The Property was inspected for the issuance of a CCO on September 24, 2018. The CCO application was "not approved." The inspector's report listed two violations regarding missing compliance permits for the 2014 hot water heater as well as the addition of a second bathroom in the finished attic, which the report indicates was not listed in the Property's tax records; and

10. On or about September 26, 2018, Bellie applied for a construction permit for "full bathroom and water heater compliance"; and

11. On or about September 27, 2018, the Buyer was provided with a signed copy of a Temporary "Township of Edison Certificate of Continued Occupancy" for the Property. The document indicated that a \$150 fee was paid and collected by an Edison Township employee with the initials "JB." The document also contained a signature which was purportedly that of an authorized Edison Township official; and

12. On or about September 28, 2018, closing took place and the Buyer took title to the Property; and

13. After closing occurred, the Buyer was advised by Edison Township officials that a Temporary Certificate of Continued Occupancy had in fact never been issued for the Property; and

14. It was thereafter discovered that Bader falsified the Temporary Certificate of Continued Occupancy for the Property and fraudulently represented to the Buyer that the document was issued by the Township of Edison; and

15. On January 21, 2019, a criminal complaint was filed against Bader with the Edison Township Municipal Court, wherein Bader was charged with one count of Tampering with Public Records, in violation of N.J.S.A. 2C:28-7(a)(2), a crime of the third degree; one count of Forgery, in violation of N.J.S.A. 2C:21-1(a)(3), a crime of the third degree; and one count of Falsifying Records, in violation of N.J.S.A. 2C:21-4(a), a crime of the fourth degree; and

16. Bader failed to notify the Commission of the filing of criminal charges against him within 30 days; and

17. On or about January 31, 2019, Bader was interviewed by the Commission investigator assigned to this matter. During the interview, Bader admitted to forging the Temporary Certificate of Continued Occupancy, as described above, and stated that he used the CCO issued for the Property in connection with its purchase by Bellie as a template to fraudulently create the CCO for the sale of the Property to the Buyer; and

18. On or about April 22, 2019, Bader submitted a qualifying questionnaire to the Commission in order to renew his license. He Answered "No" to question number 1, which asks:

"Since your last New Jersey real estate license was issued or renewed have you been arrested (other than for motor vehicle violations), indicted, charged with a violation of a crime, misdemeanor or disorderly persons offense or convicted of a crime, misdemeanor or disorderly persons offense in this state, any other state or by the federal government?"; and

19. On May 23, 2019, Bader renewed his salesperson's license for the 2019-2021 licensing term; and

20. On June 12, 2019, a criminal indictment was filed against Bader in New Jersey Superior Court, Middlesex County, Law Division, wherein he was charged with one count of Conspiracy to commit the crime of Tampering with Public Records, in violation of N.J.S.A. 2C:5-2(a)(1), a crime of the third degree; one count of Tampering with Public Records, in violation of N.J.S.A. 2C:28-7(a)(2), a crime of the third degree; one count of Forgery, in violation of N.J.S.A. 2C:21-1(a)(3), a crime of the third degree; and one count of Falsifying Records, in violation of N.J.S.A. 2C:21-4(a), a crime of the fourth degree; and

21. Respondent Paul Bader's conduct is in violation of N.J.S.A. 45:15-17(s), in that Bader failed to notify the Commission within 30 days of the filing of criminal charges against him; and

22. Respondent Paul Bader's conduct is in violation of N.J.S.A. 45:15-17(a), substantial misrepresentation, in that creating a falsified Temporary Certificate of Continued Occupancy, an official government document, and submitting same to be used in the transaction concerning the Property constitutes a substantial misrepresentation; and

23. Respondent Paul Bader's conduct is in violation of N.J.S.A. 45:15-17(l), in that creating a falsified Temporary Certificate of Continued Occupancy, an official government document, and submitting same to be used in the transaction concerning the Property constitutes fraudulent conduct and dishonest dealings; and

24. Respondent Paul Bader's conduct is in violation of N.J.S.A. 45:15-17(e), dishonesty, bad faith and unworthiness, in that Bader's conduct, as set forth more fully above, demonstrates dishonesty, bad faith and unworthiness for licensure; and

25. Respondent Paul Bader's conduct is in violation of N.J.S.A. 45:15-17(n) in that by answering "No" to question number one in the license renewal qualifying questionnaire, he procured a real estate license by fraud, misrepresentation or deceit; and

26. Respondent Paul Bader's conduct is in violation of N.J.A.C. 11:5-6.4(a), in that by creating a falsified Temporary Certificate of Continued Occupancy, an official government document, and submitting same to be used in the sale of the Property, Bader violated his obligation to deal fairly with the Buyer.

And for good cause shown,

IT IS on this 25th day of June, 2019

ORDERED that Respondent Paul Bader shall show cause why his real estate license should not be suspended or revoked and/or why fines or other sanctions should not be imposed pursuant to N.J.S.A. 45:15-17 and N.J.A.C. 11:5-1.1. Respondent shall file a written Answer to the charges in this Order to Show Cause as required by N.J.A.C. 11:5-11.2 within twenty (20) days of the service of this Order. As required by N.J.A.C. 11:5-11.2, Respondent's written Answer must include specific admissions or denials of all allegations in this Order to Show Cause, state the factual basis of each and every factual allegation denied, and assert any defenses that Respondent intends to present in the event that this matter is deemed a contested case and a plenary hearing is held; and

IT IS FURTHER ORDERED that failure to comply with all of the requirements of N.J.A.C. 11:5-11.2 may result in a determination that there are no material facts or issues of law in dispute and any presentation made to the Commission will be limited to the issue of the severity of any sanction or penalty to be imposed; and

IT IS FURTHER ORDERED that the Commission will review this Order to Show Cause and Answer(s) filed, if any, at a meeting scheduled on or after the 23rd day of July, 2019 at 9:30 a.m. to determine whether there is a material fact or issue of law contested. No appearance is required at that time; and

IT IS FURTHER ORDERED that if the Commission determines that there is a material fact or issue of law contested, a hearing will be scheduled for a future date; and

IT IS FURTHER ORDERED that if the Commission determines that there is no material fact or issue of law contested, a hearing shall be scheduled at which the Respondent will be limited to presenting witnesses and documentary evidence regarding the issue of the severity of any sanction or penalty to be imposed; and

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IT IS FURTHER ORDERED that a copy of this Order be served upon the Respondent as provided in N.J.S.A. 45:15-18, which service may be accomplished by serving a copy of this Order on the Respondent personally, or by delivering a copy thereof to his last known business address via certified mail.



Richard Mumford
Acting Director of Banking
New Jersey Department of Banking and Insurance
New Jersey Real Estate Commission