

ZULIMA V. FARBER  
ATTORNEY GENERAL OF NEW JERSEY  
Division of Law, 5th Floor  
124 Halsey Street  
P.O. Box 45029  
Newark, NJ 07101

By: Susan Carboni  
Deputy Attorney General  
(973)648-2894

FILED  
BOARD OF  
REAL ESTATE APPRAISERS  
*James S. Hsu*  
DR. JAMES S. HSU  
Executive Director

ORIGINAL  
ORIGINAL

STATE OF NEW JERSEY  
DEPARTMENT OF LAW & PUBLIC SAFETY  
DIVISION OF CONSUMER AFFAIRS  
BOARD OF REAL ESTATE APPRAISERS

\_\_\_\_\_  
IN THE MATTER OF THE :  
CERTIFICATION OF :  
:  
LOUIS FUSARO :  
RC 01217 :  
:  
TO PRACTICE AS A REAL ESTATE :  
APPRAISER IN THE STATE :  
OF NEW JERSEY :  
\_\_\_\_\_

Administrative Action  
CONSENT ORDER

This matter was opened to the New Jersey State Board of Real Estate Appraisers ("the Board") upon receipt of information which the Board reviewed and with regard to which a Provisional Order of Discipline was entered on May 9, 2006, making the following findings of fact and conclusions of law:

## FINDINGS OF FACT

1. Respondent is a certified residential real estate appraiser in the State of New Jersey, and has been a licensee at all times relevant hereto.
2. On November 7, 2003, respondent appraised residential real estate at 133 Godwin Avenue, Paterson.
3. In this appraisal report, respondent indicated that there had been no prior sale of the subject property for 36 months. In fact, the subject property had transferred more than once in the 36 months preceding the appraisal report.
4. The report indicated that the subject was in "average" condition, and indicated that comparable #2, 72 Graham Street, was in similar condition. However respondent's source of information about the comparable, the multiple listing sheet (MLS sheet), indicated that the comparable was in "superb" condition, with new roof, new siding and new windows.
5. In respondent's appraisal of 28 State Street, dated June 24, 2005, respondent indicated that the subject was in "average" condition, and that comparable #3, 55 Montgomery Street, was in similar condition. However respondent's information source, the MLS sheet, described comparable #3 as in "mint condition," and made no adjustment either for condition or for the presence of on-site parking. Respondent acknowledged an adjustment should have been made.
6. In respondent's appraisal of 417-419 John Street, Plainfield, comparable #3, 1176 Woodland Avenue, was in the Sleepy Hollow section of Plainfield, which has

mansion or estate quality homes, while the subject was located on John Street, which does not have such quality homes. No adjustment for location was made, although respondent acknowledged that an adjustment should have been made.

7. With regard to the lot size of 417-419 John Street, the lot size was approximately 6750 square feet; while the lot size of comparable #3, 1176 Woodlawn Avenue, is 38,040 square feet. The adjustment of \$10,200 should have taken into account the additional on-site parking spots that would have resulted in a price premium for comparable #3 over the subject, but did not take this into account.

8. In respondent's appraisal of 120 Eastern Parkway, respondent indicated that the condition of the three comparables was similar to the condition of the subject; whereas the descriptions in the MLS sheets, respondent's information source, indicated that the comparables were in superior condition to the subject. Respondent acknowledged that if he had reason to doubt the condition of the property as described in the MLS sheets, he should have engaged in further research.

---

### CONCLUSIONS OF LAW

1. Respondent's failure to report a transfer of 133 Godwin Avenue within the prior three years constitutes a violation of Standards Rule 1-5 of the Uniform Standards of Professional Appraisal Practice ("the USPAP"). Moreover, respondent's affirmative statement that no sale had occurred within 36 months was misleading within the intentment of the Conduct Section of the Ethics Rule of the USPAP.

2. Respondent's indication that comparable #2, 72 Graham Street, was

similar to condition to the subject despite the indication of his information source, the MLS sheet, that the comparable was in superior condition to the subject constitutes a violation of Standards Rule 1-1(a) of the USPAP.

3. Respondent's indication in the appraisal of 28 State Street that the condition of comparable #3, 55 Montgomery Street, was similar to the subject, despite the indication of his information source, the MLS sheet, that the comparable was in superior condition to the subject, and respondent's failure to make any adjustment for on-site parking, constitutes a violation of Standards Rule 1-1(a) of the USPAP.

4. Respondent's failure to make a location adjustment to comparable #3 in the appraisal of 417-419 John Street, where the comparable was located in a more exclusive section of Plainfield constitutes a violation of Standards Rule 1-1(a) of the USPAP.

5. Respondent's failure to make an adjustment to comparable #3 in the appraisal of 417-419 John Street where there was substantial additional on-site parking constitutes a violation of Standards Rule 1-1(a) of the USPAP.

6. Respondent's indication that the comparables in the appraisal of 120 Eastern Parkway were similar in condition to the subject, despite the fact that the MLS sheets indicated that the comparables were in superior condition to the subject constituted a violation of Standards Rule 1-1(a) of the USPAP.

7. Pursuant to N.J.A.C. 13:40A-6.1, an appraiser's failure to comply with the USPAP may be deemed professional misconduct, subjecting an appraiser to sanctions pursuant to N.J.S.A. 45:1-21(e).

The parties wishing to resolve this matter without further proceedings and by

Consent Agreement, inasmuch as respondent does not contest the findings of fact and conclusions of law above, which are hereby adopted by the Board, and for other good cause shown,

IT IS on this 7<sup>th</sup> day of August, 2006,

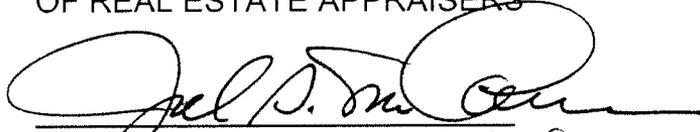
ORDERED and AGREED that:

1. Respondent's license is hereby suspended for a period of six months; such suspension shall be stayed and served as a period of probation.
2. A civil penalty in the amount of \$2500 is hereby imposed upon respondent for the USPAP violations indicated supra. Payment shall be due immediately in the form of a certified check, money order or attorney trust account check made payable to the State of New Jersey, and forwarded to the attention of Dr. James S. Hsu, Executive Director, Board of Real Estate Appraisers, P.O. Box 45032, 124 Halsey Street, Third Floor, Newark, NJ 07101.
3. Respondent shall pay costs to the Board in the amount of \$791.50. Payment shall be made in the same manner and at the same time as provided in paragraph #2, above.
4. Respondent shall supply proof of successful completion of a course in the sales comparison approach within six months of the entry of this Order. Respondent is to obtain prior approval from the Board before enrolling in this course. This course is not to be used to satisfy the continuing education requirements imposed upon respondent by N.J.A.C. 13:40A-5.3.

5. Any failure to comply with the terms of this Order may result in further

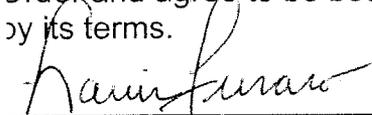
proceedings.

NEW JERSEY STATE BOARD  
OF REAL ESTATE APPRAISERS



~~Denise M. Siegel~~ John A. McCann  
President

have read and understand this  
Order and agree to be bound  
by its terms.

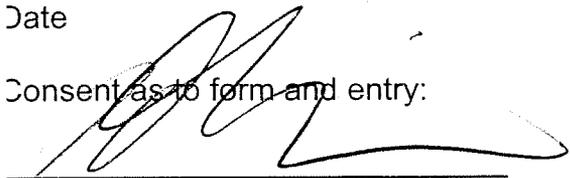


Louis Fusaro

6-18-06

Date

Consent as to form and entry:



Jeffrey A. Oshin, Esq.

Attorney for respondent

7-10-06

Date