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

In the matter of:

LINDA PAGANO
Certification #42RC001300000

CONSENT ORDER

This matter was opened before the New Jersey State Real Estate Appraisers Board (the "Board") upon the Board's receipt of a complaint dated August 1, 2014 filed by Chelsea Skuby, County Tax Administrator for the Ocean County Board of Taxation (the "OCBT"), alleging that respondent Linda Pagano, SCRREA, submitted an appraisal report prepared by another appraiser, E.B., to the OCBT for purposes of a property tax appeal. Ms. Skuby noted that E.B.'s name appeared to have been whited out and signed over by respondent, and further alleged that respondent had falsely testified that she "was the supervisory appraiser for [E.B.'s] report" and that she was "therefore able to use it as her work product."

The Board has presently reviewed documentation supplied with Ms. Skuby's complaint, to include copies of the referenced appraisal report which respondent submitted to the OCBT, respondent's written reply to the Board dated September 19, 2014

addressing Ms. Skuby's allegations (along with documentation attached thereto) and testimony offered by respondent when she appeared before the Board on April 28, 2015, represented by Fred J. Gelb, Esq., for an investigative hearing.

Upon review of available information, the Board finds that respondent was engaged by R.W. and J.W. to prepare an appraisal on property located at 64 Seagoin Road, Brick, New Jersey. The subject property was a vacant land parcel (the home that had previously been on the property was demolished as a result of damage sustained during Hurricane Sandy). Respondent prepared an appraisal report on the subject property, listing the intended users of the report as Mr. and Mrs. W and the intended use as "value for recovery of same - tax appeal." Respondent's appraisal report was signed on February 15, 2014, with an effective date of October 1, 2013, and respondent opined that the market value of the subject property as of October 1, 2013 was \$319,800.

In or about March 2014, the property owner provided respondent with a copy of a prior appraisal of the subject property, dated November 26, 2013, which had been independently prepared by E.B. Respondent had absolutely no involvement in the preparation of E.B.'s appraisal, and neither acted as nor signed E.B.'s report as a "review appraiser" when E.B. prepared his appraisal report in November 2013.

Prior to July 3, 2014, respondent submitted an appraisal report to the OCTB in support of a filed tax appeal challenging the assessment for the subject property. The Board finds that respondent provided the OCTB not only with the appraisal report she had prepared, but also with copies of three pages from E.B.'s November 26, 2013 appraisal report -- specifically: (1) a page from E.B.'s report which included a sales comparison approach grid and which originally included E.B.'s signature ("page 3" of the E.B. report); (2) a page from E.B.'s report which included a survey of the subject property ("page 7" of the E.B. report); and (3) a page from E.B.'s report which included a tax map for the subject property ("page 8" of the E.B. report). Although page 3 of E.B.'s original report had been signed by E.B. alone, E.B.'s signature was "whited out" and removed from the copy of page 3 that respondent submitted to the OCTB, and respondent's signature alone appears on the copy submitted to the OCTB.¹

When testifying at the investigative hearing, respondent claimed that she intended to submit the three pages from E.B.'s report solely as an "addendum" to her report, to demonstrate that there was a "tidelands easement on the property" and to demonstrate that the taxpayers had been paying real estate taxes for years for the property. Respondent additionally claimed that she did not

¹ While respondent's name alone can be read on the signature line on "page 3", E.B.'s name does appear twice in typed format on the document.

purposefully "white out" E.B.'s name from the document, but instead sought to add her signature to the document, to the left of E.B.'s signature, so as to indicate that she "reviewed" the document.²

The Board finds that respondent submitted three pages of an appraisal report that she had not prepared, and which were thus not her work product, to the OCTB in support of a filed tax appeal, and did so in a manner that made it appear that she had prepared those three pages. Respondent improperly altered an appraisal report prepared by E.B. when she removed his signature from the document and replaced it with her signature, and acted without authorization from E.B. Respondent did not provide the OCTB with anything in writing identifying the fact that the three referenced pages had been copied from E.B.'s appraisal report, or with anything in writing that would have suggested that those three pages were anything other than portions of her appraisal report and her own work product.³

Based thereon, the Board finds that respondent violated the conduct provisions of the Ethics Rule of the Uniform Standards

² On August 2, 2014, E.B. wrote to respondent demanding that she immediately cease and desist from causing or permitting his work to be used for any purposes whatsoever, and that she retract any report she may have submitted using his work product. Respondent then wrote to the Tax Board on August 7, 2014 and requested that the Board "remove/retract" those three pages from the appraisal report which she had submitted to the OCTB.

³ As no transcript or recording of testimony offered by respondent before the OCTB on July 3, 2014 was made, the Board has not made any findings herein on Ms. Skuby's allegations that respondent falsely testified at the tax appeal hearing.

of Professional Appraisal Practice, and concludes that cause for disciplinary sanction against respondent exists pursuant to N.J.S.A. 45:1-21(b), N.J.S.A. 45:1-21(e) and N.J.S.A. 45:1-21(h). The parties desiring to resolve this matter without the need for further administrative proceedings, and the Board finding that good cause exists for the entry of the within Order,

IT IS on this ^{18th}~~26th~~ day of ^{February}~~January~~, 2016

AGREED and ORDERED:

1. Respondent Linda Pagano, SCRREA, is hereby reprimanded for engaging in conduct in violation of the conduct sections of the Ethics Rule of the Uniform Standards of Professional Appraisal Practice, as more fully detailed above.

2. Respondent is assessed a civil penalty in the amount of \$2,500, \$500 of which shall be paid at the time of entry of this Order. The remainder of the civil penalty shall be paid in quarterly installments of \$500, to be due and payable on or before the 26th day of April 2016, July 2016, October 2016 and January 2017.

3. Respondent is assessed costs, limited to transcript costs only, in the amount of \$389.25, which costs are to be paid in full at the time of entry of this Order.

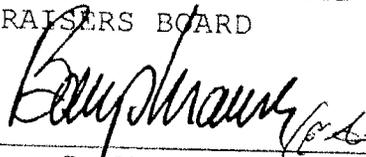
4. Respondent shall, within six months of the date of entry of this Order, be required to successfully complete a 15 hour course in the Uniform Standards of Professional Appraisal Practice.

Prior to commencing said course, respondent shall provide all available information regarding the course she proposes to take to the Executive Director of the Board, and shall obtain pre-approval, in writing, from the Executive Director for the proposed course. Respondent shall thereafter be responsible to ensure that documentation of successful completion of the course is forwarded by the course provider to the Board (said documentation must be provided within thirty days of the date of respondent's completion of the course). In the event that respondent fails to successfully complete the course work required herein in a timely fashion (that is, in the event the Board does not receive documentation of successful completion of the required course within seven months of the date of entry of this Order), respondent shall be deemed to have failed to comply with the terms of this Order. In such event, the Board may enter an Order of Immediate Suspension of Certification for failure to comply with the terms of this Order, which Order shall provide that respondent's certification is to be actively suspended until such time as she successfully completes the required course work, documentation thereof is submitted to the Board, and

written notice of reinstatement is provided by the Board to respondent.

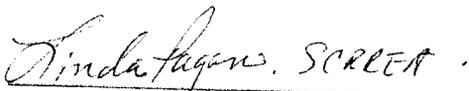
NEW JERSEY STATE REAL ESTATE
APPRAISERS BOARD

By:



Barry J. Krauser
Board President

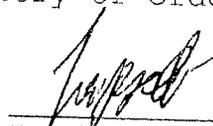
I represent that I have carefully read and considered this Order, and consent to the entry of the Order by the Board.


Linda Pagano, SCRREA

Dated:

1/21/2016

Consent to form of Order and to entry of Order by the Board.


Fred J. Gelb, Esq.
Counsel for Respondent

Dated:

1/21/2016