

NEW JERSEY REAL ESTATE COMMISSION

NEW JERSEY REAL ESTATE COMMISSION	)	DOCKET NUMBER REC-E-22- 007
	)	(REC File No. 10015224)
Complainant,	)	
	)	
v.	)	
	)	ORDER TO SHOW CAUSE
CARMEN CORNIELLE, licensed New Jersey	)	
Jersey real estate salesperson (Ref. No. 0786346)	)	
	)	
Respondent.	)	

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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 the New Jersey Real Estate License Act, N.J.S.A. 45:15-1 to -42 and the regulations promulgated thereunder N.J.A.C. 11:5-1.1 to -12.18, and it appearing that:

**FACTS COMMON TO ALL COUNTS**

1. Carmen Cornielle (“Cornielle”) is an actively licensed New Jersey real estate salesperson, first licensed in New Jersey on March 5, 2007. Cornielle is currently licensed with HRR Brokerage LLC, d/b/a Hudson River Realty (“HRR”), a licensed New Jersey real estate broker, whose main office is located at 53 George Road, Edgewater, New Jersey 07020; and

2. From February 6, 2019 until March 28, 2022, Cornielle was licensed with First Referral Company of NJ LLC (“First Referral”), a licensed New Jersey real estate referral company, having the same main office address as HRR; and; and

## **COUNT I – UNLICENSED ACTIVITY**

3. The Commission repeats and realleges each of the above paragraphs as if set forth at length herein; and

4. While licensed with First Referral, Cornielle's license type was a real estate salesperson licensed with a real estate referral company ("Referral Agent") as defined in N.J.S.A. 45:15-3. As a Referral Agent, Cornielle's authority to engage in real estate brokerage-related activities was limited to referring prospects for the sale, purchase, exchange, leasing or rental of real estate or an interest therein to First Referral; and

5. While licensed as a Referral Agent with First Referral, Cornielle was prohibited from accepting compensation for any real estate brokerage-related activity from any person other than First Referral or the broker of record thereof; and

6. While licensed as a Referral Agent with First Referral, Cornielle was prohibited from being employed or contracted by or licensed with more than one real estate broker or real estate referral company at any given time. Referral Agents may not simultaneously be licensed as a real estate broker or broker-salesperson and are prohibited from engaging in the business of a real estate broker or broker-salesperson to an extent beyond that authorized by their status as a Referral Agent; and

7. During the time period of February 6, 2019 to March 28, 2022, while licensed with First Referral, Cornielle listed multiple properties for rent on public websites including Zillow.com and Trulia.com; and

8. From February 6, 2019 to March 28, 2022, Cornielle created and published internet advertisements for at least four rental properties in Jersey City, New Jersey, having the following addresses:

- a. 94 Highland Avenue #205;
- b. 14 Kensington Avenue;
- c. 2729 John F Kennedy Boulevard;
- d. 95 Beacon Avenue, (collectively these 4 properties shall hereinafter be referred to as the "Properties"); and

9. Each of the above-described internet advertisements indicated that Cornielle was the listing agent, provided her contact information and stated that consumers should call her directly to schedule a viewing; and

10. Each of the above-described internet advertisements included the statement: "Expert in 'NO BROKER FEE' Properties"; and

11. Cornielle was hired to list the Properties for rent by J Square Owner LLC, an unlicensed entity acting as manager of the Properties; and

12. None of the Properties were listed by HRR or First Referral; and

13. While licensed as a Referral Agent with First Referral, Cornielle engaged in prohibited brokerage activity, as defined in N.J.A.C. 11:5-6.10(b), in connection with the Properties, including negotiating lease agreements; collecting rents or other monies; conducting showings; and providing information on listings beyond the information which Referral Agents are permitted to provide, as set forth in N.J.A.C. 11:5-6.10(a); and

14. Cornielle's conduct violated N.J.S.A. 45:15-1, in that she exceeded the scope of her authority as a Referral Agent and engaged in activity requiring a real estate salesperson license, as more fully set forth above, without being appropriately licensed to do so; and

## **COUNT II – ADVERTISING VIOLATIONS**

15. The Commission repeats and realleges each of the above paragraphs as if set forth at length herein; and

16. The Fair Chance in Housing Act, N.J.S.A. 46:8-52 to -13 (the “FCHA”) and the regulations promulgated thereunder, N.J.A.C. 13:5-1.1 to -1.15 prohibit a housing provider from discriminating against applicants for housing based on criminal history, except under limited circumstances; and

17. Pursuant to N.J.S.A. 46:8-58, a housing provider is prohibited from knowingly or purposefully publishing, or causing to be published, any housing advertisement that explicitly provides that the housing provider will not consider any applicant who has been arrested or convicted of one or more crimes or offenses, except for drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing, and whether the applicant is subject to a lifetime registration requirement under a State sex offender registration program; and

18. Pursuant to N.J.A.C. 13:5-1.11:

(a) A housing provider shall not print, publish, circulate, issue, display, post, or mail, or cause to be printed, published, circulated, issued, displayed, posted, or mailed any statement, advertisement, publication, or sign, or use any form of application for the rental, lease, or sublease of any real property, or part or portion thereof, or make any record or inquiry in connection with the prospective rental, lease, or sublease of any real property, or part or portion thereof, that expresses, directly or indirectly, any unlawful limitation, specification, or discrimination as to criminal record;

(b) A housing provider shall not advertise that the provider will not consider any applicant who has been arrested, charged with, or convicted of a crime or offense, nor shall a housing provider make any statement in connection with a housing opportunity that the provider will not consider any applicant who has been arrested, charged with, or convicted of a criminal offense;

(c) A housing provider shall not use any word, term, phrase, or expression that explicitly influences, dissuades, discourages, or repels any person or persons from seeking housing because of a prior criminal history; and

19. Each advertisement that Cornielle published on the internet for the rental of the Properties indicated that only applicants with “no felonies” would be considered, with “no exceptions”; and

20. The internet advertisements published by Cornielle for the rental of the Properties stated that Cornielle was the “listing agent” and to contact her with any inquiries or to schedule a viewing of the advertised property; and

21. The internet advertisements published by Cornielle for the rental of the Properties indicated that Cornielle was a “New Jersey Licensed Real Estate Agent” without the inclusion of any descriptive term indicating her status as a Referral Agent; and

22. Pursuant to N.J.A.C. 11:5-6.1(b)(1), advertisements that include the name of a Referral Agent must include the regular business name of the individual, partnership, firm or corporate broker through whom that person is licensed shall appear in larger print or be displayed in a more prominent manner than the name of the Referral Agent; and

23. The internet advertisements published by Cornielle for the rental of the Properties failed to include First Referral’s regular business name in a larger print or more predominant manner than Cornielle’s name; and

24. Cornielle violated N.J.S.A. 45:15-17(e), in that by publishing advertisements for the rental of the Properties, which discriminated against applicants based on criminal history in violation of the FCHA and associated regulations, as more fully set forth above, Cornielle engaged in conduct demonstrating incompetency; and

25. Cornielle violated N.J.A.C. 11:5-6.1(s), in that the above-described advertisements stated or implied that she was authorized to engage in real estate brokerage activity beyond that

which she was permitted as a Referral Agent pursuant to N.J.S.A. 45:15-3 and N.J.A.C. 11:5-6.10; and

26. Cornielle violated N.J.A.C. 11:5-6.1(b), in that the above-described advertisements included her status as a licensed real estate agent, without the inclusion of a descriptive term indicating her status as a Referral Agent; and

27. Cornielle violated N.J.A.C. 11:5-6.1(b)(1), in that the above-described advertisements failed to include the regular business name of First Referral, the real estate referral company through which Cornielle was licensed, in larger print or displayed in a more prominent manner than Cornielle's name; and

28. Cornielle violated N.J.A.C. 11:5-6.1(t), in that the above-described advertisements failed to include, in a clear and conspicuous manner, the phrase: "services limited to referring prospects to broker"; and

### **COUNT III – ACCEPTING PAYMENT OUTSIDE OF LICENSED BROKER**

29. The Commission repeats and realleges each of the above paragraphs as if set forth at length herein; and

30. Cornielle collected commission payments directly from J Square Owner LLC for her activity in connection with the marketing and renting of the Properties; and

31. In 2021, Cornielle was paid at least \$900 by J Square Owner LLC for her activity in connection with the marketing and renting of the above-referenced properties; and

32. Cornielle's conduct is in violation of N.J.S.A. 45:15-16 and N.J.S.A. 45:15-17(m), in that she collected commission payments for real estate sales activity directly from J Square Owner LLC, an entity that was not her employing or contracting real estate broker; and

And for good cause shown,

IT IS on this 31<sup>st</sup> day of May, 2024

ORDERED that Respondent Carmen Cornielle shall show cause why her real estate licenses 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 to -12.18. The 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

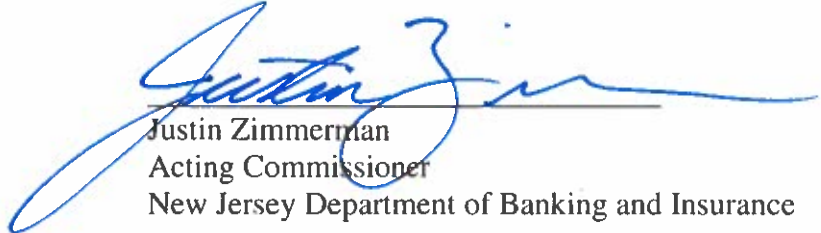
IT IS FURTHER ORDERED that the Commission will review this Order to Show Cause and Answer(s) filed, if any, at a meeting scheduled on or after the 10<sup>th</sup> day of ~~September~~ 2024 at 9:30 a.m. to determine whether there is a material fact or issue of law contested. No appearance is required 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

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 Respondents personally, or by delivering a copy thereof to her last known business address via certified mail.



Justin Zimmerman  
Acting Commissioner  
New Jersey Department of Banking and Insurance

JR 2023 Cornielle OTSC REC/Enforcement