

NEW JERSEY REAL ESTATE COMMISSION

NEW JERSEY REAL ESTATE COMMISSION,) DOCKET NO.: MON-17-014
) REC REF. NO.: 10003718
 Complainant,)
)
 v.) **FINAL ORDER OF**
) **DETERMINATION**
)
 LORRIE DELORENZO, a licensed New Jersey)
 real estate salesperson, Ref. No. 1432986)
)
 Respondent.)

This matter was heard at a hearing by the New Jersey Real Estate Commission (“Commission”) at the Department of Banking and Insurance, State of New Jersey in the Commission Hearing Room, 20 West State Street, Trenton, New Jersey on October 11, 2017.

BEFORE: Commissioners Linda K. Stefanik, Sanjeev Aneja, Denise M. Illes, William Hanley, and Kathryn Godby Oram.

APPEARANCES: Marianne Gallina, Regulatory Officer (“RO Gallina”), appeared on behalf of the complainant, the New Jersey Real Estate Commission staff (“REC”). Respondent Lorrie DeLorenzo (“Respondent”) appeared on her own behalf. The Respondent acknowledged her right to counsel and voluntarily waived that right.

STATEMENT OF THE CASE

The REC initiated this matter on its own motion through service of an Order to Show Cause (“OTSC”) dated June 5, 2017, pursuant to N.J.S.A. 45:15-17, N.J.S.A. 45:15-18, and N.J.A.C. 11:5-1.1 et seq. The OTSC alleges that the Respondent was arrested and charged with one count of Forgery in violation of N.J.S.A. 2C:21-1a(2), a crime of the second degree; one count of Theft by Deception in violation of N.J.S.A. 2C:20-4c, a crime of the second degree; and one count of

Theft by Unlawful Taking or Disposition in violation of N.J.S.A. 2C:20-3a, a crime of the second degree. On September 24, 2015, the Respondent pleaded guilty in Municipal Court to Theft by Deception in violation of N.J.S.A. 2C:20-4a, a crime of the second degree,¹ and was ordered to pay fines in the amount of \$583 and admitted into a conditional dismissal program. The OTSC alleges that the underlying conduct relates to the Respondent committing theft against her previous employer, Eurostyle, by issuing checks to herself and third parties and using the company's credit card for her personal gain. The OTSC alleges that the Respondent's underlying conduct, arrest, and subsequent conviction² demonstrates unworthiness, incompetency, bad faith, and dishonesty, in violation of N.J.S.A. 45:15-17e, and fraud and dishonesty in violation of N.J.S.A. 45:15-17l. Lastly, the OTSC alleges that the Respondent's conduct underlying her plea of guilty to Theft by Deception demonstrates that she does not possess the requisite good moral character, honesty, integrity, and trustworthiness that all candidates for licensure must possess pursuant to N.J.S.A. 45:15-9.

The Respondent filed an Answer to the OTSC, wherein she admitted to pleading guilty to theft upon the advice of her lawyer to save money on court costs and attorney fees and to be allowed entry into a conditional dismissal program where the charges would be dismissed after a year of probation. However, she denied that she stole from her former employer.

On August 8, 2017, the Commission reviewed the pleadings, deemed this matter uncontested, and directed that a hearing in mitigation be scheduled. The hearing was scheduled

¹ Although the OTSC alleges that the Respondent pleaded guilty to a second degree charge, the disposition does not indicate the degree to which the Respondent pleaded. Theft can be a disorderly persons (DP) offense, or a crime of the fourth, third, or second degree, depending on the amount involved. See, N.J.S.A. 2C:20-2b.

² Because of the conditional dismissal, there is no conviction. See, N.J.S.A. 2C:43-13.6.

for October 11, 2017, at which time the following exhibits were admitted into evidence by the REC:

- S-1 Monroe Township, N.J. Complaint-Warrant (CDR-2) State of New Jersey v. Lorrie H. DeLorenzo; and
- S-2 (a) Monroe Township, N.J. disposition dated June 7, 2017, entered September 24, 2015, Lorrie DeLorenzo, 2C:21-1a(2) amended to 2C:20-4a (certified copy)

(b) Monroe Township, N.J. disposition dated June 7, 2017, entered September 24, 2015, Lorrie DeLorenzo, 2C:20-4c (certified copy)

(c) Monroe Township, N.J. disposition dated June 7, 2017, entered September 24, 2015, Lorrie DeLorenzo, 2C:20-3a (certified copy)

(d) Monroe Township, N.J. summary of dispositions entered September 24, 2015, Lorrie DeLorenzo.

TESTIMONY OF THE WITNESS

Lorrie DeLorenzo

The Respondent was the only witness and testified on her own behalf. The Respondent testified that she is currently licensed with Arc Real Estate in Roosevelt, New Jersey, and that she works in real estate part time on nights and weekends and is employed fulltime as a bookkeeper for an online retail company.

The Respondent testified that she previously worked for Eurostyle, which sold household fixtures, for approximately five years. She testified that she helped to run the office and coordinate shipments and orders from France for customers and the showroom. She stated that she would write checks to vendors and salespeople for commission, but she did not sign them. The Respondent also stated that she was authorized to use the company's credit card to order office and warehouse supplies, such as printers, tools, and boxes.

The Respondent also testified that either the owner or the bookkeeper would sign checks. The Respondent further stated that there were a few blank checks in the office that were signed by

the bookkeeper for emergencies, but that they were in a locked drawer to which she did not have access. The Respondent testified that the president, another employee who was eventually appointed president, and the bookkeeper had access to the drawer. The Respondent further stated that although the bookkeeper worked from home, the bookkeeper lived locally and could come to the office when necessary. She said that largest check she ever wrote to herself was approximately \$1,000 for a Christmas bonus. The Respondent further testified that this was done with the owner's authorization and it was signed by him. She further testified that her bonuses were reflected on her W-2.

The Respondent further testified that she left Eurostyle in early 2014. She stated that the president of the company was going to retire, and that he appointed a new employee, who was a young, Jewish man, as his successor. She testified that she was told that she would not be made the president because a majority of Eurostyle's customers were Jewish and these customers would "respect a Jewish man more."

The Respondent then testified that after she left Eurostyle, she received a call from the Monroe Township Police Department. She testified that she was told that Eurostyle had complained to them regarding her handling of the finances at Eurostyle. The Respondent stated that the police called again a year later and said they were charging her with theft. She retained an attorney and went to the police department.

The Respondent testified that her attorney advised her to plead guilty and enter a conditional discharge program, where after a year of probation the charges would be dismissed and there would not be a conviction on her record.³ She stated that her attorney told her that taking the case to trial would be expensive. The Respondent stated that she was going through a divorce

³ See, N.J.S.A. 2C:43-13.1 et. seq.

and did not have the money to pay for additional attorney fees and court costs. She stated that after she pleaded guilty, she was assigned a Probation Officer (“PO”), to whom she spoke with once. The Respondent also stated that she was not ordered to pay restitution. She testified that she completed a year of probation and that the charges were dismissed.

The Respondent further testified that she was unaware of what she ordered for Eurostyle using the company’s credit card that was inappropriate and led to these charges. She testified that she did not order anything for her personal use. She kept receipts and reconciled the credit card bill at the end of the month. The Respondent denied ordering office supplies or merchandise for her personal use. Further, the Respondent testified that the bookkeeper also reviewed the credit card statements, checkbook, and accounts. While the Respondent acknowledged that the Complaint-Warrant (Exhibit S-1) stated that she wrote approximately \$62,730 in checks to herself and third parties, and charged approximately \$25,940 to the company’s credit card, she did not know the basis for those numbers. She speculated that it was from several years of legitimate credit card use. She also stated that her attorney showed her the credit card statements and copies of checks that looked like they were signed by the bookkeeper that were provided in discovery. However, she testified that she was told that the signature on the check did not match the bookkeeper’s signature. The Respondent denied signing the checks. She also stated that her attorney did not ask her for her bank statements.

The Respondent indicated that there was no pending civil litigation against her, though Eurostyle was advised to pursue civil remedies. She further stated that she is saving money to have her record expunged. The Respondent testified that she never asked anyone at Eurostyle for an explanation regarding these charges, and that she was unaware if charges were brought against anyone else.

The Respondent further testified that she believed that Eurostyle complained to the police to discredit her because she had a possible discrimination claim against them because of statements that she would not run the company after the president's retirement because she was a woman and not Jewish. She said that she did not pursue a discrimination claim because she did not have the money to hire an attorney and she wanted to move on and put this behind her.

FINDINGS OF FACT

Based on the pleadings, the testimony of the Respondent, and the documentary evidence duly admitted into the record, the Commission makes the following findings of fact.

1. The Respondent is a licensed New Jersey real estate salesperson who was first licensed on June 12, 2014, and is currently licensed with Arc Real Estate, LLC whose office is located at 7 Willow Tree Drive, Roosevelt, New Jersey.
2. The Respondent was previously employed by Eurostyle, and left in early 2014.
3. On or about July 9, 2015, the Respondent was charged and arrested with one count of Forgery in violation of N.J.S.A. 2C:21-1a(2), a crime of the second degree; one count of Theft by Deception in violation of N.J.S.A. 2C:20-4c, a crime of the second degree; and one count of Theft by Unlawful Taking or Disposition in violation of N.J.S.A. 2C:20-3a, a crime of the second degree.
4. On or about September 24, 2015, the Respondent pleaded guilty to one count of Theft by Deception in violation of N.J.S.A. 2C:20-4a.
5. The Respondent entered a conditional dismissal program and after a year of probation the charges against her were dismissed, and no conviction was ever entered.
6. Eurostyle was advised to seek civil remedies for restitution in the amount of \$63,000, but has not done so.

CONCLUSIONS OF LAW

In light of the above findings of fact, the Commission makes the following conclusions of law regarding the charges contained in the OTSC and summarized above.

1. There is insufficient evidence to support a finding that the Respondent's underlying conduct, arrest, and subsequent conviction, as described above, is in violation of N.J.S.A. 45:15-17e, in that it demonstrates unworthiness, bad faith and dishonesty.
2. There is insufficient evidence to support a finding that the Respondent's underlying conduct, arrest, and subsequent conviction, as described above, is in violation of N.J.S.A. 45:15-17l, in that it demonstrates fraud and dishonesty.
3. There is insufficient evidence to support a finding that the Respondent's conduct underlying her plea of guilty to Theft by Deception, as described above, is in violation of N.J.S.A. 45:15-9, in that it demonstrates that she does not possess the requisite good moral character, honesty, integrity, and trustworthiness required for licensure.

DETERMINATION

After the hearing and executive session in this matter, the Commission voted that there is insufficient evidence to support the finding of the violations alleged in the OTSC. In arriving at the determination in this matter, the Commission took into consideration the testimony of the Respondent, and the documentary evidence admitted at the hearing.

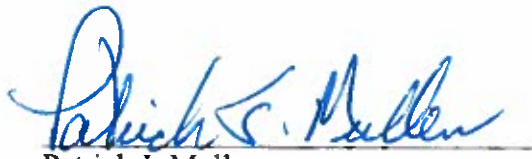
The OTSC in this matter alleges that the conduct underlying the Respondent's guilty plea to Theft by Deception demonstrates unworthiness, bad faith, and dishonesty, in violation of N.J.S.A. 45:15-17e and N.J.S.A. 45:15-17l. The OTSC also alleges that this underlying conduct demonstrates that the Respondent does not possess the good moral character, honesty, trustworthiness and integrity required for licensure pursuant to N.J.S.A. 45:15-9.

The REC relies on the Respondent's guilty plea to the charge of theft by deception to prove its case. The Respondent credibly testified, however, that she did not commit theft, but pleaded guilty upon the advice of her attorney so that the charges would be dismissed and because she did not have enough money to pay for her attorney to take the case to trial. No evidence of any admissions concerning the underlying conduct made in connection with the guilty plea was entered into evidence. No transcript of the Respondent's guilty plea was admitted into evidence. Because the charges against the Respondent were dismissed upon her completion of one year of probation, there is no conviction upon which the REC can rely. The Respondent's guilty plea to a charge that was ultimately dismissed without further corroborative evidence of the Respondent's underlying conduct is not sufficient to find that the Respondent's conduct was in violation of N.J.S.A. 45:15-17e and 17l, nor is it sufficient to find that the Respondent lacks the good moral character, honesty, trustworthiness and integrity required for licensure pursuant to N.J.S.A. 45:15-9.

As there is insufficient evidence to support the findings of any violations alleged in the OTSC in this matter, no action will be taken against the Respondent's real estate salesperson license nor will any monetary penalty be assessed.

SO ORDERED this 28th day of November, 2017.

By: Linda K. Stefanik, President
Sanjeev Aneja, Commissioner
William Hanley, Commissioner
Denise M. Illes, Commissioner
Kathryn Godby Oram, Commissioner


Patrick J. Mullen
Director of Banking