

NEW JERSEY REAL ESTATE COMMISSION

NEW JERSEY REAL ESTATE COMMISSION	)	DOCKET NUMBER MON-18-001
	)	(REC Ref. No. 10005970)
Complainant,	)	
	)	ORDER TO SHOW CAUSE
v.	)	
	)	
HONG JING, licensed New Jersey real estate	)	
salesperson (Ref. No. 1431563)	)	
	)	
Respondent.	)	

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THIS MATTER being commenced by the New Jersey Real Estate Commission (“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, 45:15-19.2 and N.J.A.C. 11:5-1.1 et seq., and it appearing that:

1. Respondent Hong Jing (“Jing”) is an actively licensed New Jersey real estate salesperson, who was first licensed on March 4, 2014, and is currently licensed with Adele Demoro, LLC, licensed New Jersey real estate broker. Jing is employed at the branch office, which does business under the name Keller Williams Realty – West Monmouth, located at 50B Route 9 North, Morganville, New Jersey 07751; and

2. At all relevant times herein, Jing represented Xiaoying Wang (the “Landlord”) in the rental transaction for the property located at 28 Morris Drive, Princeton, New Jersey (the “Property”). At all relevant times herein, the Landlord resided in Hong Kong, China; and

3. At all relevant times herein, Jing held herself out to the Tenants as a representative of the Landlord, and as having authority to act on behalf of the Landlord for matters concerning the general management of the Property. No property management agreement was ever entered

into between the Landlord and Jing's broker, nor did Jing's broker authorize, or was aware of any arrangement or agreement for Jing to manage the Property on behalf of the Landlord; and

4. On or about June 23, 2016, the Landlord entered into a lease agreement (the "Lease") with David and Lora Grodnick, (the "Tenants") for the rental of the Property. The Lease was prepared by New Jersey real estate salesperson Dorothy Polack, who represented the Tenants in the subject transaction. The term of the Lease is four years, with monthly rent payments of \$5,200. The Lease states that the Tenants are required to provide an "initial deposit" in the amount of \$26,000 to the Landlord, which "is to be applied to security deposit." The Lease further states that the Tenants shall pay the Landlord \$7,800 as a security deposit, and that the Landlord shall comply with the Rent Security Act N.J.S.A. 46:8-19; and

5. The Lease further states that: (a) the Landlord is to have the Property in good order when providing possession to the Tenants; (b) the Landlord shall repair damage to the Property and to the vital facilities caused by ordinary wear and tear within a reasonable time after notice by the Tenants; (c) the Landlord should be contacted directly by the Tenants; and (d) the Landlord shall have the well water tested in accordance with the Private Well Testing Act, N.J.S.A. 58:12A-26, and that the Landlord is to provide a written copy of the most recent test results to any lessee of the Property; and

6. Pursuant to the Lease, on or about June 21, 2016, the Tenants provided Jing with two checks in the amounts of \$26,000 and \$7,800 (a total of \$33,800), for the "initial deposit" and security deposit respectively, pursuant to the Lease. The checks were made payable to the Landlord; and

7. On or about July 11, 2016, Jing deposited the Tenants' deposit checks, in the total amount of \$33,800, as described above, into her personal checking account. The checks were endorsed in the name of the Landlord; and

8. To date, the Tenants have not received written notification of information regarding the deposit and maintenance of their security deposit, as required by the Rent Security Act N.J.S.A. 46:8-19; and

9. Neither the Landlord, nor Jing arranged for a Certificate of Occupancy inspection to be completed prior to the Tenants moving into the Property; and

10. Neither the Landlord, nor Jing provided a written copy of the most recent well water test to the Tenants, as required by N.J.S.A. 58:12A-26; and

11. On or about June 30, 2016, prior to moving in, the Tenants had the Property's well water tested. The results of that test revealed that the well water contained a level of arsenic above the maximum contamination level, as set forth by the New Jersey Department of Environmental Protection and the Private Well Testing Act; and

12. Shortly after moving in, the Tenants discovered the following issues with the Property, which Jing knew of or should have known:

- a. the well water pump failed
- b. the microwave/oven unit did not work properly
- c. the water heater and furnaces were not operational
- d. the electricity throughout the house continuously shorted out
- e. the living room fireplace emitted carbon monoxide fumes

13. The Tenants contacted Jing regarding the remediation of each of the above issues. In response, Jing refused to provide the Landlord's direct contact information and refused to have

any of the issues remediated, stating that such issues were “petty” and that the Landlord should not be bothered; and

14. The Tenants paid out of pocket at great expense to them to remediate each of the aforementioned issues concerning the Property; and

15. Frustrated by the conduct of real estate licensee Jing, the Tenants filed a complaint with the New Jersey Real Estate Commission on April 11, 2017; and

16. On or about September 28, 2017, Jing was interviewed by a Commission investigator regarding the subject transaction. During that interview, Jing stated to the investigator that the Tenants’ deposit funds described above were deposited in the Landlord’s bank account in China, when in fact, Jing had deposited the Tenants’ funds into her own personal bank account; and

17. Respondent Hong Jing’s conduct is in violation of N.J.S.A. 45:15-17(o), in that by depositing the Tenant’s deposit monies, totaling \$33,800, into her own personal bank account as described above, Jing commingled the money of her principal with her own and failed to maintain and deposit in a special account, separate and apart from her personal or other business accounts, all monies received by Jing as the temporary guardian of the funds of others in a real estate transaction; and

18. Respondent Hong Jing’s conduct is in violation of N.J.S.A. 45:15-12.8, in that Jing failed to immediately turn over the Tenants’ deposit monies described above to her broker, for deposit in the broker trust account; and

19. Respondent Hong Jing’s conduct is in violation of N.J.S.A. 45:15-1 and 3, in that she engaged in unlicensed activity by acting on her own behalf in engaging in the practice of

property management, and not under the authority of the real estate broker with whom she was licensed at the time; and

20. Respondent Hong Jing's conduct is in violation of N.J.S.A. 45:15-17(e), in that by failing to remediate or otherwise address the multitude of serious issues with the Property, as described above, Jing engaged in conduct demonstrating unworthiness, incompetency, bad faith or dishonesty; and

21. Respondent Hong Jing's conduct is in violation of N.J.S.A. 45:15-17(e), in by allowing the Tenants to deposit in excess of 6 months' worth of rent as a security deposit, in violation of New Jersey's Rent Security Act N.J.S.A. 46:8-19, Jing engaged in conduct demonstrating incompetency and bad faith; and

22. Respondent Hong Jing's conduct is in violation of N.J.S.A. 45:15-17(a), in that Jing made a substantial misrepresentation to a Commission Investigator, by representing that the Tenant's deposit monies were deposited in the Landlord's bank account; and

23. Respondent Hong Jing's conduct is in violation of N.J.A.C. 11:5-6.4(a), in that by engaging in the conduct described above, Jing failed in her obligation to deal fairly with all parties involved in the subject transaction; and

24. Respondent Hong Jing's conduct is in violation of N.J.S.A. 45:15-17(l), in that Jing's conduct, as described above, constitutes dishonest dealing.

And for good cause shown,

IT IS on this 5<sup>th</sup> day of April, 2018

ORDERED that Respondent Hong Jing shall show cause why her 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

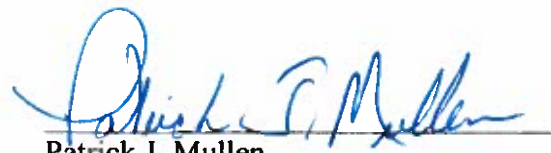
IT IS FURTHER ORDERED that the Commission will review this Order to Show Cause and Answer(s) filed, if any, at a meeting scheduled on or after the 8<sup>th</sup> day of May, 2018 at 9:30 a.m. to determine whether there is a material fact or issue of law contested. No appearance is required at that time; 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 Respondent personally, or by delivering a copy thereof to her last known business address via certified mail.



Patrick J. Mullen  
Director of Banking  
New Jersey Department of Banking and Insurance  
New Jersey Real Estate Commission