

Book

DISCIPLINARY REVIEW BOARD

OF THE

SUPREME COURT OF NEW JERSEY

RAYMOND R. TROMBADORE, Esq., CHAIR
ELIZABETH L. BUFF, VICE-CHAIR
MICHAEL R. COLE, Esq.
HON. PAUL R. HUOT
LEE M. HYMERLING, Esq.
ROCKY L. PETERSON, Esq.
FREDERICK P. RYAN
BARBARA F. SCHWARTZ
JAMES R. ZAZZALI, Esq.



RICHARD J. HUGHES JUSTICE COMPLEX
CN 962
TRENTON, NEW JERSEY 08625
(609) 292-1011

ROBYN M. HILL
CHIEF COUNSEL

ISABEL FRANK
FIRST ASSISTANT COUNSEL

PAULA T. GRANUZZO
LILLIAN LEWIN
DANIELLE E. REID
ASSISTANT COUNSEL

DONA S. SEROTA-TESCHNER
DEPUTY COUNSEL

March 22, 1995

CERTIFIED MAIL, R.R.R. AND REGULAR MAIL

Arthur Schwartz, Esq.
405 Candlewood Commons
Howell, New Jersey 07731

RE: In the Matter of Arthur Schwartz
Docket No. DRB 94-336
LETTER OF ADMONITION

Dear Mr. Schwartz:

The District IX Ethics Committee filed an investigative report in the above matter, which concluded that you engaged in unethical conduct. This report was forwarded to the Board by the Director of the Office of Attorney Ethics with the recommendation that you be admonished. This recommendation concurs with the finding of the District IX Ethics Committee. No objection thereto has been received from you.

A further review of this matter by the Board confirms that your conduct was clearly improper. Specifically, in 1989, you were consulted by Barbara Moran in connection with an offer made to her by an investment service to purchase her house for eighty percent of its market value. Because of her dire financial straits, Ms. Moran considered accepting that proposal. At the time that Ms. Moran consulted with you, you discussed with her the possibility of having another investor, with whom you had prior business dealings, purchase the property from Ms. Moran under certain terms and conditions. In connection therewith, you prepared a contract for the parties' signature. The contract provided for the payment to you of the sum of \$5,000 in addition to a six percent commission

Page Two

In the Matter of Arthur Schwartz

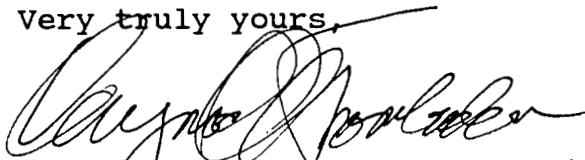
as broker. Shortly thereafter, as a result of the downturn in the real estate market, you prepared a revised contract, also providing for the payment to you of \$5,000 in addition to a real estate commission of six to seven percent. Your conduct violated RPC 1.7 and RPC 1.8, in that you represented clients with conflicting interests and also acquired a pecuniary interest in the transaction, without observing the safeguards required by the rules. Specifically, you failed to explain to both parties the circumstances of the representation and to obtain their consent thereto.

In imposing only an admonition, the Board considered that no disciplinary infractions had been sustained against you since your admission to the New Jersey bar in 1984.

Your conduct adversely reflected not only upon you as an attorney but also upon all members of the bar. Accordingly, the Board has directed the issuance of this admonition to you. Rule 1:20-4(f)(2).

A permanent record of this occurrence has been filed with the Clerk of the Supreme Court and the Board's office. Should you become the subject of any further discipline, it will be taken into consideration.

Very truly yours,



Raymond R. Trombadore
Chair, Disciplinary Review Board

RRT/rt

cc: Chief Justice Robert N. Wilentz
Associate Justices
Stephen W. Townsend, Esq.
Clerk, Supreme Court of New Jersey
David E. Johnson, Jr., Esq.
Director, Office of Attorney Ethics
Susan D. Davis, Esq.
Chair, District IX Ethics Committee
Jamie S. Perri, Esq.
Secretary, District IX Ethics Committee
Carl Greenberg, Esq.
Ms. Barbara Moran