



Date:

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Claim # H:

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Department of
Housing, Economic Development
And Commerce
Division of Tenant/Landlord Relations
30 Montgomery Street, Suite 415
Jersey City NJ, 07302-382.
201 547-5127 201 547-5803

JERRAMIAH HEALY, MAYOR

HARDSHIP APPLICATION

Dear Owner/Agent:

Attached please find an application for Hardship Rent Increase. The purpose of such an increase is to secure a "Fair Rate of Return" on your investment. The allowed rate of return is **6%** above the maximum passbook demand deposit saving account interest rate available in Jersey City.

Please refer to Chapter 260-1 & 10 of the Jersey City code for details regarding Hardship Application. Please file your application with the fee of \$ 10.00 per unit, made payable to the Jersey City Treasurer. Attach the following documentation to support your application:

DOCUMENTATION REQUESTED FOR THE 12 MONTH PERIOD COVERED BY THE APPLICATION.

All documentation for income and expense should relate to the 12 month period selected for the application. The period should also fall within the 24 months preceding the filing of this Hardship Application

Check list

- | | | |
|-----------|---|--------------------------|
| <u>1</u> | Copies of deed, mortgage notes, amortization schedule/statement, loan or debt note and title closing statements. | <input type="checkbox"/> |
| <u>2</u> | Tenant's name, apt #, phone #, number of rooms, and rent for each apartment. | <input type="checkbox"/> |
| <u>3</u> | Monthly rent collection for the applicable twelve (12) month period. | <input type="checkbox"/> |
| <u>4</u> | Copies of real estate tax bills (copy of tax assessor's notice and appeal judgment, if any) for the applicable 12 month period. | <input type="checkbox"/> |
| <u>5</u> | Copies of water and sewerage bills for the applicable 12 month period. | <input type="checkbox"/> |
| <u>6</u> | Copies of insurance policy and bills for the applicable 12 month period. | <input type="checkbox"/> |
| <u>7</u> | Copies of gas & electric bills for the applicable 12 month period. | <input type="checkbox"/> |
| <u>8</u> | Copies of fuel bills for the applicable 12 month period. | <input type="checkbox"/> |
| <u>9</u> | Proof of payroll for the applicable 12 month period. | <input type="checkbox"/> |
| <u>10</u> | Copies of bills for all claimed expenses, eg. legal, accounting, condo maintenance fees etc for the 12 month period. | <input type="checkbox"/> |
| <u>11</u> | Proof of management fee or affidavit of management fee for the applicable 12 month period. | <input type="checkbox"/> |
| <u>12</u> | Proof of payment for all expenses claimed in this application. | <input type="checkbox"/> |
| <u>13</u> | Compilation statement of income & expenses for the subject property during the applicable 12 month period. (include rent from cell phone antennas, income from laundry room service, etc) | <input type="checkbox"/> |
| <u>14</u> | Copies of federal tax return (schedule E) relating to the property for the preceding two (2) years or the period of ownership if the property is owned for less than two years. | <input type="checkbox"/> |
| <u>15</u> | Copy of sample notice sent to each tenant and affidavit stating that tenants were properly notified by agent or landlord and proof thereof (eg. certified receipts, proof of mailing, tenant's signed acknowledgement). | <input type="checkbox"/> |
| <u>16</u> | Proof of substantial housing code compliance based on inspection conducted within six months prior to the filing of this application. | <input type="checkbox"/> |
| <u>17</u> | Certified appraisal report, where applicable. | <input type="checkbox"/> |
| <u>18</u> | Application fee of \$10.00 per apartment. | <input type="checkbox"/> |
| <u>19</u> | Copy of last filed Landlord Registration. | <input type="checkbox"/> |
| <u>20</u> | Submit 4 sets of the application package to the Hearing Officer. | <input type="checkbox"/> |
| <u>21</u> | For sole proprietorship and personal ownership bring official government (Federal, State) identification to the hearing | <input type="checkbox"/> |

LANDLORD APPLICATION FOR HARDSHIP

Date:

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Property Address: _____
City: _____ State: _____ Zip: _____

Landlord's Name and Address:

Name: _____
If business entity, provide name and title of responsible officer/member: _____

Also provide resolution appointing the individual to represent the entity in processing this application

City: _____ State: _____ Zip: _____
Phone: () _____ Cell: () _____
Fax #: () _____ E-mail: _____

Attorney/Agent's Name and Address:

Name: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: () _____ Cell: () _____
Fax #: () _____ E-mail: _____

Property Information:

Number of residential units: _____
Number of commercial units: _____
Total number of residential rooms: _____
(if apartments have different number of rooms.) Provide room count for each apt. on page 4.
Total square footage (only if apartments, and commercial units, vary in size and in room count, i.e. number of rooms in each apartment): _____ Square feet. Provide square footage information on page 4.

Date of purchase _____
Purchase price \$ _____
Mortgaged the amount of \$ _____ at _____ % for _____ years on a _____ year
payout plan. The Current Mortgage Amount/Principal is \$ _____

Property Address: _____
 City _____ State _____ zip _____

Date:

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PERIOD OF APPLICATION:

The owner/agent limits this application and its supporting documentation to the income and expenses pertaining to the twelve (12) month period commencing from _____ and ending on _____ (These dates should be no more than 24 months preceding the filing date of this hardship application).

OPERATING STATEMENT: (if application is for a condominium unit provide, the financials, income/expenses and the supporting documentation for all the units you own in the condo complex).

1. Operating Expenses:

Property taxes (if not part of mortgage payment)	\$ _____
Water and sewerage	\$ _____
Insurance (if not part of mortgage payment)	\$ _____
Electricity & gas	\$ _____
Fuel	\$ _____
Repairs/maintenance (no capital improvement)	\$ _____
Condo maintenance fees	\$ _____
Payroll (super, etc)	\$ _____
Legal fees	\$ _____
Accounting fees	\$ _____
Mortgage payment, possibly interest & principal only	\$ _____
Management fee (7.5% of rent roll or less)	\$ _____
Vacancy Rate Allowance (5 % of full occupancy rent)	\$ _____
Other expenses (explain) _____	\$ _____
Total operating expenses:	\$ _____

2. Operating Income :

Residential rent (at full occupancy)	\$ _____
Commercial rent (at full occupancy)	\$ _____
Other income (explain) _____	\$ _____
Total operating income:	\$ _____

Operating Profit/Loss (OP or OL) [circle one (total operating income minus total operating expenses)]. Express loss with a negative (-) sign/number. \$ _____

3. Equity: Equity in real property is the owner’s down payment plus payment on the principal. Where the property has been owned for over 10 years the appraised value less outstanding loans may be used to calculate equity. **Choose A or B below.** If **B**, provide certified appraisal report.

<u>A</u> Down payment \$ _____ Closing cost \$ _____ Principal paid to date (add) \$ _____ Additional loans (subtract) \$ _____ <u>Net Equity</u> \$ _____	OR	<u>B</u> Appraised value \$ _____ Loans (subtract) \$ _____ Additional debt (subtract) \$ _____ <u>Net Equity</u> \$ _____
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If Net Equity is zero or negative (-), application cannot be filed. Otherwise proceed.

Property Address: _____
 City _____ State _____ zip _____

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Calculating Fair Return : Fair return is **6%** (liquidity and risk premium) above (plus) the maximum passbook demand deposit savings account interest rate available in Jersey City. The current maximum passbook demand deposit savings account interest rate is _____ % (Call **201 547-5127** for current recognized interest rate). Therefore, the current allowable fair rate of return is (6%. + _____ % =) _____ %.

On a Net Equity of \$ _____ it equals an **Annual Fair Return** of \$ _____. The property had an operating **profit/loss** (refer to operating statement and circle one) of \$ _____ during the application period. *If operating profit is equal to or more than the annual fair return, hardship increase cannot be allowed, and this application does not need to be filed. Otherwise proceed.*

Deduct (minus) **operating profit** from annual fair return or add (plus) **operating loss** to annual fair return to arrive at Net Fair Return of \$ _____. Net fair return of \$ _____ spread over 12 months equals Monthly Fair Return of (divide by 12) \$ _____, which is to be pro-rated among _____ apartments or _____ rooms or _____ square feet of space (underline and insert number by the applicable category). Therefore, the monthly rent increase requested is \$ _____ per apartment/ room/ square feet (circle one) and will result in rent increase to the apartments as follows:

Tenant's name	Apart. #	Telephone #	# of rooms/or Sq. footage	Proposed increase	Current rent	Proposed rent
total				\$	\$	\$

Copy and attach extra copies if needed

NOTICE OF PROPOSED HARDSHIP INCREASE TO TENANTS

(prepare a copy for each tenant)

Please note that this is a process to permanently increase your rent, if approved. It's recommended that you seek legal representation.

For Building: _____ Apt # _____

Jersey City, New Jersey Zip _____

Dear Mr. /Ms/Mr. and Mrs. _____

Please be advised that I have made an application for a Hardship Rent Increase to the Division of Tenant/Landlord Relations. The basis for the Hardship Application is due to a deficit situation that has arisen in the operation of the building and, or my not receiving a "fair return" on my investment in the building.

I am requesting a \$ _____ monthly rent increase. Your current monthly rent is \$ _____ and your proposed monthly rent will be \$ _____. **This increase should not be paid prior to its approval by the Rent Leveling Board.**

This notice is to comply with Section 260-10 (Multiple Dwelling Rent Controls) of the Jersey City Code. A copy of my application together with the supporting documentation is filed with the **Division of Tenant/Landlord Relations, 30 Montgomery Street, Suite 415, Jersey City, NJ. 07302, Tel # 201 547-5127.** You may contact them to receive a copy of, or to review, the application

You may file written objection and supply your own documentation and proof. All objections and supporting documentation must be submitted to the Hearing Officer at least 5 days before the hearing date of the Rent Leveling Board. The Landlord is to be given the opportunity to reply to your objection.

Because this application may involve certain legal issues you are encouraged to seek the advice of a lawyer. Tenants may join together to seek legal representation. You may call Legal Services at 201 792-6363 or the New Jersey Bar Association at 201 420-3041

Sincerely yours,

Agent's/Landlord's signature _____ Date: _____

Agent's/Landlord's name: _____ Phone #. () - _____
Address: _____ E-mail: _____
City: _____ State: _____ Zip code: _____

Date:
Claim # H:

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Property Address: _____
City _____ State _____ zip _____

CERTIFICATION IN SUPPORT OF APPLICATION

STATE OF NEW JERSEY

SS:

COUNTY OF HUDSON

Having submitted this application and the required documentation, I hereby swear/affirm that to the best of my knowledge, all the information and attachments supplied are accurate and further that there is no attempt on my part to conceal any evidence that may have a bearing on this application.

I further swear/affirm that I am the owner, or the legitimate representative of the owners and that I have been duly appointed to represent the owners in the processing of this Hardship Application.

I also swear/affirm that I have served notice of this application upon each of the tenants as required by Chapter 260-10 (Multiple Dwelling Rent Control) of the Jersey City Code, and I do hereby attach a true copy of said notice, and proof of service to each of the tenants.

Landlord's/Agent's Signature:

_____ **Date:** _____

Landlord's / Agent's Name: _____

SWORN TO AND SUBSCRIBED BEFORE ME

This _____ **Day of** _____ **20** _____

Notary Public