

SHREWSBURY TOWNSHIP RENT LEVELING BOARD

1979 Crawford Street
Shrewsbury Township, NJ 07724
732-542-0675

HARDSHIP APPLICATION

Dear Owner/Agent:

Attached please find an application for a Hardship Rent Increase. The purpose of such an increase is to secure a "Fair Net Operating Income." The allowed net operating income is at least 40% of the gross annual income.

Please refer to Section 4 entitled "Appeal by Landlord" of the Township Ordinance 2018-06 entitled "Ordinance of the Township of Shrewsbury creating Rent Board, Protective Tenancy and Rent Leveling Board" for details regarding a Hardship Application. Please file your application with the Rent Leveling Board Secretary. Please 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 prior to the filing of the application (applicable period).

CHECKLIST

1. Copies of deed, mortgage notes, amortization schedule/statement, loan or debt note and title closing statements. _____
2. Tenant's name, apt. #, phone #, number of rooms, and rent for each apartment. _____
3. Monthly rent collection for the applicable 12 month period. _____
4. Copies of real estate tax bills (copy of Tax Assessor's Notice and appeal Judgment, if any) for the applicable 12 month period. _____
5. Copies of water and sewerage bills for the applicable 12 month period. _____
6. Copies of insurance policy and bills for the applicable 12 month period. _____
7. Copies of gas and electric bills for the applicable 12 month period. _____
8. Copies of fuel bills for the applicable 12 month period. _____
9. Proof of payroll for the applicable 12 month period. _____
10. Copies of bills for all claimed expenses, eg. legal, accounting, condo maintenance fees, etc. for the 12 month period. _____
11. Proof of management fee or affidavit of management fee for the applicable 12 month period. _____
12. Proof of payment for all expenses claimed in this application. _____
13. 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 services, etc.) _____
14. Copies of Federal Tax Return (Schedule e) relating to the property for the preceding 2 years or the period of Ownership if the property is owned for less than 2 years. _____
15. 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, roof of mailing, tenant's signed acknowledgement). _____
16. Proof of substantial housing code compliance based on inspection conducted within 6 months prior to the filing of this application. _____
17. Certified appraisal report, where applicable. _____
18. Copy of last filed Landlord Registration. _____
19. Submit sufficient sets of the application package to the Board Secretary for all Board Member and all alternate members, the Board Secretary and the Board Attorney. _____
20. For sole proprietorship and personal ownership bring official government (Federal, State) identification to the hearing. _____

LANDLORD APPLICATION FOR HARDSHIP

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: _____

Email: _____

Attorney/Agent's Name and Address:

Name: _____

City: _____ State: _____ Zip: _____

Phone: _____ Cell: _____ Fax: _____

Email: _____

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 (for residential apartments only, and only if 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:** _____

PERIOD OF APPLICATION:

The owner/agent limits this application and its supporting documents to the income and expenses pertaining to the twelve (12) month period commencing on _____ and ending on _____.
(These dates should be the 12 months preceding the filing date of this Hardship Application).

OPERATING STATEMENT: (If application is for a condominium unit, provide the financials, income/expenses and 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 (Superintendent, etc.)	\$ _____
Legal fees	\$ _____
Accounting fees	\$ _____
Mortgage payment, possible interest and principal only	\$ _____
Management fee (5% of gross maximized annual income, see Ordinance)	\$ _____
Vacancy Rate Allowance (if any)	\$ _____
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. \$ _____

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

Calculating Fair Net Operating Income: Fair Net Operating Income is the amount determined by subtracting reasonable and necessary operations expenses from gross annual income, which amount shall not be less than 40% of the gross annual income. Deduct all operating expenses allowed by the ordinance and law, excluding mortgage, principal or interest payments, depreciation or amortization, computed with the limitations allowed by the Ordinance and Rules and Regulations from gross annual income from the operations of rental property as defined by the Ordinance and Rules and regulations and determine Fair Net Operating Income. If less than 40% of gross annual income, determine difference in income from that determined and 40% and apportion over a 12 month period among the rental units within the property or building.

Tenant's Name	Apt. #	Phone #	# of rooms/or Sq. footage	Proposed Increase	Current Rent	Proposed Rent
			TOTAL	\$	\$	\$

Copy and attach extra copies if necessary

Property Address:

City: _____ **State:** _____ **Zip:** _____

Please complete this section

Please list all expenses claimed and provide copies of bills, invoices, cancelled checks, etc. to support them. All expenses should be with 12 months preceding the filing of this Hardship Application. Feel free to copy and attached copies of this page.

Purchase Date	Vendor	Item/Service	Cost
TOTAL			\$

NOTICE OF PROPOSED HARDSHIP INCREASE TO TENANTS
(Prepare a copy for each tenant)

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

For Building: _____ Apt. # _____
Shrewsbury Township, New Jersey 07724

Dear Mr./Ms./Mr. and Mrs. _____
(Print name)

Please be advised that I have made an application for a Hardship Rent Increase to the Shrewsbury Township Rent Leveling Board. 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 currently 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 4 of Ordinance 2018-06 entitled "Ordinance of the Township of Shrewsbury creating Rent Control, Protective Tenancy, and a Rent Leveling Board." A copy of my application together with the supporting documentation is filed with the Shrewsbury Township Rent Leveling Board, 1979 Crawford Street, Shrewsbury Township, New Jersey 07724; Pam Howard, Rent Leveling Board Secretary, 732-542-0675. You may contact the Board 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 Rent Leveling Board Secretary 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 advise of a lawyer. Tenants may join together to seek legal representation. You may call Legal Services at 732-414-6750 or the Monmouth Bar Association at 732-431-5544.

Sincerely yours,

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

Agent's/Landlord's Name _____ Phone # _____

Address: _____ Email _____
City: _____ State _____ Zip Code _____

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

CERTIFICATION IN SUPPORT OF APPLICATION

STATE OF NEW JERSEY

SS:

COUNTY OF MONMOUTH

Having submitted this application and the require 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 owner/owners and that I have been duly appointed to represent the owner/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 Section 4 of Ordinance 2018-06 entitled "Ordinance of the Township of Shrewsbury creating Rent Control, Protective Tenancy, and Rent Leveling Board," 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/Agents name: _____
(print name)

SWORN AND SUBSCRIBED BEFORE ME

THIS _____ DAY OF _____, 20_____

Notary Public _____
My Commission Expires: _____

SEAL

SHREWSBURY TOWNSHIP RENT LEVELING BOARD

1979 Crawford Street
Shrewsbury Township, NJ 07724
732-542-0675

CAPITAL IMPROVEMENT APPLICATION

Definitions/Instructions

Capital Improvement: is an improvement, which permanently enhances the value of the property, is not merely routine repair or maintenance, and is recognized by the Internal Revenue Services for allowance and depreciation for Federal Income Tax purposes.

In addition to the percentage of rent increase and tax surcharge herein provided for, the landlord may seek additional rent for capital improvements made by him/her in the dwelling or attributable to the dwelling. The landlord shall compute the average cost of this improvement per year of useful life by dividing the cost of the completed capital improvement by the number of years of useful life of the improvement allowed by the Internal Revenue Service for said capital improvement, provided that said period shall not be less than one (1) year. No increase shall be permitted for capital improvements completed more than twenty-four (24) months prior to the date upon which notice to the Board of said improvements has been provided by the landlord.

The amount of the monthly increase which a landlord may charge shall be prorated among all tenants benefiting from said improvements by dividing one-twelfth (1/12) of the annual cost of the capital improvements by the total monthly rent roll of the units affected by the improvement in the dwelling, occupied or unoccupied, and that product shall be multiplied by the monthly rent paid by each tenant to establish the amount of capital improvement increase that each tenant shall be required to pay.

No tenant shall be liable for a capital improvement increase if he/she receives no benefit from the improvement, nor if he/she benefits, shall he/she be liable for an increase exceeding the percentage of rent paid by him/her as calculated above, and all such rent increase shall be charged for no period greater than the depreciation period of said improvements.

The landlord shall notify the Board and tenants at least thirty (30) days before the effective date of the increase. The notice to the Board shall, on forms provided by the Board, include the amount of increase, a description of the improvement, and the figures used to compute the increase. A rent amount must be listed for all apartments if vacant, owner occupied or occupied by a superintendent.

DO NOT MAIL APPLICATION: *Please call Pam Howard, Clerk and Rent Leveling Board Secretary at 732-542-0675, for a date to have your submissions reviewed. Please provide sufficient copies for all Board Members in addition to the filed original.*

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SHREWSBURY TOWNSHIP RENT LEVELING BOARD

1979 Crawford Street
Shrewsbury Township, NJ 07724
732-542-0675

CAPITAL IMPROVEMENT APPLICATION

DATE APPLICATION ACCEPTED

1. NAME, ADDRESS, TELEPHONE NO. AND EMAIL ADDRESS OF OWNER:

2. NAME, ADDRESS, TELEPHONE NO. AND EMAIL ADDRESS AND TITLE OF PERSON PREPARING THIS APPLICATION:

3. ADDRESS OF SUBJECT PROPERTY:

4. NUMBER OF RESIDENTIAL UNITS: _____

5. NUMBER OF COMMERCIAL UNIT: _____ *

*THE COMMERCIAL RENTALS, IF APPLICABLE, OF SAID DWELLING CONSISTS OF _____ PERCENTAGE OF THE BUILDING.

*WAS THIS PERCENTAGE DERIVED FROM THE INCOME FROM THE ENTIRE PREMISES, OR WAS THIS PERCENTAGE DERIVED FROM THE SQUARE FOOTAGE OF THE ENTIRE PREMISES?

EXPLAIN: _____

IF THE COMMERCIAL RENTALS OF THE BUILDING BENEFIT FROM THE CAPITAL IMPROVEMENT, SUBTRACT THE PERCENTAGE OF THE COMMERCIAL RENTALS FROM THE COST OF THE CAPITAL IMPROVEMENT.

LANDLORD APPLICATION FOR CAPITAL IMPROVEMENT

Property Address:

City: _____ **State:** _____ **Zip:** _____

6. DESCRIBE IN DETAIL THE CAPITAL IMPROVEMENT THAT WAS MADE:

7. HOW DOES THE TENANT(S) BENEFIT FROM THIS CAPITAL IMPROVEMENT?

8. HOW MANY YEARS OF USEFUL LIFE WAS THIS CAPITAL IMPROVEMENT CLAIMED FOR INCOME TAX DEPRECIATION PURPOSES? OR WILL BE CLAIMED FOR? _____ YEARS.

9. THE COST OR PROJECTED COST OF THE CAPITAL IMPROVEMENT IS: \$ _____; DATE PAID, OR DATED PROJECTED TO BE PAID: _____.

10. DATED WORK BEGAN: _____ DATE COMPLETED: _____.
DATE WORK ANTICIPATED TO BEGIN: _____.
DATE WORK ANTICIPATED TO BE COMPLETED: _____.
(A CAPITAL IMPROVEMENT MUST COMMENCE AND BE COMPLETED AND PAID FOR NOT MORE THAN TWO (2) YEARS FROM THE DATE APPLICATION IS ACCEPTED BY THE SHREWSBURY TOWNSHIP RENT LEVELING BOARD)

11. WITH YOUR APPLICATION, PLEASE ATTACH IN CHRONOLOGICAL ORDER, LEGIBLE COPIES OF ALL BILLS, RECEIPTS, STATEMENTS AND CANCELLED CHECKS. ANY CANCELLED CHECK MUST BE ATTACHED TO THE CORRECT BILL FOR THE CANCELLED CHECK. YOU SHOULD RETAIN THE ORIGINALS. YOUR APPLICATION WILL NOT BE ACCEPTED WITHOUT PROOF OF THE COST TO YOU FOR THE CAPITAL IMPROVEMENT.

(A) FOR APPLICATIONS BEFORE CONSTRUCTION, PLEASE PROVIDE COPIES OF ALL CONTRACTS AND COST PROPOSALS AS PART OF THE APPLICATION.

I CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT, AS DESCRIBED IN THE RENT CONTROL ORDINANCE OF THE TOWNSHIP OF SHREWSBURY.

Date

Print name of Petitioner:
Print title of Petitioner:

LANDLORD APPLICATION FOR CAPITAL IMPROVEMENT

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

It is understood that no tenant shall be charged for a capital improvement increase for any period greater than the depreciation period of the said capital improvement. The capital improvement increase is a separate increase, and shall not be included in the base rent when determining the annual increase for the following upcoming year.

Date

Print name of Petitioner:
Print title of Petitioner:

It is understood that the landlord is responsible to give written notice to the Shrewsbury Township Rent Leveling Board two (2) months prior to the end of the depreciation period, and he/she will cease to collect this capital improvement increase, and that he/she will notify each tenant of the effective date that the depreciation period ends.

Date

Print name of Petitioner:
Print title of Petitioner:

LANDLORD APPLICATION FOR CAPITAL IMPROVEMENT

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

CAPITAL IMPROVEMENT APPLICATION CALCULATIONS

1. COST OR ANTICIPATED COSTS OF CAPITAL IMPROVEMENT:
\$ _____.

2. LINE 1, LESS \$ _____ FOR COMMERCIAL RENTALS, EQUALS
\$ _____ COST OF THE CAPITAL IMPROVEMENT FOR
ALLOCATION TO RESIDENTIAL TENANTS.

3. YEARS OF DEPRECIATION OF CAPITAL IMPROVEMENT: _____.

4. THE COST, OR ANTICIPATED COST, OF THE CAPITAL IMPROVEMENT
DIVIDED BY YEARS OF DEPRECIATION IS \$ _____.

5. LINE 4, DIVIDED BY 12 MONTHS EQUALS \$ _____, THE
MONTHLY AMOUNT ALLOCATED FOR THE RESIDENTIAL TENANTS.

6. THE MONTHLY INCREASE AMOUNT DIVIDED BY THE TOTAL MONTHLY
RENT ROLL ON PAGE 5 IN THE AMOUNT OF \$ _____
EQUALS THE FACTOR: _____ %.

**(THIS PERCENTAGE FACTOR MULTIPLIED BY THE BASE RENT THAT
EACH TENANT PAYS EQUALS THE CAPITAL IMPROVEMENT INCREASE
ALLOCATED TO EACH TENANT.)**

LANDLORD APPLICATION FOR CAPITAL IMPROVEMENT

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

LIST RENT INCREASES/DECREASES AND EFFECTIVE DATE

HARDSHIP	_____	\$ _____	_____ %
	Date	Amount	Percentage
CAPITAL IMPROVEMENT	_____	\$ _____	_____ %
	Date	Amount	Percentage
ANNUAL INCREASE	_____	\$ _____	_____ %
	Date	Amount	Percentage
OTHER	_____	\$ _____	_____ %
	Date	Amount	Percentage

FOR THE PURPOSE OF DETERMINING WHETHER THE RENT INCREASE EXCEEDS FIFTEEN PERCENT (15%) OF THE MONTHLY RENT, ALL THE INCREASES (ANNUAL RENT INCREASES) (CAPITAL IMPROVEMENTS) (LANDLORD HARDSHIPS) OCCURRING WITHIN TWELVE (12) MONTHS PRIOR TO THE EFFECTIVE DATE OF THE INCREASE IN THIS APPLICATION SHALL BE ADDED TO DETERMINE IF THE AMOUNT EXCEEDS FIFTEEN PERCENT (15%) OF THE PRIOR MONTHLY RENT.