

TOWNSHIP OF LAWRENCE

P.O. BOX 6006

LAWRENCEVILLE, NEW JERSEY 08648
(609) 844-7040
ASSESSOR'S DEPARTMENT
kpacera@lawrencetwp.com

June 6, 2016

Dear Property Owner,

The following 'Annual Statement of Income and Expenses for Income Producing Properties' form is to be completed in accordance with NJSA 54:4-34 (see next page). Copies of rent rolls and leases pertaining to the designated property for the latest fiscal year may be returned with the signed and dated form. If any new leases were signed in 2015, please provide us with either copies of these leases or abstracts detailing all relevant information.

If the property is 100% owner occupied, and does not generate rental income, please state so on the form. We still request that you provide expense information relating to the operation of the real estate. This is requested in part 4 of the form.

All financial data submitted will be treated as confidential and, so far as the law allows, will not be made available for public inspection.

If you have any question or difficulty completing the forms, please call the Assessors' Office at (609) 844-7040.

Please return the requested information to our office by July 31, 2016. (Township of Lawrence, Tax Assessor, 2207 Lawrenceville Road, Lawrenceville, NJ 08648). Your prompt and accurate response will be most appreciated.

Sincerely,



Ken Pacera, CTA
Municipal Assessor

Sec. 54:4-34. Statement by owner: examination by assessor. – Every owner of real property of the taxing district shall, on written request of the assessor, made by certified mail, render a full and true account of his name and real property and the income therefrom, in the case of income-producing property, and produce his title papers, and he may be examined on oath by the assessor, and if he shall fail or refuse to respond to the written request of the assessor within 45 days of such request, or to testify on oath when required, or shall render a false or fraudulent account, the assessor shall value his property at such amount as he may, from any information in his possession or available to him, reasonably determine to be the full and fair value thereof. No appeal shall be heard from the assessor's valuation and assessment with respect to income-producing property where the owner has failed or refused to respond to such written request for information within 45 days of such have rendered a false or fraudulent account. The county board of taxation may impose such terms and conditions for furnishing the requested information where it appears that the owner, for good cause shown, could not furnish the information within the required period of time. In making such written request for information pursuant to this section the assessor shall enclose therewith a copy of this section (As amended by Ch. 51, Laws 1960; Ch. 91 Laws 1979, effective May 16, 1979) (Comp. 21-001, 21-101, 21-211, 21-301, 21-601, 21-901, 22-108)

ANNUAL STATEMENT OF INCOME AND EXPENSES FOR INCOME PRODUCING PROPERTIES

(Request made pursuant to N.J.S.A. 54:4-34)

PERIOD TO BE REFLECTED IN COMPLETION OF STATEMENT

Annual period beginning _____ and ending on _____

PART 1 – PROPERTY IDENTIFICATION

Owner _____ Block(s) _____ Lot(s) _____

Property Name (if any) _____

Address of Property _____

PERSON TO CONTACT IF WE HAVE ANY QUESTIONS: _____

PART 2 – PROPERTY INFORMATION

TELEPHONE NUMBER: _____

1. Year of construction _____
2. Predominate story height of building _____
3. Total Gross Floor are of all floors excluding basement and parking areas _____
4. Square feet of basement area _____
5. Predominate use of building (eg. Store, office, warehouse, etc. _____
6. Does this building have elevator service? _____
7. Total number of rental units _____
8. Annual vacancy percentage _____
9. Is rental of space subject to lease? _____
10. Do any Income and expense figures for the reporting period differ significantly from the property's normal operating experience? _____ (if yes, please explain under comments.)

COMMENTS _____

PART 3 – STATEMENT OF INCOME (Schedule A must also be completed)

Complete this section after reviewing the following guidelines.

Guidelines for Completion of State of Income

Gross Base Possible Rentals – refers to the total annual income from the rental of space assuming that all space is 100% occupied. The fair rental value of space occupied by the owner and/or the building manager would be included.

Escalation Income – refer to the definition of Escalation Income provided in item No. 9 under “Instructions For Completion of Schedule A.”

Percentage Rent – refers to income received which is attributable to percentage clauses in a lease.

Other Income – refers to income from services that are corollary to the operation of the real estate. It is income generated by Operation of the real property, but not derived directly from space rental. Examples of other income would include services sold to tenants, income from vending machines, signs on buildings, phones, parking fees, etc.

GROSS POSSIBLE INCOME (100% Occupancy)

1. Gross Base Possible Rental _____
2. Escalation Income _____
3. Percentage Rent _____
4. Other Income _____
5. Total of Possible Gross Income _____ (lines 1 to 4)
6. Total of Actual Income _____
7. Difference _____ (lines 5 and 6)

PART 4 – STATEMENT OF EXPENSES

Guidelines for Completion of Statement of Expenses

Expenses – refer to periodic expenditures that are necessary to maintain the production of income. Included are out-of-pocket costs to provide services to tenants. An alphabetic listings of expenses items is provided to aid you in completing this section. Insert the expense item that is applicable to the operation of the property. If an expense item is not listed, space is provided under “Other Expense Items” to insert the type and amount of the expense.

DO NOT include total expense amounts if the expense does not coincide with the same annual period specified for gross income. For example, if the building insurance premium is paid on a 3 year basis, the expense reported must be an allocation for a single year. Other expense items that are not incurred annually, such as painting, are to be allocated for a single year. If painting occurs every 7 years, the cost for this expense should be divided by 7 and noted under the appropriate expense item.

DO NOT list expenses such as mortgage interest and amortization, depreciation charges, income or corporation taxes, special corporation costs, salaries that are not attributable to the operation of the real estate or any capital expenditures.

EXPENSES (Do not include capital expenditures)

Item	Amount
4.1 Advertising	_____
4.2 Administrative	_____
4.3 Decorating	_____
4.4 Electric (excluding 4.8)	_____
4.5 Elevator repairs and maintenance	_____
4.6 Exterminating	_____
4.7 Gas (excluding 4.8)	_____
4.8 Heat	_____
4.9 Insurance	_____
4.10 Janitorial	_____
4.11 Leasing fee	_____
4.12 Management	_____
4.13 Payroll (not included in other categories)	_____
4.14 Repairs and maintenance	
Building	_____
Yard and grounds	_____
4.15 Roof repairs (if not included in 4.14)	_____
4.16 Rubbish removal	_____
4.17 Security	_____
4.16 Sewer	_____
4.19 Snow removal (if not included in 4.14)	_____
4.20 Supplies	
Office	_____
Cleaning (if not included in 4.10)	_____
Other (specify)	_____
4.21 Water	_____
4.22 Window washing (if not included in 4.10)	_____

Other Expense Items	Amount
Type of Expense	\$
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

 COMPLETE SCHEDULE A BEFORE SIGNING THIS STATEMENT

PART 5 SIGNATURE AND VERIFICATION

The undersigned declares under the penalties provided by law, that this return (including any accompanying schedules and statements) has been examined by him and to the best of his knowledge and belief is a true, correct and complete return. If the return is prepared by a person other than taxpayer, his declaration is based on all the information relating to the matters required to be reported in the return of which he has knowledge.

 (Date) (Signature of Taxpayer or Officer of Taxpayer) (Title)

 (Date) (Signature of Individual or firm Preparing Return) (Address)

Any question regarding the completion of this form should be directed to the office of the tax assessor.

- (X) Form I & E-O (LPB-1984)—Applicable to all properties other than apartments
() Form I & E-A (LPB-1984)—Applicable to apartment properties only

INSTRUCTIONS FOR COMPLETION OF SCHEDULE A

Break down each type of rental space that the property includes. Each different unit rental should also be broken down. For example, if the property is a 3 story office building and there are 4 different unit rental values, each unit is required to be listed separately.

COLUMN 1—TYPE OF RENTAL SPACE

Break down the type of rental space into one of the major categories listed below. Type of rental space is the use of the space. Categories are as follows:

S = Store	P = Parking
O = Office	I = Industrial
W = Warehouse	A = Apartment

Note the category(ies) that best fit(s) the use of rental space(s) for your property. If none of the categories apply, please insert the particular use of the space.

COLUMN 2—LOCATION OF RENTAL SPACE

Location of rental space refers to the location in the building where the rental space is situated with regard to story level(s). For example, the rental space may be located in the basement, first floor, second floor, etc. or on multiple stories, such as 3rd through 5th floors.

COLUMN 3—STATUS OF OCCUPANCY

Insert an **O** if rental space is occupied.

Insert a **V** if rental space is vacant.

COLUMN 4—UNIT OF RENTAL

Unit of rental refers to unit on which the rental is predicated. Below are definitions of units of rental.

Net Rentable Area (NRA) is a unit of rental that excludes areas occupied by exterior and corridor walls, common corridors, common restroom and washroom areas, stairways, and shafts devoted to elevator and mechanical use.

Gross Rentable Area (GRA) is a unit of rental that includes all areas enclosed by outside walls except for areas occupied by stairways, elevators and shafts.

Full Floor Area (FFA) is a unit of rental that includes the exclusive area of tenant use plus an allocation of common areas to each tenant.

Gross Leaseable Area (GLA) is a unit of rental used for single-occupancy property or for independently served space.

Insert the appropriate unit of rental that is applicable to the rental space for your property. If a unit of rental does not fall into one of the above categories, please insert the unit that applies to the rental space. For example, other units that may apply include per room, per apartment, per car space, etc.

COLUMN 5—CLASSIFICATION OF LEASE

Classification of lease refers to whether the lease is based on either a gross rental basis (GRB) or a net rental basis (NRB).

Under a gross rental basis, the lessor pays all operating expenses for the property. Under a net rental basis, the tenant pays all the operating expenses. If a lease falls between these two classifications, please note by inserting the word "Shared", otherwise insert either GRB or NRB under this column.

COLUMN 6—SQUARE FEET OF RENTAL SPACE

Insert the square feet of rental space on which the rental is based.

COLUMN 7—BASE ANNUAL RENTAL PER SQUARE FOOT

Base annual rental refers to the current guaranteed rental being received for the rental space. Base annual rent would not include percentage and escalation income from the rental of space. If the space is vacant, insert the current market rent for the space.

COLUMN 8—OVERAGE RENT

Overage rent refers to percentage rent that is paid over and above the base annual rent as noted in column 7.

COLUMN 9—ESCALATION INCOME

Escalation Income refers to income that is received for additional charges to tenants. A property owner may be reimbursed for costs such as insurance, taxes, utilities and other items that may be specified under the lease. If escalation income is received, the total amount should be inserted in this column and a breakdown of the escalation income noted in Section 2 of Schedule A under "Other Income".

COLUMN 10—YEAR LEASE ENTERED INTO

Enter the year that the lease was executed.

COLUMN 11—YEARS REMAINING UNDER LEASE

Enter the number of years that remain on the lease.

COLUMN 12—YEAR OF LAST RENTAL REVISION

Enter the last year that the rental was revised because of graduated clauses, renewals, renegotiations, and/or any other reasons.

