



July 31, 2018

Mayor Steven M. Fulop
280 Grove Street
Second Floor
Jersey City, New Jersey 07302

Jersey City Council
280 Grove Street
Room 202
Jersey City, New Jersey 07302

Dear Mayor Fulop & City Council:

Because the Revaluation of Property (REVAL) was delayed for many years, the Liberty Board of REALTORS has a concern about the consequence of the very large real estate tax increase received by many Jersey City families caused by the REVAL. Under normal circumstances, the elected officials of a city that just completed a REVAL would allow for the normal number of tax appeals. However, for many years now Jersey City's elected officials did everything possible to make this REVAL far from normal and this now includes the more than likely large number of successful tax appeals for a few years.

This office recognizes the effects the REVAL is having and will continue to have on property owners for the next few years. For this reason we proposed legislation to Senator Cunningham and Assemblyman Chiaravalloti that would lessen the disruption, not only for those that take advantage of the proposed arrangement, but it would have a positive effect on those that received tax relief from the REVAL. Because most state legislators will not see the urgency for this proposal, it may be best if Jersey City was to enact this proposal or any other proposal that will help relieve the impact caused by the city's thoughtless and neglectful REVAL policy.

No matter how any of us feels about the conduct of the City for many years relative to the reval, it is here and so are the threats it will have on the stability to the residents and the real estate marketplace. Now it is time for the City to apply itself to governing through this situation to benefit the residents, in particular the small homeowners whose most important asset may be damaged: their home. Thousands of homeowners have had their real estate taxes doubled or tripled. Even if the tax burden is now equitably shared relative to valuation, the reality of many harmed family budgets remains. Too many households will not be able to absorb the unconscionable large increase in taxes and will be forced to sell their homes. What city leaders should enact are policies that help families normalize their budgets or sell their homes in an orderly fashion.

Another suggestion would be to halt charging such large interest charges for late tax recipients for the next year. By doing this, it will lessen the stress on these homeowners that the city's policies caused. We are sure there are many other ideas that could provide the relief that is needed, but relief can be given only if the elected officials in Jersey City have an inclination to take on this problem.

We hope this letter and its proposals are helpful and as always, this office is available to assist in this trying task.

Sincerely,

Joseph W. Hottendorf, Executive Vice President

Revised with Approved Tax Rate

Revaluation Example of Property Published in Local Newspaper 272 Barrow St, Jersey City

2017 Taxes \$16,380 or \$4,055 per quarter or \$1,365 per month 2018 Taxes \$34,602 or \$8,650 per quarter or \$2,884 per month

2018

1st Quarter - Feb	\$4,095
2nd Quarter - May	\$4,095
3rd Quarter - Aug	\$13,206
4th Quarter - Nov	\$13,206

2019

1st Quarter - Feb	\$8,650
2nd Quarter - May	\$8,650

With Mortgage

February - Oct	\$1,365 per month
November	\$15,185
December	\$2,884
Jan-19	\$2,884

Mortgage payment does not include the Principal, Interest, Escrow, Insurance, Etc. to be paid.

The amounts above are estimates and depending upon the financial institution that holds the mortgage if the November payment will be paid in one month or spread over 3 months.

Some financial institutions will require the first payment to be made November, December or January.