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June 5, 2020

Michael J. Pasquale, Esq.  
Law Offices of Michael J. Pasquale  
146 Rea Avenue  
Hawthorne, NJ 07506

**Re: In the Matter of the Borough of Hawthorne, County of Passaic,  
Docket No. PAS-L-2412-15**

Dear Mr. Pasquale:

This letter memorializes the terms of an agreement reached between the Borough of Hawthorne (the "Borough" or "Hawthorne"), the declaratory judgment plaintiff, and Fair Share Housing Center (FSHC), a Supreme Court-designated interested party in this matter in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015) (Mount Laurel IV) and, through this settlement, a defendant in this proceeding.

### **Background**

Hawthorne filed the above-captioned matter on July 15, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq., in accordance with In re N.J.A.C. 5:96 and 5:97, supra. Through the declaratory judgment process, the Borough and FSHC have agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

### **Settlement terms**

The Borough and FSHC hereby agree to the following terms:

1. FSHC agrees that the Borough, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round Obligation instead of doing so through plenary adjudication of the Third Round Obligation.
3. FSHC and Hawthorne hereby agree that Hawthorne's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report <sup>1</sup> )	93
Prior Round Obligation (pursuant to N.J.A.C. 5:93) (Per Judgment of Repose, Attached as Exhibit A)	57
Third Round (1999-2025) Obligation (per Mercer County Decision)	298

4. For purposes of this Agreement, the Third Round Obligation shall be deemed to include the Gap Period present need for new construction to address the affordable housing needs of households formed from 1999-2015, a need that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017), and the Prospective Need, which is a measure of the affordable housing need anticipated to be generated between July 1, 2015 and June 30, 2025.
5. The Borough's efforts to meet its Rehabilitation Share include the following: The Borough may conduct a structural conditions survey in accordance with the applicable rules and processes of the Council on Affordable Housing. This survey shall be submitted for review to the Special Master and FSHC at least 60 days prior to the compliance hearing in this matter. In the event the survey demonstrates that there is not a Rehabilitation obligation, and if that conclusion is accepted by the Special Master and FSHC, the Borough shall have no obligation to administer a rehabilitation program. In the event that there is a rehabilitation obligation demonstrated by the survey or that the municipality does not conduct a survey and therefore accepts the 93-unit obligation, the municipality plans to meet this obligation through a municipally operated rehabilitation program that shall be available to rental units. Said municipal program shall meet the requirements in N.J.A.C. 5:93-5.2.
6. As noted above, the Borough has a Prior Round (new construction) Obligation of 57 units, which is met through the following compliance mechanisms:

Name of Development	# of AH units	# of bonus credits	Total AH credits	Comments/Status
RCA Lafayette (Paterson)	23		23	Completed
Westervelt	12	12	24	Completed
Van Dyke	8	2	10	Completed
Total	43	14	57	

7. Hawthorne, has a realistic development potential (RDP) of 60 units. That RDP is calculated as follows:

Name of site	Acreage	Density	20% Set-aside
204 Wagaraw	9.06	11.5	21
Royal /Dello Buono	1.33 acre	20 du/a	5.4

<sup>1</sup> David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, May, 2016.

116 Washington /Dello Buono	.436	25	2.2
55 Westervelt Millview Lofts	1.28	28	6.2
542 Goffle / 3 Ronson	6.1	19	23.2
Goffle Hill Road	1.35	6	1.6
		Total	59.6 (Rounded up to 60)

The RDP is addressed as follows:

Name of development	# of AH units	# of bonus credits	Total AH units	Comments/ Status
Van Dyk Assisted Living	3		3	Completed
Washington / Dello Buono	2		2	Completed
Royal / Dello Buono	4		4	Approved
Millview Lofts	6		6	Completed
CHCC	8		8	Approved
Forest Ave Supportive Housing	4		4	Completed
Eastern Christian Children's Retreat (Surrey Place)	1		1	
204 Wagaraw	17	15	32	Settlement Agreement
Total	45	15	60	

8. The Borough shall provide evidence of a realistic opportunity for the development of affordable housing on the following sites:
  - a. Dello Buono (Washington Ave) – the Borough approved an 11-unit multi-family development that was constructed at 116 Washington Avenue. The developer agreed to provide 2 units off-site. The Borough will provide documentation that these units were developed and have valid affordability controls during the compliance phase of this litigation.
  - b. Dello Buono (Royal Avenue) – the Borough Planning Board approved a 29-unit multi-family development at Block 29, Lots 4-7. The Borough has required a 15%/4-unit on-site set-aside.
  - c. Gorga – 226 Westervelt – the developer of Millview Lofts, LLC has purchased a 6-unit development at 226 Westervelt at Block 69 Lot 2 as its off-site set-aside. The

- Borough will demonstrate that these units were developed and have valid affordability controls during the compliance phase of this litigation.
- d. Christian Health Care Center – in 2015 the Christian Health Care Center (CHCC) received approval to construct a 199 unit continuing care retirement facility, of which 51 units would be in Hawthorne. The Resolution of Approval provides that 8 rental units shall be provided off-site. The Borough will provide documentation that these units were developed and have valid affordability controls during the compliance phase of this litigation.
  - e. 204 Wagaraw Road LLC – the Borough has entered into an agreement with the developer of Block 12 Lot 8 permitting up to 117 total units with a 15% set-aside of 17 units to be provided on-site.
9. The RDP of 60, subtracted from the agreed upon Third Round Obligation of 298 units, results in an Unmet Need of 238 units, which shall be addressed through the following mechanisms, as more fully described in Exhibit B to this Agreement:
- a. Rezoning of the 542 Goffle Road/3 Ronson site located at (Block 90 Lot 1, 2.01, 2.02, and Block 89 Lot 6) pursuant to the settlement agreement. The Borough agrees to adopt a redevelopment plan for this property with zoning that shall permit up to 116 total units and require a 15% set-aside of 17 affordable housing units.
  - b. B -2 Rezoning to Permit Residential over Commercial – the Borough agrees to rezone its entire B-2 Commercial district to permit two floors of residential over the existing commercial development. The Borough agrees to permit residential up to 12 du/a, and will require a 20% set-aside of affordable housing of all residential units developed.
  - c. Eastern Christian Children’s Retreat – Supportive Housing (14 bedrooms across 3 locations on Surrey Place, Goffle Hill Road, and Rock Ledge Road.
  - d. Grand Avenue overlay zone – the Borough proposes to create a multi-family overlay zone encompassing the area of Grand and Royal Avenues. The Borough agrees to rezone this area to permit 16 du/a and require a 20% set-aside.
  - e. The Borough shall adopt an ordinance requiring a mandatory affordable housing set aside for all new multifamily residential developments of five (5) units or more. The set aside for rental developments shall be fifteen percent (15%) and the set aside for for-sale developments shall be twenty percent (20%). The provisions of the ordinance shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of five or more. The form of the Ordinance shall be finalized prior to final judgment being issued in this matter through collaboration between FSHC, the Special Master, and representatives of the Borough.
10. The Borough agrees to require 13% of all affordable housing units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, to be very low income units, with half of the very low income units being available to families. The municipality will comply with those requirements as follows:

204 Wagaraw	3
3 Ronson/542 Goffle	3
Gorga	1
Van Dyk	3

Total VLI	10
Total Family VLI	7

- a. In addition, the Borough agrees that at least 13% of all affordable housing units constructed as a result of the overlay zoning mentioned in Paragraphs 9 (b), (d), and (e) shall be available to households earning less than 30% of median income.
11. The Borough shall meet its Third Round Obligation in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 7 above:
- a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
  - b. At least 50 percent of the units addressing the Third Round Obligation shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
  - c. At least twenty-five percent of the Third Round Obligation shall be met through rental units, including at least half in rental units available to families.
  - d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
  - e. The Borough agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
12. The Borough shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County NAACP, Passaic County NAACP, Bergen County Urban League, Bergen County Housing Coalition, and Supportive Housing Association, and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide direct notice to those organizations of all available affordable housing units, along with copies of application forms. The Borough also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
13. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, *et seq.*, or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in rental projects shall be required to be at 30 percent of median income, and in conformance with all other applicable law. The Borough, as part of its HEFSP, shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Borough annually within 30 days of the publication of determinations of median income by HUD as follows:

- a. Regional income limits shall be established for the Housing Region in which the Borough is located (in this case, Housing Region 1) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated number of households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total number of households from the most recent decennial Census in the Borough's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
  - b. The income limits attached hereto as Exhibit C are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2019, and shall be utilized until the Borough updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
  - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Borough annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
  - d. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement, the terms of which shall also be reflected in the Borough's Affordable Housing Ordinance.
14. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
15. As an essential term of this Agreement, within one hundred twenty (120) days of the Court's approval of this Agreement, the Borough shall introduce an ordinance or ordinances providing for the amendment of the Borough's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Agreement and the zoning contemplated herein and shall adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
16. The parties agree that if a decision of a court of competent jurisdiction in Passaic County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Borough for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round Obligation established in this

Agreement, and if that calculation is memorialized in an unappealable final judgment, the Borough may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Borough shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms set forth herein to address unmet need; and otherwise fulfilling fully the fair share obligations as established in this Agreement. The reduction of the Borough's Third Round Obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Borough prevails in reducing its Third Round Obligation, the Borough may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.

17. The Borough shall prepare a Spending Plan within the period referenced above, subject to review by FSHC and the approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute a "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment in this matter that includes approval of the Spending Plan in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the Court's approval of the Spending Plan, and on every anniversary of that date thereafter through July 1, 2025, the Borough agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
18. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Borough agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website, with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
19. The Fair Housing Act includes two provisions regarding action to be taken by the Borough during the period of protection provided in this Agreement. The Borough agrees to comply with those provisions as follows:
  - a. For the midpoint realistic opportunity review, due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Borough will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality,

with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.

- b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this Agreement, and every third year thereafter, the Borough will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
20. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this Agreement agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.
  21. This Agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Borough shall present its planner as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.
  22. The Borough agrees to pay FSHC's attorneys fees and costs in the amount of \$12,000 within ten (10) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing.
  23. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
  24. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Passaic County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.
  25. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall



not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.

26. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
27. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
28. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
29. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
30. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.
31. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.
32. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
33. No member, official or employee of the Borough shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
34. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
35. All Notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight carrier or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) Notices shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be effected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

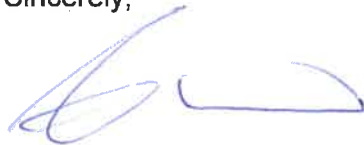
**TO FSHC:** Adam M. Gordon, Esquire  
Fair Share Housing Center  
510 Park Boulevard  
Cherry Hill, NJ 08002  
Phone: (856) 665-5444  
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**TO THE BOROUGH:** Michael J. Pasquale, Esquire  
146 Rea Avenue  
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Phone: (973) 423-0909  
Telecopier: (973) 423-0067  
Email: mpasquale@mpasqualelaw.com

**WITH A COPY TO THE MUNICIPAL CLERK:** Lori Fernandez, RMC, CMC  
445 Lafayette Avenue  
Hawthorne, New Jersey 07506  
Phone: (973) 427-4493  
Email: lfernandez@hawthornenj.org


Please sign below if these terms are acceptable.

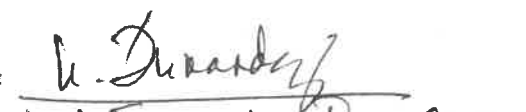
Sincerely,



Adam M. Gordon, Esq.  
Counsel for Intervenor/Interested Party  
Fair Share Housing Center

On behalf of the Borough of Hawthorne, with the authorization  
of the governing body:

  
Mayor Richard S. Goldberg  
Dated: June 8, 2020

Attest:   
Lori Fernandez, RMC, CMC  
Borough Clerk

**EXHIBIT A: 2019 INCOME LIMITS**

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - May 2019

**2019 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE**

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ Income Limits is posted on AHPNJ.org

	1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents** Sales***	Regional Asset Limit****
<b>Region 1</b>												
Median	\$66,607	\$71,365	\$76,122	\$85,637	\$95,153	\$98,959	\$102,765	\$110,377	\$117,989	\$125,602		
Moderate	\$53,286	\$57,092	\$60,898	\$68,510	\$76,122	\$79,167	\$82,212	\$88,302	\$94,391	\$100,481	2.6%	\$183,994
Low	\$33,303	\$35,682	\$38,061	\$42,819	\$47,576	\$49,479	\$51,382	\$55,189	\$58,995	\$62,801	4.73%	
Very Low	\$19,982	\$21,409	\$22,837	\$25,691	\$28,546	\$29,688	\$30,829	\$33,113	\$35,397	\$37,680		
<b>Region 2</b>												
Median	\$70,537	\$75,576	\$80,614	\$90,691	\$100,767	\$104,798	\$108,829	\$116,890	\$124,952	\$133,013		
Moderate	\$56,430	\$60,460	\$64,491	\$72,553	\$80,614	\$83,838	\$87,063	\$93,512	\$99,961	\$106,410	2.6%	\$193,321
Low	\$35,269	\$37,788	\$40,307	\$45,345	\$50,384	\$52,399	\$54,414	\$58,445	\$62,476	\$66,506	5.67%	
Very Low	\$21,161	\$22,673	\$24,184	\$27,207	\$30,230	\$31,439	\$32,649	\$35,067	\$37,485	\$39,904		
<b>Region 3</b>												
Median	\$82,810	\$88,725	\$94,640	\$106,470	\$118,300	\$123,032	\$127,764	\$137,228	\$146,692	\$156,156		
Moderate	\$66,248	\$70,980	\$75,712	\$85,176	\$94,640	\$98,426	\$102,211	\$109,782	\$117,354	\$124,925	2.6%	\$225,261
Low	\$41,405	\$44,363	\$47,320	\$53,235	\$59,150	\$61,516	\$63,882	\$68,614	\$73,346	\$78,078	9.64%	
Very Low	\$24,843	\$26,618	\$28,392	\$31,941	\$35,490	\$36,910	\$38,329	\$41,168	\$44,008	\$46,847		
<b>Region 4</b>												
Median	\$72,165	\$77,319	\$82,474	\$92,783	\$103,092	\$107,216	\$111,340	\$119,587	\$127,834	\$136,082		
Moderate	\$57,732	\$61,855	\$65,979	\$74,226	\$82,474	\$85,773	\$89,072	\$95,670	\$102,268	\$108,865	2.6%	\$193,919
Low	\$36,082	\$38,660	\$41,237	\$46,392	\$51,546	\$53,608	\$55,670	\$59,794	\$63,917	\$68,041	3.91%	
Very Low	\$21,649	\$23,196	\$24,742	\$27,835	\$30,928	\$32,165	\$33,402	\$35,876	\$38,350	\$40,825		
<b>Region 5</b>												
Median	\$63,070	\$67,575	\$72,080	\$81,090	\$90,100	\$93,704	\$97,308	\$104,516	\$111,724	\$118,932		
Moderate	\$50,456	\$54,060	\$57,664	\$64,872	\$72,080	\$74,963	\$77,846	\$83,613	\$89,379	\$95,146	2.6%	\$166,981
Low	\$31,535	\$33,788	\$36,040	\$40,545	\$45,050	\$46,852	\$48,654	\$52,258	\$55,862	\$59,466	3.09%	
Very Low	\$18,921	\$20,273	\$21,624	\$24,327	\$27,030	\$28,111	\$29,192	\$31,355	\$33,517	\$35,680		
<b>Region 6</b>												
Median	\$53,714	\$57,550	\$61,387	\$69,061	\$76,734	\$79,803	\$82,873	\$89,011	\$95,150	\$101,289		
Moderate	\$42,971	\$46,040	\$49,110	\$55,248	\$61,387	\$63,843	\$66,298	\$71,209	\$76,120	\$81,031	2.6%	\$143,713
Low	\$26,857	\$28,775	\$30,694	\$34,530	\$38,367	\$39,902	\$41,436	\$44,506	\$47,575	\$50,644	5.15%	
Very Low	\$16,114	\$17,265	\$18,416	\$20,718	\$23,020	\$23,941	\$24,862	\$26,703	\$28,545	\$30,387		

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

\* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

\*\*This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 was 2.2%. The increase for 2019 is 2.6% (Consumer Price Index for All Urban Consumers (CPI-U)). Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, or 2018 may increase rent by up to the applicable combined percentage including 2019 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

\*\*\* This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

Low income tax credit developments may increase based on the low income tax credit regulations.

\*\*\*\* The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.