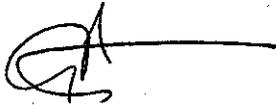


MASON, GRIFFIN & PIERSON

A PROFESSIONAL CORPORATION
COUNSELLORS AT LAW

MEMORANDUM

To: Mayor and Council of Princeton
via e-mail & hand-delivery

From: Edwin W. Schmierer, Esq. 
Princeton Attorney

Date: April 17, 2013

Re: **Resolution Authorizing Installment Tax Agreement**

A Princeton property owner on Birch Avenue fell into arrears in 2005 with regard to the payment of their real estate taxes. Consequently, the property was included in the annual tax sales and Tax Sale Certificates were purchased by private lien holders in 2005, 2009 and 2010. The lien holder of the 2010 Tax Sale Certificate has now commenced a strict foreclosure action attempting to acquire title to the property.

The property owner has approached Princeton and requested that Princeton enter into a Tax Installment Agreement as authorized by *N.J.S.A. 54:5-19*. This Agreement would involve having Princeton advance the funds to satisfy and pay all outstanding Tax Sale Certificates and then have the taxpayer repay Princeton, together with interest thereon, in monthly installments until the funds advanced by Princeton are recovered. A component of this Agreement will involve a right-of-first refusal to Princeton to acquire the property for affordable housing purposes should the taxpayers decide during the term of the Agreement to sell the property. The total amount required to redeem the Tax Sale Certificates is ten thousand six hundred sixty-five and 89/100 (\$10,665.89) dollars.

I have, therefore, prepared and attach hereto a proposed Resolution and Agreement for your consideration at your meeting on April 22, 2013.

EWS:jv
attachs.

cc: Robert W. Bruschi, Administrator (w/attachs.)
Kathy Monzo, Assistant Administrator (w/attachs.)
Linda S. McDermott, Clerk (w/attachs.)
Robert V. Kiser, P.E., Princeton Engineer (w/attachs.)
Sandy Webb, Finance Officer/Tax Collector (w/attachs.)

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COUNTY OF MERCER

PRINCETON

STATE OF NEW JERSEY

RESOLUTION NO. 13-

WHEREAS, the owner of Block 6902, Lot 22, Princeton Tax Map has requested to pay past due real estate taxes with regard to said property on an installment basis as permitted by *N.J.S.A.* 54:5-19; and

WHEREAS, Princeton has determined that it is in its best interest to enter into an Agreement with the owner of said property to provide for the payment of said delinquent taxes, including interest thereon, as authorized by law.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of Princeton, as follows:

1. The Mayor and Clerk of Princeton are hereby authorized and directed to enter into a Tax Installment Agreement with the owner of Block 6902, Lot 22, Princeton Tax Map in the amount of ten thousand six hundred sixty-five and 89/100 (\$10,665.89) dollars. The Agreement authorized by this Resolution is on file in the Office of the Municipal Clerk and may be inspected during regular office hours.
2. A certified true copy of this Resolution and the Agreement shall be furnished by the Municipal Clerk to the Princeton Tax Collector.

CERTIFICATION

I, Linda S. McDermott, Clerk of Princeton, do hereby certify that the foregoing Resolution was considered and adopted by the Princeton Council at its regular meeting held on the 22nd day of April, 2013.

Linda S. McDermott, Clerk
Princeton

INSTALLMENT TAX AGREEMENT

THIS AGREEMENT, entered into this 22nd day of April, 2013,

BETWEEN **PRINCETON**, a municipal corporation of the State of New Jersey,
400 Witherspoon Street
Princeton, New Jersey 08540,

hereinafter referred to as **PRINCETON**;

and **MORNING STAR CHURCH OF GOD IN CHRIST**
49 Birch Avenue
Princeton, New Jersey 08540

hereinafter referred to as **MORNING STAR**.

WITNESSETH:

WHEREAS, **MORNING STAR** is the owner of real property located in Princeton shown on the Princeton Tax Map as Block 6902, Lot 22 and commonly known as 49 Birch Avenue, Princeton, New Jersey 08540 (hereinafter referred to as **PROPERTY**); and

WHEREAS, a Tax Sale Certificate has been sold with regard to delinquent taxes owed on the **PROPERTY** as follows:

- A. December 10, 2010 as recorded in the Office of the Mercer County Clerk on February 10, 2011 in Mortgage Book 10661, at Page 207 in the original amount of \$2,445.98 (Certificate Number 2010-06) with a redemption amount through April 25, 2013 in the amount of ten thousand six hundred sixty-five and 89/100 (\$10,665.89) dollars; and

WHEREAS, **MORNING STAR** wishes to redeem said Tax Sale Certificates and to avoid a Judgment of Foreclosure in the matter of Crestar Capital, LLC f/k/a CCTS Capital, LLC vs. Morning Star Church of God in Christ; ATF, LLC and Philip Khan, Docket No. F-006877-13; and

WHEREAS, *N.J.S.A. 54:5-19* permits **PRINCETON** to enter into an Installment Tax Agreement to permit **MORNING STAR** to repay said past due taxes.

NOW, THEREFORE, in consideration of ONE (\$1.00) DOLLAR and other good and valuable consideration and the mutual promises and covenants set forth herein below, **PRINCETON** and **MORNING STAR** agree, as follows:

1. **PRINCETON** agrees to redeem the above-referenced Tax Sale Certificates on behalf of **MORNING STAR** for a sum not-to-exceed ten thousand six hundred sixty-five and 89/100 (\$10,665.89) dollars.

2. **MORNING STAR** agrees to repay said sum to **PRINCETON** by making monthly equal installment payments in accordance with a schedule to be prepared by Princeton's Chief Financial Officer commencing one (1) month from the date of this Agreement until the entire outstanding balance of the aforementioned funds are repaid, plus interest computed at the rate allowed by law.

3. **MORNING STAR** agrees as required by *N.J.S.A. 54:5-19* to repay the outstanding balance, together with interest thereon, within five (5) years from the date of this Agreement. **PRINCETON** agrees that if payments are not made in full within said five (5) year, **PRINCETON** shall grant an extension of time to **MORNING STAR** for an additional five (5) years.

4. **MORNING STAR** agrees to keep current all real property taxes with regard to the **PROPERTY** during the term of this Agreement.

5. **MORNING STAR** agrees that should **MORNING STAR** determine to sell the **PROPERTY** during the term or extended term of this Agreement that **MORNING STAR** will grant to **PRINCETON** the right of first refusal to purchase said **PROPERTY** as a part of **PRINCETON's** Affordable Housing Program.

6. In the event that any monthly installment is not paid within thirty (30) days after the date when said installment payment became due and payable, then **PRINCETON** may declare this Agreement null and void and may pursue the collection of any outstanding balance, including principal and interest thereon, as well as costs and attorney's fees in a manner permitted by law for delinquent taxes.

7. This Agreement shall be a lien on the **PROPERTY** until the above-referenced sum, including interest thereon, has been paid in full. This Agreement shall be recorded by **PRINCETON** in the Office of the Mercer County Clerk in order to perfect said lien.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals, the day and date first written above.

ATTEST:

Linda S. McDermott, Clerk

PRINCETON, a municipal corporation of the State of New Jersey

By: _____
Liz Lempert, Mayor

WITNESS:

MORNING STAR CHURCH OF CHRIST IN GOD

By: _____

Loan Summary

Principal:	\$10665.89
Interest Rate:	2%
Loan Term:	5 years

Payment Summary

Number of Payments:	60
Monthly Payment:	\$186.95
Total Principal Paid:	\$10,665.89
Total Interest Paid:	\$551.06
Total Paid:	\$11,216.95

Monthly Amortization Schedule

Payment	Amount	Principal	Interest	Balance
1	\$186.95	\$169.17	\$17.78	\$10,496.72
2	\$186.95	\$169.45	\$17.49	\$10,327.26
3	\$186.95	\$169.74	\$17.21	\$10,157.53
4	\$186.95	\$170.02	\$16.93	\$9,987.51
5	\$186.95	\$170.30	\$16.65	\$9,817.20
6	\$186.95	\$170.59	\$16.36	\$9,646.62
7	\$186.95	\$170.87	\$16.08	\$9,475.74
8	\$186.95	\$171.16	\$15.79	\$9,304.59
9	\$186.95	\$171.44	\$15.51	\$9,133.15
10	\$186.95	\$171.73	\$15.22	\$8,961.42
11	\$186.95	\$172.01	\$14.94	\$8,789.41
12	\$186.95	\$172.30	\$14.65	\$8,617.11
13	\$186.95	\$172.59	\$14.36	\$8,444.52
14	\$186.95	\$172.87	\$14.07	\$8,271.64
15	\$186.95	\$173.16	\$13.79	\$8,098.48
16	\$186.95	\$173.45	\$13.50	\$7,925.03
17	\$186.95	\$173.74	\$13.21	\$7,751.29
18	\$186.95	\$174.03	\$12.92	\$7,577.26
19	\$186.95	\$174.32	\$12.63	\$7,402.94
20	\$186.95	\$174.61	\$12.34	\$7,228.33
21	\$186.95	\$174.90	\$12.05	\$7,053.42
22	\$186.95	\$175.19	\$11.76	\$6,878.23
23	\$186.95	\$175.49	\$11.46	\$6,702.74
24	\$186.95	\$175.78	\$11.17	\$6,526.97
25	\$186.95	\$176.07	\$10.88	\$6,350.90
26	\$186.95	\$176.36	\$10.58	\$6,174.53
27	\$186.95	\$176.66	\$10.29	\$5,997.87
28	\$186.95	\$176.95	\$10.00	\$5,820.92

29	\$186.95	\$177.25	\$9.70	\$5,643.67
30	\$186.95	\$177.54	\$9.41	\$5,466.13
31	\$186.95	\$177.84	\$9.11	\$5,288.29
32	\$186.95	\$178.14	\$8.81	\$5,110.16
33	\$186.95	\$178.43	\$8.52	\$4,931.72
34	\$186.95	\$178.73	\$8.22	\$4,752.99
35	\$186.95	\$179.03	\$7.92	\$4,573.97
36	\$186.95	\$179.33	\$7.62	\$4,394.64
37	\$186.95	\$179.62	\$7.32	\$4,215.02
38	\$186.95	\$179.92	\$7.03	\$4,035.09
39	\$186.95	\$180.22	\$6.73	\$3,854.87
40	\$186.95	\$180.52	\$6.42	\$3,674.34
41	\$186.95	\$180.83	\$6.12	\$3,493.52
42	\$186.95	\$181.13	\$5.82	\$3,312.39
43	\$186.95	\$181.43	\$5.52	\$3,130.96
44	\$186.95	\$181.73	\$5.22	\$2,949.23
45	\$186.95	\$182.03	\$4.92	\$2,767.20
46	\$186.95	\$182.34	\$4.61	\$2,584.86
47	\$186.95	\$182.64	\$4.31	\$2,402.22
48	\$186.95	\$182.95	\$4.00	\$2,219.27
49	\$186.95	\$183.25	\$3.70	\$2,036.02
50	\$186.95	\$183.56	\$3.39	\$1,852.47
51	\$186.95	\$183.86	\$3.09	\$1,668.61
52	\$186.95	\$184.17	\$2.78	\$1,484.44
53	\$186.95	\$184.48	\$2.47	\$1,299.96
54	\$186.95	\$184.78	\$2.17	\$1,115.18
55	\$186.95	\$185.09	\$1.86	\$930.09
56	\$186.95	\$185.40	\$1.55	\$744.69
57	\$186.95	\$185.71	\$1.24	\$558.98
58	\$186.95	\$186.02	\$0.93	\$372.97
59	\$186.95	\$186.33	\$0.62	\$186.64
60	\$186.95	\$186.64	\$0.31	\$0.00
Totals	\$11,216.95	\$10,665.89	\$551.06	