

**Officers and Directors List**  
**Garden State Episcopal Community Development Corporation**  
**Board of Directors 2013**

---

**Peter Van Brunt, President**

**Executive Committee Chair**

112 Pleasant Grove Road  
Long Valley, NJ 07853

H: (908) 813-1582

F: (908) 813-8789

[Prvb112@comcast.net](mailto:Prvb112@comcast.net)

**Age: 73 - Years Served To Date: 26**

**Rev. Joseph Harmon, Vice President**

**Housing Committee Chair**

Christ Episcopal Church  
422 Main Street

East Orange, NJ 07018

T: (201) 200-0584

[Lyric440@gmail.com](mailto:Lyric440@gmail.com)

**Age: 59 - Years Served To Date: 7**

**Edith Gallimore – Secretary**

9 Cypress Street

Jersey City, NJ 07305

H: 201-434-6501

[ediegal@comcast.net](mailto:ediegal@comcast.net)

**Age: 73 - Years Served To Date: 6**

**Carol DeJesus**

255 Sylvan Street

Rutherford, NJ 07070

O: (212) 746-4329

H: (201)-460-3664

C: (201)-779-6355

[cad9068@nyp.org](mailto:cad9068@nyp.org)

**Age: 45 - Years Served To Date: 14**

**William Carpenter, Jr.**

6 Gordon Place

Verona, NJ 07044

T: (973)857-1047

F: (866)835-0229

[wacarpenterjr@comcast.net](mailto:wacarpenterjr@comcast.net)

**Age: 63 - Years of Served To Date: 1**

**Sidney King, Treasurer**

**Finance Committee Chair**

P.O. Box 8096

Jersey City, NJ 07308-8096

O: (201) 319-3548

F: (201) 319-3545

H: (201) 243-0883

C: (201) 709-1321

[Sidiki3@msn.com](mailto:Sidiki3@msn.com)

**Age: 58 - Years Served To Date: 14**

**Roger E. Williams**

2554 – 60 Kennedy Blvd Apt # 2-G

Jersey City, New Jersey 07304

T: (201) 435- 7136

F: (201) 435-0001

Cell 201-240-4828

[sillerew26@msn.com](mailto:sillerew26@msn.com)

**Age: 50 - Years Served To Date: 19**

**Carol Harrison-Arnold**

Legal and Insurance Consulting

77 Astor Place

Jersey City, NJ 07304

T: (201) 433-5102

F: (201) 433-2618

[chaconsult@hotmail.com](mailto:chaconsult@hotmail.com)

**Age: 55 - Years Served To Date: 10**

**Officers and Directors List**  
**Garden State Episcopal Community Development Corporation**  
**Board of Directors 2013**

---

**Greg White**

Sr. VP & Community Bank President

Wells Fargo Bank

Metro North Jersey

MAC J2153-O1F

190 River Road

Summit, NJ 07901

Ph:908-598-3358

Fx:908-598-3450

[greg.white@wellsfargo.com](mailto:greg.white@wellsfargo.com)

**Age: 40 – Years Served To Date: 1**

**Archie Colander, Jr.**

DIRECTOR, NEW JERSEY PROGRAM

Nonprofit Finance Fund

59 Lincoln Park, Suite 350

Newark, NJ 07102

Ph: 973-642-2500 x117

Fx: 973-642-2520

[Archie.Colander@nffusa.org](mailto:Archie.Colander@nffusa.org)

**Age: 57 – Years Served To Date: 4**

CERTIFICATE OF AMENDMENT  
OF THE  
CERTIFICATE OF INCORPORATION  
OF  
JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORP.

CGN  
FILED  
JAN 30 2012  
STATE TREASURER

Pursuant to N.J.S.A. 15A:9-4, the undersigned, being the President and Secretary of Jersey City Episcopal Community Development Corp., do hereby certify and set forth: 0100321733

FIRST: The name of the corporation is Jersey City Episcopal Community Development Corp.

SECOND: The Certificate of Incorporation of Jersey City Episcopal Housing, Inc. was filed in the office of the Secretary of State of New Jersey on the 24<sup>th</sup> day of December, 1986 and was amended on the 17<sup>th</sup> day of June, 1997 to change the name of the corporation to Jersey City Episcopal Community Development Corp.

THIRD: Article FIRST is hereby amended to change the name of the corporation to GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORP.

FOURTH: The corporation is a membership corporation.

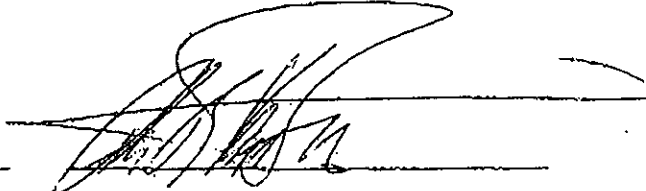
FIFTH: This Amendment to the Certificate of Incorporation was adopted by its members on September 10, 2011.

SIXTH: This Amendment to the Certificate of Incorporation was adopted by unanimous vote of the members of the corporation at a duly constituted meeting during which a quorum was present and acting throughout.

SEVENTH: This Amendment to the Certificate of Incorporation is to become effective upon the date of the filing.

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Amendment this 26<sup>th</sup> day of January 2012.

ATTEST:  
  
Secretary

  
President

CERTIFICATE OF AMENDMENT  
OF THE  
CERTIFICATE OF INCORPORATION  
OF

FILED

JUN 17 1997

LONNA R. HOOKS  
Secretary of State

JERSEY CITY EPISCOPAL HOUSING, INC.

Pursuant to N.J.S.A. 15A:9-4, the undersigned, being the President and Secretary of Jersey City Episcopal Housing, Inc., do hereby certify and set forth:

FIRST: The name of the corporation is JERSEY CITY EPISCOPAL HOUSING, INC.

SECOND: The Certificate of Incorporation of Jersey City Episcopal Housing, Inc. was filed in the office of the Secretary of the State of New Jersey on the 24<sup>th</sup> day of December, 1986.

THIRD: Article FIRST is hereby amended to change the name of the corporation to JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION.

FOURTH: The corporation is a membership corporation.

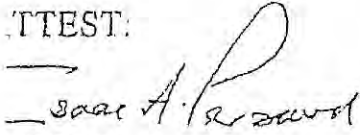
FIFTH: This amendment to the Certificate of Incorporation was adopted by the members on February 13, 1997.

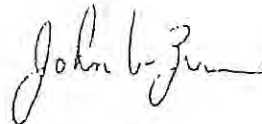
SIXTH: This amendment to the Certificate of Incorporation was adopted by unanimous vote of the members of the corporation at a duly constituted meeting during which a quorum was present and acting throughout.

SEVENTH: This amendment to the Certificate of Incorporation is to become effective upon the date of filing in the office of the Secretary of State.

IN WITNESS WHEREOF, the undersigned have executed and signed this Certificate of Amendment this 18<sup>th</sup> day of April, 1997.

WITNESSETH:

  
Isaac A. Pearson  
Secretary

  
John L. Zimm  
President

0100321733



FILED

DEC 24 1986

CERTIFICATE OF INCORPORATION  
OF  
JERSEY CITY EPISCOPAL HOUSING, INC.

JANE BURGIO  
Secretary of State

This instrument is to certify that the undersigned do hereby associate ourselves into a corporation under and by virtue of the provisions of an Act of Legislature of the State of New Jersey, entitled Title 15A of the Revised Statutes and the amendments thereof and supplements thereto, for a lawful purpose other than pecuniary profit as hereinafter stated, and to that end, we do by this instrument certify:

FIRST. The name by which this corporation shall be known in law shall be JERSEY CITY EPISCOPAL HOUSING, INC.

SECOND. The purposes for which this corporation is formed are as follows:

A. The specific and primary purposes for which this corporation is formed are:

(1) To provide housing and related facilities and services for families and persons on a non-profit basis:

(2) To operate rental housing facilities to be located within the City of Jersey City, Hudson County, New Jersey.

B. For those purposes:

(1) To acquire by gift or purchase, hold, sell, convey, assign, mortgage, or lease any property, real or personal, necessary or incident to the provision of housing and related facilities and services for persons as referred to above.

(2) To borrow money and issue evidences of indebtedness of any or all of the objects of its

business; and to secure loans by mortgage, pledge, deed of trust, or other lien.

(3) To apply for, obtain, and contract with any State or Federal Agency for a direct loan or loans or other financial aid in the form of mortgage insurance or otherwise for the provision of housing and related facilities and services.

(4) To engage in any kind of activity, and to enter into, perform, and carry out contracts of any kind, necessary or in connection with, or incidental to the accomplishment of any one or more of the nonprofit purposes of the corporation.

(5) To exercise any, all, and every power for which a nonprofit corporation organized under the provisions of The Corporations and Associations Not for Profit Act of the State of New Jersey now or hereafter can be authorized to exercise.

(6) To do all other acts necessary or expedient for the administration of the affairs and the attainment of the purposes of the corporation.

The foregoing statement of purposes shall be construed as a statement of both purposes and powers, and the purposes and powers stated in each clause shall, except where otherwise expressed, be in nowise limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be regarded as independent purposes and powers.

Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a

corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

THIRD. The corporation is organized and exists as a nonprofit corporation without capital stock pursuant to Title 15A of the Revised Statutes of the State of New Jersey. The corporation shall not, as a substantial part of its activities, carry on propaganda, or otherwise attempt to influence legislation; and it shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office. No part of the net earnings of the corporation shall inure to the benefit of any individual.

FOURTH. The corporation shall be located and its activities shall be conducted primarily in Jersey City, Hudson County, New Jersey. The principal office of the corporation shall be located at 39 Erie Street, Jersey City, NJ 07302.

FIFTH. The corporation shall be a membership corporation. The qualifications of the members of the corporation shall be as set forth in its By-Laws.

The powers of this corporation shall be exercised, its properties controlled, and its affairs conducted by a board to be known as the Board of Trustees. The number of trustees of this corporation shall be five (5), unless and until changed by an amendment to this Certificate of Incorporation or by a duly adopted By-Law.

By-Laws of the Corporation may be adopted by the Trustees at any regular meeting or any special meeting called for that

purpose, so long as they are not inconsistent with the provisions of these Articles.

The qualifications of the trustees, together with their terms of office, manner of election, removal, change of number, filling of vacancies and of newly created trusteeships, powers, duties, and liabilities shall, except as otherwise provided herein or by the Laws of the State of New Jersey, be as prescribed by the By-Laws. The trustees shall elect the officers of the corporation in the manner provided in the By-Laws. The trustees and officers shall serve without compensation.

SIXTH. The names and post-office addresses of the incorporators, who shall act as the trustees of the corporation for its first year of existence, or until their successors are elected and qualified, are:

The Rt. Rev. JOHN S. SPONG, 24 Rector Street, Newark, NJ 07102

The Ven. DENISE G. HAINES, 24 Rector Street, Newark, NJ 07102

The Ven. JAMES W. H. SELL, 24 Rector Street, Newark, NJ 07102

The Ven. LESLIE C. SMITH, 24 Rector Street, Newark, NJ 07102

JOHN ZINN, 24 Rector Street, Newark, NJ 07102

SEVENTH. The name and post-office address of the resident agent of the corporation, upon whom process against the corporation may be served is the Ven. Denise G. Haines, 24 Rector Street, Newark, New Jersey 07102.

EIGHTH. Upon the dissolution of the corporation, the Board of Trustees shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable,

educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Trustees shall determine.

IN WITNESS WHEREOF, for the purpose of forming this nonprofit corporation under the laws of the State of New Jersey, we, the undersigned, constituting the incorporators of this corporation, and including all the persons named herein as the first trustees, have executed this Certificate of Incorporation this 10<sup>th</sup> day of October, 1986.

Signed, sealed and delivered on this 10<sup>th</sup> day of October, 1986, in the presence of

*Kandra Schickel*  
(Witness)

*John S. Spang* (L.S.)  
JOHN S. SPONG

*Denise G. Haines* (L.S.)  
DENISE G. HAINES

*James W. H. Sell* (L.S.)  
JAMES W. H. SELL

*Leslie C. Smith* (L.S.)  
LESLIE C. SMITH

*John G. Minn* (L.S.)  
JOHN MINN



ACKNOWLEDGEMENT

STATE OF NEW JERSEY:

: ss.:

COUNTY OF ESSEX :

BE IT REMEMBERED that on the 10<sup>th</sup> of October, 1986 before me, the subscriber, a Notary Public of New Jersey, personally appeared JOHN S. SPONG, DENISE G. HAINES, JAMES W. H. SELL, LESLIE C. SMITH and JOHN ZINN who I am satisfied are the persons named in and who executed the within Instrument, and thereupon they acknowledged that they signed, sealed and delivered the same as their act and deed, for the uses and purposes therein expressed.

*Wanda Hollenbeck*

WANDA HOLLENBECK  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires Oct. 26, 1989

THE  
*Episcopal*  
CHURCH

March 13, 2012

To whom it may concern:

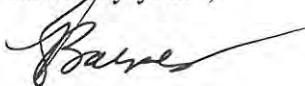
The Protestant Episcopal Church in the United States of America, also known as the Episcopal Church, whose federal tax identification number is 31-1629166, is an unincorporated association that has since the 1940s continuously enjoyed an explicit federal “group” tax-exemption under the Internal Revenue Code. The Church’s status is currently reflected in its listing in the IRS Cumulative List of Tax Exempt Organizations, p. 2538 (2003 ed.) (note the Code “1” in the listing denoting group exemption).

The Church’s Group Exemption Number is GEN. No. 3741.

This exemption covers the Episcopal Church and those of its “Dioceses in the U.S. and Institutions Thereof” that elect to come under the group exemption, even though the latter are not separately listed in the Cumulative List.

According to our records, the following organization is covered by this exemption: Garden State Episcopal Community Development Corporation – 514 Newark Avenue, Jersey City, NJ 07306 - Diocese of Newark – EIN 31-1551853.

Sincerely yours,



N. Kurt Barnes  
Treasurer



Internal Revenue Service  
P. O. Box 2508  
Cincinnati, OH 45201

Department of the Treasury

Date: February 16, 2012

**Person to Contact:**

Mrs. Jones 0203151

**Toll Free Telephone Number:**

877-829-5500

**Employer Identification Number:**

31-1551853

**Group Exemption Number:**

3741

JERSEY CITY EPISCOPAL COMMUNITY  
DEVELOPMENT CORPORATION  
514 NEWARK AVE  
JERSEY CITY NJ 07306-1308

Dear Sir or Madam:

This is in response to your letter of February 8, 2012, regarding your tax-exempt status. Our records indicate that you are affiliated with a group exemption. As a subordinate of a group exemption, you should submit information about changes to your purposes, activities, method of operation, name or address to your parent organization rather than reporting such changes directly to the IRS.

The Internal Revenue Service does not issue determination letters to subordinate organizations. Therefore you should contact your parent directly for written verification of your tax exempt status.

The central organization that holds a group exemption (rather than the IRS) determines which organizations are included as subordinates under its group exemption ruling. Therefore, you can verify that an organization is a subordinate under a group exemption ruling by consulting the official subordinate listing approved by the central organization or by contacting the central organization directly. You may use either method to verify that an organization is a subordinate under a group exemption ruling.

Sincerely,



Cindy Thomas  
Manager, Exempt Organizations  
Determinations

Cincinnati, OH 45201

Date: August 1, 2002

JERSEY CITY EPISCOPAL COMMUNITY  
DEVELOPMENT CORPORATION  
118 SUMMITT AVE  
JERSEY CITY, NJ 07304

Person to Contact:  
Mrs. Turner 31-07345  
Customer Service Specialist  
Toll Free Telephone Number:  
8:00 A.M. to 6:30 P.M. EST  
877-829-5500  
Fax Number:  
513-263-3756  
Federal Identification Number:  
31-1551853  
Group Exemption Number:  
2304

Dear Sir or Madam:

We have received your request for affirmation of your organization's tax exempt status.

Your organization is exempt under section 501(c)(3) of the Code because it is included in a group ruling issued to The Protestant Episcopal Church in the USA, located in Garden City, NY.

Individual exemption letters are not available to organizations included in group rulings. The group exemption letter applies to all of the subordinate organizations on whose behalf the parent has applied for recognition of exemption. If you want a copy of the group exemption letter, please contact your parent organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

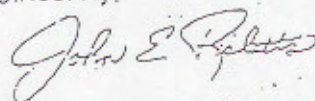
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).



JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
31-1551653

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "John E. Ricketts".

John E. Ricketts, Director, TE/GE  
Customer Account Services



**STATE OF NEW JERSEY  
DEPARTMENT OF THE TREASURY  
DIVISION OF REVENUE AND ENTERPRISE SERVICES  
SHORT FORM STANDING**

**GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORP.**

0100321733

*With the Previous or Alternate Name*

**JERSEY CITY EPISCOPAL HOUSING, INC. (Previous Name)**

**JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION (Previous Name)**

*I, the Treasurer of the State of New Jersey, do hereby certify that the above-named New Jersey Non Profit Corporation was registered by this office on December 24, 1986.*

*As of the date of this certificate, said business continues as an active business in good standing in the State of New Jersey, and its Annual Reports are current.*

*I further certify that the registered agent and registered office are:*

*Carol Mori  
514 Newark Avenue  
Jersey City, NJ 07306*



Certification# 129658991

*IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal at Trenton, this 23rd day of September, 2013*



*Andrew P Sidamon-Eristoff  
State Treasurer*

Verify this certificate at  
[https://www1.state.nj.us/TYTR\\_StandingCert/JSP/Verify\\_Cert.jsp](https://www1.state.nj.us/TYTR_StandingCert/JSP/Verify_Cert.jsp)

		Division of	Housing and	Administration	
		Supportive	Community	Development	Total
Description		Housing	Development	Public Relations	Agency
<b>Revenues</b>					
HOPWA - CCMH/Emergency		\$407,019			\$407,019
Hudson County/Jesrey City HPRP		\$390,136			\$390,136
Program Fees (Rental Income)		\$58,252			\$58,252
SRAP Rental Subsidies for CCMH		\$75,000			\$75,000
CSBG - Drop In Center		\$35,000			\$35,000
HUD - Hudson CASA & CCMH		\$614,565			\$614,565
DMHS		\$1,159,991			\$1,159,991
Provident Bank		\$5,000			\$5,000
Landex		\$40,000			\$40,000
Bank of America Foundation		\$25,000	\$25,000		\$50,000
TD Bank North - Operating Support			\$25,000		\$25,000
PNC Bank Foundation			\$20,000		\$20,000
CHDO Home Funds			\$35,000		\$35,000
Capital One Bank			\$15,000		\$15,000
HSBC Bank			\$5,500		\$5,500
Bergen Court Developer Fees			\$37,000		\$37,000
Bergen Courts PM Fee			\$12,000		\$12,000
Halladay Homes Developer Fee			\$160,000		\$160,000
Diocese - Alleluia Fund		\$5,000			\$5,000
Halladay Homes PM Fee			\$12,000		\$12,000
Halladay Homes Marketing Fees			\$5,000		\$5,000
Neighborhood Recovery Developer Fees			\$115,000		\$115,000
Neighborhood Recovery PM Fee			\$18,000		\$18,000
Fundraising Event Income				\$20,000	\$20,000
Board Member Contributions				\$2,100	\$2,100
Individual Contributions				\$15,000	\$15,000
Neighborhood Recovery Marketing Fee			\$10,000		\$10,000
Liberty View West Developer Fee			\$71,500		\$71,500
Liberty View West PM Fee			\$10,000		\$10,000
<b>Total Revenues</b>	<b>0</b>	<b>\$2,814,963</b>	<b>\$576,000</b>	<b>\$37,100</b>	<b>\$3,428,063</b>

Description	Division of Supportive Housing	Housing and Community Development	Administration Development Public Relations	Total Agency	
<b>Expenditures</b>					
<b>Personnel Costs</b>					
<b>Total Salaries</b>	0	\$1,135,281	\$319,840	\$170,247	\$1,625,368
Fica@7.65%	\$86,849	\$24,468	\$13,024	\$124,341	
Sui/Sdi @ 3%	\$34,058	\$15,992	\$8,512	\$58,563	
Medical Benefits @ 17%	\$179,425	\$43,238	\$28,942	\$251,604	
Worker's Comp@.008%	\$12,629	\$6,397	\$1,362	\$20,388	
Pension@5%	\$48,539	\$14,680	\$8,512	\$71,731	
Term Life @ .004%	\$6,812	\$640	\$681	\$8,132	
<b>Total Personnel Costs</b>	0	\$1,503,593	\$425,254	\$231,281	\$2,160,127
<b>Consultant Category</b>					
Computer System Maintenance	\$3,270	\$1,200	\$7,500	\$11,970	
Audit Fees	\$500	\$3,000	\$24,500	\$28,000	
Legal Fees	\$0	\$520	\$3,611	\$4,131	
Triad NRTC		\$1,000		\$1,000	
<b>Total Consultant Category</b>	0	\$3,770	\$5,720	\$35,611	\$45,101
<b>Materials &amp; Supplies Category</b>					
Office Supplies	\$17,102	\$1,500	\$1,500	\$20,102	
Program Supplies	\$9,000	\$0	\$0	\$9,000	
Household Supplies	\$4,750	\$0	\$0	\$4,750	
Food	\$9,500	\$0	\$0	\$9,500	
Postage	\$3,292	\$1,000	\$500	\$4,792	
Printing	\$0	\$500	\$500	\$1,000	
<b>Total Materials &amp; Supplies Category</b>	0	\$43,644	\$3,000	\$2,500	\$49,144
<b>Facility Costs Category</b>					
Rent	\$28,138	\$9,000	\$7,862	\$45,000	
Gas & Electric	\$37,550	\$0	\$0	\$37,550	
Water/Sewer	\$19,300	\$0	\$0	\$19,300	
Communications	\$30,380	\$2,575	\$2,175	\$35,130	
Repairs & Maintenance	\$16,805	\$0	\$500	\$17,305	
Office Cleaning	\$6,800	\$1,200	\$2,400	\$10,400	
Pest Control	\$7,449	\$0	\$0	\$7,449	
Security	\$1,400	\$0	\$0	\$1,400	
<b>Total Facility Costs</b>	0	\$147,822	\$12,775	\$12,937	\$173,534

		Division of Supportive Housing	Housing and Community Development	Administration Development	Total
Description		Housing	Development	Public Relations	Agency
<b>Client Assistance Category</b>					
Client Relief		\$349,430	\$0	\$0	\$349,430
Rental Assistance		\$428,141			\$428,141
Food Assistance		\$4,500			\$4,500
<b>Total Client Assistance</b>	0	\$782,071	\$0	\$0	\$782,071
<b>Other Category</b>					
Travel & Transportation		\$30,956	\$2,500	\$800	\$34,256
Vehicle Maintenance/Repair		\$3,300	\$0	\$0	\$3,300
Recruitment/Advertising		\$0	\$350	\$200	\$550
Memberships/Dues/Registrations		\$0	\$600	\$3,200	\$3,800
Staff Development		\$2,118	\$0	\$0	\$2,118
Equipment Leases		\$19,246	\$1,700	\$4,500	\$25,446
Insurance-General Liability		\$36,083	\$7,000	\$20,076	\$63,159
Insurance-Auto		\$30,000	\$0	\$0	\$30,000
Insurance-Officer/Director		\$0	\$0	\$2,000	\$2,000
Payroll Service		\$970	\$220	\$3,300	\$4,490
Special Events		\$0	\$1,030	\$0	\$1,030
Bank Fees		\$0	\$0	\$500	\$500
Interest Expense		\$0	\$0	\$23,723	\$23,723
Public Relations		\$0	\$0	\$1,000	\$1,000
Conferences/Meetings		\$0	\$1,560	\$1,000	\$2,560
Computer Equipment < 2000		\$1,500	\$0	\$0	\$1,500
Auto Lease		\$16,144	\$0	\$0	\$16,144
Debt Service		\$0	\$0	\$9,600	\$9,600
Replacement Reserve		\$4,200	\$0	\$0	\$4,200
<b>Total Other Category</b>	0	\$144,517	\$14,960	\$69,899	\$229,376
<b>Total Expenditures</b>	0	\$2,625,416	\$461,709	\$352,228	\$3,439,352
<b>General &amp; Administration</b>		\$178,157	\$41,554	\$219,711	
<b>Total Costs</b>		\$2,803,573	\$503,262	\$132,517	\$3,439,352
<b>Net Surplus(Deficit)</b>		\$11,389	\$72,738	(\$95,417)	(\$11,290)

# **GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE**

*CONSOLIDATED FINANCIAL STATEMENTS  
AND CONSOLIDATING INFORMATION*

*DECEMBER 31, 2012*



**Magone & Company, P.C.**

**Certified Public Accountants  
& Business Consultants**

**Numbers are just the beginning<sup>SM</sup>**

30 Columbia Turnpike, Suite 101, Florham Park, NJ 07932  
(973) 301-2300 • Fax: (973) 301-2370  
[www.MagoneCPAs.com](http://www.MagoneCPAs.com)



**GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS AND  
CONSOLIDATING INFORMATION**

**DECEMBER 31, 2012**

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE

CONTENTS

	<u>Page</u>
<u>Independent Auditors' Report</u>	1-2
<u>Consolidated Financial Statements</u>	
Consolidated Statement of Financial Position at December 31, 2012	3
Consolidated Statement of Activities for the Year Ended December 31, 2012	4
Consolidated Statement of Cash Flows for the Year Ended December 31, 2012	5
Notes To Consolidated Financial Statements	6-19
<u>Consolidating Information</u>	
Consolidating Statements of Financial Position at December 31, 2012	20
Consolidating Statements of Activities for the Year Ended December 31, 2012	21



## INDEPENDENT AUDITORS' REPORT

The Board of Trustees of  
Garden State Episcopal Community Development Corporation and Affiliate

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Garden State Episcopal Community Development Corporation and Affiliate (New Jersey Non-Profit Corporations), which comprise the consolidated statement of financial position as of December 31, 2012, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

-1-

30 Columbia Turnpike  
Suite 101, Florham Park, NJ 07932

(973) 301-2300 • Fax: (973) 301-2370

[www.MagoneCPAs.com](http://www.MagoneCPAs.com)

### **Auditors' Responsibility (cont'd.)**

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Garden State Episcopal Community Development Corporation and Affiliate as of December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Consolidating Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual organization, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



---

MAGONE & COMPANY, P.C.

Florham Park, New Jersey  
July 10, 2013

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2012

ASSETS

CURRENT ASSETS:	
Cash and cash equivalents	\$ 436,190
Grants receivable	630,730
Prepaid expenses	20,267
Due from a related party	<u>41,232</u>
	1,128,419
HOUSING DEVELOPMENT COST IN PROGRESS	993,915
PROPERTY AND EQUIPMENT - NET	4,990,384
ACCOUNTS HELD IN ESCROW	<u>407,709</u>
	<u>\$ 7,520,427</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:	
Notes payable - bank	\$ 610,441
Current maturities of notes payable	14,245
Accounts payable and accrued expenses	219,430
Unearned revenue	<u>420,254</u>
	1,264,370
LONG TERM DEBT:	
Notes payable, less current maturities	2,822,020
Forgivable loans payable	<u>2,089,169</u>
	4,911,189
	<u>6,175,559</u>
NET ASSETS:	
Unrestricted	1,339,868
Temporarily restricted	-
Permanently restricted	<u>5,000</u>
	1,344,868
	<u>\$ 7,520,427</u>

The accompanying notes are an integral part of these consolidated financial statements.



GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE:				
Sale of real estate property	\$ 2,506,594	\$ -	\$ -	\$ 2,506,594
Less cost of real estate property	<u>4,360,651</u>	<u>-</u>	<u>-</u>	<u>4,360,651</u>
	<u>(1,854,057)</u>	<u>-</u>	<u>-</u>	<u>(1,854,057)</u>
Grants	6,074,095	-	-	6,074,095
Contributions	293,694	-	-	293,694
Developer fees	240,000	-	-	240,000
Program	164,244	-	-	164,244
Interest	5,868	-	-	5,868
Miscellaneous	13,849	-	-	13,849
Net assets released from restrictions	<u>75,000</u>	<u>(75,000)</u>	<u>-</u>	<u>-</u>
	<u>6,866,750</u>	<u>(75,000)</u>	<u>-</u>	<u>6,791,750</u>
	<u>5,012,693</u>	<u>(75,000)</u>	<u>-</u>	<u>4,937,693</u>
EXPENDITURES:				
Program	3,620,458	-	-	3,620,458
General and administrative	<u>589,121</u>	<u>-</u>	<u>-</u>	<u>589,121</u>
	<u>4,209,579</u>	<u>-</u>	<u>-</u>	<u>4,209,579</u>
CHANGE IN NET ASSETS	803,114	(75,000)	-	728,114
NET ASSETS, BEGINNING OF YEAR	<u>536,754</u>	<u>75,000</u>	<u>5,000</u>	<u>616,754</u>
NET ASSETS, END OF YEAR	<u>\$ 1,339,868</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 1,344,868</u>

The accompanying notes are an integral part of these consolidated financial statements.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ 728,114
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Proceeds from sales of real estate property	2,506,594
Loss of sale of real estate property	1,854,057
Forgiveness of debt	(1,690,107)
Depreciation	214,036
NET CHANGES IN OPERATING ASSETS AND LIABILITIES:	
(Increase) decrease in operating assets:	
Grants receivable	(68,385)
Prepaid expenses	18,822
Accounts held in escrow	(6,801)
Increase (decrease) in operating liabilities:	
Due to funding source	(805,903)
Accounts payable and accrued expenses	18,421
Unearned revenue	<u>99,509</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,868,357</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Additions to housing development cost in progress	(1,514,265)
Acquisitions of property and equipment	(653,602)
Repayment of related party advances	<u>(20,000)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(2,187,867)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from notes payable - bank	460,440
Repayment of notes payable - bank	(1,872,083)
Proceeds from notes payable	288,104
Principal repayment of notes payable	(103,833)
Proceeds from forgivable loans	<u>671,343</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(556,029)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	124,461
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>311,729</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 436,190</u>

The accompanying notes are an integral part of these consolidated financial statements.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Nature of Organization

Garden State Episcopal Community Development Corporation (“GSECDC”) is a non-profit organization in the State of New Jersey formed in 1986 as a successor to Jersey City Episcopal Housing Corporation. GSECDC seeks to create healthy neighborhoods through neighborhood development initiatives that harvest the resources of residents, businesses, government, and the faith based community in serving those most vulnerable in the society of Hudson County, New Jersey.

On January 26, 2012, the GSECDC filed a certificate of amendment of its certificate of incorporation to change its name from Jersey City Episcopal Community Development Corporation to Garden State Episcopal Community Development Corporation. The certificate of amendment was approved by the State of New Jersey Treasurer on January 30, 2012.

Bergen Court, Inc. (“Bergen”) was incorporated on August 29, 2011, as a non-for profit organization in the State of New Jersey. Bergen was incorporated to own and operate and engage in any activity which may be contemplated by the ownership and operation of residential real property which are intended to be used as affordable housing and in furtherance of the charitable tax exempt purpose of the organization.

Note 2 - Summary of Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements include the assets, liabilities, net assets and activities of GSECDC and Bergen (collectively referred to as the “Organization”). All significant intercompany accounts and transactions have been eliminated.

In 2011, the Board of Directors of GSECDC formed Bergen for the purpose of owning, operating and engaging in any activity which may be contemplated by the ownership and operation of residential real property which are intended to be used as affordable housing and in furtherance of the charitable tax exempt purpose of GSECDC. GSECDC was allowed to appoint majority of Bergen’s Board of Directors. Accordingly, the accounts of Bergen have been consolidated herein, as required by accounting principles generally accepted in the United States of America.

Basis of Presentation

The consolidated financial statements of the Organization have been prepared on the accrual basis in conformity with accounting principles generally accepted in the United States of America.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include time deposit and all highly liquid investments with original maturities of three months or less.

Grants Receivable and Allowance For Doubtful Accounts

Grants receivable are stated net of an allowance for doubtful accounts. An allowance for doubtful accounts is maintained at a level, which in management's judgment is adequate to absorb losses for bad debts inherent in the account. The amount of the allowance for doubtful accounts is based on management's evaluation of the collectability of the grants receivable, including the account's nature, credit concentrations, trends in historical loss experience, economic conditions and other risk inherent in the account. The allowance is increased by a provision for bad debts, which is charged to expense, and reduced by write-offs, net of recoveries.

As of December 31, 2012, the Organization considers its accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established.

Housing Development Costs in Progress

Costs incurred in development of real estate projects are accounted for as deferred assets. When consideration has been given and title of the real estate has passed to qualified buyers of the project, the revenue support, and related development expenses are recognized as unrestricted support in the consolidated statement of activities. Government grants and/or contributions received in support of this activity are deemed temporarily restricted until the real estate has been sold.

Property and Equipment

Property and equipment are carried at cost, except donated assets, which are recorded at fair market value at date of donation. Depreciation expense is calculated on all depreciable assets, based on the straight-line method over the estimated useful life of the asset. The Organization's useful lives for its assets range from five to twenty-five years. Expenditures for maintenance and repairs are charged to expense as incurred.

The Organization reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There was no impairment loss recognized in 2012.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Net Assets

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets: Net assets are not subject to donor-imposed restrictions.

Temporarily restricted net assets: Net assets whose use by the Organization is limited by donor imposed stipulations that can be fulfilled or removed by action of the Organization and/or the passage of time.

Permanently restricted net assets: Net assets subject to donor imposed stipulations that must be maintained permanently by the Organization.

Revenue Recognition

Service fees, grants from the government and private funding sources in exchange for specified benefits are restricted, and are deemed to be earned and reported as revenue when the Organization has incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet expended are reported as unearned revenue. Amounts spent but not yet received are reported as grants receivable.

Contributions

Contributions received are recorded in the year they are received as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Consolidated Statement of Activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period are recorded as unrestricted contributions.

Donated Services

The Organization receives donated services from a variety of unpaid volunteers. No amounts have been recognized in the financial statements for such volunteer efforts because the requirements of FASB ASC 958-605-25-16, "Contributed Services" to recognize such services have not been satisfied.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Donated Services (cont'd.)

The Organization also receives non-cash contributions in the form of free use of facilities, and donated food and supplies. For the year ended December 31, 2012, amounts have been recognized as revenue and expense in the accompanying financial statements for the fair market value of the donated use of facilities and donated food and supplies amounting to \$41,250 and \$59,377, respectively.

Income Taxes

The Organization is recognized as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and, therefore, is not subject to income tax.

The Organization has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated income and to review other matters that may be considered tax positions.

Fair Value Measurements

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. As required by generally accepted accounting principles accepted in the United States of America for fair value measurement, the Organization uses fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflects assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1 - price quotations in active markets for identical securities.

Level 2 - quoted prices for similar assets or liabilities in markets that are active or non-active, inputs other than quoted prices that are observable for the assets or liabilities such as interest rates, yield curves, credit risk or default risk.

Level 3 - to the extent observable inputs are not available, inputs based on the best information available in the circumstance.

As of December 31, 2012, the Organization does not have assets or liabilities required to be measured at fair value.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Allocation of Expenditures

Direct expenditures are charged to their respective program. Indirect expenditures are allocated based on square footage, direct cost or level of service depending on the nature of the expenditure.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Organization has evaluated all events or transactions that occurred after December 31, 2012 through the date of the audit report. During this period, there were no material subsequent events requiring disclosure.

Note 3 - Concentration of Risk

The Organization's contracts are generally with government and private agencies. Revenues from principal funders for the years ended December 31, 2012, follow:

U.S. Department of Housing and Urban Development ("HUD") – Permanent Supportive Housing	42%
State of New Jersey Division of Mental Health Service	23%
Housing Opportunities for Persons with AIDS ("HOPWA")	9%
Others	<u>26%</u>
	<u>100%</u>

Renewal of grants and contracts can be influenced by governmental budgetary proceedings and fundraising of private agencies. The Organization's operations may be interrupted should funding from one of these grants become limited or cease.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 3 - Concentration of Risk (cont'd.)

The Organization maintains its cash and cash equivalents in various financial institutions. The balances in the Organization's operating accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. From time to time, the Organization's balances may exceed this limit. As of December 31, 2012, the cash balances exceeded this limit by \$93,000 for GSEDC and \$-0- for Bergen.

Note 4 - Mortgage Receivable

The mortgage receivable represents Community Development Block Grant Funds received by Jersey City Episcopal Housing (the predecessor entity) used for development and construction costs for a low-income housing development sponsored by Resurrection House Housing Corporation, a related party, and operated under a limited partnership by Resurrection House Limited Partnership, a related party.

The loan is a fifth mortgage note dated December 1, 1989 secured by a fifth mortgage on the partnership building and improvements in Jersey City, New Jersey. The principal and accrued interest at 1% per year is due in one lump sum on November 30, 2019. In 2003, the Organization provided for a full reserve against the collectability of this mortgage receivable amounting to \$335,792.

Note 5 - Grants Receivable

This account consists of the following at December 31, 2012:

Real Estate Management	\$ 314,270
Supportive Housing	202,224
Workforce Development	27,449
Others	<u>86,787</u>
	<u>\$ 630,730</u>

There was no bad debt expense for the year ended December 31, 2012.



GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 6 - Property and Equipment

Property and equipment consists of the following at December 31, 2012:

Buildings and improvements	\$ 4,787,958
Furniture and equipment	114,505
Leasehold improvements	69,269
Transportation equipment	<u>119,813</u>
	5,091,545
Less accumulated depreciation	<u>1,309,905</u>
	3,781,640
Land	425,388
Construction in progress	<u>783,356</u>
	<u>\$ 4,990,384</u>

Depreciation expense amounted to \$214,036 for the year ended December 31, 2012.

Properties acquired and rehabilitated through grant agreements with the HUD, sub-grantee agreements with the City of Jersey City (the "City") for the HOPWA and HOME Investment Partnerships Program ("HOME") and loans from the New Jersey Housing Mortgage and Financing Agency ("NJHMFA") have deed restrictions based on the agreements. The deed restrictions are 15 to 30 years for HUD and HOME programs, 10 to 20 years for HOPWA and 30 years for NJHMFA from the original date of purchase.

As of December 31, 2012, the Organization owns and operates six multi-family residences funded by the HOME programs, HOPWA and NJHMFA, two of which are also funded by HUD. Deed restrictions exist on these properties. In 2007, deed restrictions on three of the six properties expired based on the HOPWA sub-grantee agreements and these properties were released from the restrictions in 2012.

Note 7 - Accounts Held in Escrow

Accounts held in escrow represent reserves established in relation to the Organization's housing development projects to defray real estate taxes, repairs and replacement, insurance, rental subsidies and special needs. All accounts are held by NJHMFA and all disbursements are subject to NJHMFA's approval. The repair and replacement reserves is the only account that needs funding; the rest are increased by interest income earned from its balances.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 8 - Notes Payable – Bank

On December 22, 2010, the GSEDC entered into a secured revolving line of credit agreement with TD Bank, N.A. to provide for borrowings of up to \$400,000 for working capital requirements bearing interest at 3.25% per annum. The line of credit is secured by the Organization's properties and expires on August 31, 2013. As of December 31, 2012, the amount outstanding was \$150,000.

On December 17, 2009, GSEDC entered into a secured acquisition line of credit agreement with New Jersey Community Capital ("NJCC") to provide for borrowings of up to \$1,000,000 bearing interest at 8% per annum and is secured by the Organization's projects being developed. The line of credit will mature on the earlier of (a) the first day of the month of the 24<sup>th</sup> month following closing or (b) the sale of the any project finance by such line of credit. As of December 31, 2012, the amount outstanding was \$166,500.

On August 7, 2012, the Organization entered into a secured acquisition line of credit agreement with NJCC to provide for borrowings of up to \$327,000 bearing interest at 7.5% per annum and is secured by the Organization's projects being developed. The line of credit will mature on the earlier of (a) eighteen (18) months from the date of the agreement or (b) the completion of the project and issuance of the Certificate of Occupancy. As of December 31, 2012, the amount outstanding was \$285,889.

On November 9, 2011, Bergen entered into a secured acquisition line of credit agreement with NJCC to provide for borrowings of up to \$322,826 bearing interest at 8% per annum and is secured by the Organization's projects being developed. The line of credit will mature on the earlier of (a) eighteen (18) months from the date of the agreement or (b) the receipt of the NJHMFA Small Rental Subsidy Program funding. As of December 31, 2012, the amount outstanding was \$8,052.

Note 9 - Due to Funding Source

On December 9, 2009, the Organization, as a developer, entered into an acquisition and rehabilitation agreement with the City, Department of Housing, Economic Development and Commerce, Division of Community Development to acquire and rehabilitate 10 HUD eligible properties to be sold to low and moderate income families. Under the agreement, the Organization shall receive a grant not to exceed \$922,530 to develop the properties. The agreement also requires the Organization to limit the selling price to an amount equal to or less than the cost to acquire and rehabilitate; and record a deed restriction for all properties sold maintaining its affordability for 15 years. Furthermore, the agreement requires the Organization to return the sales proceeds to the City and recognize as grant revenue any difference between the selling price and the total cost of the property. As of December 31, 2012, the amount due to the City was \$-0-. The amount recognized as grant revenue from this agreement for the year ended December 31, 2012 was \$574,827.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 10 - Notes Payable

Notes Payable consists of the following at December 31, 2012:

This represents the outstanding balance of the note payable to NJHMFA in the amount of \$1,208,081, a non-interest bearing note, due on July 1, 2038 and secured by the property of the All Saints Supportive Housing Project. Repayment will be made from 25% of available cash flow after payment of operating expenses and funding of escrows. To the extent that the note payable is not covered by the cash flow payments, payment will be deferred until maturity date. If the balance of the note payable cannot be repaid on maturity, the mortgage note can be extended or refinanced subject to NJHMFA's approval.

\$ 1,208,081

This represents the outstanding balance of the note payable to NJHMFA in the amount of \$551,685, a non-interest bearing note, due on October 1, 2039 and secured by the property of the House of Hope Project. Repayment will be made from 25% of available cash flow after payment of operating expenses and funding of escrows. To the extent that the note payable is not covered by the cash flow payments, payment will be deferred until maturity date. If the balance of the note payable cannot be repaid on maturity, the mortgage note can be extended or refinanced subject to NJHMFA's approval.

551,682

This represents the outstanding balance of the note payable to NJHMFA in the amount of \$475,382, a non-interest bearing note, due on May 27, 2024 and secured by the property of the 111 Old Bergen Road Project. Repayment will be made from 25% of available cash flow after payment of operating expenses and funding of escrows. To the extent that the note payable is not covered by the cash flow payments, payment will be deferred until maturity date. If the balance of the note payable cannot be repaid on maturity, the mortgage note can be extended or refinanced subject to NJHMFA's approval.

422,743

Balance carried forward

\$ 2,182,506

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 10 - Notes Payable (cont'd.)

Notes Payable consists of the following at December 31, 2012 (cont'd.):

Balance brought forward	<u>\$ 2,182,506</u>
-------------------------	---------------------

This represents the outstanding balance of the note payable to NJHMFA in the amount of \$400,000, a non-interest bearing note, due on May 23, 2027 and secured by the property of the 242 Bergen Court Project. Repayment will be made from 25% of available cash flow after payment of operating expenses and funding of escrows. To the extent that the note payable is not covered by the cash flow payments, payment will be deferred until maturity date. If the balance of the note payable cannot be repaid on maturity, the mortgage note can be extended or refinanced subject to NJHMFA's approval.

288,104

This represents the outstanding balance of the note payable to PNC Bank in the amount of \$300,000, a balloon mortgage note payable bearing interest at 7.2% per annum and payable in equal consecutive monthly installments of \$2,381 based on a 20-year amortization schedule. The balloon payment due as of the maturity date, August 3, 2021, is estimated to be \$121,768. The note is secured by the properties of the Organization.

246,459

This represents the outstanding balance of the note payable to NJCC in the amount of \$655,000, with interest at 7.75% per annum, secured by the property of 167-169 Monticello Avenue Project and interest is payable monthly on the outstanding principal until maturity. The note matures on the first day of the 12<sup>th</sup> month following the closing and will be repaid from the proceeds of the sale of the housing project.

119,196

2,836,265

Less current maturities

14,245

\$ 2,822,020

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 10 - Notes Payable (cont'd.)

Aggregate maturities of loans payable for the years ending December 31 are as follows:

2013	\$ 14,245
2014	15,240
2015	99,225
2016	13,587
2017	14,613
2018 and thereafter	<u>2,679,355</u>
	<u>\$ 2,836,265</u>

Pursuant to FASB ASC 835-30-15 "Interest on Receivables and Payables", formerly Accounting Principles Board No. 21, no imputed interest has been calculated since the loans are from government agencies.

Note 11 - Forgivable Loans Payable

The Organization entered into several grant/loan agreements with the City's Department of Housing, Economic Development and Commerce, Division of Community Development, for the construction of various low and very low income rental housing properties. The agreements require the Organization to record a deed restriction for all properties maintaining its affordability for 15 to 20 years.

The following are the agreements with the City:

- a) The loan for the 167-169 Monticello Avenue Project in the amount of \$958,474 has a maturity date of 20 years from the issuance of certificate of occupancy. The loan in its entirety shall be forgiven when all 7 units of this project are sold and there shall be no obligation for its repayment.

On December 19, 2012, the City amended the 2009 agreement to release from the mortgage 5 of the 7 units that has been sold to third parties as of December 31, 2012. Hence, \$684,625 of the amount outstanding during the year was forgiven and recognized as revenue for year ended December 31, 2012. The amount outstanding as of December 31, 2012 was \$273,848.

- b) The loan for the 111 Old Bergen Road Project in the amount of \$629,340 has a maturity of 20 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2012 was \$629,340.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 11 - Forgivable Loans Payable (cont'd.)

- c) The loan for the All Saints Supportive Housing Project in the amount of \$416,450 has a maturity of 30 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2012 was \$416,450.
- d) The loan for the Houses of Hope Project in the amount of \$143,499 has a maturity of 20 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2012 was \$143,499.
- e) The loan for the Van Brunt Homes in the amount of \$1,025,000 has a maturity date of 20 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment.

On July 20, 2012, the agreement was modified by the City to increase the loan amount from \$930,000 to \$1,025,000.

As of December 31, 2012, the Organization completed the project and sold to third parties and was in compliance with the conditions of the agreement. Hence, \$1,005,482, which was outstanding during the year, was forgiven and recognized as revenue for year ended December 31, 2012. The amount outstanding as of December 31, 2012 was \$-0-.

- f) The loan for the Beacon property in the amount of \$80,200 has a maturity date of 15 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2012 was \$73,328.
- g) The loan for the 291-297 Halladay property in the amount of \$832,900 has a maturity date of 15 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2012 was \$192,528.
- h) The loan for 242 Bergen Avenue property in the amount of \$1,540,000 has a maturity date of 30 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2012 was 360,176.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 11 - Forgivable Loans Payable (cont'd.)

Pursuant to FASB ASC 835-30-15 "Interest on Receivables and Payables", formerly Accounting Principles Board No. 21, no imputed interest has been calculated since the loans are from government agencies.

Note 12 - Functional Costs

Expenses incurred were for the year ended December 31, 2012:

Supportive Housing	\$ 2,930,411
Real Estate Management	542,715
Workforce Development	<u>147,332</u>
	<u>\$ 3,620,458</u>

Note 13 - Pension Plan

GSEDC has adopted and participates in a defined contribution retirement plan sponsored by the Episcopal Church of the United States of America. The plan is regulated by Section 401(a) of the Internal Revenue Code in relation to employer contributions and by Section 403 (b) of the Code in relation to employee contributions. Employees who have reached the age of 21 and who have completed 12 months of service in which they worked 1,000 hours, may participate in the plan relating to employer-based contributions of 5% of an employee's salary and employer match of employee contributions up to 4% of the employee's salary.

Effective January 1, 2003, the employee immediately vests in the employer contributions. Prior to that date, it was on the fifth anniversary of hire. Also, effective July 1, 2004, the employer ceased to match the employee contributions of up to 4% of the employee's salary.

The plan is administered by the Church Pension Fund, a related party that has sole approval of the investment funds to be used as investment vehicles for the plan's assets. Until a participant is vested, the plan administrator is responsible for the allocation of assets to the investment funds. Participant accounts are valued quarterly. The expense for employer contributions amounted to \$67,664 for the year ended December 31, 2012.

Note 14 - Management and General Expenses

Management and general expenses are reported in the consolidated statement of activities before any allocation of cost permitted and allowed by funding sources to the programs served. The amount also includes personnel costs of administration and finance department staff that are responsible for income generating fees for service activities provided to other non-profit organizations.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 15 - Related Party Transactions

As explained in Note 13, the Church Pension Fund administers the pension plan. No fees were paid other than the actual pension contribution. Any fees earned are a result of investment management fees earned within the various mutual funds.

The Organization, in the ordinary course of business, obtains from and grants cash advances to Resurrection House Limited Partnership, a related party. These advances are non-interest bearing and have no terms of repayment. As of December 31, 2012, the balance due from the related party amounted to \$41,232.

On April 28, 2011, GSEDC, as developer, entered into a HOME Program agreement with the City of Jersey City (the "City") to acquire a HUD eligible property and develop a 12 housing units to be rented out to low and moderate income families. Under the agreement, the Organization shall receive a loan not to exceed \$240,000 to develop the property.

In 2012, the Organization entered into an agreement to transfer the assets and liabilities associated with the project to a separate entity owned and operated by the Organization with other non-profit organization. The transfer occurred on February 7, 2012.

Note 16 - Payment of Taxes

The Organization has filed all required tax returns. Taxes including, but not limited to payroll taxes, have been paid for the year ended December 31, 2012.

Note 17 - Commitments and Contingencies

The Organization rents its office space on a year to year basis and no future minimum rentals existed as of December 31, 2012. Rent expense amounted to \$45,000 for the year ended December 31, 2012.

Government supported projects are subject to audit by the applicable government granting agencies. At December 31, 2012, there were no material obligations outstanding as a result of such audits and management believes that unaudited programs would not result in any material obligations.

Note 18 - Supplemental Disclosure of Cash flow Information

Cash Activities:

Cash paid for interest for the year ended December 31, 2012, amounted to \$31,751.



CONSOLIDATING INFORMATION

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2012

	<u>GSECDC</u>	<u>Bergen</u>	<u>Eliminations</u>	<u>Consolidated</u>
<u>ASSETS</u>				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 411,474	\$ 24,716	\$ -	\$ 436,190
Grants receivable	561,960	68,770	-	630,730
Prepaid expenses	20,267	-	-	20,267
Due from related parties	99,103	-	(57,871)	41,232
	1,092,804	93,486	(57,871)	1,128,419
HOUSING DEVELOPMENT COST				
IN PROGRESS	993,915	-	-	993,915
PROPERTY AND EQUIPMENT - NET				
	4,124,328	866,056	-	4,990,384
ACCOUNTS HELD IN ESCROW				
	407,709	-	-	407,709
	\$ 6,618,756	\$ 959,542	\$ (57,871)	\$ 7,520,427
<u>LIABILITIES AND NET ASSETS</u>				
CURRENT LIABILITIES:				
Notes payable - bank	\$ 602,390	\$ 8,051	\$ -	\$ 610,441
Current maturities of notes payable	14,245	-	-	14,245
Due to a related party	-	57,871	(57,871)	-
Accounts payable and accrued expenses	168,224	51,206	-	219,430
Unearned revenue	420,254	-	-	420,254
	1,205,113	117,128	(57,871)	1,264,370
LONG TERM DEBT:				
Notes payable, less current maturities	2,533,916	288,104	-	2,822,020
Forgivable loans payable	1,728,993	360,176	-	2,089,169
	4,262,909	648,280	-	4,911,189
	5,468,022	765,408	(57,871)	6,175,559
NET ASSETS:				
Unrestricted	1,145,734	194,134	-	1,339,868
Temporarily restricted	-	-	-	-
Permanently restricted	5,000	-	-	5,000
	1,150,734	194,134	-	1,344,868
	\$ 6,618,756	\$ 959,542	\$ (57,871)	\$ 7,520,427

See independent auditors' report.

GARDEN STATE EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION AND AFFILIATE  
CONSOLIDATING STATEMENTS OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>GSECDC</u>	<u>Bergen</u>	<u>Eliminations</u>	<u>Consolidated</u>
REVENUE:				
Sale of real estate property	\$ 2,506,594	\$ -	\$ -	\$ 2,506,594
Less cost of real estate property	<u>4,360,651</u>	<u>-</u>	<u>-</u>	<u>4,360,651</u>
	<u>(1,854,057)</u>	<u>-</u>	<u>-</u>	<u>(1,854,057)</u>
Grants	5,879,905	194,190	-	6,074,095
Contributions	293,694	-	-	293,694
Developer fees	240,000	-	-	240,000
Program	164,244	-	-	164,244
Interest	5,864	4	-	5,868
Miscellaneous	<u>13,849</u>	<u>-</u>	<u>-</u>	<u>13,849</u>
	<u>6,597,556</u>	<u>194,194</u>	<u>-</u>	<u>6,791,750</u>
	<u>4,743,499</u>	<u>194,194</u>	<u>-</u>	<u>4,937,693</u>
EXPENDITURES:				
Program	3,620,458	-	-	3,620,458
General and administrative	<u>589,061</u>	<u>60</u>	<u>-</u>	<u>589,121</u>
	<u>4,209,519</u>	<u>60</u>	<u>-</u>	<u>4,209,579</u>
CHANGE IN NET ASSETS	533,980	194,134	-	728,114
NET ASSETS, BEGINNING OF YEAR	<u>616,754</u>	<u>-</u>	<u>-</u>	<u>616,754</u>
NET ASSETS, END OF YEAR	<u>\$ 1,150,734</u>	<u>\$ 194,134</u>	<u>\$ -</u>	<u>\$ 1,344,868</u>

See independent auditors' report.

# **JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION**

*FINANCIAL STATEMENTS*

*DECEMBER 31, 2011 AND 2010*



**Magone & Company, P.C.**

**Certified Public Accountants  
& Business Consultants**

**Numbers are just the beginning<sup>SM</sup>**

30 Columbia Turnpike, Suite 101, Florham Park, NJ 07932

(973) 301-2300 • Fax: (973) 301-2370

[www.MagoneCPAs.com](http://www.MagoneCPAs.com)

**JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2011 AND 2010**

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION

CONTENTS

	<u>Page</u>
<u>Independent Auditors' Report</u>	1
<u>Financial Statements</u>	
Statements of Financial Position at December 31, 2011 and 2010	2
Statement of Activities for the Year Ended December 31, 2011 with Comparative Totals for 2010	3
Statements of Cash Flows for the Years Ended December 31, 2011 and 2010	4
Notes To Financial Statements	5-18



## INDEPENDENT AUDITORS' REPORT

The Board of Trustees of  
Jersey City Episcopal Community Development Corporation

We have audited the accompanying statements of financial position of Jersey City Episcopal Community Development Corporation (A New Jersey Non-profit Organization) (the "Organization") as of December 31, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from the Organization's 2010 financial statements and, in our report dated July 21, 2011, we expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jersey City Episcopal Community Development Corporation as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

---

MAGONE & COMPANY, P.C.

Florham Park, New Jersey  
July 2, 2012

-1-

30 Columbia Turnpike  
Suite 101, Florham Park, NJ 07932

(973) 301-2300 • Fax: (973) 301-2370

[www.MagoneCPAs.com](http://www.MagoneCPAs.com)



JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31,

ASSETS

	2011	2010
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 311,729	\$ 166,394
Grants receivable	562,345	475,799
Prepaid expenses	39,089	34,821
Due from a related party	21,232	25,000
	934,395	702,014
<b>HOUSING DEVELOPMENT COST IN PROGRESS</b>	3,708,862	2,054,200
<b>PROPERTY AND EQUIPMENT</b>	4,682,257	4,132,641
<b>ACCOUNTS HELD IN ESCROW</b>	400,908	394,543
	\$ 9,726,422	\$ 7,283,398

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES:</b>		
Note payable - bank	\$ 2,022,084	\$ -
Current maturities of notes payable	13,316	12,864
Due to funding source	805,903	236,942
Accounts payable and accrued expenses	201,009	165,959
Unearned revenue	320,745	172,079
	3,363,057	587,844
<b>LONG TERM DEBT:</b>		
Notes payable, less current maturities	2,638,678	3,037,976
Forgivable loans payable	3,107,933	2,434,792
	5,746,611	5,472,768
	9,109,668	6,060,612
<b>NET ASSETS:</b>		
Unrestricted	536,754	1,199,393
Temporarily restricted	75,000	18,393
Permanently restricted	5,000	5,000
	616,754	1,222,786
	\$ 9,726,422	\$ 7,283,398

The accompanying notes are an integral part of these financial statements.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011  
WITH COMPARATIVE TOTALS FOR 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total 2011</u>	<u>2010</u>
REVENUE:					
Sale of real estate property	\$ 699,000	\$ -	\$ -	\$ 699,000	\$ 735,000
Less cost of real estate property	<u>1,333,407</u>	<u>-</u>	<u>-</u>	<u>1,333,407</u>	<u>1,005,624</u>
	<u>(634,407)</u>	<u>-</u>	<u>-</u>	<u>(634,407)</u>	<u>(270,624)</u>
Grants	3,067,609	-	-	3,067,609	3,901,999
Contributions	357,293	75,000	-	432,293	293,119
Developer fees	234,841	-	-	234,841	226,929
Program	143,536	-	-	143,536	120,061
Interest	287	-	-	287	2,064
Miscellaneous	115,708	-	-	115,708	74,221
Net assets released from restrictions	<u>18,393</u>	<u>(18,393)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>3,937,667</u>	<u>56,607</u>	<u>-</u>	<u>3,994,274</u>	<u>4,618,393</u>
	<u>3,303,260</u>	<u>56,607</u>	<u>-</u>	<u>3,359,867</u>	<u>4,347,769</u>
EXPENDITURES:					
Program	3,503,967	-	-	3,503,967	3,802,443
General and administrative	<u>461,932</u>	<u>-</u>	<u>-</u>	<u>461,932</u>	<u>369,434</u>
	<u>3,965,899</u>	<u>-</u>	<u>-</u>	<u>3,965,899</u>	<u>4,171,877</u>
CHANGE IN NET ASSETS	(662,639)	56,607	-	(606,032)	175,892
NET ASSETS, BEGINNING OF YEAR	<u>1,199,393</u>	<u>18,393</u>	<u>5,000</u>	<u>1,222,786</u>	<u>1,046,894</u>
NET ASSETS, END OF YEAR	<u>\$ 536,754</u>	<u>\$ 75,000</u>	<u>\$ 5,000</u>	<u>\$ 616,754</u>	<u>\$ 1,222,786</u>

The accompanying notes are an integral part of these financial statements.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31,

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (606,032)	\$ 175,892
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES:		
Depreciation	191,569	184,506
Write-off of fixed assets	11,104	-
NET CHANGES IN OPERATING ASSETS AND LIABILITIES:		
Changes in operating assets (increase) decrease:		
Grants receivable	(86,546)	(136,706)
Prepaid expenses	(4,268)	4,615
Housing development cost in progress	(2,013,662)	(207,242)
Accounts held in escrow	(6,365)	(9,000)
Changes in operating liabilities increase (decrease):		
Due to funding source	568,961	236,942
Accounts payable and accrued expenses	35,050	(198,210)
Unearned revenue	148,666	50,165
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(1,761,523)</u>	<u>100,962</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions of property and equipment	(393,289)	(1,594,711)
Repayment of related party advances	3,768	-
NET CASH USED IN INVESTING ACTIVITIES	<u>(389,521)</u>	<u>(1,594,711)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from note payable - bank	2,022,084	-
Proceeds from long term borrowings	673,141	1,525,077
Principal repayment on long term borrowings	(398,846)	(58,339)
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>2,296,379</u>	<u>1,466,738</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	145,335	(27,011)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>166,394</u>	<u>193,405</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 311,729</u>	<u>\$ 166,394</u>

The accompanying notes are an integral part of these financial statements.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 1 - Organization and Nature of Organization

Jersey City Episcopal Community Development Corporation (the "Organization") is a non-profit organization formed in 1986 as a successor to Jersey City Episcopal Housing Corporation.

The Organization seeks to create healthy neighborhoods through neighborhood development initiatives that harvest the resources of residents, businesses, government, and the faith based community in serving those most vulnerable in the society of Hudson County, New Jersey.

On January 26, 2012, the Organization filed a certificate of amendment of its certificate of incorporation to change its name from Jersey City Episcopal Community Development Corporation to Garden State Episcopal Community Development Corporation. The certificate of amendment was approved by the State of New Jersey Treasurer on January 30, 2012.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include time deposit and all highly liquid investments with original maturities of three months or less.

Grants Receivable and Allowance For Doubtful Accounts

Grants receivable are stated net of an allowance for doubtful accounts. An allowance for doubtful accounts is maintained at a level, which in management's judgment is adequate to absorb losses for bad debts inherent in the account. The amount of the allowance for doubtful accounts is based on management's evaluation of the collectability of the grants receivable, including the account's nature, credit concentrations, trends in historical loss experience, economic conditions and other risk inherent in the account. The allowance is increased by a provision for bad debts, which is charged to expense, and reduced by write-offs, net of recoveries.

As of December 31, 2011 and 2010, the Organization considers its accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Housing Development Costs in Progress

Costs incurred in development of real estate projects are accounted for as deferred assets. When consideration has been given and title of the real estate has passed to qualified buyers of the project, the revenue support, and related development expenses are recognized as unrestricted support in the statement of activities. Government grants and/or contributions received in support of this activity are deemed temporarily restricted until the real estate has been sold.

Property and Equipment

Property and equipment are carried at cost, except donated assets, which are recorded at fair market value at date of donation. Depreciation expense is calculated on all depreciable assets, based on the straight-line method over the estimated useful life of the asset. The Organization's useful lives for its assets range from five to twenty-five years. Expenditures for maintenance and repairs are charged to expense as incurred.

The Organization reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There was no impairment loss recognized in 2011 and 2010.

Net Assets

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets: Net assets are not subject to donor-imposed restrictions.

Temporarily restricted net assets: Net assets whose use by the Organization is limited by donor imposed stipulations that can be fulfilled or removed by action of the Organization and/or the passage of time.

Permanently restricted net assets: Net assets subject to donor imposed stipulations that must be maintained permanently by the Organization.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Revenue Recognition

Service fees, grants from the government and private funding sources in exchange for specified benefits are restricted, and are deemed to be earned and reported as revenue when the Organization has incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet expended are reported as unearned revenue. Amounts spent but not yet received are reported as grants receivable.

Contributions

Contributions received are recorded in the year they are received as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period are recorded as unrestricted contributions.

Donated Services

The Organization receives donated services from a variety of unpaid volunteers. No amounts have been recognized in the financial statements for such volunteer efforts because the requirements of FASB ASC 958-605-25-16, "Contributed Services" to recognize such services have not been satisfied.

The Organization also receives non-cash contributions in the form of free use of facilities. Amounts have been recognized as revenues and expenses in the accompanying financial statements for the fair market value of the donated use of facilities (\$60,000 for the years ended December 31, 2011 and 2010).

Income Taxes

The Organization is recognized as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and, therefore, is not subject to income tax.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Income Taxes (cont'd)

FASB ASC 740, "Income Taxes" ("FASB ASC 740") establishes criterion that an individual tax position has to meet for some or all the benefits of that position to be recognized in an organization's financial statements. On initial application, this criterion will be applied to all tax positions for which the statute of limitations remains open. Only tax positions that meet the "more-likely-than-not" recognition threshold at the adoption date will be recognized or continue to be recognized. The Organization adopted this standard on January 1, 2009, and it did not have a material impact on the Organization's financial statements. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated income and to review other matters that may be considered tax positions.

Fair Value Measurements

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. As required by generally accepted accounting principles accepted in the United States of America for fair value measurement, the Organization uses fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflects assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1 - price quotations in active markets for identical securities.

Level 2 - quoted prices for similar assets or liabilities in markets that are active or non-active, inputs other than quoted prices that are observable for the assets or liabilities such as interest rates, yield curves, credit risk or default risk.

Level 3 - to the extent observable inputs are not available, inputs based on the best information available in the circumstance.

As of December 31, 2011 and 2010, the Organization does not have assets or liabilities required to be measured at fair value.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Allocation of Expenditures

Direct expenditures are charged to their respective program. Indirect expenditures are allocated based on square footage, direct cost or level of service depending on the nature of the expenditure.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain reclassifications have been made to the 2010 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

Comparative Data

The amounts shown for the year ended December 31, 2010 in the accompanying financial statements are included to provide a basis for comparison with 2011 and present summarized totals only. Accordingly, the 2010 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2010, from which the summarized information was derived.

Subsequent Events

The Organization has evaluated all events or transactions that occurred after December 31, 2011 through the date of the audit report. During this period, there were no material subsequent events requiring disclosure, except as discussed in Notes 1 and 8 to the financial statements.



JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 3 - Concentration of Risk

The Organization's contracts are generally with government and private agencies. Revenues from principal funders for the years ended December 31, follow:

	<u>2011</u>	<u>2010</u>
U.S. Department of Housing and Urban Development ("HUD") - Permanent Supportive Housing	43%	44%
State of New Jersey Division of Mental Health Service	29%	21%
Housing Opportunities for Persons with AIDS ("HOPWA")	11%	8%
Others	17%	27%
	100%	100%

Renewal of grants and contracts can be influenced by governmental budgetary proceedings and fundraising of private agencies. The Organization's operations may be interrupted should funding from one of these grants become limited or cease.

The Organization maintains its cash and cash equivalents in various financial institutions. The balances in the Organization's operating accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. From time to time, the Organization's balances may exceed this limit. As of December 31, 2011 and 2010, the cash balances exceeded this limit by \$13,000 and \$10,000, respectively.

Note 4 - Mortgage Receivable

The mortgage receivable represents Community Development Block Grant Funds received by Jersey City Episcopal Housing (the predecessor entity) used for development and construction costs for a low-income housing development sponsored by Resurrection House Housing Corporation, a related party, and operated under a limited partnership by Resurrection House Limited Partnership, a related party.

The loan is a fifth mortgage note dated December 1, 1989 secured by a fifth mortgage on the partnership building and improvements in Jersey City, New Jersey. The principal and accrued interest at 1% per year is due in one lump sum on November 30, 2019. In 2003, the Organization provided for a full reserve against the collectability of this mortgage receivable amounting to \$335,792.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 5 - Grants Receivable

This account consists of the following at December 31:

	<u>2011</u>	<u>2010</u>
Real Estate Management	\$ 379,845	\$ 164,895
Workforce Development	62,574	22,174
Supportive Housing	61,896	245,567
Others	<u>58,030</u>	<u>43,163</u>
	<u>\$ 562,345</u>	<u>\$ 475,799</u>

There was no bad debt expense for the years ended December 31, 2011 and 2010.

Note 6 - Property and Equipment

Property and equipment consists of the following at December 31:

	<u>2011</u>	<u>2010</u>
Buildings and improvements	\$ 4,787,958	\$ 4,428,958
Furniture and equipment	110,711	114,812
Leasehold improvements	69,269	69,269
Transportation equipment	<u>119,813</u>	<u>41,999</u>
	5,087,751	4,655,038
Less accumulated depreciation	<u>1,095,869</u>	<u>904,300</u>
	3,991,882	3,750,738
Land	315,388	315,388
Construction in progress	<u>374,987</u>	<u>66,515</u>
	<u>\$ 4,682,257</u>	<u>\$ 4,132,641</u>

Depreciation expense amounted to \$191,569 and \$184,506 in 2011 and 2010, respectively.

Properties acquired and rehabilitated through grant agreements with the HUD, sub-grantee agreements with the City of Jersey City (the "City") for the HOPWA and HOME Investment Partnerships Program ("HOME") and loans from the New Jersey Housing Mortgage and Financing Agency ("NJHMFA") have deed restrictions based on the agreements. The deed restrictions are 15 to 30 years for HUD and HOME programs, 10 to 20 years for HOPWA and 30 years for NJHMFA from the original date of purchase.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 6 - Property and Equipment (cont'd)

As of December 31, 2011 and 2010, the Organization owns and operates six multi-family residences funded by the HOME programs, HOPWA and NJHMFA, two of which are also funded by HUD. Deed restrictions exist on these properties. In 2007, deed restrictions on three of the six properties expired based on the HOPWA sub-grantee agreements and these properties were subsequently released from the restrictions in 2011 and 2010.

Note 7 - Note Payable - Bank

On July 15, 2011, the Organization entered into a secured construction line of credit agreement with TD Bank, N.A. to provide for borrowings of up to \$912,522 bearing interest at prime rate plus 1.5% per annum (4.75% as of December 31, 2011). The construction line of credit is secured by the Organization's properties and has a maturity date of July 15, 2012. As of December 31, 2011 and 2010, the amount outstanding was \$883,446 and \$-0-, respectively.

On December 22, 2010, the Organization entered into a secured revolving line of credit agreement with TD Bank, N.A. to provide for borrowings of up to \$400,000 for working capital requirements bearing interest at 3.25% per annum. The line of credit is secured by the Organization's properties and expired on December 22, 2011. The bank extended the revolving line of credit to June 20, 2012. As of December 31, 2011 and 2010, the amount outstanding was \$350,000 and \$-0-, respectively.

On December 17, 2009, the Organization entered into a secured acquisition line of credit agreement with New Jersey Community Capital ("NJCC") to provide for borrowings of up to \$1,000,000 bearing interest at 8% per annum and is secured by the Organization's projects being developed. The line of credit will mature on the earlier of (a) the first day of the month of the 24<sup>th</sup> month following closing or (b) the sale of the any project finance by such line of credit. As of December 31, 2011 and 2010, the amount outstanding was \$788,638 and \$-0-, respectively.

Note 8 - Due to Funding Source

On April 28, 2011, the Organization, as developer, entered into a HOME Program agreement with the City of Jersey City (the "City") to acquire a HUD eligible property and develop a 12 housing units to be rented out to low and moderate income families. Under the agreement, the Organization shall receive a loan not to exceed \$240,000 to develop the property. As of December 31, 2011 and 2010, the amount due to the City was \$202,625 and \$-0-, respectively.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 8 - Due to Funding Source (cont'd)

In 2012, the Organization entered into an agreement to transfer the assets and liabilities associated with the project to a separate entity owned and operated by the Organization with other non-profit organization. The transfer occurred on February 7, 2012.

On December 9, 2009, the Organization, as a developer, entered into an acquisition and rehabilitation agreement with the City, Department of Housing, Economic Development and Commerce, Division of Community Development to acquire and rehabilitate 10 HUD eligible properties to be sold to low and moderate income families. Under the agreement, the Organization shall receive a grant not to exceed \$922,530 to develop the properties. The agreement also requires the Organization to limit the selling price to an amount equal to or less than the cost to acquire and rehabilitate; and record a deed restriction for all properties sold maintaining its affordability for 15 years. Furthermore, the agreement requires the Organization to return the sales proceeds to the City and recognize as grant revenue any difference between the selling price and the total cost of the property. As of December 31, 2011 and 2010, the amount due to the City was \$603,278 and \$236,942, respectively. The amount recognized as grant revenue from this agreement for the years ended December 31, 2011 and 2010, was \$82,143 and \$270,624, respectively.

Note 9 - Notes Payable

Notes Payable consists of the following at December 31:

	<u>2011</u>	<u>2010</u>
<p>Note payable to the NJHMFA in the amount of \$1,208,081, a non-interest bearing note, due on July 1, 2038 and secured by the property of the All Saints Supportive Housing Project. Repayment will be made from 25% of available cash flow after payment of operating expenses and funding of escrows. To the extent that the note payable is not covered by the cash flow payments, payment will be deferred until maturity date.</p>	\$ <u>1,208,081</u>	\$ <u>1,208,081</u>
<p>Balance Carried Forward</p>	\$ <u>1,208,081</u>	\$ <u>1,208,081</u>

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 9 - Notes Payable (cont'd)

	<u>2011</u>	<u>2010</u>
Balance Brought Forward	<u>\$ 1,208,081</u>	<u>\$ 1,208,081</u>
 Note payable to NJHMFA in the amount of \$551,685, a non-interest bearing note, due on October 1, 2039 and secured by the property of the House of Hope Project. Repayment will be made from 25% of available cash flow after payment of operating expenses and funding of escrows. To the extent that the note payable is not covered by the cash flow payments, payment will be deferred until maturity date.	 551,682	 551,682
 Note payable to PNC Bank in the amount of \$300,000 is a balloon mortgage note payable bearing interest at 7.2% per annum and payable in equal consecutive monthly installments of \$2,381 based on a 20-year amortization schedule. The balloon payment due as of the maturity date, August 3, 2021, is estimated to be \$121,768. The note is secured by the properties of the Organization.	 256,655	 266,068
 Note payable to NJHMFA in the amount of \$475,382, a non-interest bearing note, due on May 27, 2024 and secured by the property of the 111 Old Bergen Road Project. Repayment will be made from 25% of available cash flow after payment of operating expenses and funding of escrows. To the extent that the note payable is not covered by the cash flow payments, payment will be deferred until maturity date.	 422,743	 422,743
 Note payable to NJCC in the amount of \$655,000, with interest at 7.75% per annum, secured by the property of 167-169 Monticello Avenue Project and interest is payable monthly on the outstanding principal until maturity. The note matures on the first day of the 12 <sup>th</sup> month following the closing and will be repaid from the proceeds of the sale of the housing project.	 <u>116,257</u>	 <u>502,266</u>
Balance Carried Forward	<u>\$ 2,555,418</u>	<u>\$ 2,950,840</u>

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 9 - Notes Payable (cont'd)

	<u>2011</u>	<u>2010</u>
Balance Brought Forward	\$ <u>2,555,418</u>	\$ <u>2,950,840</u>
<p>Note payable to NJCC in the amount of \$100,000, with interest at 5% per annum, secured by the property of 167-169 Monticello Avenue Project, interest only is due in 12 monthly payments of \$417 from January 1, 2010 until December 1, 2010, principal and interest are due in 48 monthly payments of \$660 from January 1, 2011 until December 1, 2014 and the remaining unpaid principal and accrued interest shall be due and payable on December 1, 2014.</p>		
	<u>96,576</u>	<u>100,000</u>
	2,651,994	3,050,840
Less current maturities	<u>13,316</u>	<u>12,864</u>
	<u>\$ 2,638,678</u>	<u>\$ 3,037,976</u>

Aggregate maturities of loans payable for the years ending December 31 are as follows:

2012	\$ 13,316
2013	14,245
2014	15,240
2015	99,225
2016	13,587
2017 and thereafter	<u>2,496,381</u>
	<u>\$ 2,651,994</u>

Pursuant to FASB ASC 835-30-15 "Interest on Receivables and Payables", formerly Accounting Principles Board No. 21, no imputed interest has been calculated since the loans are from government agencies.

Note 10 - Forgivable Loans Payable

The Organization entered into several grant/loan agreements with the City's Department of Housing, Economic Development and Commerce, Division of Community Development, for the construction of various low and very low income rental housing properties. The agreements require the Organization to record a deed restriction for all properties maintaining its affordability for 15 to 20 years.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 10 - Forgivable Loans Payable (cont'd)

The following are the agreements with the City:

- a) The loan for the 167-169 Monticello Avenue Project in the amount of \$958,474 has a maturity date of 20 years from the issuance of certificate of occupancy. The loan in its entirety shall be forgiven when all 7 units of this project are sold and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2011 and 2010 was \$958,473 and \$953,473, respectively.
- b) The loan for the 111 Old Bergen Road Project in the amount of \$629,340 has a maturity of 20 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2011 and 2010 was \$629,340.
- c) The loan for the All Saints Supportive Housing Project in the amount of \$416,450 has a maturity of 30 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2011 and 2010 was \$416,450.
- d) The loan for the Houses of Hope Project in the amount of \$143,499 has a maturity of 20 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2011 and 2010 was \$143,499.
- e) The loan for the Van Brunt Homes in the amount of \$1,025,000 has a maturity date of 20 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. On July 20, 2012, the agreement was modified by the City to increase the loan amount from \$930,000 to \$1,025,000. The amount outstanding as of December 31, 2011 and 2010 was \$886,843 and \$218,701, respectively.
- f) The loan for the Beacon property in the amount of \$80,200 has a maturity date of 15 years from the issuance of certificate of occupancy. If the Organization abides by all the conditions in the agreement, the loan shall be forgiven in its entirety and there shall be no obligation for its repayment. The amount outstanding as of December 31, 2011 and 2010 was \$73,328.

Pursuant to FASB ASC 835-30-15 "Interest on Receivables and Payables", formerly Accounting Principles Board No. 21, no imputed interest has been calculated since the loans are from government agencies.

JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 11 - Temporarily Restricted Net Asset

In 2011, the temporarily restricted net asset was held for the purpose of supporting the Organization's housing and community development projects which are under the real estate management function.

In 2010, the temporarily restricted net asset was held for the purpose of supporting the Organization's Customer Skills Center which is under the workforce development function. This was released from its restriction in 2011.

Note 12 - Functional Costs

Expenses incurred were for the years ended December 31:

	<u>2011</u>	<u>2010</u>
Supportive Housing	\$ 2,688,012	\$ 3,048,220
Real Estate Management	504,437	445,212
Workforce Development	<u>311,518</u>	<u>309,011</u>
	<u>\$ 3,503,967</u>	<u>\$ 3,802,443</u>

Note 13 - Pension Plan

The Organization has adopted and participates in a defined contribution retirement plan sponsored by the Episcopal Church of the United States of America. The plan is regulated by Section 401(a) of the Internal Revenue Code in relation to employer contributions and by Section 403 (b) of the Code in relation to employee contributions. Employees who have reached the age of 21 and who have completed 12 months of service in which they worked 1,000 hours, may participate in the plan relating to employer-based contributions of 5% of an employee's salary and employer match of employee contributions up to 4% of the employee's salary.

Effective January 1, 2003, the employee immediately vests in the employer contributions. Prior to that date, it was on the fifth anniversary of hire. Also, effective July 1, 2004, the employer ceased to match the employee contributions of up to 4% of the employee's salary.

The plan is administered by the Church Pension Fund, a related party that has sole approval of the investment funds to be used as investment vehicles for the plan's assets. Until a participant is vested, the plan administrator is responsible for the allocation of assets to the investment funds. Participant accounts are valued quarterly. The expense for employer contributions amounted to \$69,231 and \$52,535 in 2011 and 2010, respectively.



JERSEY CITY EPISCOPAL COMMUNITY DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS

Note 14 - Management and General Expenses

Management and general expenses are reported in the statement of activities before any allocation of cost permitted and allowed by funding sources to the programs served. The amount also includes personnel costs of administration and finance department staff that are responsible for income generating fees for service activities provided to other non-profit organizations.

Note 15 - Related Party Transactions

As explained in Note 13, the Church Pension Fund administers the pension plan. No fees were paid other than the actual pension contribution. Any fees earned are a result of investment management fees earned within the various mutual funds.

The Organization, in the ordinary course of business, obtains from and grants cash advances to Resurrection House Limited Partnership, a related party. These advances are non-interest bearing and have no terms of repayment. As of December 31, 2011 and 2010, the balance due from the related party amounted to \$21,232 and \$25,000, respectively.

Note 16 - Payment of Taxes

The Organization has filed all required tax returns. Taxes including, but not limited to payroll taxes, have been paid for the years ended December 31, 2011 and 2010.

Note 17 - Contingency

Government supported projects are subject to audit by the applicable government granting agencies. At December 31, 2011 and 2010, there were no material obligations outstanding as a result of such audits and management believes that unaudited programs would not result in any material obligations.

Note 18 - Supplemental Disclosure of Cash flow Information

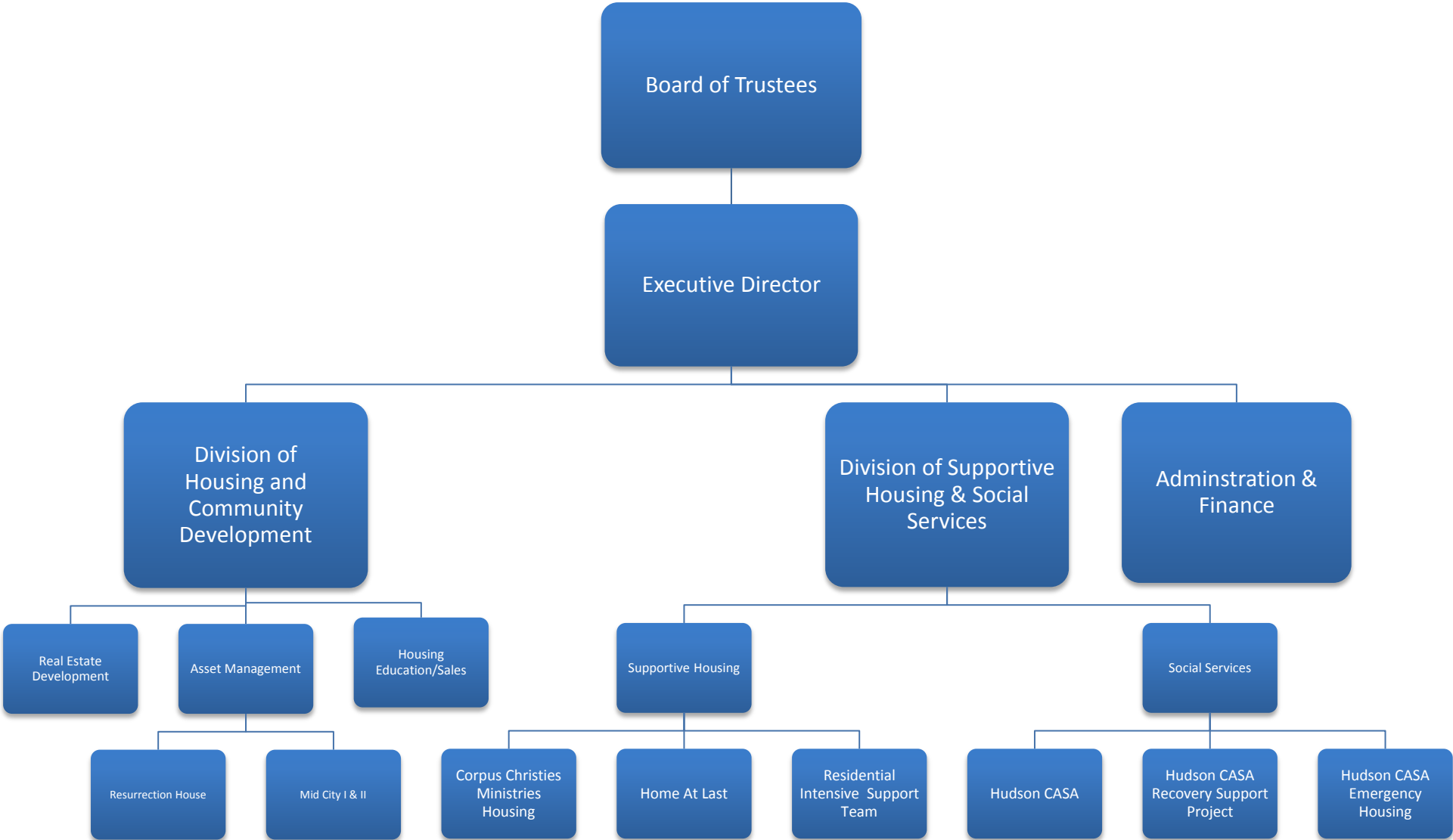
Cash Activities:

Cash paid for interest for the year ended December 31, 2011 and 2010, amounted to \$35,856 and \$23,345, respectively.

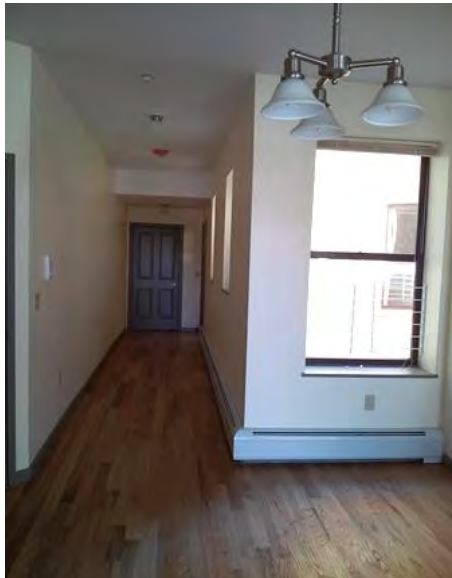
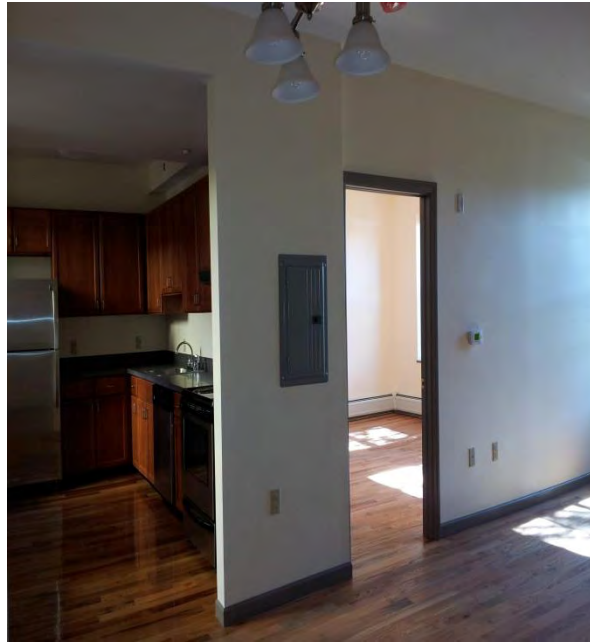
Non-Cash Activities:

In 2011, the Organization reclassified \$359,000 of housing development cost in progress to property and equipment as building and improvements.

# Garden State Episcopal Community Development Corporation Organization Chart 2013



# Construction Progress 242 Bergen Avenue

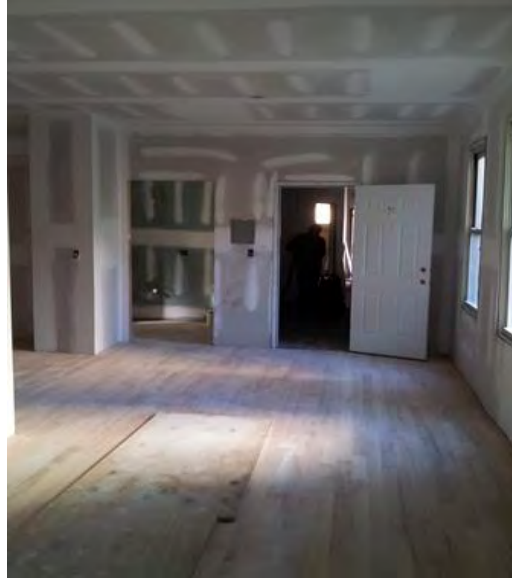




# Construction Progress 291-297 Halladay St.



# Construction Progress 84 Seaview





# MIXED USE

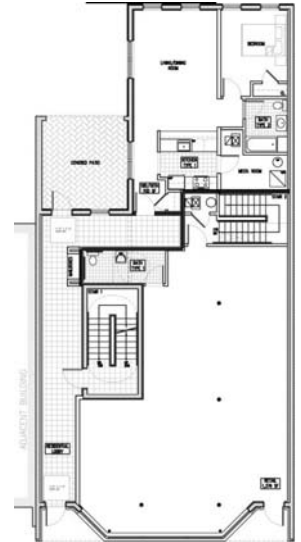
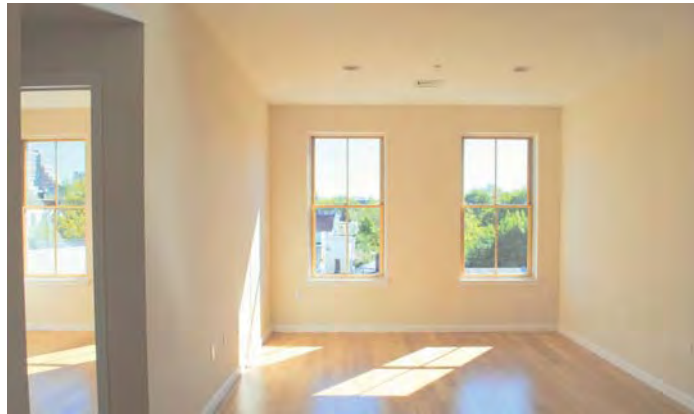
## 167 MONTICELLO AVE.

**Description:** New construction of mixed use building with seven condominiums (4 one-bedroom units and 3 two-bedroom units) and 2,000 square feet of commercial space in the Monticello Avenue Redevelopment area. Each 1 BR sold for \$95,000 and 2 BR for \$125,000. Commercial unit rented at \$13 per square foot and currently houses an employment center.

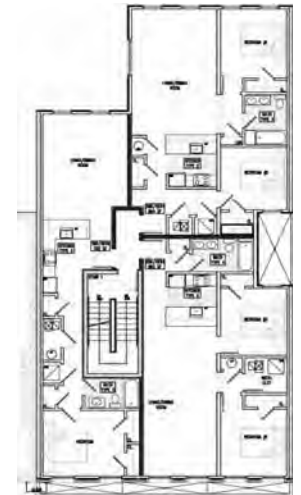
**Notable:** First mixed use development completed along Monticello Ave. in Jersey City in over 20 years. Certified LEED Silver by the US Green Building Council and recipient of 2011 Jersey City GREEN Award. Shared backyard with multiple patio areas. Designed to mirror pre-existing historical structures.

### Specs:

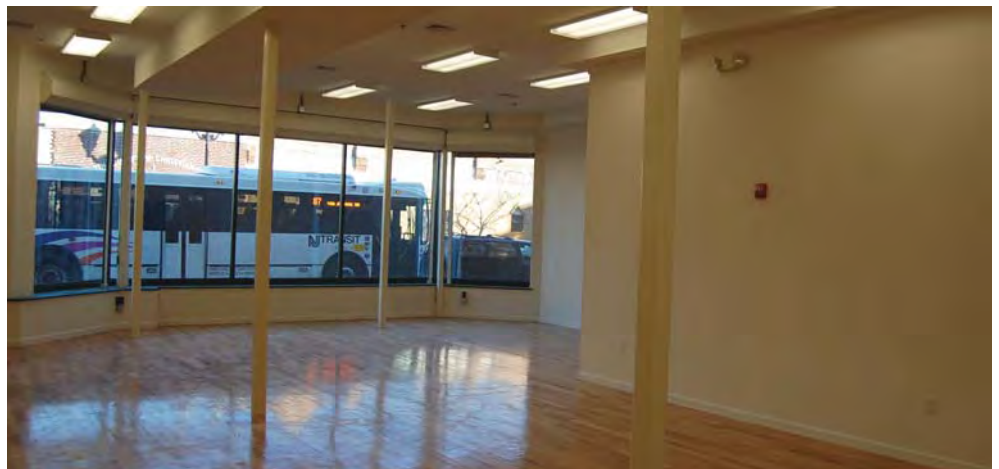
- > Total Development Cost: \$2,100,000
- > Started: March 2010
- > Completed: January 2011
- > Status: All residential units sold and commercial space occupied in March 2011



**Ground Floor**



**Upper Floors**



**GARDEN STATE EPISCOPAL**  
Community Development Corporation

514 Newark Ave  
Jersey City, NJ 07306  
(201) 209-9301 ph  
(201) 659-1028 fax

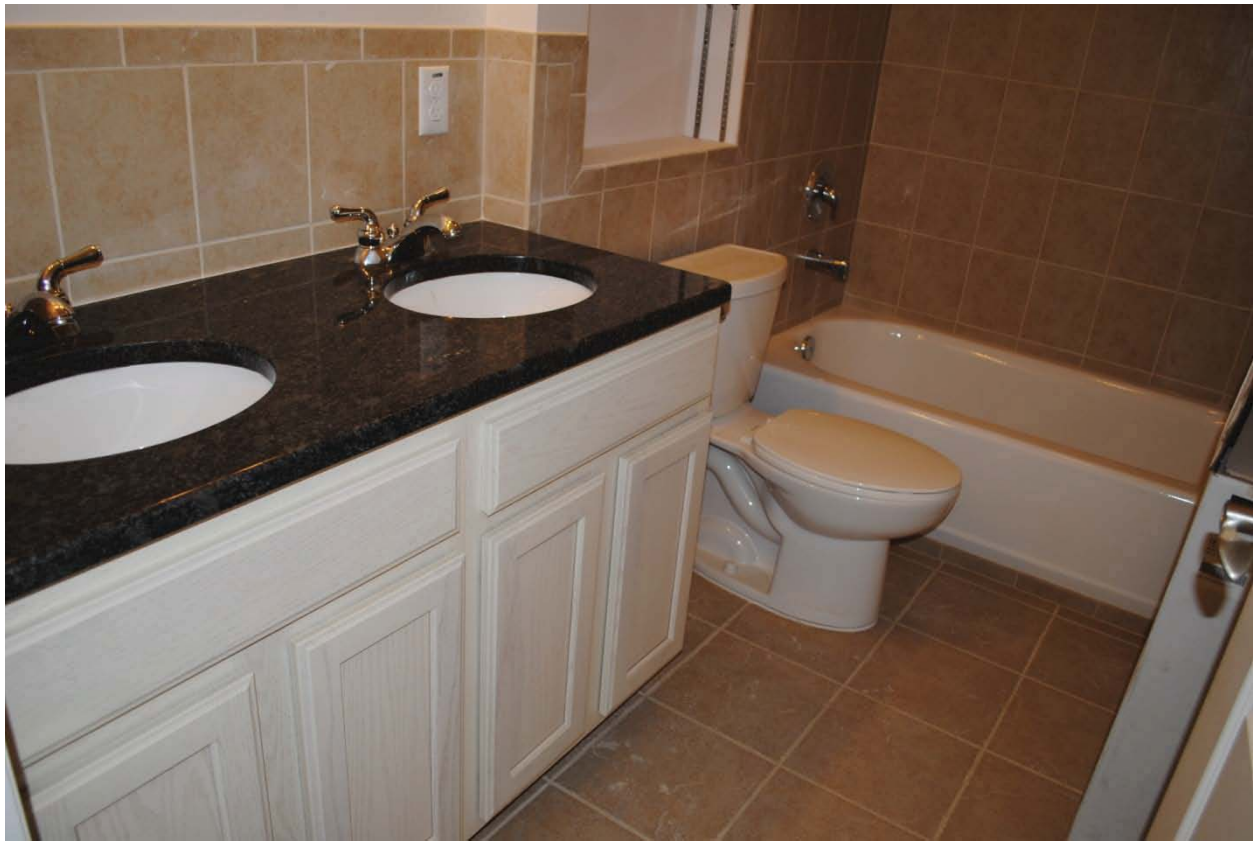
[www.gsecdc.org/realestate](http://www.gsecdc.org/realestate)  
[realestate@gsecdc.org](mailto:realestate@gsecdc.org)  
find us on facebook  
**Building Strong Communities**











# NEW CONSTRUCTION & INFILL

## VAN BRUNT HOMES

**Description:** New construction of 5 two family homes on 7 vacant lots located at 34-40 Van Nostrand Avenue and 15-17 Oak Street. Located in the MLK Drive Redevelopment Zone. Each home sold \$220,000 and included a 3BR/2BTH duplex for owner with parking and backyard. Also includes a 3 BR/1.5BTH rental unit at \$1,150 per month.

**Notable:** In-fill new construction on scattered lots designed to complement the historical character of the neighborhood. The sites were condemned by the City of Jersey City in 2009 because of structural issues and conveyed to GSEDC for redevelopment.

**Specs:**

- > Total Development Cost: \$2,100,000
- > Started: March 2011
- > Completed: December 2011
- > Status: All units have sold and occupied by February 2012



**GARDEN STATE EPISCOPAL**  
Community Development Corporation

514 Newark Ave  
Jersey City, NJ 07306  
(201) 209-9301 ph  
(201) 659-1028 fax

[www.gsecdc.org/realestate](http://www.gsecdc.org/realestate)  
[realestate@gsecdc.org](mailto:realestate@gsecdc.org)  
find us on facebook  
**Building Strong Communities**



## The Grant/Myrtle Homes and the Eugenia Suthern Homes

Located at 80-82 Storms Avenue, 123-125 Myrtle Avenue, 29 Grant Avenue and 121 Grant Avenue, this project involved the new construction of 6 two family homes completed between 2005 and 2006.







# The Greenville Homes

Located at 21-23 Orient Avenue, 94 Wegman Parkway, and 119 Rutgers Avenue this scattered site, infill new construction for sale project was completed in February 2009.



# RECO & FORECLOSURE

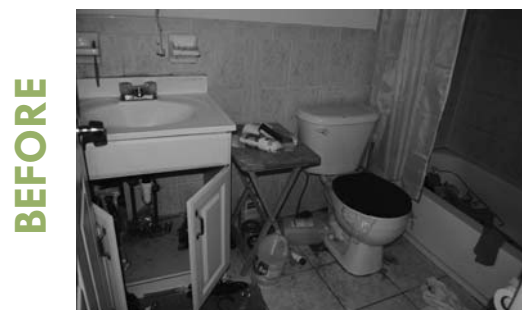
## NEIGHBORHOOD STABILIZATION PROGRAM

*Description:* Acquisition and moderate rehabilitation of nine foreclosed two-family homes on Jewett Ave., Clerk St., Stegman Street, Forrest Ave., Arlington Avenue, Wegman Parkway, and Armstrong Ave. The homes sold for \$210-245,000 and included a 3BR/2BTH unit for owner with parking and backyard and a 3 BR/1.5BTH rental unit at \$930 per month.

*Notable:* Rehabilitated with half the subsidy as compared to new construction. Helped attract higher incomes to a low income neighborhood. Set pricing floor to stabilize home values, owner equity and resident net worth, reducing the hardest hit foreclosure area in the city.

### Specs:

- > Total Development Cost: \$3,000,000
- > Started: June 2010
- > Completed: February 2012
- > Status: All units have sold



**GARDEN STATE EPISCOPAL**  
Community Development Corporation

514 Newark Ave  
Jersey City, NJ 07306  
(201) 209-9301 ph  
(201) 659-1028 fax

[www.gsecdc.org/realestate](http://www.gsecdc.org/realestate)  
[realestate@gsecdc.org](mailto:realestate@gsecdc.org)  
find us on facebook  
**Building Strong Communities**





**Sold**

Address	Sales Price	Buyer's Income	Buyer's Affordability	# of Household	Rental Limit
152 Arlington Ave	\$235,000	\$52,589	111% AMI	1 Person	50% AMI
152.5 Arlington Ave	\$235,000	\$53,000	104% AMI	1 Person	50% AMI
92 Armstrong Ave	\$210,000	\$76,000	107% AMI	4 Person	50% AMI
117 Armstrong Ave	\$210,000	\$46,000	70% AMI	3 Person	50% AMI
133 Clerk St	\$245,000	\$62,000	109% AMI	3 Person	50% AMI
279 Forrest St	\$245,000	\$52,000	104% AMI	1 Person	50% AMI
110 Fulton Ave	\$220,000	\$65,230	67% AMI	8 Person	80% AMI
52 Jewett Ave	\$245,000	\$55,000	101% AMI	2 Person	50% AMI
355 Randolph Ave	\$220,000	\$47,100	79% AMI	2 Person	80% AMI
62 Stegman St	\$245,000	\$45,000	90% AMI	1 Person	50% AMI
39 Wegman Pkwy	\$210,000	\$76,000	103% AMI	3 Person	50% AMI

**Pending**

Address	Sales Price	Buyer's Income	Buyer's Affordability	# of Household	Rental Limit
39 Oxford Ave	\$230,000	\$53,736	78% AMI	4 Person	80% AMI

**Available**

Address	Sales Price	Min. Buyer Income	Min. Buyer Affordability	Rental Limit
156 Stegman St	\$200,000	\$25,000	50% AMI	80% AMI

- Neighborhood Stabilization Program (NSP) Homes
- Neighborhood Recovery Program (NRP) Homes

# NSP HOMES



## Project Details

- \$2.9 Million Total Development Costs
- \$922k NSP1 Funds
- 9 – Two Family homes; 18 units of affordable housing in ONLY 2 years
- Acquisition, Rehab and Resale of 9 foreclosed homes
- Out of pocket costs as low as \$750; tenant rents as low as \$911

## Community Impact

- Discounted acquisition costs from Neighborhood Stabilization Community Trust
- Rehabilitated with HALF the subsidy as compared to new construction
- Helped attract higher incomes to a low income neighborhood to increase the community disposable income.
- Pricing- Set pricing floor in Greenville to stabilize home values, owner equity and resident net worth (reducing the hardest hit foreclosure area in the city; 30 foreclosures last month)
- Crime- Transformed 9 abandoned crime dens to quality homes for owner-occupant, families.
- Home ownership- 18 units of affordable housing for both owners and tenants.
- Jobs Created: Local construction jobs, local architect, local tradesmen. (unemployment over 11% in 07305)
- Catalyst for more investment- Set comparable housing prices, reduced crime on streets opening the market for investors and more owner occupants.
- Developed a successful model to transform community eyesores into mixed income affordable housing
- Transform blighted structures, where others have failed
- Stabilize household budgets by fixed housing costs
- Home ownership creates long term wealth
- Attract higher incomes to low income communities for economic stability of neighborhoods-NSP
- Creation of mixed income housing within 1 structure “Inclusionary Approach”-NSP,
- Create a buyer market with housing education and counseling –Greenville
- Attract new investment into low income neighborhoods through new programs-



# NSP – BEFORE



# NSP – BEFORE



# NSP – AFTER





# NSP – AFTER



# SUPPORTIVE HOUSING

**Description:** New construction of two supportive housing communities for 14 people and families with special needs on three vacant lots. Includes 11 one bedroom units at 750 sf each and three two bedrooms at 850 sf each. Nine units are ADA compliant and all serve people with very little or no income. Social services are provided by GSECDC.

**Notable:** The properties were designed to meet Energy Star Program requirements. The projects were nominated for an Excellence Award at the 2010 Governor's Housing and Community Development Conference. GSECDC was the recipient of the 2009 Developer of the Year Award at the NJ Supportive Housing Conference for this effort.

## Specs:

- > Total Development Cost: \$3,500,000
- > Started: November 2008
- > Completed: September 2009
- > Status: All residential units were occupied by November 2009

## ALL SAINTS SUPPORTIVE HOUSING



BEFORE



## COLUMBIA PARK PLACE



**GARDEN STATE EPISCOPAL**  
Community Development Corporation

514 Newark Ave  
Jersey City, NJ 07306  
(201) 209-9301 ph  
(201) 659-1028 fax

[www.gsecdc.org/realestate](http://www.gsecdc.org/realestate)  
[realestate@gsecdc.org](mailto:realestate@gsecdc.org)  
find us on facebook  
**Building Strong Communities**













## Resurrection House and Mid City Homes

These projects included the development of 116 units of low income housing for families across 45 scattered sites. This effort was completed between 1993-1997



Resurrection House- This project involved the acquisition of an abandoned school building for a gut rehabilitation that produced 28 units of low income rental housing. This project was completed in 1993.



Mid City 1 and 2- This project involved the acquisition of 44 vacant lots across 10 block radius that were contaminated with chromium. The lots were remediated for the construction of 44 two family homes producing 88 units of low income rental housing. This project was completed between 1995 and 1997





# STATE OF NEW JERSEY NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY



Select Language  Translator Disclaimer

- HOME
- HOMEOWNERSHIP
- RENTALS
- DEVELOPERS
- FORECLOSURE
- MEDIA ROOM
- ABOUT HMFA



CONSUMER HOTLINE: 1-800-NJHOUSE

[MORTGAGE CALCULATOR](#) [APPROVED LENDER LIST](#) [HMFA INTEREST RATES](#)

### HMFA in the News

#### News 2013

[Home](#) > [Media Room](#) > [HMFA in the News](#) > [News 2013](#) > Christie Administration Marks Grand Opening of Bergen Court Apartments in Jersey City

#### For Immediate Release:

July 31, 2013

#### Contact:

Tammori Petty  
Sean L. Conner  
609-292-6055

### Upcoming Events

### Documents and Resources

### Publications and Training Resources

### HMIS Training Videos

### Board Meeting Agendas and Minutes

### Investor Information Documents

### Subsidiary Corporation Meeting Minutes

## Christie Administration Marks Grand Opening of Bergen Court Apartments in Jersey City

*Rehabilitated Multifamily Housing Development Provides 12 Affordable Housing Opportunities, Four for Homeless Individuals with Disabilities*

JERSEY CITY, N.J. – The New Jersey Housing and Mortgage Finance Agency (HMFA) Executive Director Anthony L. Marchetta recently joined New Jersey Community Capital, the United Way of Hudson County and Jersey City officials in celebrating the grand opening of Bergen Court Apartments located at 242 Bergen Avenue in Jersey City. The HMFA, an affiliate of the Department of Community Affairs (DCA), provided close to \$270,500 in permanent financing through the Small Rental Project Loan Program and \$400,000 in construction financing from the Special Needs Housing Trust Fund for the project. Additional funding came from a U.S. Department of Housing and Urban Development (HUD) Supportive Housing Program Grant, and Jersey City HOME funds.

"We are pleased that our Small Rental Project Loan Program is helping to provide permanent financing for this project," said DCA Commissioner Richard E. Constable, III, who is Chair of the HMFA. "These programs work together to not only create affordable housing options, but to rehabilitate communities."

Bergen Court has been vacant for over ten years with many failed attempts at financing and rehabilitation. The Garden State Episcopal Community Development Corporation (GSECCDC) partnered with HMFA and other public- and private-sector organizations to substantially rehabilitate this facility. The project includes 12 affordable housing units, eight two-bedroom units with rents below 60% of the area median income and four one-bedroom units that are set aside for chronically homeless individuals with disabilities. The households that occupy these four units will pay a monthly rent of 30% of their adjusted gross income minus a utility allowance. Apartment amenities include a refrigerator, air conditioner, cable television hookups, basement storage space, range and a laundry facility on each floor. As part of the Jersey City Redevelopment Plan, this project is conveniently located near public bus transportation, schools, parks and recreational facilities.

"The HMFA is pleased to provide the capital financing that enabled the development of this project which provides affordable housing and an enhanced living experience for the residents of Jersey City," said HMFA Executive Director Anthony Marchetta. "We commend the city for recognizing the need for affordable housing and providing opportunities to those most in need."

The Garden State Episcopal Community Development Corporation (GSECDC), located in Jersey City, is the developer for this project and has been involved in the development of affordable housing for over 25 years. They have built 228 units of affordable housing including low-income rentals, home ownership opportunities for first-time home buyers, and special needs housing through rehabilitation and new construction activities. This will be the fourth project GSECDC is working on with HMFA; they have completed three other permanent supportive housing projects for 20 individuals with funding through the Special Needs Housing Trust Fund.

The HMFA provides funding for affordable home ownership and housing opportunities for New Jersey residents. The Agency responds to the needs of its residents by implementing creative programs and establishing alliances that fund affordable home mortgages for first-time home buyers; promote construction and rehabilitation of rental housing; encourage mixed-income, owner-occupied housing growth as a means to stabilize urban neighborhoods; advance the growth and development of municipalities; and contribute to the quality of life of older adults, the disabled and those with special housing needs.

For more information on HMFA programs, please call 1-800-NJHOUSE or (609) 278-7400, or log on to [www.njhousing.gov](http://www.njhousing.gov).



[contact us](#) | [privacy notice](#) | [disclaimer](#) | [accessibility statement](#) 

Divisions: [Homeownership](#) | [Rentals](#) | [Developers](#) | [Foreclosure](#) | [Media Room](#) | [About HMFA](#) | [HMFA Employee Portal](#)  
Statewide: [NJ Home](#) | [Services A to Z](#) | [Departments/Agencies](#) | [FAQs](#)

New Jersey Housing and Mortgage Finance Agency  
637 South Clinton Avenue  
P.O. Box 18550  
Trenton, NJ 08650

Copyright © State of New Jersey, 2013

HISTORIC DOWNTOWN JERSEY CITY

**FARMERS' MARKET**

GROVE ST. PATH PLAZA | MON &amp; THURS | 4-8 PM | MAY - DECEMBER



## Twelve More Affordable Housing Units Rehabilitated by Garden State Episcopal CDC

By [Matt Hunger](#) • Jul 25th, 2013 • Category: [Blog](#)

As the cost of living in Jersey City continues to rise (even as the state's overall economy remains sluggish), affordable housing is increasingly important. Now twelve more affordable housing units have been rehabilitated along Bergen Avenue thanks to the efforts of the Garden State Episcopal Community Development Corporation.

Of the twelve units, four will be dedicated to Supportive Housing, a designation meant to help families in danger of becoming homeless. All told, the GSECDC has spent \$37 million to rehabilitate 85 abandoned properties while creating 228 housing units for those in need.

"Our agency was born out of an effort to revitalize an abandoned school building at 69 Storms Avenue in 1993 and to date, **GSECDC** has completed 228 units of affordable mixed income housing that is strategically programmed to also help revitalize neighborhoods," Carol Mori, Executive Director for GSECDC, said in a statement.

The apartments, located at 242 Bergen Avenue, are known as the Bergen Court Apartments and are being developed by the GSECDC's Division of Housing and Community Development with a design by Iwdmr Architects and construction by Salazar & Associates. The rehabilitation followed 10 years of vacancy of the building and over \$2.5 million of work, much of which was paid for by financial support of the Jersey City Division of Community Development's HOME and AHTF Program, NJ Housing & Mortgage Finance Agency, HUD's Supportive Housing Program, and a construction loan from New Jersey Community Capital.

To find out if you're eligible for the units, GSECDC has outlined applicant requirements [here](#).

Mayor Steve Fulop will be in attendance at a ribbon cutting set for July 30 in support of the effort. Still, Jersey City's new administration has suggested the overall process of finding space for affordable housing in the city needs to change. Indeed, while lower property value in some parts of the city helps affordable housing dollars go further, it's created the so-called tale of two cities, which amounts to a sharp financial division between neighborhoods. To address that, Fulop has previously suggested an [alternative plan](#) that he says he intends to revisit now that he's mayor.

*Like what you've read here? Please consider [making a donation or becoming a sustaining member](#). As a grassroots news organization, we rely on community support -- as well as paid advertising -- to survive.*

TOGETHER  
**NORTH  
JERSEY**

Connecting People, Places, and Potential.



Together North Jersey > News & Updates > Strategies and Actions > Housing > Affordable Housing > Rehabilitating Multifamily Affordable Housing in Jersey City

## REHABILITATING MULTIFAMILY AFFORDABLE HOUSING IN JERSEY CITY

Affordable Housing, Economic Development, Housing, Neighborhood Stabilization, Public-Private Partnerships, Strategies and Actions

The **New Jersey Housing and Mortgage Finance Agency (HMFA)** Executive Director Anthony L. Marchetta recently joined New Jersey Community Capital, the United Way of Hudson County and Jersey City officials in celebrating the grand opening of Bergen Court Apartments located at 242 Bergen Avenue in Jersey City. The HMFA, an affiliate of the Department of Community Affairs (DCA), provided close to \$250,000 in permanent financing through the Small Rental Project Loan Program and \$400,000 in construction financing from the Special Needs Housing Trust Fund for the project. Additional funding came from a U.S. Department of Housing and Urban Development (HUD) Supportive Housing Program Grant, and Jersey City HOME and Affordable Housing Trust funds.

### Categories

- News (34)
- Strategies and Actions (23)
  - Arts and Culture (2)
  - Community Engagement (2)
- Economic Development (10)
  - Asset Based Economic Development (1)
  - Growth with Equity (1)
  - Marketing Development Sites (4)
  - Public-Private Partnerships (3)
- Education (2)
  - Job Training (2)
- Energy and Climate (1)
  - Urban Heat Island (1)
- Health and Safety (5)
  - Active Living (3)
  - Healthy Community Design (1)
  - Site Remediation (1)
- Housing (12)
  - Affordable Housing (6)





An exterior view of Bergen Court during the renovation project.

"We are pleased that our Small Rental Project Loan Program is helping to provide permanent financing for this project." said DCA Commissioner Richard E. Constable, III, who is Chair of the HMFA. "These programs work together to not only create affordable housing options, but to rehabilitate communities."

Bergen Court has been vacant for over twenty years with many failed attempts at financing and rehabilitation. **The Garden State Episcopal Community Development Corporation (GSECDC)** partnered with HMFA and other public- and private-sector organizations to substantially rehabilitate this facility. The project includes 12 affordable housing units, eight two-bedroom units with rents below 60% of the area median income and four one-bedroom units that are set aside for chronically homeless individuals with disabilities. The households that occupy these four units will pay a monthly rent of 30% of their adjusted gross income minus a utility allowance. Apartment amenities include a refrigerator, air conditioner, cable television hookups, basement storage space, range and a laundry facility on each floor. As part of the Jersey City Redevelopment Plan, this project is conveniently located near public bus transportation, schools, parks and recreational facilities.

- Affordable Housing Trust Fund (1)
- Buy-Down Program (1)
- Community Housing Corporation (1)
- Fair Housing (2)
- Green Roofs (1)
- Low-Income Housing Tax Credit (1)
- Moving to Work Program (1)
- Neighborhood Revitalization Tax Credit (1)
- Neighborhood Stabilization (4)

- Land Use and Urban Design (7)
- Abandoned Property List (1)
- Brownfields Redevelopment (2)
- Greyfield Redevelopment (1)
- Mixed-Use Zoning (1)
- Tax Foreclosure (1)

- Natural Systems (2)
- Air Quality (1)
- Green Infrastructure (1)
- Parcel-Based Billing (1)
- Urban Forestry (1)

- Transportation (10)
- Bicycling (2)
- Complete Streets (4)
- Transit Oriented Development (4)

Uncategorized (2)

Recently Added:

Providing Community Public



An interior view of a Bergen Court apartment during the rehabilitation process.

"The HMFA is pleased to provide the capital financing that enabled the development of this project which provides affordable housing and an enhanced living experience for the residents of Jersey City," said HMFA Executive Director Anthony Marchetta. "We commend the city for recognizing the need for affordable housing and providing opportunities to those most in need."

The Garden State Episcopal Community Development Corporation (GSECDC), located in Jersey City, is the developer for this project and has been involved in the development of affordable housing for over 25 years. They have built 228 units of affordable housing including low-income rentals, home ownership opportunities for first-time home buyers, and special needs housing through rehabilitation and new construction activities. This will be the fourth project GSECDC is working on with HMFA; they have completed three other permanent supportive housing projects for 20 individuals with funding through the Special Needs Housing Trust Fund.

The HMFA provides funding for affordable home ownership and housing opportunities for New Jersey residents. The Agency responds to the needs of its residents by implementing creative programs and establishing alliances that fund affordable home mortgages for first-time home buyers; promote construction and rehabilitation of rental housing; encourage mixed-income, owner-occupied housing growth as a means to stabilize urban neighborhoods; advance the growth and development of municipalities; and contribute to the quality of life of older adults, the disabled and those with special housing needs.

This article **previously** appeared on the HMFA website.

The challenge of

The Small Rental Project

Transit for the Suburbs

Promoting Mixed-Use, Mixed-Income Communities for Upward Economic Mobility

Redeveloping Greyfields (Vacant Commercial Centers)

Rehabilitating Multifamily Affordable Housing in Jersey City

Bridging the Cultures of Poverty and Business through an Innovative Welfare-to-Career Program in Michigan



# 5 GREENVILLE HOMES

## Two-families give owners unit to rent

By **CHARLES HACK**  
JOURNAL STAFF WRITER

Five new townhouses in Jersey City's Greenville neighborhood will give five first-time buyers not just a chance to enjoy the "American Dream" but to become landlords to boot.

The families, city officials, and staff members of the Jersey City Episcopal Community Development Corp. joined together yesterday to cut the ribbon on the five new two-family buildings at 34, 36 and 40 Van Nostrand Ave. and 15 and 17 Oak St.

The three-story townhouses are each priced at \$220,000.

Known as the Van Brunt Homes, each townhome includes a three-bedroom duplex on the bottom two floors, a garage and backyard, and a three-bedroom rental unit on the top floor.

Sergio Benitez, 38, his wife Shadira, 35, and their three children are moving into one of the Van Nostrand Avenue homes. The closing is scheduled for next week.

"We are going to live the American Dream," said Benitez, a technician for a hospital supply company and a current renter in the Jersey City Heights.

To qualify, applicants to buy the homes had to show they earn between \$40,000 and \$60,000 a year, officials said. All the buildings have been sold or are under contract.

Tenants who pay \$900 per month for the three-bedroom top-floor apartments also have to apply for a home through the development corporation.

The buildings are named for the founder of the Jersey City Episcopal Community Development Corp., Peter R. Van

Brunt, 72, who attended yesterday's event.

"I look forward to assisting this development corporation for as long as I am able," he said.

The project cost \$2.1 million to build. Some \$1.1 million came from a construction loan from TD Bank and the City of Jersey City gave the project a \$1 million grant, officials said.

The Jersey City Redevelopment Authority sold the land to the development corporation for \$120,000.

CHARLES HACK can be reached at [chack@journal.com](mailto:chack@journal.com).



CHARLES HACK JOURNAL PHOTO

**SERGIO BENITEZ**, left, his wife **Shadira Benitez**, mother **Amira Sanchez**, right, and their 1-year-old niece **Ely Rosales** in front of their new house on Van Nostrand Avenue in Jersey City.



# Non-profit turns foreclosed into affordable homes

By CHARLES HACK  
JOURNAL STAFF WRITER

A Jersey City based non-profit developer has converted nine vacant two-family houses into 18 affordable homes in some of the city's neighborhoods hardest hit by foreclosures.

Officials from the Garden State Episcopal Community Development Corporation held a ribbon cutting last week on Tuesday at a three-story house at 152.5 Arlington Avenue, one of nine buildings in Greenville, Bergen/Lafayette and McGinley Square that have been renovated since going through foreclosure proceedings.

The program converts vacant "crime havens" into family homes that boost the local estate market, said Ricardo Rosario, senior development manager with the CDC.

"We stabilize the neighborhood by removing the blighted

**"We stabilize the neighborhood by removing the blighted houses and increase rents and increase the value of comparative homes."**

Ricardo Rosario  
Community Development Corporation

the group's director of Housing and Community Development.

The projected \$3 million project is funded by a

houses and increase rents and increase the value of comparative homes," he added.

Under the program, renovated houses are sold for \$210,000 to \$245,000 to moderate-income families.

The new property owner pays a mortgage of roughly \$1,900 a month for the two-family homes. The main apartment has three to five bedrooms, while the rental unit has three bedrooms and rents for roughly \$900 a month, officials said.

At any given time, 250 to 300 homes are in foreclosure in Jersey City, said John Restrepo,

\$922,000 federal grant, a \$1 million loan from New Jersey Community Capital, a non-profit that provides financing for housing and community development projects, and proceeds from home sales, officials said.

"We are helping not just this house and the house next to us, we are helping our neighborhood and helping our entire city," Mayor Jerramiah T. Healy said.

CHARLES HACK can be reached at [chack@journal.com](mailto:chack@journal.com).

★

[www.nj.com/hudsoncountynow](http://www.nj.com/hudsoncountynow)

## Eight housing units for disabled

Disabled persons with low, or even no income, now have eight more units of housing in Jersey City.

The ribbon was cut yesterday for the All Saints Supportive Housing Development at Bergen Avenue near Bidwell Avenue.

Built on two vacant lots, the housing will be managed by the Jersey City Episcopal Community Development Corporation, said Carol Mori, executive director of JCECDC.

"This elegant building will serve as an asset to the neighborhood but also to the people who will live here for many years," Mori said yesterday.

Most residents at the three-story building will pay a third of their income in rent, officials said. But even persons with no income can be accepted.

The project is subsidized by the state's Department of Community Affairs State Rental Assistance Program and the federal Department of Housing and Urban Development's Supportive Housing Program.

The one-bedroom apartments are equipped with



JERSEY CITY officials, including Mayor Jerramiah T. Healy, right, join in the ribbon-cutting ceremony for the All Saints Supportive Housing Development at Bergen Avenue near Bidwell Avenue.

granite countertops, stainless steel appliances, front-loader washer and dryers, and also feature bamboo hardwood floors, said John Restrepo, JCECDC's real estate director.

The city's Affordable Housing Trust Fund Program covered \$416,000 of the nearly \$2

million development costs. Another \$1.2 million came from the state Housing and Mortgage Financing Agency and \$400,000 from HUD, officials said.

The first tenants should move in next month, officials said.

— CHARLES HACK



# Jersey City Affordable Housing Group Celebrates 'First New Construction on Monticello Avenue in Decades'



The Jersey City Episcopal Community Development Corporation (JCECDC) will hold a ribbon-cutting ceremony tomorrow morning for what it is heralding as “the first new construction on Monticello Avenue in decades,” a seven-unit affordable condo development with ground-floor retail space.

The project, located where two formerly vacant sites used to sit at 167-169 Monticello Ave., cost JCECDC more than \$2.1 million to build, but the group received a number of grants and investments to cover the costs. And despite the economic crisis, still-high local unemployment numbers and tighter lending practices from mortgage companies, JCECDC was able to pre-sell all seven condo units, which went for \$95,000 (the three one-bedroom units) and \$125,000 (the four two-bedroom units).

“This project posed several challenges due to local market dynamics for commercial construction, fluctuations in the national economy and more stringent mortgage lending practices for our buyers,” seven units, and are negotiating the commercial lease for a December 1 occupancy by the tenant.”

The ground-floor commercial space will most likely be the home of a new Bergen Communities United job center run by the local nonprofit WomenRising.

In addition to money from the Jersey City Division of Community Development’s HOME Program (\$506,000), the Jersey City Affordable Housing Trust Fund (\$451,000) and New Jersey Community Capital (\$755,000), the Monticello Avenue project received hundreds of thousands in private investment from the PSE&G Foundation, PNC Bank and Blue Cross/Blue Shield, via the state Department of Community Affairs’ Neighborhood Revitalization Tax Credit program (NRTC), which offers businesses a 100 percent tax credit for investing in the revitalization of low-and moderate-income neighborhoods. The JCECDC executive director Carol Mori says the group will pursue similar financing in future projects.

“We are committed to this neighborhood and look forward to duplicating this effort, including raising additional investment for NRTC activities from local corporations for Monticello Avenue and other places like MLK Drive,” she says.

Like much of the recent affordable-housing construction in Jersey City, the building itself was constructed with environmentally friendly materials, and it has attained a LEED Silver certification from the U.S. Building Council.

Housing and neighborhood advocates all hope that this development can anchor the “ongoing revitalization of Monticello Avenue,” as Mayor Jerramiah Healy says.

“With partnerships such as this, and with Main Street Monticello, we have seen a transformation take place that we hope to replicate in other areas of the city,” he adds.



Check Out The New Seasonally Inspired Menu and Cocktail List  
at Jersey City's Best Outdoor Dining Space

## The Iron Monkey Rooftop

99 Greene Street, Jersey City • [www.ironmonkey.com](http://www.ironmonkey.com)



# Garden State Episcopal Community Development Corporation Turns Foreclosures Into Affordable Housing

Even as foreclosures continue to plague homeowners – often erroneously, a report finds – the Garden State Episcopal Community Development Corporation is doing their part to help make owning a home affordable again. The GSECDC (formerly known as the Jersey City ECDC) has completed a project that turns 18 foreclosed housing units in Jersey City into 9 affordable two-family homes. The CDC will be holding an event to celebrate the completion of the acquisition and rehabilitation of the homes on February 28th at 11am at 152.5 Arlington Avenue.

The foreclosures are located in some of the hardest hit areas of the city, including Greenville, Bergen/Lafayette and the McGinley Square, with the aim towards averting foreclosures' negative effects on neighborhoods.

At the event will be Senator Sandra Cunningham, Honorable Mayor Jerramiah T. Healy, Councilman Michael Sottolano, Councilwoman Michele Massey, United States Department of Housing and Urban Development Newark Office Director Diane Johnson, and representatives from New Jersey Community Capital.

The plan, says the GSECDC, also creates temporary construction jobs and provides for over \$2 million in mortgage financing to the new buyers at a fixed rate of 4% over 30 years.

Ricardo Rosario, Senior Development Manager for GSECDC said in a statement, "The NSP project successfully tackled many of the neighborhood's contemporary issues, with swift and efficient action. This program transformed abandoned crime dens into productive homes, while creating value and wealth in the neighborhood through homeownership, private investment stimulation, and job creation. The project's success highlights the efficient and responsible use of public subsidy, leveraged upon private funds, unique market conditions and unappreciated community resources. This foreclosure based project took advantage of both the assets and issues of our neighborhood, and developed a holistic, replicable model to efficiently solve a broad range of social and economic factors in foreclosure-stricken urban communities."

John Restrepo, Director of Housing and Community Development added in the statement, "Just recently, Senator Lesniak introduced a bill to the State Legislature that proposes to convert the foreclosure stock into affordable housing. GSECDC has been doing this successfully for the past 2 years and has developed a model that can be duplicated to assist other distressed communities. There are many benefits to this approach that should draw attention at a larger scale to help stabilize the housing market in New Jersey. We successfully created units with half the subsidy funding necessary to create a similar unit with new construction. We were also able to serve populations with a wide range of incomes, and stimulated new investment in emerging markets while creating jobs. This is a unique opportunity to bring these properties back to functional use in today's funding environment of shrinking resources."



## Garden State Episcopal Community Development Corporation

# Developing at the Speed of Need

Over the last 25 years, downtown Jersey City has grown from a small-scale historic business district to one of the largest financial centers in the country, with more than 20 newly-built skyscrapers and several more currently under construction. Located in the shadows of these new high-rises are Jersey City's longstanding residential neighborhoods, where progress has not come so quickly. For decades, many of these neighborhoods have faced a lack of sufficient basic amenities, including decent affordable housing.

Garden State Episcopal Community Development Corporation (GSECDC) is dedicated to reviving these neighborhoods and meeting its residents' housing needs. Since 1993, GSECDC (previously Jersey City Episcopal Community Development Corporation) has built 208 units of affordable housing, and it plans on building 70 more over the next three years, primarily within the lower-income neighborhoods of Greenville and Bergen Hill. GSECDC's ability to operate quickly—to efficiently move from acquisition of land to completion of construction and then immediately to the next project in its pipeline—is a major reason for its success. In turn, GSECDC's capacity and ability have played a large role in improving the quality of life in Jersey City neighborhoods.

In March 2010, New Jersey Community Capital closed a \$1 million revolving line of credit to GSECDC to assist it in acquiring and rehabilitating nine two-family homes. A line of credit, such as the one provided by NJCC, is far more accessible and flexible than a series of development loans and having such readily available capital is exactly what GSECDC needed to further enhance its housing production. In the first six months that this line of credit was available, GSECDC made three draws to rehabilitate three different properties. GSECDC continued working at this fast pace through the end of 2011, typically completing renovations within 90 days of each draw. This tireless work has given 27 adults and 36 children a new opportunity for decent housing and improved life chances, while stabilizing and strengthening the surrounding neighborhoods.

The challenges of revitalizing communities after decades of underinvestment can often seem overwhelming. The professionals in organizations like GSECDC employ a constant, unwavering resolve in order to efficiently surmount these challenges, one step at a time. As lenders, we at NJCC share the same steady approach to revitalization efforts across the state. The shared vision held by the staff at these two organizations has made for a natural partnership, one that promises to continue encouraging all Jersey City neighborhoods to progress towards greater stability over the coming years.





BILL BAYER JOURNAL PHOTO

**THE SITE** on Bergen Avenue where the Jersey City Episcopal Community Development Corp. will be building housing units.

# To build supportive housing on Bergen Ave. near Bidwell

By **PAUL KOEPP**  
JOURNAL STAFF WRITER

Ground was broken yesterday morning for an affordable housing complex on Bergen Avenue in Jersey City.

Mayor Jerramiah Healy, Councilwoman Viola Richardson and state Department of Community Affairs Commissioner Joseph V. Doria Jr. were on hand for the ceremony at the site, two vacant lots at 155-157 Bergen Ave., near Bidwell Avenue.

*"This project is a perfect example of how a number of entities can come together to form partnerships that address the needs of some of the most vulnerable in our society."*

**JOHN RESTREPO**  
JCECDC

The All Saints Supportive Housing Development, to open next fall, will provide one-bedroom apartments for eight people with low or no income, according to the Jersey City Episcopal Community Development Corporation, which is building the units through its Corpus Christi Ministries



**JERSEY CITY** Mayor Jerramiah T. Healy and Department of Community Affairs Commissioner Joseph V. Doria Jr., center, join members of the Jersey City Episcopal Community Development Corp. during yesterday's groundbreaking for affordable housing for special needs individuals. They are joined by Ward F Councilwoman Viola Richardson and Diane Johnson, left, Newark district director for HUD.

Housing program.

Each 700-square-foot unit includes a bedroom, full bathroom, kitchen, living room and dining area, according to the JCECDC. They will also share a social hall, front porch, rear patio and four parking spaces, officials said.

To cover the project's \$1.9 million tab, the state Housing and Mortgage Financing Agency is contributing \$1.1 million, while \$416,000 is coming from the city's affordable housing fund and \$400,000 will come from the U.S. Depart-

ment of Housing and Urban Development, officials said.

"This project is a perfect example of how a number of entities can come together to form partnerships that address the needs of some of the most vulnerable in our society," said John Restrepo, JCECDC real estate director, in a news release.

CCHM already operates three developments housing 41 Jersey City residents who receive help with job training with the goal of independent living, according to the JCECDC.



## Awards/Honors



7<sup>th</sup> Annual Neighborhood Achievement Awards in 2009. JCECDC was the recipient of the Neighborhood Impact Award for our revitalization work in Greenville, Jersey City.



JCECDC was the recipient of the Developer of the Year Award at the 2009 Supportive Housing Conference for the completion of 20 units of supportive housing over 3 sites.



# Life



## TERESIANS BLESS THE BLESSED

The Sodality of the Children of Mary of St. Teresa, also known as the Teresians, gathered outside of St. Peter Hall for the annual rededication of the Christmas Creche at St. Peter's College, Jersey City. The Rev. Leo J. Daly, S.J., moderator of the Sodality, blessed the Creche following the Mass in honor of the Immaculate Conception of the Virgin Mary.

### RELIGION

# MY HEROES OF 2006

## They've lifted spirits every day of the year

In the course of a year, I meet so many interesting people and have the privilege of sharing their story with you. Here are some outstanding people of faith.

Clone the Rev. Trevor Rubingh and expose him to children all over Hudson County. This founder and pastor of New City Kids Church, on Monticello and Fairmount avenues in Jersey City, has more energy and charisma than any priest, preacher or pastor I have ever met.

### Faith Matters



**Rev. Alexander M. Santora**

He does church for children in the most creative ways ever. He combines his musical ability with high spirit and a passion for Jesus Christ to teach the Gospel. And the kids and parents probably don't even realize that they are learning.

But what's even more incredible is his commitment to reach children of families who are struggling and are outside the radar of most houses of worship. The refitted warehouse is alive with colorful banners, the latest media equipment and potential for life-changing experiences for children and teens, mostly minorities.

There are after-school, Saturday, summer, family, sailing, job-training programs and more to welcome everyone. Bring your kids to New City for unparalleled experiences of faith and worship.

And if you drive to the other end of Jersey City, at Audubon and Bergen avenues, right off Audubon Park near New Jersey City University, you notice this



JAMES DOUGLAS JOURNAL PHOTO

**THE Rev. Damon Gilyard** and his wife Janice, pose for a photo at the Corinthian Baptist Church, next to toy donations they gave to the York Street Project this holiday season.



NEIL BACON JOURNAL PHOTO

**MARIAM ABBASSI**, vice president and organizer of events at the Islamic Education Center of North Hudson, is committed to reaching out to the community.



REENA ROSE SIBAYAN JOURNAL PHOTO

**SISTER Mary Thaddeus McGorty**, a nun for 66 years, has dedicated 39 of them to Sacred Heart School in Jersey City.



REENA ROSE SIBAYAN JOURNAL PHOTO

**JOHN RESTREPO**, director of real estate management and development for the Jersey City Episcopal Community Development Corporation, works to create more local affordable housing.

church with the Corinthian pillars so aptly named Corinthian Baptist Church.

Like most urban churches it has struggled until the Gilyards — the Rev. Damon and Janice, his wife — came to pastor the people of the neighborhood. That has made the difference. They have coupled rousing worship services with community outreach to make a difference and bring that church back to life in the short time

they have been there.

Their back-to-school night in September was most impressive. The virtually all-African-American congregation displayed talent for singing, praying, praising and dancing with interaction among adults, teens and children that was so inspiring.

What the Gilyards have done is show that communities that work together can also transform their neighborhoods with the closeness and caring evident within their church walls. With the Gilyards' leadership, they will succeed.

Success is also the mantra of the North Hudson Islamic Center in Union City. In my opinion, this is the best mosque, by far, in the entire region. Led by the urbane and personable Imam Mohammed Alhakey, this large multipurpose center off Bergenline Avenue on Cottage Place has made outreach their mission.

They have welcomed anyone — but especially the surrounding Hispanic community — to come to monthly information sessions, which are organized with care.

One of the outstanding volunteers and members of their mosque is Mariam Abbassi, the



NEIL BACON JOURNAL PHOTO

**THE REV. TREVOR RUBINGH**, is making a difference in children's lives at the New City Kids Church.

vice president of their Da'Wah, or outreach, committee. The successful owner of several businesses resides in Bergen County and hails from East Jerusalem. They always have plenty of people to greet, meet and feed the guests.

Much is made of women as second-class citizens in Islam. Spend time at this center and see how valuable are women's contributions and leadership, epitomized by Abbassi.

Hudson County's schools, churches and institutions have been founded, shaped and led

by thousands of religious women, or sisters, since the 19th Century. And no group more than the Sisters of Charity of St. Elizabeth, of Convent Station, who staffed most of the schools. Though their numbers are diminished, the Charities are vital to Catholic education.

Typifying their dedication is Sister Mary Thaddeus McGorty of Sacred Heart School, Jersey City, which is the first elementary school in the Archdiocese to be run jointly by the archdiocesan schools office and the Sisters of Charity.

The Hoboken native just marked her 66th year as a nun and her 39th at Sacred Heart, where she first taught eighth grade until 1998, when she began to collect tuition. Seated in a makeshift office in the school's basement, McGorty dispenses receipts along with pieces of candy and a friendliness that characterizes this special school and her love for children.

As a child, John Restrepo, knew the struggles of belonging to a family of four children raised by a single mother and finding affordable housing in North Hudson. He feels he was blessed to graduate from Rutgers University with a degree in urban planning and wanted to do something for the community especially for families like his.

So he went to work as the director of real estate management and development for the Jersey City Episcopal Community Development Corporation, based in McGinley Square. He brings together developers to create affordable housing by new construction or rehabilitation.

One of the greatest joys of this Union City resident is seeing families move into their new homes.

Amén to these special and spirited people of faith.

**SANTORA** is the pastor of Our Lady of Grace Church, 400 Willow Ave., Hoboken, 07030, 201-659-0369, fax 201-659-5833, e-mail: padrea-lex@yahoo.com



# Life



## HOLY FAMILY ACADEMY GOLF OUTING

Holy Family Academy will host the Sister Joan O'Donnell Memorial Golf Invitational at Suneagles Golf Course in Fort Monmouth on July 10. Registration and putting contest start at 11 a.m. All proceeds benefit the student activities at HFA. For information, call (201) 436-9144 or (201) 339-7341. Pictured are golfers from last year's outing.

### RELIGION

# RAISING ROOFS, MORALE

## Episcopal agency is building affordable homes

### Faith Matters



**Rev. Alexander M. Santora**

**J**ohn Restrepo, 30, grew up as one of four children of a single mom who held two jobs to make ends meet. He knows how difficult it is to find affordable housing.

After he graduated in 1999 from the Bloustein School at Rutgers in New Brunswick he wanted to "bring academics into his personal life." So in 2003 he accepted the position of director of the division of real estate management and development for the Jersey City Episcopal Community Development Corporation.

Restrepo is proud of the projects that have gotten off the ground and those in the pipeline, especially since "Jersey City is located in the one of the most unaffordable housing markets in the nation," according to the 2000 Affordable Housing Index.

Next month, JCECDC is looking for first-time homebuyers so they can prepare them and possibly finance a down payment on a new home as well as cover closing costs. Participants will get training from a certified homebuyer educator, a seven-session course covering topics such as budgeting and credit, getting a mortgage, working with a real estate attorney, home maintenance and finances, and becoming a landlord.

The course begins on July 24, and will be held at the Curries Woods Community Revitalization Center for seven consecutive Mondays from 6 to 8 p.m. And this is all free.

What is not free are the new homes the JCECDC is building



RENEA ROSE SHIBATAN JOURNAL PHOTO

**PICTURED**, from left, Baldo Group Associate Jesus M. Alvarez; Jersey City Episcopal Community Development Corporation Director of Operations Carol Mori; JCECDC Board President Sidney W. King Jr.; and JCECDC Division of Real Estate Management and Development Director John E. Restrepo stand in front of two homes they are building on Myrtle Avenue in Jersey City.

### MORE DETAILS

**WHAT:** JCECDC's affordable housing programs  
**CONTACT:** John Restrepo at (201) 209-9301, Ext. 304 or e-mail: jrestrepo@jcecdc.org

and hopes to sell to some of the graduates of its home-buying program, the Grant/Myrtle Homes consisting of four two-family homes in the Greenville neighborhood of Jersey City. The homes will be located at 123-125 Myrtle Ave., 121 Grant Ave., and 29 Grant Ave. This project is being built on previously abandoned vacant lots that have been eyesores in the neighborhood for many years.

The homes, which appraise at over \$400,000 each, are selling for \$168,620 to eligible moderate-income first-time homebuyers. Each home features a three-bedroom unit for buyers with a bonus recreation room in the attic floor and also includes a two-bedroom apartment that is affordable to a low-income renter. The homes are approxi-

mately 2,900 square feet, stick-built new construction on grade, with garage parking, central air/heating, spacious kitchen/dining/ living room areas, two baths with one private bath in master suites, and hardwood/ceramic tiled/carpeted floors.

Though almost 100 people have gone through the course for first-time homebuyers, four have been able to actually follow through and buy a home.

Restrepo is confident that they have to continue reaching out to people and providing them with the support they need to buy a home.

The JCECDC has just moved into its own new quarters at McGinley Square. It represents the three Episcopal churches in Jersey City — Grace Church Van Vorst, Downtown, St. Paul's on Duncan Avenue and Incarnation on Storms Avenue — as "the agency to provide housing and social service in the Jersey City area," according to Carol Mori, the acting executive director and director of operations of the 30-member staff in three different Jersey City locations.

Originally from Virginia, Mori, 46, has lived in Newark since 1983 and has worked for

nonprofit organizations since 1986 and "loves" her work, especially since "we're giving back to the community and helping people."

She works with a 13-member board and also the EDC for the Episcopal Diocese of Newark, which originated the Jersey City entity some 18 years ago.

More housing projects are planned in the Bergen Hill and West Side Avenue sections of the city. It is sometimes said that the church is real estate rich and money poor. Thanks to the JCECDC, the Episcopal church finds real estate for the poor.

**SANTORA** is the pastor of Our Lady of Grace Church, 400 Willow Ave., Hoboken, 07030, (201) 659-0369, fax (201) 659-5833, e-mail: padrealex@yahoo.com



# THE HALLADAY HOMES

TOTAL MONTHLY HOUSING PAYMENT

**\$1,200\***

Down Payment \$8,750 | Total Amount \$250,000

## TWO-FAMILY HOMES

Owner Unit: 3BD/2 BA | Rental Unit: 3BD/2BA

*Eligibility Requirements Apply*

291-297 Halladay St., Jersey City

- New Construction
- Great Location
- Hardwood Floors
- Close to Parks
- Central Heat / AC
- Income Producing
- Stainless Steel
- 10-yr Warranty
- Two-car Garage
- Plus More

Household Size	Min. Income**	Max. Income
1 Person	\$ 39,000	\$ 43,200
2 People	\$ 39,000	\$ 49,400
3 People	\$ 39,000	\$ 55,550
4 People	\$ 39,000	\$ 61,700
5 People	\$ 39,000	\$ 66,650
6 People	\$ 39,000	\$ 71,600

### FOR MORE INFO:

Email: [mward@gsecdc.org](mailto:mward@gsecdc.org)

Visit: [www.gsecdc.org/halladay](http://www.gsecdc.org/halladay)

Call: 201-687-9807



\*Total Housing Payment includes mortgage, principal, interest, taxes, private mortgage insurance, insurance, and assumes rental income.

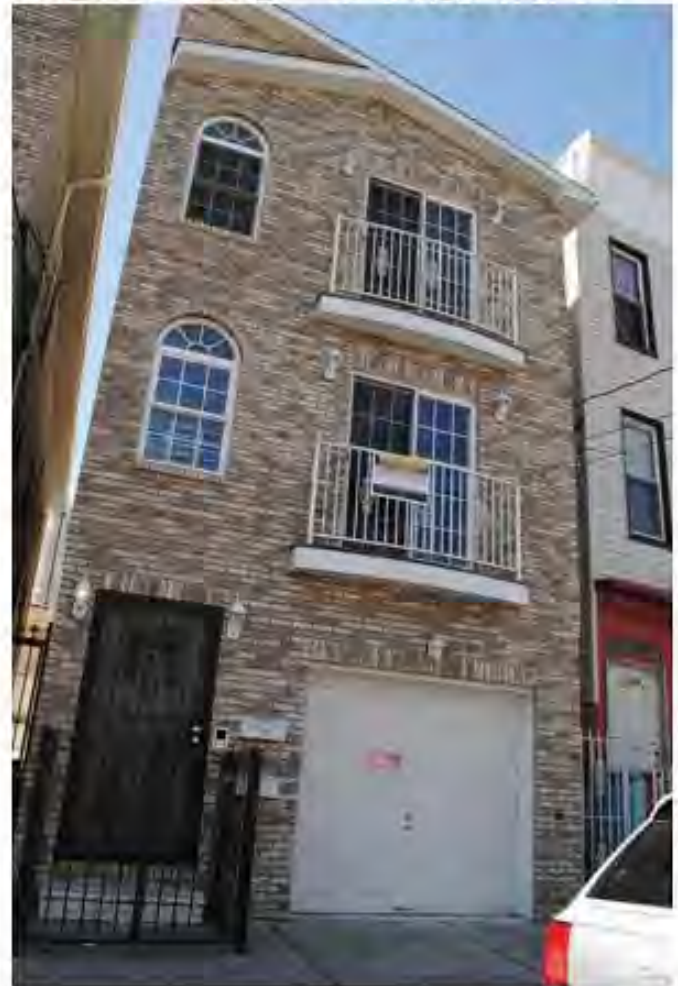
\*\*Min. Income could be lower depending on down-payment and mortgage financing products.



**GARDEN STATE EPISCOPAL**  
Community Development Corporation



# HOME OWNERSHIP



**OWN FOR THE PRICE OF RENT!**

TOTAL MONTHLY HOUSING PAYMENT

**\$1,000\***

Down Payment 3.5% | Total Amount \$220,000 to \$240,000

**TWO-FAMILY HOMES**

Owner's unit: 2 or 3BD/2 or 3BA | Rental: 2 or 3BD/2 or 3BA

**To qualify**, you must meet the eligibility requirements. This program is for First Time Home Buyers that have completed homebuyer training (or have not owned 3 years prior). Your household gross income must meet income guidelines (to right). All approved buyers must receive a prequalification and demonstrate a minimum of a 3.5% down payment.

\*Total Housing Payment includes mortgage, principal, interest, taxes, private mortgage insurance, insurance, and assumes rental income.

\*\*Minimum Income could be lower depending on down-payment and mortgage financing products.

Household Size	Min. Income**	Max. Income
1 Person	\$ 39,000	\$ 43,200
2 People	\$ 39,000	\$ 49,400
3 People	\$ 39,000	\$ 55,550
4 People	\$ 39,000	\$ 61,700
5 People	\$ 39,000	\$ 66,650
6 People	\$ 39,000	\$ 71,600



**For More Information:**

Email: [mward@gsecdc.org](mailto:mward@gsecdc.org)

Visit: [www.gsecdc.org/nrp](http://www.gsecdc.org/nrp)

Call: 201-687-9807

Fax: 201-659-1028

**Division of Housing and Community Development**  
**Units Completed and Pipeline**
**COMPLETED**

Project	Address	Description	Completion Date	Total # of Units	Rental	Home Ownership	Development Cost	Number of Sites	People Served
Resurrection House	69 Storms Avenue	LHHC rental units-rehab of abandoned school	1993	28	28		\$ 4,200,000.00	1	70
	95 Armstrong Avenue, 101 Armstrong Avenue, 103 Armstrong Avenue, 104 Armstrong Avenue, 115 Armstrong Avenue, 168 Armstrong Avenue, 170 Armstrong Avenue, 104 Stevens Avenue, 106 Stevens Avenue, 118 Woodlawn Avenue, 120 Woodlawn Avenue, 181 Randolph Avenue, 185 Randolph Avenue, 193 Van Nostrand Avenue, 214 Fulton Avenue, 54 Stegman Street, 55 Stegman Street, 57 Stegman Street, 60 Grant Avenue, 64 Grant Avenue, 66 Grant Avenue, 68 Grant Avenue, 70 Grant Avenue, 98 Grant Avenue, 100 Grant Avenue, 62 Clerk Street, 64 Clerk Street, 74 Bostwick Avenue, 76 Bostwick Avenue, 110 Bostwick Avenue, 138 Bostwick Avenue, 140 Bostwick Avenue, 141 Bostwick Avenue, 143 Bostwick Avenue, 145 Bostwick Avenue, 103 Arlington Avenue, 105 Arlington Avenue, 107 Arlington Avenue, 108 Orient Avenue, 110 Orient Avenue, 114 Van Nostrand Avenue, 174 Van Nostrand Avenue, 176 Van Nostrand Avenue	LHHC rental units-scattered site infill, 44 vacant lots	1995-1997	88	88		\$ 13,200,000.00	44	264
39 Bentlev Avenue	39 Bentlev Avenue	Special needs- acquisition of single family	1998	5	5		\$ 200,000.00	1	5
20 Britton Street	20 Britton Street	Special needs- acquisition of single family	1998	5	5		\$ 200,000.00	1	5
70 Beacon Avenue	70 Beacon Avenue	Special needs- rehab of vacant 3 story building	2000	6	6		\$ 750,000.00	1	15
Eugenia Suthern Homes	80-82 Storms Avenue	Home ownership, 2 family homes new construction on 2 vacant lots	2005	4	2	2	\$ 400,000.00	2	12
Grant/Myrtle homes	29 Grant Avenue, 121 Grant Avenue, 123 Myrtle Avenue, 125 Myrtle Avenue	Home ownership, 2 family homes new construction on 4 vacant lots	2007	8	4	4	\$ 1,250,000.00	4	24
Greenville Homes	21 Orient Avenue, 23 Orient Avenue, 119 Rutgers Avenue, 94 Wegman Parkway	Home ownership, 2 family homes new construction on 4 vacant lots	2008	8	4	4	\$ 1,500,000.00	4	24
All Saints	155-157 Bergen Avenue	Special needs- rental new construction on 2 vacant lots	2009	8	8		\$ 2,000,000.00	2	8
Columbia Park Place	109-11 Old Bergen Road	Special needs- rental new construction on 1 vacant lot	2009	6	6		\$ 1,400,000.00	1	15
Houses of Hope	177 Clerk Street	Special needs- rental acquisition of single family home	2009	6	6		\$ 717,000.00	1	6
The Monticello	167-169 Monticello Avenue	Mixed use- Home ownership, condominiums and 2,000 sf of commercial, new construction on 2 vacant lots	Nov-10	8		8	\$ 2,100,000.00	2	20
Neighborhood Stabilization Program	52 Jewett Avenue, 133 Clerk Street, 279 Forrest Avenue, 62 Stegman Parkway, 152 Arlington Avenue, 152.5 Arlington Avenue, 39 Wegman Parkway, 117 Armonstrong Avenue, and 92 Armstrong Avenue	Home ownership, acquisition, rehab and resale of foreclosed two family homes	Dec-11	18	9	9	\$ 3,100,000.00	9	54
The Van Brunt Homes	15 Street, 17 Oak Street, 34 Van Nostrand Avenue, 38 Van Nostrand Avenue, 40 Van Nonstrand Avenue	Home ownership, 2 family homes new construction on 7 vacant lots	Nov-11	10	5	5	\$ 2,230,000.00	7	30
Neighborhood Recovery Program Phase 1	355 Randolph Avenue, 110 Fulton Avenue, 156 Stegman Street, and 39 Oxford Avenue	Home ownership, acquisition, rehab and resale of foreclosed two family homes Low income rentals (4 special needs), gut rehab of abandoned structure	May-13	8	4	4	\$ 1,294,000.00	4	28
Bergen Court Apartments	242 Bergen Avenue,		Jul-13	12	12		\$ 2,342,000.00	1	24
<b>Total Completed</b>				<b>228</b>	<b>192</b>	<b>36</b>	<b>\$ 36,883,000.00</b>	<b>85</b>	<b>604</b>

PIPELINE									
Project Name	Address	Description	Estimated Completion Date	Number of Units	Rental	Home Ownership	Development Cost	Number of Sites	People Served
<b>UNDER CONSTRUCTION</b>									
Halladay Homes	291-297 Halladay St.,	Home ownership, new construction on vacant lots	Nov-13	8	4	4	\$ 2,089,889.00	7	28
Liberty View West	84 Seaview Avenue.	Special needs rentals, gut rehabilitation of abandoned foreclosed structure	Dec-13	4	4		\$ 811,000.00	1	4
<b>Subtotal Construction</b>				<b>12</b>	<b>8</b>	<b>4</b>	<b>\$ 2,900,889.00</b>	<b>8</b>	<b>32</b>
<b>PLANNING/PRE-CONSTRUCTION (site control and/or funding committed)</b>									
Neighborhood Recovery Program Phase 2	121 Van Horne St., 136 Ocean Avenue, 39 Crossgate Rd. and 1 more TBD.	Home ownership, acquisition, rehab and resale of foreclosed two family homes	Jun-14	10	5	5	\$ 1,355,000.00	5	35
Bergen Hill Scattered Site Strategy	To be Determined, Jersey City	Home ownership, acquisition, rehab of single and vacant two family homes	Jun-14	4		4	\$ 1,081,000.00	4	18
Weber Friar Homes	134-142 Cator Avenue	Home ownership, new construction on vacant lots	May-15	18	9	9	\$ 3,575,000.00	9	63
Neighborhood Recovery Program Phase 3	TBD- 5 two family homes	Home ownership, acquisition, rehab and resale of foreclosed two family homes	Sep-14	10	5	5	\$ 1,765,000.00	7	35
Hobart Project	186 Hobart St. Bayonne	Special Needs rentals, new construction	May-15	11	11		\$ 3,032,000.00	1	20
<b>Subtotal Predevelopment</b>				<b>53</b>	<b>30</b>	<b>23</b>	<b>\$ 10,808,000.00</b>	<b>26</b>	<b>171</b>
<b>Total Completed, Under Construction and Predevelopment</b>				<b>293</b>	<b>230</b>	<b>63</b>	<b>\$ 50,591,889.00</b>	<b>119</b>	<b>807</b>



# Jersey City Episcopal Community Development Corporation

## **SUCCESS STORIES- AFFORDABLE HOUSING 1<sup>ST</sup> TIME BUYERS**

**Diana Perez, 52 Jewett Avenue, Neighborhood Stabilization Program Buyer**



**WATCH DIANA'S VIDEO TESTIMONIAL:**

[http://www.youtube.com/watch?feature=player\\_embedded&v=VbOBq1bhn84](http://www.youtube.com/watch?feature=player_embedded&v=VbOBq1bhn84)

**Ivon and Jose Canales, 133 Clerk Street, Neighborhood Stabilization Program Buyer**



I moved into one of JCECDC's houses in June 2010 with my husband and daughter, which is 13 years old. Before this, we were living in a small one bedroom apartment. We were crowded and we needed more space. When we decided to pursue buying a house with better space, we found the JCECDC program which helped us a ton to become first time home buyers. I got interested because the homes were really affordable. I was glad I found JCECDC since they made my dreams real and they did a great job in the wonderful reconstruction of the house of my dreams. I also able to rent the apartment downstairs to my mother at an affordable price bringing all of our family together.

**WATCH IVON'S VIDEO TESTIMONIAL:**

<http://www.youtube.com/watch?v=w9cildAeCIQ>



## **Keirsha McKinney, Buyer of 21 Orient Avenue and Former Tenant of Resurrection House**



I moved into JCECDC's Resurrection House May 1998 with 1 daughter, whom at the time was 8 months old, into a small 2-bedroom apartment. Five years later I had a son and moving into a larger space was a necessity and my desire for homeownership grew even stronger. I wanted my kids to have a home to grow up in as I had as a child. However, after researching I found that owning a private-market house seemed almost impossible for me...a single mother of two, with a low-moderate income and fair credit. After taking the necessary steps to clean up my credit history and save money I was accepted into a First-Time Homebuyer education program. I just knew this was it! Unfortunately, after looking for homes in the private market my budget for a one-family or two-family house wasn't enough to purchase a home that was desirable and in some cases habitable. I found myself back at square one...trying to find assistance for someone of my status. Approximately 1 year later, I was introduced to a First-Time Homebuyers class offered by JCECDC. After completion and sitting with the counselors, they let me know when I was ready to purchase. After submitting my 1<sup>st</sup> application for a house I was denied unfortunately, because I hadn't saved enough money but my determination grew. During JCECDC's next opening for a new home, I again applied. This time more ready than the last and was successful in achieving my dream of becoming a homeowner thanks to Jersey City Episcopal.

## **Ms. Yemanda Jackson and Mr. and Mrs. Gonzales, Buyers of 80-82 Storms Avenue**



**Yemanda Jackson** searched for her first home many years before finding JCECDC's programs. Houses that she wanted were not affordable to her. Her journey to become a home owner became very frustrating and sometimes discouraging. Ms. Jackson remained persistent and she successfully completed a first-time homebuyer class with JCECDC that helped her reduce her debts and save in order to purchase her first home. In 2004, she became the proud owner of 82 Storms Avenue, one of two family homes known as the Eugenia Suthern Homes. Ms. Jackson was honored by the Jersey City Affordable Housing Coalition during Affordable Housing month in October 2005. **Mr. Victor and Mrs. Mariana Gonzalez** are the proud owners of 80 Storms Avenue. After many years of searching for a home, their dream came true. Victor and Mariana have been married for over 15 years and have a 10 year old daughter. Mariana is a graduate of JCECDC's first time home buyers program. Her family migrated to the United States from Ecuador in the 1990s. Victor is currently a bus driver for Academy Bus lines.

## **Ms. Dionne D. Brown, Buyer of 67 Astor Place and Former Tenant of Resurrection House**



In November 2000, Ms. Dionne D. Brown, mother of two girls ages 8 ½ and 12 ½, moved into one of the Jersey City Episcopal CDC's properties, The Resurrection House. While residing at Resurrection House, Ms. Brown determined to keep improving her life, decided to take advantage Jersey City Housing Authority's of the first time homebuyers program, which she completed in 2001. Because of her busy schedule, raising 2 daughters, working full time and pursuing her education at Cornell University, Ms. Brown made a decision to defer her pursuit of purchasing at home.

After much hard work, dedication, commitment and sacrifices, in 2003, she graduated from Cornell University with a double major – Masters in Social Work and a Masters in Social Research and Sociology. After such a major milestone in her life, Ms. Brown, once again put homeownership on her list of goals. In the spring of 2003, she went to the JCHA to recertify her section 8 certificate and in a brief discussion, with the JCHA certification administrator, she was again encouraged to take the 1<sup>st</sup> time homebuyers class, this time it was recommended she take the class sponsored by JCECDC.

While living at Resurrection House, Dionne was very active in the tenants association. During one of her meetings she met John E. Restrepo, who was the newly hired Director of Real Estate. During the meeting, she discussed her concerns about families living in apartments which were too small to accommodate their family size. JCECDC management, (John) encouraged her to think about pursuing home ownership. John shared information with her about properties that were currently in the pipeline and she was certainly interested in one of them, 67 Astor Place. They arranged to meet and later and discuss the logistics for applying for the property.

In the following months, Ms. Brown submitted her application with the State and was approved. She successfully completed her 1<sup>st</sup> time Homebuyers class with JCECDC. During the mortgage process Ms. Brown met with several challenges in her attempts to obtain a mortgage, but, through her drive and a little assistance from JCECDC management, Ms. Brown finally received a mortgage commitment, closed on her home and moved in November 2004.