



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**44 South Clinton Avenue, 9<sup>th</sup> Floor**  
**Post Office Box 350**  
**Trenton, New Jersey 08625-0350**  
**www.bpu.state.nj.us**

DIVISION OF  
TELECOMMUNICATIONS

IN THE MATTER OF THE APPLICATION OF VERIZON )  
NEW JERSEY, INC., FOR THE APPROVAL OF THE )  
SALE AND CONVEYANCE OF REAL PROPERTY )  
LOCATED IN THE TOWNSHIP OF TEANECK, BERGEN )  
COUNTY, NEW JERSEY TO 1500 TEANECK ROAD )  
REAL ESTATE, LLC )

ORDER OF APPROVAL  
DOCKET NO. TM11110791

Parties of Record:

Sidney D. Weiss, Esq., Attorney for Verizon New Jersey, Inc., Cedar Knolls, New Jersey

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On October 28, 2011, Verizon New Jersey Inc. ("Petitioner" or "VNJ") filed an application ("Petition") for approval of the sale and conveyance of real property ("Property") located in the Township of Teaneck, Bergen County, New Jersey, to 1500 Teaneck Road Real Estate ("Buyer"), a related or affiliated entity of Careone, LLC, for \$2,500,000.00. According to the application, there is no relationship between the Petitioner and the Buyer other than that of transferor and transferee.

The Property consists of a two story (plus basement) 103,705 square foot building on approximately 4.71+/- acres of land located in the Township of Teaneck, Bergen County, New Jersey. The Property was originally acquired by Petitioner on November 4, 1953, at a purchase price of \$93,000.00 and added to by subsequent land purchases in 1958 and 1963 totaling \$150,000.00 for a total original land cost of approximately \$243,000.00. Improvements to the original property subsequent to the purchase thereto consist of a total cost to date of \$4,616,554.00. The book value of the Property is \$4,796,076.00. The Property is not income producing, and its 2011 assessed value is \$8,375,700.00.

On or about June, 2010, Petitioner determined that upon the sale of the Property and subject to the reservation of rights and interests, and easements as described in the sale agreement ("Agreement"), the property will not be required for any present or prospective utility purposes.

On September 24, 2010, Petitioner obtained an appraisal of the Property from Cushman and Wakefield, which determined that the market value of the Property as of August 18, 2010, was \$3,800,000.00.

The Petition states that the Property was originally advertised in September, 2010, at which time two bids were received in the amounts of \$2,500,000.00 and \$1,500,000.00. These bids were rejected by the Petitioner as being too low. Petitioner re-advertised the Property on January 9 and January 16, 2011, at which time two bids were received as follows: Hampshire Global partners in the amount of \$2,000,000.00 and M&M Realty Partners, LLC (M&M), in the amount of \$3,500,000.00. Petitioner accepted the \$3,500,000.00 bid of M&M and entered into a contract of sale with M&M, dated April 5, 2011. On May 5, 2011, Petitioner filed a Petition with the Board for approval of the sale of the Property to M&M (*In the Matter of Application of Verizon New Jersey Inc. for Approval of the Sale and Conveyance of Real Property Located in the Township of Teaneck, Bergen County, New Jersey to M&M Partners at Teaneck, LLC, Docket No. TM11050278*). By Order dated, June 15, 2011, the Board approved the sale of the Property to M&M. However, subsequent to the Board's Order but prior to the final settlement, M&M terminated the sale and Petitioner's counsel advised the Board of such termination by letter dated June 26, 2011. Thereafter, Petitioner again re-advertised the Property on August 24, 2011, and August 3, 2011. On September 13, 2011, three bids were received as follows: (1) Hampshire Companies in the amount of \$2,500,000.00; (2) Hornrock Properties, LLC, in the amount of \$2,000,000.00 and (3) Careone, LLC (a related or affiliated entity of Buyer herein) in the amount of \$2,500,000.00. The Petitioner accepted the bid of Careone LLC in favor of the similar bid of the Hampshire Companies because it did not contain a due diligence period during which the contract could be terminated.

Petitioner believes that the Buyer's bid of \$2,500,000.00 represents the fair market value and is the best price attainable for the Property based on the appraisal and the marketing efforts described above; and because, unlike the prior aborted sale to M&M, Petitioner is reserving an easement for the perpetual right to use a portion of the basement in the building on the Property, as well as certain exterior locations on, over, and under the land, for continued use by Petitioner of certain telecommunications equipment in connection with its telecommunications business.

Pursuant to the sales agreement, Petitioner is not reserving its rights and interests in the property except the permanent and perpetual right to place, replace, construct, install, operate, use, repair, maintain, relocate and remove existing and future telecommunications facilities in, on, over, under and through the streets adjoining the Property. The details of these rights and easements are described in the Sale Agreement attached to the Petition.

By letter dated November 9, 2011, the Division of Rate Counsel informed the Board that it will not be filing any comments in this matter.

## DISCUSSION

After reviewing the Petition and supporting exhibits, the Board HEREBY FINDS that VNJ has complied with the regulatory and statutory requirements regarding the sale of utility property contained in N.J.A.C. 14:1-5.6 and N.J.S.A. 48:3-7 respectively.

In view of the foregoing, the Board HEREBY FINDS that the proposed sale of said Property will not affect Petitioner's ability to provide safe, adequate and proper service; is in the public interest; and, is in accordance with law. Accordingly, the Board HEREBY APPROVES the sale subject to the following conditions:

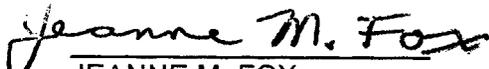
- (i) Petitioner is directed to advise the Board of the date on which the transaction is completed, within ten (10) days of completion;
- (ii) this Order shall be of no effect, null and void, if the sale hereby approved is not completed within six (6) months of the date hereof unless otherwise ordered by the Board; and
- (iii) the approval of the proposed journal entries recording the sale of this Property shall not affect or in any way limit the exercise of the authority of this Board, or of this State, in any future petition or in any proceeding with respect to rates, financing, accounting, capitalization, depreciation or in any other matters affecting Petitioner.

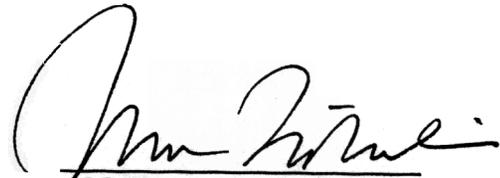
This Order shall become effective upon the service thereof, in accordance with N.J.S.A. 48:2-40.

DATED: 12/15/11

BOARD OF PUBLIC UTILITIES  
BY:

  
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LEE A. SOLOMON  
PRESIDENT

  
\_\_\_\_\_  
JEANNE M. FOX  
COMMISSIONER

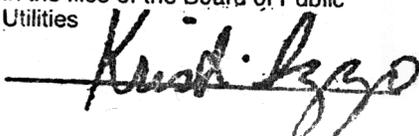
  
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JOSEPH L. FIORDALISO  
COMMISSIONER

  
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NICHOLAS CASSELTA  
COMMISSIONER

ATTEST:

  
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KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public  
Utilities

  
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**In the Matter of the Sale and Conveyance of Real Property Located in the Township of Teaneck, Bergen County, New Jersey, to 1500 Teaneck Road Real Estate, LLC.**

**Docket No. TM11110791**

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