



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

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 VOORHEES,)
CAMDEN COUNTY, NEW JERSEY TO JENSTAR OF)
VOORHEES, LLC.)

ORDER OF APPROVAL

DOCKET NO. TM12090875

Parties of Record:

Sidney D. Weiss, Esq., on behalf of Petitioner
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On September 28, 2012, 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 Voorhees, Camden County, New Jersey to Jenstar of Voorhees, LLC ("Buyer") for \$1,560,000.00. According to the Petition, there is no relationship between the Petitioner and the Buyer other than that of transferor and transferee.

The Property consists of a two story, 32,000 square foot building located at 74 NJ Route 73 in Voorhees, New Jersey. The Property contains approximately 5.84 +/- acres of land and was acquired in February 1981, at a purchase price of \$835,000.00. Improvements to the Property subsequent to the purchase thereto consist of a total cost to date of \$3,384,974.00. The book value of the Property is \$1,503,971.93. The Property is not income producing, and its 2012 assessed value is \$2,200,000.00.

In February 2010, Petitioner determined that the Property will not be required for any present or prospective utility purpose, including future expansion plans. The Property had been used as a warehouse for Petitioner's logistics group and ceased to be used for such purposes on or about June 28, 2012.

On December 21, 2011, Petitioner obtained an appraisal of the Property from Cushman & Wakefield. Cushman & Wakefield determined that the market value of the Property as of December 11, 2011 was \$1,525,000.00.

The Petition states that the Property was originally advertised for sale in February 2012. However, Petitioner failed to receive any bids following its initial advertisement. As a result, Petitioner re-advertised the Property in July and August 2012. In response to these subsequent advertisements, Petitioner received and opened two bids: that of the Buyer, in the amount of \$1,560,000; and a bid from Guers Development Group, LLC in the amount of \$1,575,000. Petitioner accepted the bid of the Buyer although it was \$15,000.00 lower than the bid made by Guers Development Group, LLC because the latter contained contingencies and a due diligence period which permitted the prospective buyer to terminate the contract. Petitioner also accepted Buyer's bid because the Buyer agreed to retain all of Petitioner's equipment in the existing building, saving Petitioner the cost of removing same. Finally, Petitioner notes that the Buyer's bid still exceeds the Property's appraised value and believes that the Buyer's offer represents a fair market value.

Pursuant to the sales agreement between Petitioner and Buyer, the Petitioner reserves rights and easements for its telecommunications facilities and equipment surrounding the Property as well as a post-closing easement to enter onto the Property until completion of the closure and removal of the tank systems located on the Property. The details of these rights and easements are described in the sale agreement and exhibit E annexed to the Agreement.

On October 2, 2012, the Division of Rate Counsel ("Rate Counsel") filed comments stating that it does not oppose the sale.

BOARD DISCUSSION

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

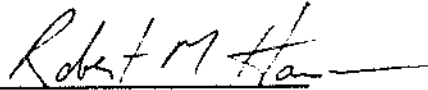
In view of the foregoing, the Board HEREBY FINDS that the proposed sale of said Property will not affect Petitioner's ability to provide safe, adequate and proper service, is in the public interest and in accordance with law, and accordingly HEREBY APPROVES the sale, subject to the following conditions:

- a) Petitioner is directed to advise the Board of the date on which the transaction is completed, within ten (10) days of completion;
- b) 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

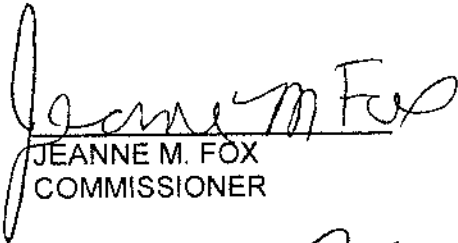
- c) The approval of the proposed journal entries recording the sale of this Property shall not affect or in any way limit the exercise of the authority of this Board, or of this State, in any future petition or in any proceeding with respect to rates, financing, accounting, capitalization, depreciation or in any other matters affecting Petitioner.

DATED: 11/20/12

BOARD OF PUBLIC UTILITIES
BY:



ROBERT M. HANNA
PRESIDENT



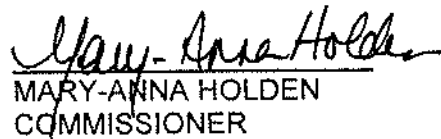
JÉANNE M. FOX
COMMISSIONER



JOSEPH L. FIORDALISO
COMMISSIONER

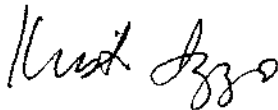


NICHOLAS ASSELTA
COMMISSIONER



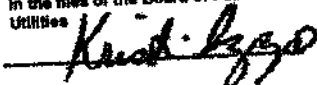
MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:



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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OF THE SALE AND CONVEYANCE OF REAL PROPERTY LOCATED IN THE TOWNSHIP OF
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