The NJ Abandoned Property Rehabilitation Act (APRA) was enacted into law January 8, 2004. It offers New Jersey's municipalities and others a toolkit of additional means by which they can gain control of abandoned properties and restore them to productive use. Its principal features include:

1. Accelerated Foreclosure of Abandoned Properties
   - Third parties that buy tax liens on abandoned properties at a regular tax sale or get assignments of tax liens from municipalities can initiate foreclosure proceedings immediately.
   - The lien purchaser has the right of entry on such properties in order to make repairs, abate nuisances, and preserve the value of the property.

2. Special Tax Sale
   - Municipalities can remove properties that are on their abandoned property list from a tax sale and set them aside for a special tax sale.
   - Municipalities can set terms for special tax sale, including limiting eligible bidders to qualified entities, setting performance requirements for bidders, and combining properties into single bid packages.
   - Municipalities can require that if the successful bidder fails to carry out its obligations under the sale, the liens or the properties revert to the municipality.

3. Spot Blight Eminent Domain
   - Eminent domain can be used to take any property on the abandoned properties list.
   - The law sets a standard for appraisals in such proceedings, providing that where the value of the property after rehabilitation or new construction is less than the total development cost, the value of the land is presumed to be zero.

4. Receivership for Vacant Structures (Possession)
   - Municipalities or qualified entities designated by municipalities may seek receivership rights from superior court to renovate abandoned properties.
   - Before an entity is given possession, the court must give an opportunity to owner & lien holders to demonstrate they will carry out renovation in timely fashion.
   - The entity must submit a realistic rehabilitation plan for court approval.
   - The entity can receive state grants, and can borrow money for renovation.
   - Money borrowed by the entity can receive lien priority over existing liens and mortgages.
   - If owner fails to regain control, court can order sale of property after rehabilitation.
Other important provisions of the law include:

A. Standardized definition of an abandoned property
   ▶ Definition applies to buildings only, not to vacant lots
   ▶ Will make it easier to take legal action against abandoned buildings
   ▶ Building must have been vacant for 6 months and must meet one other condition
   ▶ Other conditions include need for rehabilitation, nuisance conditions, or tax delinquency

B. Abandoned property list
   ▶ Municipalities may create abandoned property lists
   ▶ Only properties on list are eligible for special tax sale or spot blight eminent domain (see above)
   ▶ List does not have to contain all abandoned properties in the municipality to take effect.

C. Recourse against other assets of property owners
   ▶ Municipalities have recourse against any other assets of the owner of an abandoned property to recover funds spent by the municipality for repairs, boarding or demolition of the property under nuisance abatement laws.

This is only a short summary of the Act’s provisions. For further information, see the statute at ftp://www.njleg.state.nj.us/20022003/PL03/210_.PDF