SUPERIOR COURT OF NEW JERSEY
APPELLATE DIVISION
DOCKET NO. A-0434-22

AMACONN REALTY, INC.,

Plaintiff-Respondent/
Cross-Appellant,

v.

RENT LEVELING AND STABILIZATION BOARD OF THE CITY OF HOBOKEN,

Defendant-Respondent,

and

JEFFREY TRUPIANO,

Defendant-Appellant/
Cross-Respondent.

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Argued December 19, 2024 – Decided January 2, 2025

Before Judges Mawla, Natali, and Vinci.

On appeal from the Superior Court of New Jersey, Law Division, Hudson County, Docket No. L-3584-21.

Dana Lauren Wefer argued the cause for appellant/cross-respondent (Law Offices of Dana Wefer, LLC, attorney; Dana Lauren Wefer, on the brief).

Owen J. Lipnick argued the cause for respondent/cross-appellant (Bertone Piccini LLP, attorneys; Joseph A. Pojanowski, III, of counsel; Owen J. Lipnick, on the briefs).

Victor Alexander Afanador argued the cause for respondent Rent Leveling and Stabilization Board of the City of Hoboken (Lite DePalma Greenberg & Afanador, LLC, attorneys; Victor Alexander Afanador and Connor T. Wright, on the brief).

Renée W. Steinhagen argued the cause for amicus curiae Fair Share Housing Center, NJ Appleseed, NJ Tenants Organization and Hoboken Fair Housing Association (Fair Share Housing Center, attorneys for Fair Share Housing, and New Jersey Appleseed Public Interest Law Center, attorneys for NJ Appleseed, NJ Tenants Organization and Hoboken Fair Housing Association; William Scott Fairhurst and Renée W. Steinhagen, on the brief).

PER CURIAM

Appellant Jeffrey Trupiano appeals from a September 30, 2022 order incorporating the trial court's July 22, 2022 order ruling that a decision by defendant Hoboken Rent Leveling and Stabilization Board on an application by plaintiff Amaconn Realty, Inc. for a hardship increase of Trupiano's rent was arbitrary, capricious, and unreasonable. He also challenges part of the

September 2022 order, which increased his rent from $723.41[1] to $2,440.33 per month. Amaconn cross-appeals from the portion of the September 2022 ruling which denied its request to make the hardship increase retroactive. We reverse and remand for entry of a judgment consistent with the reasons expressed in this opinion on the appeal, and affirm on the cross-appeal.

In 1991, Trupiano began renting an apartment in a building located on Park Avenue in Hoboken. Amaconn purchased the property, which contains eleven residential units, for $525,000 in December 1993. In 2001, Amaconn began the process of converting individual apartment units into condominiums. By 2003, the condominium conversion was complete, and the common areas of the building were also renovated.

Trupiano stayed in his apartment during most of the construction and left only for a brief period to enable some construction on his unit. However, his unit was not fully renovated because it was not being converted into a condominium. During the hearings before the Board in this matter, Amaconn's real estate appraisal expert testified Trupiano's apartment "was a single bedroom apartment with one bath [and] suffered from tremendous functional

[1] This figure was comprised of base rent of $574.41 plus a tax surcharge of $149.

obsolescence." Although the unit was designed as a two-bedroom apartment, it is a "railroad style" apartment, and the expert explained current appraisal practices dictate that pass-through bedrooms should not be considered bedrooms. Therefore, an assessment of the apartment's market value assumed the unit only had one functional bedroom.

In May 2017, Amaconn filed a hardship application with the Board for permission to increase the rent for Trupiano's unit. The city inspected the unit in connection with a certificate of substantial compliance, which was required as part of the hardship application. The unit initially failed inspection, but after Amaconn made certain repairs and upgrades, it passed reinspection in July 2017, and the city granted the certificate.

Section 155-14 of Hoboken's rent control law reads as follows:

> A. In the event that a landlord cannot meet [their] operating expenses or does not make a fair return on [their] investment, [they] may appeal to the . . . Board for a hardship rental increase. . . . It shall be within the discretion of the Board to fix the effective date of any approved rental increase to be at any reasonable time as determined by the Board. . . . In considering hardship applications, the . . . Board shall give due consideration to any and all relevant factors, including but not limited to the following.
>
> > (1) Level and quality of service rendered by the landlord in maintaining and operating the building.

> (2) The presence or absence of reasonably efficient and economical management.
>
> (3) Whether the landlord made a reasonably prudent investment in purchasing the property and arranging financing on said property. In considering this factor, the Board may consider the purchase price, the fair market value of the property and the existing rentals at the time of the purchase to determine, if the debt servicing expenses are excessive. The Board may also consider the amount of cash invested in the property in relation to said fair market value and purchase price . . . .
>
> (4) Whether the operating expenses are reasonably incurred and the income statement is accurate. Operating expenses shall not include depreciation, amortization of debt service or capital expenditures but may include the interest debt service for allowable capital improvement surcharges subject to the Board's approval.
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> B. The Board, in considering all of the above factors[,] may grant an increase for hardship.

Section 155-1 defines the "fair return" set forth in § 155-14 as:

> The percentage of return of equity in real property investment. The amount of return shall be measured by the net income before depreciation. A "fair return" on the equity investment in real property shall be considered to be [six percent] above the maximum passbook demand deposit savings account interest rate available in the City of Hoboken. The six-percent figure is provided to reflect the higher risk and lesser

> liquidity of real property investment in comparison to savings account investments.

The parties did not dispute the fair return rate used here of 6.25%. Section 155-1 also defines the equity in real property investment as, "[t]he actual cash contribution of the purchaser at the time of closing of title . . . ."

Amaconn's hardship application requested an increase in Trupiano's base rent from $8,387 per year to $42,944 per year. It based the requested increase on the equity investment in the unit, including: the purchase price adjusted for inflation; the price of capital improvements; and its tax assessment. Amaconn certified the annual expenses attributable to the unit exceeded the rent by $6,119 in 2016.

The Board conducted an initial hearing on Amaconn's application in September 2017. Amaconn's owner testified the building contained eleven units, and ten had been sold as condominiums. Trupiano's apartment had expenses, including its share of the building's property taxes; condominium fees, which include water and sewer management; insurance; and management fees. The building was unencumbered by a mortgage or other debts.

Amaconn's expert testified the best way to appraise Trupiano's unit was to estimate its market value "as though renovated, and brought to the standards that are consistent with the other ten units in the building . . . ." This would require

the unit to undergo serious modifications, including relocating the kitchen and creating two bedrooms. If this happened, the unit would appraise at $623,000 under a direct sales comparison valuation methodology.

Trupiano testified when he returned to the unit after Amaconn renovated it, there were minimal changes. He conceded he had a new sink and cabinets, but they were made of "[b]asic . . . [p]article board with laminate." He disputed Amaconn's assertion the kitchen had been "gutted" during the condominium conversion renovations and that his unit had central air-conditioning.

The Board rejected Amaconn's equity valuation because it was contrary to the plain language of the ordinance. It ruled that any renovation costs related to the condominium conversion process would not factor into the equity determination.

The Board and Amaconn's counsel then began discussing an alternative equity calculation, based on one-eleventh of the initial building purchase price and capital improvements. Trupiano's counsel objected on due process grounds because no notice was given that an alternative valuation methodology would be discussed. The Board concluded it lacked a consensus to decide the matter and adjourned the proceeding.

The matter returned in October 2017. At the outset, the Board's attorney addressed some of the issues raised in the previous proceeding concerning the equity calculation. He advised the Board had to base the value on the facts presented and not consider past profits. Amaconn's approach to calculating the equity lacked "legal support" and the Board had to follow the language in the ordinance. The attorney advised the Board could consider the reasonableness of Amaconn's claimed expenses for Trupiano's unit and management fees but could not deny the application based on these factors. The Board also could not deny the application because Amaconn had not pursued a tax appeal as a means of recouping its losses. The Board voted to continue the hearing on a third date because Amaconn's owner was not present.

The third hearing was held in December 2017. Amaconn's owner testified he did not purchase the building to turn it into condominiums. This was evidenced by the fact he operated it as a rental property for nearly ten years. Amaconn's bookkeeper testified Amaconn considered a tax appeal to reduce its expenses but was advised it would not succeed. She also testified a property management company that was neither owned by nor affiliated with Amaconn had been managing the condominium units for three years and the condominium association fees of $5,772 per year were paid to that company. Amaconn was

separately paying the management fees associated with Trupiano's unit of $1,800 per year to a property management company affiliated with the owner of Amaconn. The management fee for Trupiano's unit related to "[l]eases, books, taxes, filing of any city communications, any [tenant] violations . . . , communications from the condo board [and] from the property m[anager]."

The Board reduced the management fee expenses claimed by Trupiano from $1,800 to $900. It then totaled Amaconn's expenses for the unit to $13,606 per year, based on the following: property tax $6,275; water and sewer $5,772; insurance $634; management fees $900; and miscellaneous fees and repairs $25. The Board calculated Trupiano's unit occupied 9.4% of the building's total square footage. Using the $525,000 purchase price of the building, it calculated the equity as $49,350 ($525,000 x 9.4% = $49,350). It further discounted the sum by dividing the $49,350 in half, and pursuant to the ordinance, multiplied the sum by 6.25% yielding an equity of $1,542.19 ($24,675.00 x .0625 = $1,542.19). The expenses and equity totaled $15,148.18 and the rental income of $8,387 was subtracted, yielding a deficit of $6,761.18, or $563.43 per month. This sum was then added to the base rent of $574.41 yielding a new monthly base rent of $1,137.84.

Trupiano appealed from the ruling. The trial court found the Board's decision was arbitrary, capricious, and unreasonable based on the evidence presented. The proceedings were marked by "[t]he lack of adherence to proper procedure and the continual cross talk and lack of attention by [B]oard members to others' opinions, attempted to be expressed." The court noted it was "particularly difficult" to follow the Board's deliberations.

Substantively, the court found the "[p]ercentage reductions, modifications of existing numbers and divisions by half of expenses articulated without any additional support" was arbitrary. It concluded "the Board was motivated by personal feelings rather than consideration of the merits of this matter. . . . Decisions were made without a full understanding of the facts. And particularly, the statutory requirements as to whether the increase resulted in services or amenities not previously provided." The Board did not breakdown or analyze "the component parts of [the] management fee . . . ." The court remanded the matter for "an analysis of how those costs[,] which are to be passed on to the tenant represent services or amenities no[t] previously provided."

The Board conducted the first remand proceeding in October 2018. The bookkeeper testified the $150 monthly management fee was to ensure the required tax return for the unit was filed each year. She explained these

expenses were common for a residential dwelling unit, whether an apartment or a condominium. Trupiano testified similarly as in the initial hearing. Amaconn's owner testified and provided additional commentary on the maintenance of Trupiano's unit over the years.

The matter was adjourned to consider whether the Board chair could introduce government tax documents to assist in a determination of Amaconn's tax expenses. The hearing resumed in November 2018. The Board's attorney recapitulated his recommendation that the chair not introduce the disputed tax documents into evidence. Amaconn's expert testified the city's tax assessment of $404,600 for the building included an approximately thirty-five percent discount to account for Trupiano's protected tenancy. The bookkeeper testified there was a minor increase in condominium fees attributable to a change in the manner and hours the city collected the garbage.

The chair compared the tax value of the building before and after the condominium conversion. The Board decided to reduce the tax expenses claimed by Amaconn to thirty percent of the amount reflected in its application. It also limited the management fee to five percent of Amaconn's income from Trupiano's unit, thereby reducing the expense from $1,800 to $419.35. The

Board then debated the equity calculation for the unit. One member moved to set the equity in the unit at $1,059.19, reasoning as follows:

> $525,000 purchase price times 10.76 [percent], which is the percentage that the unit encompasses of the actual space of the dwelling, multiplied by 6.25 percent[,] which arrives at a figure of $3,530.63 and based on the data in the market and at this Board, the equity of protected unit has – the spread of the equity of a building that[is] chopped into condos when there[is] a protected tenant is at [thirty] percent of the other ten units.

Although the transcript lacks findings by the Board adopting this calculation, the Board issued a resolution on January 9, 2019, concluding Amaconn's expenses for the unit were $1,059.19 per month.

Amaconn appealed and the matter was heard by a second judge, who issued a written opinion remanding the matter again on November 19, 2019. The judge affirmed the Board's determination of the real estate taxes as part of the reduction in expenses, but remanded the exclusion of the condominium maintenance fees, management fee, and the equity calculation to the Board for reconsideration.

The judge reasoned the maintenance fee issue "requires a remand for further consideration of whether garbage collection fees and administrative costs related to tax preparation are solely due to the conversion or not." She found

the Board's calculation of the management fee as five percent of the income generated arbitrary and ignored the evidence Amaconn presented showing the rate was "typically $150 per month for other clients in the same market."

Regarding the equity, the judge noted "the rate of return in the ordinance of 6.25% after operating costs . . . are the parameters within which the Board must determine the equity." The Board's comparison of Amaconn's property "to one . . . the Board considered years ago . . . [was] the epitome of arbitrary" because it ignored "the uniqueness of the . . . property, [and] the market and inflation fluctuations."

The Board conducted hearings on the second remand beginning in March 2020. The bookkeeper testified the increase in condominium fees related to the garbage were not related to the conversion of the property, but the change in garbage collection times, which caused additional expenses for the condominium association. She reiterated the management company manages over 1,000 units, and the $150 monthly fee per unit was consistent with industry standards based on her experience. The bookkeeper also testified regarding inflation, and explained applying the Consumer Price Index (CPI) to the share of the initial purchase price attributable to Trupiano's unit would increase its value from $47,727 in 1993, to $68,480 in 2001, before the condominium

conversion took place. She explained Amaconn invested $1 million into the building during the conversion.

During an April 2021 hearing, the Board determined it did not have to credit Amaconn with the expenses related to increased garbage fees because there was no new service or amenity provided to Trupiano. The increased garbage fee was due to the property's conversion. However, the Board reinstated the claimed expense for the unit's annual tax return of $75.32.

The Board conducted two hearings weeks apart in June 2021. At the first hearing, it addressed the equity issue and again calculated it using a tax comparison approach that assumed units with rent-protected tenants were less valuable. It concluded the equity allocable to Trupiano's unit was $12,804. The Board declined to consider the capital improvements, relying on the prior testimony of the real estate expert, who opined the unit would have to be renovated again to be marketable.

At a second hearing in June 2021, the Board reduced the management fee attributable to the unit, from $150 to $100. Although the Board's counsel raised concerns regarding the propriety of its valuation considerations, including the renovations and other market conditions in the final equity calculation, the Board expressed its concern that adding further expenses would result in

displacing Trupiano from his apartment. The Board reiterated the $12,804 in equity value figure established at the previous hearing. This resulted in a hardship increase of $154 per month. Amaconn requested the Board make its finding retroactive to the filing of its application in 2017.

The Board held its final hearing in August 2021. It considered and rejected the retroactivity issue at its next hearing because it had not been raised beforehand. The Board then passed a resolution bearing its final findings and calculations. It found the equity was $12,804.88. Based on the ordinance, the Board multiplied this figure by 6.25% to derive a final equity number of $800.31. It calculated the expenses to $9,444.27 based on the following: taxes, $1,937.22; condominium fees, $5,648.05; insurance, $634; registration, $25; and management fees, $1,200. The income was $8,387. The equity plus expenses, minus the income, yielded a deficit of $1,857.58 or $154.79. The Board added this sum to Trupiano's base rent of $574.41, resulting in a new base rent of $729.20. With the addition of the $149 surcharge, Trupiano's new monthly rent became $878.20, effective September 1, 2021.

In September 2021, Amaconn filed a complaint in lieu of prerogative writs to vacate the Board's ruling. In May 2022, Amaconn moved for summary judgment, arguing the Board erred when it failed to recognize its actual

management fees, cost of garbage collection, and its "equity in the property after taking into consideration both inflation and the market value of the property since the acquisition in 1993."

A third trial judge heard the matter. On July 22, 2022, he entered an order granting Amaconn summary judgment and determined he would decide the rent increase issue at a subsequent hearing. He found the Board acted arbitrarily and capriciously by: "not looking at the historical facts with respect to inflation, tax assessments, [and] market fluctuations" to determine equity; "creat[ing] a . . . formula or comparing assessments and using arbitrary unsupported numbers to reduce equity;" mistakenly applying the law with regard to the considerations of inflation and improvements; and insisting that the rent leveling ordinance was intended to protect tenants when it was intended to balance the need for livable rents with a fair rate of return for landlords.

The judge also noted the Board avoided the retroactivity issue. He rejected its finding that the increase in trash collection expenses was related to the building's conversion to condominiums and its reduction of the management fee because it was being paid to another company belonging to Amaconn's owner. The judge ordered the parties to brief these issues before the next hearing.

The final hearing occurred on September 30, 2022. The judge found the property management fee was $150, and "the Board arbitrarily cut the fee [to $100] without any explanation . . . [or] any basis." He found the $123 added to the condominium fees to account for the garbage collection was a valid expense and not a cost related to the conversion of the property, and therefore should not have been eliminated by the Board.

The judge calculated the new rent as $2,440.33. He adjusted the "previously proven hardship increase of $154.99 per month . . . [to] reflect the additional $1,568.25 based on the increase in the equity portion alone, which is $301,105[2] times 6.25 percent, equaling $18,819 divided by [twelve], equaling [$]1,568.25 less the [$]66.68 . . . ." The new rent of $2,440.30, consisted of "the rent increase to the equity component, the garbage collection, the maintenance fee, which is [$1,717.18,] and adding the previous rent."

Given the rent increase, the judge reasoned it would be inequitable to grant the request to make the increase retroactive. The new rent was made payable effective December 1, 2022.

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[2] The $301,105 figure was explained in Amaconn's supplemental briefing following the July 2022 hearing as a "blended approach of averaging the CPI's stepped-up value of $197,6010[] with the un-equalized City of Hoboken's assessment of $404,600[] for an average equity of $301,105[]."

I.

"[W]hen reviewing the decision of a trial court that has reviewed [a] municipal action, we are bound by the same standards as was the trial court." Fallone Props., L.L.C. v. Bethlehem Twp. Plan. Bd., 369 N.J. Super. 552, 562 (App. Div. 2004). Generally, courts afford the decisions of municipal boards substantial deference; the determinations of a rent control board are presumptively valid, and the burden is on the party challenging a board's decision to prove it was arbitrary, capricious, or unreasonable. Rivkin v. Dover Twp. Rent Leveling Bd., 143 N.J. 352, 378 (1996); Park Tower Apts., Inc. v. City of Bayonne, 185 N.J. Super. 211, 222 (App. Div. 1982).

In addition, § 155-19 of the Hoboken rent control ordinance grants the Board "powers of equity." The ordinance defines this as "all powers necessary and appropriate to carry out and execute the purpose of this entire chapter, including the right to the exercise of equitable authority to depart from the strict interpretation of the provisions of this chapter in instances where fairness requires equitable intervention." Ibid.

Although § 155-19 defines the Board's powers, it does not delimit our ability to review a board or a trial court's interpretation of an ordinance. Schulmann Realty Grp. v. Hazlet Twp. Rent Control Bd., 290 N.J. Super. 176,

184 (App. Div. 1996). We construe an ordinance using the same rules of construction applied in interpreting a statute, applying its plain meaning if the terms are unambiguous. Mayes v. Jackson Twp. Rent Leveling Bd., 103 N.J. 362, 376 (1986); Nuckel v. Borough of Little Ferry Plan. Bd., 208 N.J. 95 (2011).

II.

Trupiano argues Amaconn already made a fair return on its investment due to the sale of condominium units and no hardship increase was justified. He asserts the trial judge misinterpreted the ordinance and how it defines equity. Due to the unique circumstances of his case, the ordinance's definition of equity did not apply, and capital improvements should not have been included in the equity calculation.

Trupiano alleges it was error to include the condominium association fees in his unit's maintenance expenses because the condominium conversion created another layer of management and expenses, which did not benefit him. The condominium fees were duplicative and benefitted the same person who owns Amaconn.

Trupiano contends the trial judge erred because the Board's reduction of the management fees attributable to his unit was based on the evidence in the

record. The rent leveling ordinance "requires the Board to consider the presence or absence of efficient management in considering hardship applications" and he was not the beneficiary of efficient management. Like the condominium fees, the management fees also benefitted Amaconn and including them in the equity valuation of the property compromised the process.

Amici, Fair Share Housing Center, New Jersey Appleseed Public Interest Law Center, New Jersey Tenants Organization, and Hoboken Fair Housing Association argue the hardship increase violates the Tenant Protection Act of 1992 (TPA), N.J.S.A. 2A:18-61.40. They point out Hoboken has a critical lack of housing for low- and moderate-income residents.

III.

The TPA is designed to protect the aged, disabled, "and those of low and moderate income from eviction resulting from condominium . . . conversion." N.J.S.A. 2A:18-61.41(e). The law protects these renters' "tenancy status with respect to [their] dwelling unit upon conversion of the building . . . in which the unit is located." N.J.S.A. 2A:18-61.44(a). The TPA also addresses rent increases due to conversion as follows:

> In the case of a municipality subject to the provisions of this act that has a rent control ordinance in effect, a rent increase for a qualified tenant with a protected tenancy status . . . shall not exceed the increase

> authorized by the ordinance for rent-controlled units. Increased costs that are solely the result of a conversion, including but not limited to any increase in financing or carrying costs, and do not add services or amenities not previously provided shall not be used as a basis for an increase in a fair-return or hardship hearing before a municipal rent board or on any appeal from such determination.
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> [N.J.S.A. 2A:18-61.52(b).]

The central question regards the trial judge's interpretation of § 155-14 and § 155-1 of the Hoboken rent control ordinance and their effects on the hardship calculation. Although it is unclear from the record, we glean that the judge calculated the equity by taking the initial pro-rated cash contribution at the time of closing, which was approximately $47,727 ($525,000/11 units = $47,727.27) and adding it to the capital improvements of $76,000, which he then adjusted for inflation to arrive at $197,610. He then averaged this figure with the tax assessed value of Trupiano's unit, which was $404,600, to arrive at a "blended value" of $301,100.

The judge erred because the ordinance defines equity as "[t]he actual cash contribution of the purchaser at the time of closing." The equity was $47,727, representing the pro-rated amount of the $525,000 Amaconn paid for the building. When the equity is multiplied by the fair return rate, the fair return is $2,983 ($47,727 x .0625 = $2,982.94).

It was also error for the judge not to defer to the Board's reduction of the condominium fees. The inquiry regarding those fees was not limited to whether Amaconn could prove they were reasonable, but whether they were the result of the conversion. The proofs fell short on the latter score and the Board did not act arbitrarily when it reduced the condominium fees. A portion of the condominium fees was attributed to tax preparation expenses, which were caused by the conversion. The other reduction was for the garbage removal. This was another expense that did not give Trupiano an added benefit and did not exist at this rate prior to the conversion. The judge's inclusion of these expenses was contrary to the TPA. He owed the Board deference regarding its calculation of the expenses. The Board correctly calculated the expenses as $9,444.27.

We "may exercise . . . original jurisdiction as is necessary to the complete determination of any matter on review." R. 2:10-5. "In determining whether to exercise original jurisdiction, an appellate court not only must weigh considerations of efficiency and the public interest that militate in favor of bringing a dispute to a conclusion, but also must evaluate whether the record is adequate to permit the court to conduct its review." Price v. Himeji, LLC, 214 N.J. 263, 295 (2013).

Given the lengthy history of this case both before the Board and three different trial judges, it is prudent for us to exercise original jurisdiction to complete a determination of the case. The $9,444.27 in expenses calculated by the Board added to the equity of $2,982.93 equals $12,427.20. When the income of $8,387 is subtracted, the difference is a hardship deficit of $4,040.20 or $336.68 per month. The $336.68 plus the base rent of $574.41 and the $149 surcharge results in a new monthly rent of $1,060.09.

We remand to the trial judge to enter an order accordingly. To the extent we have not addressed an argument on appeal, it is because it lacks sufficient merit to warrant discussion in a written opinion. R. 2:11-3(e)(1)(E).

IV.

On the cross-appeal, Amaconn alleges the trial judge erred by declining to apply the rent increase retroactively to the date of application. It reiterates it filed the hardship application on July 17, 2017, and it should not suffer because the delay was occasioned by the Board's ineptitude in following the remand instructions of two judges.

A retroactive rent increase for hardship applications is permitted, especially where the conduct of the Board creates a "regulatory lag." Orange Taxpayers Council, Inc. v. City of Orange, 83 N.J. 246, 259 (1980) (quoting In

re Toms River Water Co., 82 N.J. 201, 203 (1980)). However, a "retroactive application of a hardship increase is an equitable remedy . . . ." Heyert v. Taddese, 431 N.J. Super. 388, 433 (App. Div. 2013) (citing Borough of Princeton v. Bd. of Chosen Freeholders of Mercer Cnty., 169 N.J. 135, 158 (2001)). Equitable remedies are largely left to the judgment of the trial court and should only be reversed when the trial court abuses its discretion. Sears Mortg. Corp. v. Rose, 134 N.J. 326, 354 (1993).

The trial judge did not abuse his discretion in declining to make the rent increase retroactive. While there may have been a regulatory lag, it was not of Trupiano's doing. If the rent increase were made retroactive there would be a five-year assessment of the increased rent, which would benefit only Amaconn and have devastating consequences to Trupiano. We see no benefit in such an outcome. For these reasons, we are unpersuaded by Amaconn's arguments on the cross-appeal. We direct the trial judge to enter the order for the new rent effective the date of our opinion.

V.

Reversed and remanded for entry of a judgment consistent with this opinion on the appeal and affirmed on the cross-appeal. We do not retain jurisdiction.