RESOLUTION NO. 2022- 182

A RESOLUTION APPROVING VINELAND REVOLVING LOAN FUNDS FOR BECKERMAN, HOLLANDER, COHEN – REAL ESTATE COMPANY TO BE FORMED (OR ASSIGNS).

WHEREAS, the Vineland Revolving Loan Fund, LLC Committee has submitted a proposal dated April 26, 2022, for use of Vineland Revolving Loan funds for Beckerman, Hollander, Cohen – real estate company to be formed (or assigns); and

WHEREAS, it is considered to be in the best interest of the City of Vineland and the community in particular that Vineland Revolving Loan Funds be utilized for the above-mentioned project; now, therefore,

BE IT RESOLVED by the City Council of the City of Vineland that said Council does hereby approve the use of Vineland Revolving Loan Funds for the following project, in accordance with the proposal submitted by the Vineland Revolving Loan Fund, LLC Committee:

To: Beckerman, Hollander, Cohen   not to exceed $515,000.00
      real estate company to be formed (or assigns)

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute all documents associated with this loan.

Adopted:

_____
President of Council

ATTEST:

_____
City Clerk

ECONOMIC DEVELOPMENT
www.vinelandcity.org

640 E. Wood Street
PO Box 1508
Vineland, NJ 08362-1508
Phone: (856) 794-4100
Fax: (856) 405-0467

CITY OF VINELAND
WHERE IT'S ALWAYS GROWING SEASON

RECEIVED
APR 2 6 2022
CITY OF VINELAND
BUSINESS ADMIN.

MEMORANDUM

TO: City Council President and Members

FROM: Vineland Revolving Loan Fund, LLC

SUBJECT: **Applicant:**   Beckerman, Hollander, Cohen – real estate company to be formed
                  Loan Amount: $515,000

DATE: April 26, 2022

Dear Council President Arthur, Councilmen Acosta, Franceschini, Spinelli, and Vargas:

On behalf of the Vineland Revolving Loan Fund Committee, please accept this letter recommending a commitment be given to the above applicant for a Vineland Revolving Loan Fund loan in the amount as stated herein above.

Please note that the committee finds that the purpose of the loan meets the criteria set forth in the Statute made and provided governing Urban Enterprise Zones. The Committee further finds that the loan will promote economic development, creation/retention of jobs, and/or tax ratable(s) that will benefit the City of Vineland.

Further, please note that the loan would be properly protected in that the pledged collateral has a net value which equals or exceeds the amount of the requested funding.

Respectfully submitted,

Sandra Forosisky
Director of Economic Development

SF/fd

cc: Frank DiGiorgio
     file

VINELAND REVOLVING LOAN FUND, LLC
LOAN PROPOSAL

Date: April 11, 2022

Borrower Name and Address (s):   Beckerman - Real Estate Holding Company to be formed
1 Kopac Lane
Palisades, NY 10964

Request: $515,000 commercial real estate loan for the acquisition of a warehouse building in Vineland, NJ.

Interest Rate: 5.00%   **Term of Loan:** 20 Years

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1. BACKGROUND: Jason Beckerman, Harlan Hollander and Jared Cohen are forming a limited liability company to purchase the real estate located at 527 Crystal Avenue, Vineland, NJ. They are also seeking funding from their primary bank, OceanFirst Bank, for acquisition and renovation.

        Jason Beckerman is a practicing attorney, admitted to practice in multiple state and federal jurisdictions, with over 22 years of experience. He's a shareholder in a 75 year old international law firm where he oversees the firm's finances, and serves as both an Officer (CFO/Treasurer) and Board Member. His legal practice focuses on representation of some of the largest real estate developers and contractors in the world. Jason is also an established real estate investor with an ownership interest in approximately 400 residential apartments throughout the mid-west. He is presently expanding his real estate portfolio to include warehouse space with the purchase of this property and concurrently another warehouse property in Hunterdon, New Jersey. On a personal level, Jason is married with two children, and resides in Palisades, NY.

        Harlan Hollander has been a New Jersey resident since 2013 and works as a commercial real estate consultant since 2006, currently serving as Executive Vice President at Savills US. He specializes in advising corporate occupiers with their overall real estate planning, strategy and execution. Over the past decade plus, Harlan is very proud and fortunate to have represented some of the largest corporate leasing transaction in New Jersey. Prior to entering commercial real estate, he practiced as an attorney in New York City. He attended law school at New York Law School and received his Juris Doctor degree in 2004. He completed his undergraduate studies at the University of Michigan in Ann Arbor, receiving his Bachelor of Arts in 2000. He is currently married with two children.

        Jared Cohen has been in the financial services industry for over 20 years. Beginning his career with American Express Financial Advisors, he developed a very successful financial planning and investment management firm serving thousands of clients nationwide. In 2020, he founded his own Registered Investment Advisory Firm called Onyx Bridge Wealth Group where he currently serves as Chief Executive Officer, overseeing a team of 21 individuals and nearly half a billion dollars of client assets. Aside from his vast investment management experience, Jared has been investing in real-estate for the last several years, predominantly in the multi-family space. Jared and his partners own 346 units in various states.

        Due to their combined experienced, Messers. Beckerman, Hollander and Cohen these individuals believe they can certainly add value and are excited about the future of 527 Crystal Ave. in Vineland, New Jersey which sits vacant at the time of this writing. 527 Crystal Avenue represents a part of the history of Vineland's industrial growth. The existing building, which originally utilized the adjacent railroad tracks to transport goods, dates back to 1930. According to Mr. Beckerman, the building is relatively well preserved, and while it needs some renovation to bring it back to its original grandeur, it is the intention of this group that the existing structure will remain and be leased out to 1-2 tenants. More exciting note is the +-4 acres of presently undeveloped land (assuming local approvals) could be developed into additional industrial space.

1a. PROJECT: Acquisition of industrial building.

Uses		Sources	
Acquisition of real estate	$1,650,000.00	OceanFirst Bank	$1,195,000.00
Renovations	250,000.00	VRLF	515,000.00
Miscellaneaous / Closing	50,000.00	Borrower	240,000.00
Total	$1,950,000.00	Total	$1,950,000.00

2. COLLATERAL:

a.) Second mortgage position to the real estate located 527 Crystal Avenue, Vineland, Cumberland County, New Jersey a/k/a Block 2326, Lot 1.3,

b.) Assignment of rents and leases,

c.) Receipt and satisfactory review of environmental assessments, Phase 1 etc., demonstrating that the property's environmental condition is acceptable to the lender,

d.) ISRA compliance letter as necessary,

e.) UCC-1 filing and Security Agreement (Cumberland County Filing).

3. GUARANTORS:

a.) Personal Guaranty of Jason Beckerman,

b.) Personal Guaranty of Harlan Hollander,

c.) Personal Guaranty of Jared Cohen.

4. LIEN POSITION: Second.

5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS: OceanFirst Bank, $1,195,000.

6. SIZE OF PARCEL: 4.90 acres.

7. IMPROVEMENTS THEREON: Approximately 28,000 sq. ft. industrial warehouse building, built in 1930, with 18 feet high ceilings, dry sprinkler system, several overhead doors, rail spur can be re-connected serviced by public water, sewer, gas, limited electric (industrial hook ups at street) with potentially expandable acreage.

8. LOCATION OF PROPERTY: 527 Crystal Avenue, Vineland, Cumberland County, New Jersey a/k/a Block 2326, Lot 1.3.

9. APPRAISAL INFORMATION: To be ordered by OceanFirst Bank and provided. A minimum 90% LTV will be required.

10. FINANCIAL:

11. SUBSTANTIATION: DSCR = 1.40x (based on projection; secondary source is substantial as backup);
LTV = 90%

- Vacant warehouse facility to be utilized.
- Renovation to warehouse to provide needed warehouse space.
- Job creation.

12. RECOMMENDATION: