

RESOLUTION NO. 2024- 243

A RESOLUTION APPROVING VINELAND REVOLVING  
LOAN FUNDS FOR LBM HOLDINGS LLC (OR ASSIGNS).

WHEREAS, the Vineland Revolving Loan Fund, LLC Committee has submitted a proposal dated May 28, 2024, for use of Vineland Revolving Loan funds for LBM Holdings LLC (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: LBM Holdings LLC (or assigns)    \$1,775,000.00

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  
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MEMORANDUM



TO: City Council President and Membe  
FROM: Vineland Revolving Loan Fund, LLC  
SUBJECT: **Applicant:** LBM Holdings LLC  
**Loan Amount:** \$1,775,000.00  
DATE May 28, 2024

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, LLC 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 Forsisky  
Director of Economic Development

SF/fd

cc: Frank DiGiorgio  
file



**VINELAND REVOLVING LOAN FUND, LLC  
LOAN OFFERING**

**Date:** May 6, 2024

**Borrower Name and Address (s):** LBM Holdings, LLC  
3520 S. West Blvd.  
Vineland, NJ 08360

**Request:** \$1,775,000 commercial real estate loan – permanent loan, for a new 15,000 sq. ft. commercial/industrial building and associated site improvements.

**Interest Rate:** 6.50%                      **Term of Loan:** 20 Years

**1. BACKGROUND:** LBM Holdings, LLC (“LBM”) is a real estate holding company formed and owned 100% by Brian J. Murray on 08/26/2022 in New Jersey. In addition, Mr. Murray is the 100% owner of Mlands Group, LLC (“Mlands”), d/b/a Accelerated Freight Solutions (“Accelerated”), a trucking and logistic operating concern. Accelerated is one of a handful of operators in the Tri-State area as a specialized flatbed hauler, specializing in oversized/over dimensional freight. Because of this, it can demand premium hauling rates. Accelerated began operations in 2016 as a trucking brokerage business. In 2019, Accelerated switched to operating as an asset-based trucking company, a more specialized trucking business due to increasing demand for oversized load transport services. Mr. Murray also owns a design and printing solution business known as Paramount Design Works, LLC (“Paramount”).

LBM recently purchased the land (+-10.10 acres) located at 3370 and 3404 S. West Boulevard, Vineland, NJ. LBM received City of Vineland site plan approval to construct a 15,000 sq. ft. commercial/industrial building which will be leased to and house the business operation of Accelerated and Paramount as well as providing for future expansion possibilities in the industrial space including warehousing (dry or cold). Paramount is not part of the subject request, however, it will lease space from LBM once the subject property is completed. At the present time, Mlands / Accelerated operates from a leased facility in Vineland. The proposed new facility offers a strategic location closer to access of Rt. 55 from where it can better serve its customers. Accelerated plans to expand its fleet over the next several years.

**1a. PROJECT:** Permanent financing for the acquisition of property and construction of a new 15,000 sq. ft. commercial/industrial building to be used to maintain fleet and offices along with permanent site improvements. Breakdown of project costs are as follow:

<u>Uses</u>	<u>Costs</u>	<u>Sources</u>			<u>Total</u>
		<u>Borrower</u>	<u>Ocean First</u>	<u>VRLF</u>	
Land	\$1,300,000	\$ 607,175	\$ 692,825	\$ -	\$1,300,000
Soft Costs	455,475	63,300	-	392,175	455,475
Land Clearing	50,000	50,000	-	-	50,000
Building / Site Costs	3,241,600	-	1,858,775	1,382,825	3,241,600
Contingency (10%)	324,400	-	324,400	-	324,400
Construct. Manage.	140,000	-	140,000	-	140,000
Interest Reserve	409,000	-	409,000	-	409,000
<b>Total</b>	<b>\$5,920,475</b>	<b>\$ 720,475</b>	<b>\$3,425,000</b>	<b>\$1,775,000</b>	<b>\$5,920,475</b>

**2. COLLATERAL:**

- a.) Second position mortgage lien on the real property located at 3370 – 3404 S. West Boulevard, Vineland, Cumberland County, NJ a/k/a Block 7004, Lots 11 & 12; (An all-inclusive deed will be required per the City of Vineland's conditions of approval of the site plan –final address will be 3404 S. West Blvd. as Block 7004, Lot 12.01).
- b.) Assignment of rents and leases,
- c.) UCC-1 and Security Agreement – Borrower, LBM Holdings, LLC,
- d.) UCC-1 and Security Agreement – Guarantor, MLands Group, LLC,
- e.) Receipt and satisfactory review of environmental reports as applicable,
- f.) All-inclusive deed,
- g.) Leases between Paramount and Accelerated to LBM Holdings, LLC,
- h.) Evidence of key man life insurance.

**3. GUARANTORS:**

- a.) Brian J. Murray,
- b.) MLands Group, LLC

**4. LIEN POSITION:** Second.

**5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS:** OceanFirst Bank, \$3,425,000  
(permanent, during construction \$5,200,000).

**6. SIZE OF PARCEL:** +/- 10.25 acres.

**7. IMPROVEMENTS THEREON:** a new 15,000 sq. ft. commercial/industrial building to be used to maintain fleet and offices along with permanent site improvements.

**8. LOCATION OF PROPERTY:** 3370 – 3404 S. West Boulevard, Vineland, Cumberland County, NJ a/k/a Block 7004, Lots 11 & 12; An all-inclusive deed will be required per the City of Vineland's conditions of approval of the site plan (new address will be \_\_\_\_\_).

**9. APPRAISAL INFORMATION:** To be ordered and provided. A minimum LTV of 90% will be required.

**11. SUBSTANTIATION:** DSCR = 2.14x, LTV = 90%

- Expansion of business in Vineland.
- New tax ratable for Vineland.
- Construction and trade jobs.
- Permanent jobs remain in Vineland, potential for increased employment.
- Spin-off economic development benefits.

**12. RECOMMENDATION:**