



Economic Development Dept.
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MEMORANDUM

TO: City Council President and Members
FROM: Vineland Revolving Loan Fund, LLC
SUBJECT: **Applicant:** Bruno Real Estate Holdings, LLC
Loan Amount: \$87,300.00 (UDAG/CDBG – City of Vineland Small Business Loan Program)
DATE: September 24, 2024

Dear Council President Arthur, Councilmen Acosta, Francheschini, Spinelli, and Vargas

On behalf of the Vineland Revolving Loan Fund, LLC Loan Committee, please accept this letter recommending a commitment be given to the above applicant for a UDAG/CDBG – City of Vineland Small Business Loan in the amount as stated herein above.

Please note that the committee finds that the purpose of the loan finds that the loan will promote economic development, creation of jobs, and/or tax ratable that will benefit the City of Vineland.

Further, please note that based on the information provided, the applicant has the present ability to repay said loan and 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 COMMITTEE
LOAN PROPOSAL – UDAG/Small Business Loan Program – City of Vineland**

Date: September 12, 2024

Borrower Name and Address (s): Bruno Real Estate Holdings, LLC
304 Topaz Court
Mullica Hill, NJ 08062

Request: \$83,700 commercial real estate loan for the acquisition of a medical office condo.

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

1. BACKGROUND: Dr. Christopher Bruno is an ophthalmologist practicing in Vineland, NJ and has over 25 years of experience in the medical field. He graduated from Pennsylvania State University, Abington-Ogontz Campus (medical school) in 1998. He completed residency at Albert Einstein Medical Center and Ohio State University Hospitals. He is board certified by the American Board of Medical Specialties in Ophthalmology. He is affiliated with Inspira Medical Center, Vineland and Elmer. Ophthalmology is a clinical and surgical specialty within medicine that deals with the diagnosis and treatment of eye disorders. Dr. Bruno’s practice, Ophthalmic Associates, PA is currently located at 2835 S. Delsea Drive, Vineland, NJ in the Eye Center and South Jersey Surgicenter location, a leased location. Dr. Bruno is interested in purchasing a medical office condominium located in Vineland, NJ. This will drastically reduce his monthly expenses and also provide him the opportunity of ownership.

1a. PROJECT: Acquisition of real estate, medical office condo.

<u>Uses</u>		<u>Sources</u>	
Acquisition of real estate	\$310,000	OceanFirst Bank	\$195,300
<u>Closing Costs</u>	<u>10,000</u>	City of Vineland	83,700
Total	\$320,000	<u>Borrower</u>	<u>41,000</u>
		Total	\$320,000

2. COLLATERAL:

- a.) Second position mortgage lien on 1102 E. Chestnut Avenue, Vineland, Cumberland County, NJ a/k/a Block 4213, Lot 2401, Qualifier C1A,
- b.) Assignment of rents and leases,
- c.) UCC-1 filing and Security Agreement – general – State and County – Bruno Real Estate Holdings, LLC,
- d.) Building and Condo insurance will be required. Condo insurance for Chestnut Valley Professional Center Condominium Association.

3. GUARANTORS:

- a.) Christopher R. Bruno, M.D.
- b.) Ophthalmic Associates, PA

4. LIEN POSITION: 2nd.

5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS: OceanFirst Bank, \$195,300.

6. SIZE OF PARCEL: Unit(s) sit on lot that is 192.8’ x 200.15’.

7. IMPROVEMENTS THEREON: A 4,184 sq. ft. medical office space, 1,430 sq. ft. of upstairs storage and 2,754 sq. ft. of downstairs office space. The space is part of a condominium association known as Chestnut Valley Professional Center Condominium Association, where two medical offices are included in the building/common element.

8. LOCATION OF PROPERTY: 1102 E. Chestnut Avenue, Vineland, Cumberland County, NJ a/k/a Block 4213, Lot 2401, Qualifier C1A.

9. APPRAISAL INFORMATION: The property is assessed by the City of Vineland at \$461,000. Based on this, the loan-to-value is 70%. However, OceanFirst is ordering an appraisal. LTV shall not exceed 90% (combined).

10. FINANCIAL:

11. SUBSTANTIATION: DSCR = 1.38x, LTV = 90%, or lower.

- Assist business with ownership of office vs. current leasing.
- Monthly occupancy expense will be reduced as a result of this purchase vs. leasing.
- Company/practice owns space (long term commitment).

12. RECOMMENDATION: