

RESOLUTION NO. 2025- 72

A RESOLUTION APPROVING VINELAND REVOLVING  
LOAN FUNDS FOR IONUT C. MALAESCU OR REAL  
ESTATE COMPANY TO BE FORMED (OR ASSIGNS).

WHEREAS, the Vineland Revolving Loan Fund, LLC Committee has submitted a proposal dated January 28, 2025, for use of Vineland Revolving Loan funds for Ionut C. Malaescu or 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: Ionut C. Malaescu or real estate company                      \$400,000.00  
to be formed (or assigns)

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

Adopted: February 11, 2025

\_\_\_\_\_  
President of Council                      pfs

ATTEST:

\_\_\_\_\_  
City Clerk                                      kp

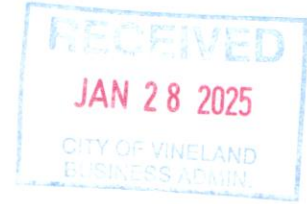


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*For RP 1-29-25*

**MEMORANDUM**



TO: City Council President and Members  
FROM: Vineland Revolving Loan Fund, LLC  
SUBJECT: **Applicant:** Ionut C. Malaescu or real estate company to be formed  
**Loan Amount:** \$400,000.00  
DATE: January 28, 2025

Dear Council President Spinelli, Councilmen English, Gomez, Vargas, and Councilwoman Arthur:

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 Forsosky*

Sandra Forsosky  
Director of Economic Development

SF/fd

cc: Frank DiGiorgio  
file



Special arrangements for persons with disabilities may be made if requested in advance by contacting the Business Administrator's office at 856-794-4144.

**VINELAND REVOLVING LOAN FUND, LLC LOAN COMMITTEE  
LOAN PROPOSAL**

**Date:** December 2, 2024

**Borrower Name and Address (s):** Ionut C. Malaescu or real estate holding company to be formed  
101 S. Concord Terr.  
Galloway, NJ 08205 (mailing address)

**Request:** \$400,000.00 commercial real estate loan (construction / permanent) on real estate improvements for a truck terminal/repair facility, truck parking and office to be located at N. Delsea Drive, Vineland.

**Interest Rate:** 6.25%                      **Term of Loan:** 20 Years. (1 year interest only, see “Project” section)

**1. BACKGROUND:** Ionut Ciprian Malaescu formed ICM Logistic, Limited Liability Company (“ICM”) on April 6, 2015 in the State of New Jersey, a business operating company involved in the ownership and leasing of trucks and tractor trailers providing logistics services. ICM is located at 2708 N. Delsea Drive, Vineland, NJ and provides refrigerated and non-refrigerated hauling services to customers along the Eastern United States. In addition, Mr. Malaescu is also the 100% owner of ICM Logistix, LLC (“ICMX”), a freight/trucking brokerage operating company, located at the same address. Mr. Malaescu purchased 2708 N. Delsea Drive, Vineland, NJ, an industrial zoned parcel (I-B) comprised of land and masonry building, in January 2023 for \$200,000.00 for the purpose of moving the operation of his logistics company. ICM currently owns and operates six trucks and twelve trailers. He currently owns the subject property personally, however, he is forming a real estate holding company, which he will own 100% to transfer ownership. Prior to moving to Vineland, the companies operated from a leased location in Mullica Hill, NJ.

Mr. Malaescu, 39 years of age, immigrated to the United States when he was 23 years of age from Romania. He attended Rutgers University and graduated with a Bachelor’s Degree in Business Administration. He works as a manager for ParkPlace Parking, a parking services contractor in Atlantic City, where he manages several large parking lots and parking garage operations. He employs a manager to oversee ICM on a daily basis, however, he is involved in its operation and management. In addition to the general manager, he employs an operations manager, a full time and a part time mechanic, and an office associate. The truck drivers are employed as subcontractors.

Mr. Malaescu is desirous of converting the existing building location and addition to the property of +- 9,600 sq. ft. providing for the expansion of the current facility to include an expanded truck terminal for maintenance and service of trucks along with dispatch office. He plans on adding thirteen truck spaces and twelve employee spaces. Mr. Malaescu utilized personal funds to purchase the property and to invest in trucks and equipment. He currently owns the subject property outright and carries no long term debt on the books. The City of Vineland Planning Board and Cumberland County Planning Board approved his site plan in October of 2023.

**1a. PROJECT:** The request is for a commercial, development-permanent loan through Vineland Revolving Loan Fund, LLC in the total amount of \$400,000, interest only for 1 year to complete the conversion of existing building and the addition of a trucking terminal and service/repair facility. Total project cost is +-\$675,000 when including acquisition and soft costs. The breakdown is as follows:

<u>Description</u>	<u>Uses - Amount</u>	<u>%</u>	<u>Sources</u>	<u>- Amount</u>	<u>%</u>
Acquisition	\$ 200,000*	30.76	Borrower	\$ 275,000*	38.46
Building Construction	400,000	61.55	VRLF	400,000	61.54
Equipment & Machinery	0	00.00	Total	\$ 675,000	100.00
Soft Costs	75,000	7.69			
Total	\$ 675,000	100.00			

\*Property purchased on January 6, 2023 – plus soft costs.



**1a. PROJECT (CONTINUED):**

Note: The VRLF will fund draws which will be disbursed during the development phase with monthly interest only payments required during the development. Borrower's funds are in the deal and utilized previously to purchase the subject land and will fund soft costs as well.

The VRLF loan will be structured as several draws based on a schedule determined by AIA Schedule(s). An inspector will be hired to monitor the progress and will provide progress report to support each draw. The first draw on the VRLF loan will be in the amount of \$100,000.00 which includes funds to be used toward closing costs and first draw for site work, soft costs and utility connections. The remaining \$300,000 will be disbursed over three (3) remaining draws (with inspections based on a draw schedule prepared by VRLF in coordination with American Property Reports, LLC, providing inspection services prior to draws being disbursed). VRLF's loan will be originated as a 1 year development loan in the total amount of \$400,000 with pricing at an interest rate of 6.25%, and monthly interest-only payments based on the outstanding principal balance. Once the project is complete and the City of Vineland issues a Certificate of Occupancy, the VRLF will place its loan on permanent status with P & I payments due monthly based on a 20 year, fixed rate loan structure of 6.25%.

**2. COLLATERAL:**

- a.) First mortgage lien position on the property located at 2708 N. Delsea Drive, Vineland, Cumberland County, NJ, a/k/a Block 604, Lot 1,
- b.) Assignment of Rents and Leases,
- c.) UCC -1 Filing and Security Agreement (County of Cumberland and State of NJ filings) on all machinery, equipment, business assets now owned and hereafter acquired of Borrower and Guarantor(s),
- d.) A review of the environmental questionnaire and any other environmental documentation will be requested to determine the extent of whether additional due diligence is required, if any,
- e.) Assignment of Life Insurance on Mr. Malaescu in the minimum amount of \$200,000.00,
- f.) Assignment of all architectural plans, designs, specifications, contracts and related documents including any and all municipal, state, federal permits and/or approvals together with such other documents and/or rights that may be necessary for the Lender, its successors or assigns to complete,
- g.) Inspections.

**3. GUARANTORS:**

- a.) Personal Guaranty of Ionut Ciprian Malaescu,
- b.) Guaranty of ICM Logistix, LLC (brokerage company),
- c.) Guaranty of ICM Logistics, Limited Liability Company (trucking company) S-Corp.

**4. LIEN POSITION:** 1st.

**5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS:** N/A.

**6. SIZE OF PARCEL:** +/- 2.55 acre(s).

**7. IMPROVEMENTS THEREON:** The subject property is a +/-2.55 acre parcel/lot, improved with a 3,550 sq. ft. building comprising 816 sq. ft. of a 1 and ½ stories, 2,652 sq. ft. on first floor, and 898 sq. ft. on second floor. Breakdown of existing space per Tax Assessor's office is 49% lite mfg., 37% storage, and 14% office.

**8. LOCATION OF PROPERTY:** 2708 N. Delsea Drive, Vineland, Cumberland County, NJ, a/k/a Block 604, Lot 10.

**9. APPRAISAL INFORMATION:** An appraisal will be ordered. A value indicating an LTV of 90% or less will be required based on as built basis with minimum value of \$445,000 required. The City of Vineland has the land, unimproved property assessed for \$187,400 (land at \$70,800 and improvements \$116,600).

**10. FINANCIAL:**

**11. SUBSTANTIATION:** DSCR = 1.25x, LTV = 90%

- Improvements will lead to increased real estate tax ratable and enhance industrial/business property on N. Delsea Drive.
- Construction jobs.
- Assist small business with expansion.

**12. RECOMMENDATION:**