



Vineland, New Jersey

RESOLUTION NO. 2025-229

A RESOLUTION APPROVING VINELAND REVOLVING LOAN FUNDS FOR WORLDWIDE REAL ESTATE ASSOCIATES, LLC AND WORLDWIDE GLASS RESOURCES, INC. AS CO-BORROWERS (OR ASSIGNS).

WHEREAS, the Vineland Revolving Loan Fund, LLC Committee has submitted a proposal dated April 29, 2025, for use of Vineland Revolving Loan funds for Worldwide Real Estate Associates, LLC and Worldwide Glass Resources, Inc. as co-borrowers (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: Worldwide Real Estate Associates, LLC and \$900,000.00
Worldwide Glass Resources, Inc as co-borrowers

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

Adopted: May 13, 2025

ATTEST:

President of Council pfs

City Clerk rgf

MEMORANDUM



TO: City Council President and Members

FROM: Vineland Revolving Loan Fund, LLC

SUBJECT: **Applicant:** Worldwide Real Estate Associates, LLC and
Worldwide Glass Resources, Inc. as co-borrowers
Loan Amount: \$900,000.00

DATE: April 29, 2025

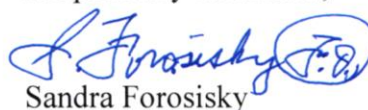
Dear Council President Spinelli, Councilmen English, Gomez, Vargas, and Councilwoman Arthur:

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 Forosisky
Director of Economic Development

SF/fd

cc: Frank DiGiorgio
file



VINELAND REVOLVING LOAN FUND, LLC – LOAN COMMITTEE LOAN PROPOSAL

Date: April 7, 2025

Borrower Name and Address (s): Worldwide Real Estate Associates, LLC &
Worldwide Glass Resources, Inc.
1022 Spruce Street
Vineland, NJ 08360

Request: \$900,000 commercial term loan – \$410,000 of new money to assist glass vial and laboratory glass products manufacturer introduce new line and new products, as well as to assist company improve cash flow via reduction of payables. Existing VRLF loan(s) of +-\$490,000 to be reset / restructured into new loan totaling of \$900,000.

Interest Rate: 5.50%

Term of Loan: 20 Years.

1.BACKGROUND:

Worldwide Glass Resources, Inc. (“WWGR” or the “Company”) is a manufacturer and provider offering engineering and technical expertise in the design and production of glass laboratory vials and accessories. WWGR established in March 2001 by James “Jim” Crawford, President of the Company, as a glass vial manufacturer and assembly in Southern New Jersey. In 2003, WWGR emerged as one of the leading laboratory vial manufacturers in the United States. It operates as a manufacturer, reseller and assembler of glass vial and apparatus serving the global laboratory markets. The company’s customer base includes scientists and decision makers in such markets as pharmaceutical R&D, petrol-chemical, biotech, environmental, food & fragrance, government, etc. The foundation of the company’s success is their commitment and focus to their customers, the investment in their employees, and reinvestment in the company through continued engineering and development of technologies, products and processes. With over 34 years of experience, the company’s highly qualified staff offers customers the ability to develop custom vials to meet specific requirements and standard vials and products for everyday laboratory use. Some of the products that are manufactured include chromatography vials, industrial glass, custom vials, sample vials and closures, flat bottom vials (shell vials), and round bottom tubes. Worldwide Glass Resources, Inc. operated in Norma, NJ for over 11 years until it relocated to 1022 Spruce Street, Vineland, NJ in 2013 in a leased facility (Kimble Chase leased the facility). In 2016, Jim Crawford and Ed Poisker formed a real estate holding company to purchase the manufacturing and warehouse facility located at 1022 Spruce Street, Vineland, New Jersey from Kimble Chase.

Mr. James “Jim” Crawford has spent the majority of his career in the glass vial manufacturing and chromatography area. He has experience working at Wheaton Science Products where he was Chromatography Product Manager, J.G. Finneran Associates where he held the position of Global Chromatography Marketing Manager, and Kimble Glass, also as Global Chromatography Manager. Upon leaving Kimble Glass, he formed Worldwide Glass Resources and has been active here since March 2001. Chromatography is set of laboratory techniques for the separation of mixtures. In glass, the vials are utilized on the instruments to separate compounds.

Mr. Edward (“Ed”) Poisker was trained as a mechanical engineer (graduate of Drexel University) and was employed by Kimble Kontes as a mechanical engineer. He joined Worldwide Glass Resources in 2003. He became equal owner of the operating company in 2005. Jim and Ed are equal owner of Worldwide Real Estate Associates, LLC since 2016.

Worldwide Glass Resources, Inc. is a current borrower of the VRLF. It has obtained loans to purchase its manufacturing facility and equipment. Approximate combined balance of existing loans outstanding is \$490,000.00 The new loan request (see “Project” section for detailed breakdown and explanation of funding) will provide funding necessary to enhance growth (new product/revenue line) as well as reset existing debt over a new term to improve cash flow.

1a. COMPETITION:

Chase Scientific (Thermo-Fisher), J.G. Finneran, Richland Glass.

1b. PROJECT:

Worldwide Glass Resources, Inc. is a successful manufacturing company located in Vineland. This loan (new funding/money) will assist the company introduce a new manufacturing line/product which will increase revenue. Additionally, the reduction of aged payables and liabilities reset will provide relief in the form of lower monthly payments enhancing cash flow while also relieving balance sheet pressure. Breakdown of sources and uses as follows:

<u>Uses</u>		<u>Sources</u>	
Project funds	\$ 400,000	VRLF	\$410,000
Closing Costs/Miscellaneous (est.)	10,000		
Total (New) Uses	\$ 410,000	Total (New) Sources	\$410,000

Below is the existing VRLF Loans Outstanding to be reset / restructured into new loan:

<u>Loan Number</u>	<u>Date Approved</u>	<u>Date Originated</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>	<u>Monthly Payment</u>
#330-01-01	01/28/2014	09/30/2016	\$410,000	\$+-243,000	\$2,705.82
#330-02-01	04/26/2022	06/28/2022	270,000	+247,000	1,781.88
			\$680,000	\$+-490,000	\$4,487.70

Total new loan (one loan) will be \$900,000 (existing loans above will be paid off and restructured into one loan).

2. COLLATERAL:

- Second position mortgage lien on the real estate located at 1022 Spruce Street, Vineland, Cumberland County, New Jersey a/k/a Block 2302, Lot 12 (title insurance ?),
- UCC-1 filing and Security Agreement – General filing (OceanFirst Bank will have already filed a specific and general UCC filings - VRLF will file and have a general on all existing machinery and equipment and will be in a subordinate position to primary lender, OceanFirst Bank),
- Assignment of Rents and Leases,
- Subordination of OceanFirst Bank, allowing VRLF loan to have a second position priority lien.

3. GUARANTORS:

- Personal Guaranty of James O. Crawford,
- Personal Guaranty of Edward C. Poisker.

4. LIEN POSITION: The VRLF is currently and will be behind OceanFirst Bank on the real estate as well as equipment, machinery, business assets. Lien positons are demonstrated below and on the next page.

5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS: WWGR and Worldwide Real Estate Associates, LLC are banked by OceanFirst Bank. OceanFirst Bank has a \$1,450,000 first mortgage (balance outstanding of +- \$1,045,000) filed on the property and a subordinate mortgage (to the VRLF) for \$1,500,000 to secure equipment loans – OceanFirst has a first priority on the equipment securing their purchase money interest (this mortgage filing was an abundance of caution measure and will be restructured by OceanFirst). The VRLF is subordinate to OceanFirst Bank on the first mortgage (for the acquisition of the building only) and will remain in Second Position for the subject loan transaction. OceanFirst maintains a priority UCC position on accounts receivable, inventory and business assets for a line of credit (\$1,250,000 original amount with +- \$1,000,000 currently outstanding with OceanFirst).

5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS:

The majority of the debt is for the financing of significant investment in machinery and equipment. The line of credit with OceanFirst Bank is secured with accounts receivables and inventory of WWGR. Several small loans financing specific equipment and vehicles are financed via third parties totaling +-\$70,000.

6. SIZE OF PARCEL: +-18.15 acres.

7. IMPROVEMENTS THEREON: The improvements consist of masonry block and metal panel buildings (3 buildings) with a total of +-124,609 sq. ft. broken down as follows: 111,232 sq. ft. of production/manufacturing/warehouse space (ceiling heights of 14' to 20' range) inclusive of four tailgate doors and one drive in door, and +-13,360 sq. ft. of office space. Building is 100% wet sprinkler with gas-fired heat ceiling units. Worldwide has already invested significant capital investment in improvements to the space occupied (plumbing for glass lines as well as clean packaging room and other improvements).

8. LOCATION OF PROPERTY: 1022 Spruce Street, Vineland, Cumberland County, New Jersey a/k/a Block 2302, Lot 12.

9. APPRAISAL INFORMATION: An appraisal was performed by Appraisal One in November 2024 demonstrating a fair market value of \$11,500,000 for the property located at 1022 Spruce Street, Vineland, NJ. A discounted value of \$10,000,000 was utilized in the calculation below.

Proposed mortgage loans to be secured by real estate collateral:

<u>Lender</u>	<u>Type</u>	<u>Amount</u>	<u>Outstanding</u>
OceanFirst	1 st Mtg.	\$1,450,985	\$1,045,000
VRLF	2 nd Mtg.	900,000	900,000
OceanFirst (1)	3 rd Mtg.	1,500,000	1,500,000
<u>Total</u>		<u>\$3,850,985</u>	<u>\$3,445,000</u>

Loan-to-value calculation:

Total Loans Outstanding \$ 3,445,000

Total Value of Real Estate \$10,000,000

$$\text{LTV} = 34.45\%$$

10. FINANCIAL:

11. SUBSTANTIATION: DSCR = 1.20x, LTV = 34%

- Assist local manufacturing company.
- Creation of new jobs. Longer term anticipated that an additional 10 + jobs will be created over the next 3 – 5 years. Currently this company employs 56-58 full time.
- Provide the company with relief via enhancing cash flow through debt reset/accounts payable paydown.
- Company has navigated well considering hurdles it has hit. Company has managed cash and always been current on payments with creditors.
- The payoff of payables will improve the cash flow and relieve pressure allowing company to focus on increasing sales and grow.

12. RECOMMENDATION: