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Eastern Bank sells its majority ownership stake in Fantini & Gorga

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According to Eastern Bank, the bank will sell its majority ownership stake in Fantini & Gorga to the commercial real estate advisory firm's executive leadership team.

The transaction also includes the bank's Eastern Mortgage Capital business line, which uses Federal Housing Administration mortgage insurance to provide loans for apartments, senior housing and skilled nursing facilities nationwide.

"This agreement reflects the strategic goals of both organizations and it will help each achieve those goals," said Richard Holbrook, Eastern's chairman and CEO. "In recent years, the bank has become increasingly focused on developing relationships with people and businesses in eastern Massachusetts, while Fantini & Gorga's serves a much broader geography with specific real estate financing services."

Eastern purchased a majority stake in Fantini & Gorga in 2001. The leadership, which consists of George Fantini, its chairman and principal, John Gorga, its president and principal, and Tim O'Donnell, principal, owned a minority stake in the business during its ownership by Eastern. Fantini, Gorga, and O'Donnell also launched, and now manage, the Eastern Mortgage Capital business line.

"Operating under Eastern's umbrella has provided us a strong platform for success for nearly ten years," Fantini said. "Our decision to move ahead as an independent company was made amicably and with great mutual respect."

Terms of the deal were not disclosed. The transaction is expected to close by April 30th.

Founded in 1818 and based in Boston, Eastern Bank is one of the largest independent and mutually owned bank in New England, with almost \$7 billion in assets and more than 80 branches serving communities from the Merrimack Valley to Cape Cod. Eastern Bank offers banking, investments and insurance all under one roof, and prides itself on working harder to understand its customers' needs so it can deliver these services in a committed and personal way. Eastern Bank includes Eastern Wealth Management and Eastern Insurance.

Fantini & Gorga is one of New England's leading mortgage banking firms. Headquartered in Boston, Fantini & Gorga specializes in assisting its clients in arranging traditional debt, mezzanine, and equity financing for all commercial property types throughout the United States. Fantini & Gorga combines deep regional roots, broad experience, market knowledge, and national/international reach in access to capital.