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Fantini & Gorga arrange \$12.9m funding for Eastern Mortgage Capital

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Eastern Mortgage Capital funded \$12.9 million in permanent financing for Aberjona Nursing Center, a 123-bed skilled nursing facility located in Winchester, and Grosvenor Park Nursing Center, a 123-bed skilled nursing facility located in Salem.

The Aberjona transaction used Section 232/223(f) mortgage insurance provided by the Federal Housing Administration. Grosvenor Park used Section 223(a)7 mortgage insurance provided by the Federal Housing Administration (FHA) to deliver a lower rate on existing financing already insured by FHA. The loan was arranged by Fantini & Gorga, which serves Eastern Mortgage Capital as a loan correspondent in N.E.

"We were delighted to be able to deliver this attractively priced, non-recourse financing for our clients," said Tim O'Donnell, principal of Fantini & Gorga. "The loans provide funding for improvements designed to allow these facilities to continue to provide the highest level of care. At the same time, the long-term, fixed-rate structure gives the facilities' operations stability for years to come."

All of the FHA mortgage insurance programs offered by Eastern Mortgage Capital are non-recourse with no carve-outs, and do not require yield maintenance or defeasance prepayment penalties.

Loans under Section 223(f) have 35-year terms with 35-year amortization.

The 223(a)7 program allows borrowers whose mortgages are already insured by FHA to re-fund their existing mortgages, which were often written at higher rates, and obtain today's more competitive market rates. The processing is rapid, streamlined, and inexpensive; no appraisals or third party reports are required.

In the case of Grosvenor Park, Eastern Mortgage Capital processed two loans concurrently, refinancing both the existing 232/223(f) first mortgage and the 223(d) operating loss loan.

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