



For immediate release
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MBA Capital Funding Finances Two Hotels in Two Weeks.

November 7, 2013 – MBA Capital Funding Inc. a commercial mortgage and financing services firm, announces the successful financing of two hotels within two weeks in October.

Lynda Drehmer, Capital Markets Advisor, arranged the financing for the borrower in a partner buyout of the Comfort Suites, Elkton, MD. This financing structure is unique because MBA Capital Funding was able to help the borrower take advantage of a huge debt reduction opportunity through a discounted payoff of the original mortgage. The new interest rate and term have reduced the borrower's monthly payment substantially, and reduced the annual debt service by \$200,000.

The first mortgage is in the amount of \$3,250,000 and has an interest rate of Prime plus 1.5%, which is currently 4.75%. The loan has a 10 year term and 25 year amortization period. The loan includes an option which can be exercised after the first three years to have a fixed rate for a fee of 0.5% of the then-outstanding principal balance. The second mortgage is an SBA loan for \$2,275,000 at a 5.19% fixed interest rate with 20 year term and 20 year amortization. The total loan to value ratio is 85%.



The Comfort Suites in Elkton, Maryland is located at the Maryland/Delaware border off Interstate 95 and near the University of Delaware. The hotel is only 3 years old and has 83 keys, 4 floors, and is interior corridor.

MBA Capital Funding's Lynda Drehmer also secured the financing for the acquisition of the Quality Inn Meadville in Pennsylvania. The sale price was \$2,750,000. The total bank loan amount was \$2,375,000, which includes \$200,000 for PIP renovations, and \$55,000 working capital, and \$17,500 for franchise fees. The interest rate is Prime plus 2.75%, which currently equates to 6.0%, adjusting quarterly. The loan is 25 year term and 20 year amortization. The buyer also received \$217,000 in seller financing. There was \$50,000 worth of Cross-Collateralization from the borrower. The deal is remarkable because the borrower's cash injection was \$550,000, only 18% of the project cost.



AJ Patel of Siddhi Laxmi Inc, the borrower and new owner of the Quality Inn, says, "I was very happy to have this loan close that allowed me to buy the Quality Inn. Lynda and the MBA team kept working right through closing to get some lender concessions needed to make the deal happen. Thanks to them, it closed".

The Quality Inn Meadville is located in Meadville, Pennsylvania off Interstate 79. The hotel is 23 years old, has 61 keys and 3 floors. It is primarily interior and has 17 exterior corridor rooms.

MBA Capital Funding draws upon over 30 years of experience and deep knowledge in securing commercial financing from banks, non-bank lenders, and government secured lenders, in commercial and hospitality financing to offer expert financial consulting services. The capital markets advisors of MBA Capital Funding Inc. are trained to evaluate a financing request and determine the best loan program and financing structure for the least amount of cash down, and the lowest interest rate. For more information, contact Lynda Drehmer at Lynda@mbacapitalfunding.com.