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**LOVE FUNDING CORPORATION FINANCES
MAGNOLIA GARDENS ASSISTED LIVING FACILITY**

TOMS RIVER, NJ, April 13, 2006... Love Funding Corporation (LFC), a national mortgage-banking firm, today announced that Laura Saull-Smith, senior vice president, closed an \$8,058,000 non-recourse loan for Magnolia Gardens Assisted Living Center in Toms River, N.J, a suburban community 30 miles southeast of Trenton and 45 miles north of Atlantic City.

The borrower's existing loan totaled \$7.9 million at an interest rate of 8.00 percent. By placing a new HUD 232/223(f) loan on the property, LFC enabled the borrower to pay off outstanding debt, fund a replacement reserve of \$50,000 (\$500/bed), fund minor repairs totaling \$6,000 (\$62/bed), obtain 35 year non-recourse financing, and lock in a lower interest rate of only 5.9 percent. The loan, limited to 85 percent of the appraised value, totals 99 percent of the borrower's closing cost, and allows the borrower to save more than \$150,000 per annum in debt service.

"The true test when determining the quality of a facility is to ask myself; would I feel comfortable enough to move a family member here?" said Smith. "The fact that Magnolia Gardens has a very experienced staff, a compassionate owner and top-of-the-line amenities, my answer is an unequivocal, yes."

Magnolia Gardens is a three-story development consisting of approximately 59,220 square feet of space. The facility is licensed for 120 beds but is currently operating with a 100-bed capacity. The unit mix includes 30 studio, 17 one-bedroom, 19 semi-private, and 4 one-bedroom deluxe residences. In addition, five Alzheimer studio units exist to accommodate residents with special needs. The property currently operates with approximately 22 percent Medicaid residents.

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**Love Funding/ Magnolia Gardens
First and Final Add**

Room interiors feature both carpeted and tile flooring, a kitchenette with microwave, window treatments, and individually controlled HVAC systems. Common amenities to Magnolia Gardens include a beautiful atrium with a waterfall and stained-glass background, hair salon, private and main dining rooms for residents and guests, community rooms such as a library with internet access and an arts and crafts room, a wellness center and memory care unit, movie theater, ice cream parlor, onsite laundry facilities, and a convenience store. The property also features a pool, sauna, Jacuzzi and massage parlor.

The current monthly rates average between \$2,635 to \$3,940 for the assisted living and \$3,255 to \$4,615 for the Memory Care units. The average Medicaid rate is \$2,469 per month (\$81.16/day). Four different levels of care are offered at Magnolia Gardens with an additional fee of \$350 to \$750 depending on the resident's acuity level.

Love Funding Corporation is one of the Love Companies, an investment holding company with origins dating back to 1875. Love Funding commenced mortgage-banking operations in 1984 and continues to serve clients across the United States from its offices in Atlanta, Boston, Cleveland, Dallas, Detroit, Knoxville, Lenox (MA), Los Angeles, New York, Palm Beach, St. Louis, San Antonio, Seattle and Washington D.C. The company offers funding programs for multifamily, retail, office, industrial, hospitality, and senior housing and healthcare properties. Love Funding's sources include conduits, life companies, FNMA, FHLMC and FHA. Services include refinance and acquisition loans for existing properties and construction and development loans for most property types.

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