

Press release

Hypo Real Estate Capital Corporation syndicates \$220 million for Gateway Center at Bronx Terminal Market

New York, Munich, 29 December 2006: Hypo Real Estate Capital Corporation (“HRECC”), the New York-based subsidiary of Hypo Real Estate Bank International and one of the leading financial institutions in the United States commercial real estate industry – announced that on 1 December, 2006 it successfully closed on the \$220 million syndication for Gateway Center at New York City’s Bronx Terminal Market.

Not yet constructed, Gateway Center, developed by BTM Development Partners, a subsidiary of leading private real estate development company Related, is the signature urban revitalization project encouraged under an economic development program devised by the City of New York. With its anchoring political support, excellent pre-leasing activity, impressive sponsors and development team, demand was strong for the loan syndicate, which was closed with eight financial institutions, four of which are new clients to Hypo Real Estate Capital Corporation.

Located at River Avenue and the Major Deegan Expressway in the Bronx, just blocks from the newly planned, state of the art Yankee Stadium, Gateway Center will contain 926,180 square feet of gross leasable area and a 2,610 space parking garage on an 18-acre site. The project, much anticipated by the local community, has already pre-leased important portions of the almost one million square feet of planned space to major big box retailers including Target, Home Depot, Best Buy and Bed Bath & Beyond.

Evan F. Denner, Deputy CEO of Hypo Real Estate Capital Corporation

commented, “Gateway Center will be a Bronx community hub for generations to come and we are very proud to be involved in this pinnacle project and to contribute to the much anticipated urban renewal of the Bronx. Along with the intrinsic appeal of the project itself, its impressive sponsors and supporters made this an exciting deal to be a part of and we were pleased to be able to share this opportunity with our syndicate of eight financial institutions.”

Notes to editors:

About Hypo Real Estate Capital Corporation

Hypo Real Estate Capital Corporation, a subsidiary of Hypo Real Estate Bank International, is one of the leading lenders in the United States commercial real estate marketplace. Hypo Real Estate Capital provides innovative financial solutions for a prestigious client base throughout the U.S. Over the last five years, the firm has closed more than \$22 billion of loans. Headquartered in New York, Hypo Real Estate Capital is active in all markets across the U.S.

Hypo Real Estate Group

The Hypo Real Estate Group (HREG) is one of the largest European providers of commercial real estate financing. The group consists of the non-operational listed holding company, namely Hypo Real Estate Holding AG based in Munich, and three operational entities. The Hypo Real Estate Bank International AG (Stuttgart) combines the international real estate financing activities. The centre of competence for the German market is Hypo Real Estate Bank AG based in Munich. Hypo Public Finance Bank (Dublin) combines public finance and Capital Markets activities.

Related

Founded in 1972 and headquartered in New York City, Related is the most prominent privately owned real estate development firm in the United States with developments, partners and offices in Chicago, Los Angeles and Miami as well as a team of more than 1,500 professionals. To date, the company has developed or acquired real estate assets worth over \$10 billion with another \$7 billion currently in development. The company is also the largest shareholder in CharterMac, the largest financier of affordable housing in the United States.

The New York Development Division of Related boasts one of the longest and most impressive track records in the New York real estate industry, having completed 28 Manhattan development properties representing over 6,700 apartment homes, 3.0 million square feet of commercial space and over \$3.5 billion in development costs since 1986. The firm is dedicated to architectural excellence and has distinguished itself as New York City’s finest developer of luxury condominium properties such as The Chatham at 181 East 65th Street, The Park Imperial at 230 West 56th Street, and One Central Park Condominiums and The Residences at Mandarin Oriental at Time Warner Center.

The Related luxury rental portfolio of 17 properties in Manhattan includes such outstanding downtown properties as The Tate at 535 West 23rd Street, The Westminster at 180 West 20th Street, The Sierra at 130 West 15th Street and One Union Square South at 1 Union Square South. For more about Related please visit: www.related.com.

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