

**Press release**

**Hypo Real Estate Capital Corporation provides first mortgage loan for repositioning of Feldman Mall Properties' Colonie Center in Albany, NY**

**New York, Munich, 30 November 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 it closed on the \$109.8 million, 24 month, floating rate first mortgage loan for the repositioning of Colonie Center, a regional shopping mall located in Albany, New York. The loan, which closed on 29 September 2006, carries with it two 12-month extensions.

The loan's sponsor is a partnership of Feldman Mall Properties, Inc. (NYSE: FMP), a fully integrated real estate development company and Heitman Value Partners, a multinational real estate investment management firm with approximately \$14.6 billion in assets under management.

With its four anchor tenants, including Macy's, Sears, Boscov's and Christmas Tree Shops, and convenient location near the intersection of the highly traveled I-87 and I-90 highways circling Albany, NY, Colonie Center is a major regional retail hub. In addition to these anchor tenants, which currently occupy 47 percent of available retail space, the two-story mall maintains approximately 110 tenant store spaces. The available retail space at Colonie Center will be expanded by 100,000 square feet to 1.35 million square feet. New tenants include the first LL Bean store in New York State, Cheesecake Factory, PF Chang's, Barnes & Noble and Regal Entertainment.

“Hypo Real Estate Capital Corporation was proud to be able to demonstrate to this new and noteworthy client the depth of our experience and ability to quickly and confidently identify and work around the complexities of its repositioning plan,” said Evan F. Denner, Deputy CEO of Hypo Real Estate Capital Corporation. Sam Kirschner, Head of Origination for Hypo Real Estate Capital Corporation, added, “Feldman required competitive pricing, certainty of execution in a limited period of time and we are very pleased we were able to make a valued contribution to the achievement of its goals.”

**Notes to editors:**

**About Feldman Mall Properties, Inc.**

Feldman Mall Properties, Inc. acquires, renovates and repositions enclosed retail shopping malls. Feldman Mall Properties Inc.’s investment strategy is to opportunistically acquire underperforming malls and transform them into physically attractive and profitable Class through comprehensive renovation and re-tenanting efforts aimed at increasing shopper traffic and tenant sales.

**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.

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