

Press release

Hypo Real Estate Capital Corporation closes on \$45.5 million loan for two Apollo/ColRich multifamily communities in downtown Portland, Oregon

New York, Munich, 1 February 2007: 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 – closed on a \$45.5 million, seven-year, fixed-rate loan for the refinancing of two multifamily communities, Ione Plaza and Park Plaza, respectively representing 307 and 149 units in downtown Portland, Oregon. The transaction closed on January 11, 2006. Hypo Real Estate Capital Corporation expects to contribute the loan to a future CMBS offering.

The borrower, with whom HRECC has an existing relationship, is a joint venture between Apollo Real Estate Fund V and ColRich Multifamily Investments LLC. HRECC provided financing for Apollo/Colrich’s Belara at Lakeland multifamily property in Auburn, Wash. in October 2006 and was the original lender to Apollo/ColRich for the acquisition of Ione Plaza in May 2006.

Situated within a half mile of each other, the 15-story Ione Plaza and 11-story Park Plaza are full service multifamily communities both providing fitness centers, storage lockers, on-site parking and rooftop gardens. Both properties are 98 percent occupied.

“The Pacific Northwest and Portland in particular are experiencing some of the country’s best multifamily fundamentals and we’re delighted we were called on to refinance both Ione Plaza and Park Plaza together for Apollo/ColRich,” commented **Evan Denner, Deputy CEO of Hypo Real Estate Capital Corporation.** “We are also very proud whenever our past clients return to HRECC with their financing needs as this highlights the strength of our commitment to service and maintain strong relationships with our borrowers.”

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.

About Apollo Real Estate Advisors, L.P.

Apollo Real Estate Advisors is one of the most active and prominent real estate investors in the U.S. and internationally. Apollo specializes in acquiring undermanaged and distressed properties and developing properties in major urban areas throughout the U.S. and Europe. Since Apollo’s founding in 1993, the firm has overseen the investment of eight real estate funds totaling more than \$5 billion in equity. The firm’s Web site is www.apollorealestate.com

Press contact:

Oliver Größ
Phone: +49 (0) 89 203007 781
Fax: +49 (0) 89 203007 772
E-mail: oliver.gruss@hyporealestate.com