

Press release

Hypo Real Estate Bank International finances purchase of Rudna Logistics Centers in Rudna near Prague

- **Financing volume totals €66 million**
- **First separate deal concluded by Germany/Central and Eastern Europe office in the Czech Republic**

Munich, December 11, 2003: Hypo Real Estate Bank International is celebrating a first deal in Central and Eastern Europe. The international real estate bank has just financed the purchase of the Rudna Logistics Center in Rudna near Prague by Heitman Central Europe Property Partners II through its Germany/Central and Eastern Europe office in Munich. The financing volume totals €66 million.

"Funding this purchase is the first deal of this type financed by the Munich office of Hypo Real Estate Bank International in the Czech Republic. The country is an attractive market for us, with the commercial real estate market developing at a constantly strong rate. Rents are stable, demand and supply balanced," comments Christoph Donner, who heads the Germany/Central and Eastern Europe office of Hypo Real Estate Bank International. "Our focus remains firmly fixed on Central and Eastern Europe, and we intend to expand our operations in the region," continues Donner.

The logistics center in Rudna was developed by Essen-based Viterro AG. Covering an area of 90,000m², it is rented out to international trucking companies on a long-term basis. The center is conveniently located right by the D5 highway, the main route westward connecting Prague and Plzen, and continuing on toward Nuremberg in Germany.

Hypo Real Estate Bank International, Dublin

Hypo Real Estate Bank International, Dublin, is a member of Hypo Real Estate Group (HREG). This is one of Europe's largest providers of commercial real estate financing. However, neither the private residential

mortgage business nor public-sector lending are included in its core business activities. HREG consists of the non-operational, listed holding company and three operational business units. Besides Hypo Real Bank International with headquarters in Dublin, these are Württembergische Hypothekenbank AG (WürttHyp) with headquarters in Stuttgart and Hypo Real Estate Bank AG in Germany. Headed by Christoph Donner and Timo Woskowiak, the Munich office of Hypo Real Estate Bank International is responsible for the bank's operations in Germany and Central and Eastern Europe. The team had already built up a portfolio of around €500 million over the last few years, before the spin-off of Hypo Real Estate Group from HVB. Head of Sales for Central and Eastern Europe is Dr. Walter Hampel.

The new bank's business model is cash-flow oriented and transaction controlled. That means that every transaction is considered individually and accepted or rejected on its own merits. There are no fixed rulings on industries, sites or real estate locations. Profitability and risk management take precedence; market share considerations and volume play a subordinate role.

Heitman

Heitman, founded in 1966, is one of the largest real estate investment management firms in the United States and Europe. Headquartered in Chicago, Heitman manages \$11.2 billion in assets invested directly or indirectly in real estate in the US and Europe. The firm's clients include US and international institutions, US and international pension plans, endowments and foundations, and individual investors.

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