

Press release

Hypo Real Estate Bank International, Stockholm, finances the acquisition of 32 retail properties in Sweden by JER Partners from AXFAST – Financing Volume approximately EUR 60 million including Capex facility

Stockholm/Dublin/Munich, September 29th 2004: Hypo Real Estate Bank International, Stockholm, is providing 60 million euros in structured acquisition financing including a Capex facility to JER Partners for the purchase of 32 retail properties from AXFAST. The acquired portfolio comprises over 110,000 square metres of retail space in cities throughout Sweden. The majority of the properties are in town centre locations and are leased to national retail chains including Hemköp, Willys and Åhléns. The acquisition is expected to close by the end of October 2004.

Constantin Graf Stolberg, Managing Director of Hypo Real Estate Bank International, Scandinavia, comments: “Our team is very pleased to conclude this deal with such a well reputed partner. The acquisition is the first transaction for JER in Sweden and it is further evidence of the increasing activity of foreign property investors in the Nordic markets and in particular in the retail sector.”

Note to the editors

Hypo Real Estate Bank International

Hypo Real Estate Bank International, Dublin, is a member of Hypo Real Estate Group, one of Europe's largest providers of commercial real estate financing. The group 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, Munich, in Germany. Headed by Constantin Graf Stolberg, the Stockholm branch is responsible for the bank's operations in the Nordic region. In the 3 years since its inception the team has built up a portfolio of

1.3 billion euros - including the time before the spin-off of Hypo Real Estate Group from HVB.

JER Partners

JER Partners, a subsidiary of the J.E. Robert Companies, is a fully integrated real estate investment management company with more than 23 years of experience in sourcing, underwriting and managing a broad spectrum of real estate products. Since beginning its fund management business in 1997, JER Partners has managed over €2.8 billion in assets worldwide, including over €1 billion in Europe.

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