

Press release

Hypo Real Estate Capital Corporation purchases interest in land acquisition loan for land parcel on Las Vegas Strip – Soros Funds, Ian Bruce Eichner and David Friedman plan mixed-use project at site

New York, Dublin, Munich, July 9th 2004 – 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 – has purchased a \$50 million interest in the land acquisition loan made to 3700 Associates, LLC, a joint venture between Soros Funds, Ian Bruce Eichner and David Friedman to finance its acquisition of 3700 Las Vegas Boulevard South in Las Vegas, Nevada from German American Capital Corporation, a subsidiary of Deutsche Bank.

The 8.68-acre land parcel with 397 feet of frontage on Las Vegas Boulevard is situated next to the Bellagio Hotel and Casino and across from the Aladdin and Desert Passage Hotels. 3700 Associates is planning to develop a mixed-use project. German American Capital Corporation currently serves as the agent for financing on behalf of the lenders.

3700 Associates plans to build a complex of approximately three million square feet, which will include an 80,000-square-foot casino and 400 to 500 condominium units; a separate tower containing 300 time-share units; 300,000 square feet of retail and restaurant space; and underground parking for about 3,000 cars.

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 \$18 billion in construction, fixed rate, floating rate and mezzanine loans. Headquartered in New York, Hypo Real Estate Capital is active in all markets across the U.S.

About Hypo Real Estate Bank International

Hypo Real Estate Bank International based in Dublin, Ireland, is part of the Hypo Real Estate Group (HREG). The corporate group – which is the result of HVB Group spinning off its commercial real estates activities – comprises the non-operational, listed holding company, Hypo Real Estate Holding AG headquartered in Munich alongside two operational units: Stuttgart-based Württembergische Hypothekenbank AG (WürttHyp) and Munich-based Hypo Real Estate Bank AG. Hypo Real Estate Group is one of Europe’s largest providers of commercial real estate finance.

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