

Press release

Hypo Real Estate Bank International AG: Successful completion of €60 million financing for an international client of Strategic Real Estate Advisors

Munich / London, 1 October 2007: Hypo Real Estate Bank International AG, a member of Hypo Real Estate Group, announces that it has provided a total of €60 million across three investment facilities to international clients of Strategic Real Estate Investors with the final transaction completing on 21st September 2007.

The facilities have been provided to assist the clients in the assembly of their pan-European portfolio with the first acquisitions including assets in Belgium (3 office buildings totalling 14,300 sq m in the Brussels conurbation); Luxembourg (1 office and 2 distribution buildings totalling 8,300 sq m) and Germany (an office building in Berlin of 15,700 sq m). The properties are let in total to 15 tenants on market standard terms.

Commenting, Harin Thaker, CEO Europe – Hypo Real Estate Bank International, said: “We are delighted to have completed these structured finance transactions sponsored by Strategic Real Estate, which is a valued client of Hypo Real Estate Bank International, and to have been able to do so by using our expertise in structuring transactions involving differing sectors and jurisdictions within Western Europe.”

Commenting, Jeremy Gates, Managing Director, Strategic Real Estate Advisors added: “We look forward to continuing our successful track record with Hypo Real Estate Bank International, and building further our relationship in other markets as they have supported us in the execution of these complex transactions.”

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Notes to editors:

Hypo Real Estate Group

Hypo Real Estate Group is one of Europe's largest providers of commercial real estate financing. Hypo Real Estate Group has around 1230 employees (as of December 31, 2006) and consists of the non-operational, listed holding company **Hypo Real Estate Holding AG** (Munich) and three operational business entities. **Hypo Real Estate Bank International AG** (Stuttgart) and **Hypo Real Estate Bank AG** (Munich) conduct the real estate financing activities (segment **Commercial Real Estate**). **Hypo Public Finance Bank** (Dublin) combines public and infrastructure finance. The Group also conducts asset management and offers innovative products which enable credit risks and services from its range of skills to be managed for or offered to third parties (segment **Asset Finance and Asset Management**). The shares of Hypo Real Estate Holding AG are listed on the Deutsche Aktienindex (DAX 30).

Strategic Real Estate Advisors (“StratREAL”)

StratREAL is an independent real estate investment advisor and asset manager for owners and for managers of substantial private wealth. It is also a consultant to family offices and private investment banks and an advisor to private customised real estate funds.

Since 1998, StratREAL has conducted USD 9 billion of transactions for its clients with total returns achieved between 11% and 40% IRR after fees. The company currently oversees the management of more than USD 6.5 billion of real estate assets.