

Press release

Hypo Real Estate Capital Corporation closes \$120.9 million loan to refinance a Plainfield, Indiana retail center

Munich/New York, 18 July, 2007 – Hypo Real Estate Capital Corporation (HRECC), a member of Hypo Real Estate Group, today announced that it closed a \$120.9 million loan for the Metropolis lifestyle retail center in Plainfield, Indiana. The transaction closed on June 5, 2007.

The borrowers of this deal were Metropolis Perm I LLC and Metropolis II Construction LLC. The sponsor of this deal was Premier Properties USA, Inc. This is the first time Hypo Real Estate Capital Corporation has worked with Premier Properties.

Metropolis shopping center, located in the Plainfield section of Indianapolis, was built in 2005. The \$120.9 million loan consists of a \$95 million fixed rate senior loan that will be securitized and a \$25.9 million floating rate loan that will be retained by HRECC. Proceeds from the senior loan will be used to refinance existing debt for the 505,185 square foot lifestyle retail center anchored by JC Penney, Dick's Sporting Goods and Barnes and Noble. The balance of the loan will be used to refinance existing debt and fund tenant improvements for an additional 92,457 square feet of retail and office space.

“Premier Properties is one of the leading developers of lifestyle retail centers in the country and, as always, we welcome the opportunity to work with companies of this caliber,” said **Evan F. Denner, Deputy CEO of Hypo Real Estate Capital Corporation**. “Premier’s confidence in HRECC’s ability to serve their multiple needs further supports our full service product offering. We are pleased to have been involved in the Metropolis refinancing and hope to work with Premier and their team again in the future.”

David Elton, Director at Hypo Real Estate Capital Corporation said, “The Metropolis shopping center has given many residents in, and around, Indianapolis easy access to high quality shops and entertainment that were not readily accessible before. We are pleased to have had the opportunity to begin what we believe will be a long and prosperous relationship with Premier Properties.”

Notes to editors:

About the client

Premier Properties USA, Inc.

Premier Properties USA, Inc. has centers operating or under development in seven states – Indiana, Ohio, Pennsylvania, Virginia, Georgia, Nevada and Florida. Currently, operating properties total 2.5 million square feet of both retail and office space. At this level, Premier will have doubled its portfolio in just four years.

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

Hypo Real Estate Group is one of Europe's largest providers of commercial real estate financing. The Group will develop additional growth and establish the conditions necessary for a further increase in profitability by consistently developing the business model towards that of a more broadly based Asset Finance House. Hypo Real Estate Group has around 1,230 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).

Hypo Real Estate Group
Corporate Communications
Unsöldstr. 2
80538 Munich

Press contact:

Oliver Grub

Phone: +49 (0) 89 203007 781

Fax: +49 (0) 89 203007 772

E-mail: oliver.gruss@hyporealestate.com

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