

Press Release

Frankfurt am Main and Munich, July 12, 2007

MünchenerHyp Acquires Property Loan Portfolio From AHBR

Münchener Hypothekenbank eG announced today that it has acquired a portfolio of private residential property loans from the Allgemeine HypothekenBank Rheinboden AG (AHBR) as part of a true buy transaction. The portfolio consists of approximately 16,800 performing loans with a total volume of about € 715 million. The loans were made by AHBR to finance private housing in Germany.

“The portfolio has good regional diversity, with a slight emphasis on North Rhine-Westphalia, and complements our current inventory of loans,” said Erich Rödel, chairman of MünchenerHyp’s board of management. The loans in the portfolio have low loan-to-value ratios, and 98% of the portfolio consists of first mortgage loans. The purchase of the portfolio reinforces and expands MünchenerHyp’s core business of residential property finance. The acquisition of the portfolio will also make sense for the bank’s business strategy following a possible merger between MünchenerHyp and DG HYP.

MünchenerHyp’s main focus in the area of private housing loans is providing financing for loans brokered by cooperative banks. The acquisition of the new portfolio will not change this situation although the transaction will significantly increase the volume of the bank’s direct customer business. “Thanks to our efficient loan processing capabilities we’ll also be able to fully concentrate on meeting the needs of our new customers and provide them with attractive financial solutions,” added Erich Rödel.

“This transaction marks the successful conclusion of another step in our efforts to reduce our retail portfolio. We are within our timetable and are confident that we will be able to shed the rest by the end of the year,” noted Dr. Claus Nolting, chairman of Allgemeine HypothekenBank Rheinboden’s board of management. AHBR’s main business focus is commercial property finance. Following in-depth restructuring in 2006, which also included the

closing of its private housing loan business, the bank has been doing business under the name COREALCREDIT since the fall of 2006 and has become a specialist bank for professional property investors in its core German market. In comparison to the start of 2006, when the AHBR had about € 10 billion in private housing loans on its books, the bank will only have about € 1.4 billion of these loans left on its books after the current transaction is completed.

The technical transfer of the loan portfolio from AHBR to MünchenerHyp will take place without delay. Refinancing of the loans will be primarily achieved using MünchenerHyp's collateral pool.

MünchenerHyp Press Relations:

Dr. Phil Zundel
Head of Board of Management Staff
Münchener Hypothekenbank eG
Karl-Scharnagl-Ring 10, 80539 Munich
Tel.: +49 (0) 89/53 87 319
Fax: +49 (0) 89/53 87 77 319
E-Mail: phil.zundel@muenchenerhyp.de

AHBR Press Relations:

Axel Leupold
Strategy & Communication
Allgemeine HypothekenBank Rheinboden AG
Bockenheimer Landstraße 25
60325 Frankfurt am Main
Tel.: +49 (0) 69 71 79 543
Fax: +49 (0) 69 2 71 79 543
E-Mail: axel.leupold@ahbr.de