

ORLANDO REAL ESTATE

Press Release

Orlando Real Estate announces final close at €205 million for its first fund

Munich, Germany, 5 October 2006 – Orlando Real Estate GmbH, the Munich based private equity firm focused on Special Situations real estate investments in Germany and the German-speaking countries in Europe, today announced the final closing of Special Situations Realty Partners I (“SSRP I”). The fund, launched in February 2006, has closed on committed capital of €205 million, exceeding the initial target of €150 million. The interest from investors was substantially above the hard cap.

SSRP I attracted a mix of prominent investors from both the U.S. and Europe, including university endowments, foundations, pension funds, fund of funds, and family offices. Some notable investors in the fund are LGT Capital Partners, MN Services, and The Vanderbilt University.

Orlando Real Estate focuses on real estate assets with a healthy core, in a situation of significant underperformance, with transaction values of EUR 15-350 million. The Fund will combine the successful private equity investing strategies and techniques of Orlando Management with an in-depth knowledge of and a broad, nationwide network in the German-speaking real estate industry.

SSRP I aims to make investments in neglected and/or underperforming assets which have a sound fundamental core and where substantial value can be realized by actively executing creative acquisition, improvement and repositioning programs to stabilize the asset for onward sale. Target properties generally will be yield and cash flow positive, but usually in a situation of significant underperformance, balance sheet distress, liquidity problems, with repositioning and/or development potential.

Michael Ullmann, Managing Partner of Orlando Real Estate, said: “We are very excited about this opportunity and strongly believe the real estate market in the German-speaking countries has fundamental characteristics that validate both the timing and the strategy of this fund, already evidenced by our first deal and a strong pipeline of additional transactions.”

MVision Private Equity Advisers acted as global placing agent. “MVision did a fantastic job of targeting investors and supporting us in the process, which resulted in an efficient and effective fundraising and a high quality investor base,” added Dr. Collin Schmitz-Valckenberg, Managing Partner of Orlando Real Estate. Ropes & Gray acted as legal counsel to Orlando Real Estate.

About Orlando Real Estate

Orlando Real Estate was established in association with Orlando Management by a specialist team of real estate investment professionals with specific, long-term experience and market leading expertise in making and managing real estate investments in Special Situations in Germany and German-speaking countries in Europe. Orlando Real Estate believes that its specific experience and hands-on real estate management and asset improvement techniques will enable the Fund to take full advantage of attractive market conditions in the region.

(Press release ends)

Note to the editor (not for publication):

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