

LAXFIELD ARRANGES TWO DEALS FOR MÜNCHENERHYP TOTALLING £54.2M

27 July 2012 - Münchener Hypothekbank eG ('MünchenerHyp') and Laxfield Capital today announced the closing of two deals totalling £54.2m. The first is a £29.2m participation in a Senior Facility provided by Lloyds Banking Group to finance a portfolio of three office assets in Central London for Lazari Investments Ltd and the second is a £25m participation in a City of London office financing.

Laxfield Capital acted as Arranger for both transactions.

MünchenerHyp is an independent German mortgage bank. It has retained its legal status as a registered co-operative and member of the Co-operative Financial Network in Germany.

Over the past 12 months MünchenerHyp has increased its activities in the UK and France, bucking the trend of other German banks and providing a total of £244m in 11 UK transactions since January 2011, following a period of low activity in 2009 and 2010. It counts amongst its clients some of the major German funds including DEKA Immobilien Investment GmbH and IVG, and HPUT and Two Rivers LP in the UK.

One of MünchenerHyp's funding advantages arises from its particular following in the Pfandbriefe market. In May this year, it issued a £1 billion, 10 year Jumbo Mortgage Pfandbriefe at just 10 basis points over mid swaps. This impressed observers in the capital markets, and served to illustrate the bank's high quality security pool, transparency and conservative reputation.

In 2010 MünchenerHyp won "Deal of the Decade" from Euroweek Magazine which selected its 2008 Jumbo Pfandbriefe issue from more than 700 deals transacted in the market between 2000 and 2009.

2012 will see MünchenerHyp increasing its exposure to UK commercial lending, supported by Laxfield, and continuing its focus on high-quality lending, with the aim of retaining its status as the premier issuer of Pfandbriefe with its strongly positioned funding advantage.

Bernhard Heinlein, Board Member of MünchenerHyp said:

"The UK continues to be a core market for our commercial lending business. As ever we follow a conservative policy, but with our strong refinancing position, this is the right time to increase market share with good clients."

Adam Slater of Laxfield, added:

"At a time when major lending institutions are withdrawing from the real estate debt markets, we are extremely pleased to have advised MünchenerHyp on these two deals, which sit well within their strategy of core lending in good locations. The ongoing lack of liquidity in the lending markets has ensured institutions with strong funding resources are able to select from a growing number of compelling opportunities such as these transactions announced today.

"We will continue to work closely with our client to source and evaluate similar opportunities in the coming months."

Laxfield Capital

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About Münchener Hypothekenbank Eg

Münchener Hypothekenbank eG is a modern credit institute with a tradition of more than 110 years. It is the only German mortgage bank doing business in the legal form of a co-operative. With about 80,000 members it is one of the biggest co-operative banks in Germany.

The Bank's two core areas of business are private and commercial property finance. As an issuer of Mortgage and Public Pfandbriefe, MünchenerHyp has earned an excellent reputation in the capital markets.

National and international commercial property lending business is centrally managed from Munich. Within Germany it has offices in Frankfurt/Main, Hamburg and Berlin. The international set up consists of a network of co-operating partners based in London, Madrid, New York, Paris and Vienna

About Laxfield Capital

Laxfield Capital is a debt origination, execution and loan management business which works with lenders seeking wider access to UK property lending market. Founded in April 2008 by Adam Slater and Emma Huepfl, who have worked together in the property lending market since 1992, Laxfield Capital Ltd and Laxfield Asset Management Ltd has three formal origination and management mandates from Metropolitan Life Insurance Company (MetLife), Muenchener Hypothekenbank (MünchenerHyp) and Cornerstone Real Estate Advisers. It is contracted to manage loans on behalf of six lenders totalling £1bn.

Laxfield has contacts with a large network of borrowers across the property industry and the inter-bank market. Its lending activities are focused on UK commercial property, and in sizes ranging from £15m to £250m+. More information is available at www.laxfieldcapital.com.