

---

15 March 2011

## **GI Partners Acquires European Residential Loan Book**

**LONDON, UNITED KINGDOM, March 15, 2011** – GI Partners (“GI Partners” or “GI”), a leading trans-Atlantic private equity firm focused on investments in real estate and other asset-intensive businesses in Western Europe and North America, in partnership with Principal Company, a Dutch independent asset-based investment and advisory firm, are pleased to announce the acquisition of €214 million (face value) of first lien, non-conforming residential mortgages whose underlying collateral assets are in the Netherlands.

Following an improvement in the Dutch unemployment rate, which is a key driver of borrower defaults, and other positive economic indicators, GI Partners believes it is an opportune time to invest in the Dutch residential housing market.

At closing, the transaction was funded by capital from GI Partners Fund III L.P. and Principal Company as well as mortgage-backed debt provided by Natixis. Simultaneously upon the closing, a special purpose vehicle issued €103.8 million of mortgage-backed securities rated Aaa(sf) by Moody’s Investors Service and arranged by Natixis.

GI Partners’ Managing Director Phil Kaziewicz said of the transaction, “We are delighted to have acquired this portfolio which we believe will generate an excellent risk-adjusted return for our investors, including an attractive annual cash yield. We are also pleased to have concurrently issued a significant tranche of rated securities in a challenging ratings environment. We hope that this transaction is the first of a number of similar transactions where GI can invest, through either equity or debt securities, in real estate loan pools throughout Europe. We are also pleased to have underwritten, structured and purchased these assets with our partner, Principal Company.”

Kaziewicz continued, “This transaction is consistent with GI’s investment strategy of purchasing assets with strong downside protection while at the same time taking advantage of the continued retrenchment from non-core businesses by global financial institutions. It also allows us to leverage our domain expertise within the financial services sector.”

Kornelis Lammerts, Managing Director of Principal Company, commented, “Working together with the GI Partners team, we identified this seasoned pool of residential mortgages and were able to acquire it at an attractive purchase price. We are currently evaluating a number of other similar investment opportunities in the Benelux region with GI Partners.”

###



---

For more information on this transaction, please contact:

|                      |                     |                              |
|----------------------|---------------------|------------------------------|
| Eric Lemer           | Kornelis Lammerts   | Sarah Gestetner / Ged Brumby |
| GI Partners          | Principal Company   | Citigate Dewe Rogerson       |
| +44 (0) 20 7034 1154 | +31 (0) 20 661 6055 | +44 (0) 20 7638 9571         |

## About GI Partners

With offices in London, Munich, Menlo Park (California), Greenwich (Connecticut) and Chicago, GI Partners focuses on control oriented investments in real estate and other asset-intensive middle market businesses located in Western Europe and North America. Key sectors of focus include commercial real estate, facilities-based healthcare services, financial services, leisure and mission-critical IT infrastructure/services. GI is currently investing through GI Partners Fund III L.P. ("Fund III") which has \$1.9 billion of capital commitments from leading institutional investors and is approximately 65% invested.

Representative investments include:

- Urban & Civic, a U.K.-based real estate operating company targeting strategic land and real estate acquisitions of metropolitan or regional scale;
- Elystan Capital, a Munich-based real estate platform established to take advantage of opportunistic and value-add investments in Germany;
- The Cambian Group, a leading U.K. provider of specialist psychiatric rehabilitation services and residential education;
- Ladder Capital Finance, a U.S.-based fully-integrated real estate finance company with direct origination, underwriting and asset-management capabilities;
- First Republic Bank, a U.S. based private bank and wealth management company that specializes in delivering personalized relationship-based service and providing loans principally for real estate and real estate-related activities; and
- Flatiron Crossing, a joint venture on a 1.7 million square foot class A regional mall in Denver, Colorado with regional mall operator Macerich, a publicly-listed U.S.-based real estate investment trust ("REIT").

For more information, please visit [www.gipartners.com](http://www.gipartners.com)