

**U.S. REAL ESTATE MEZZANINE FUND LAUNCHED BY TRILYN AND INVESTCORP  
WITH \$100 MILLION IN INITIAL CAPITAL**

**-- Partners Bring Extensive Real Estate and Structured Finance Expertise to Target  
Structured Mezzanine Debt and Preferred Equity Opportunities --**

**NEW YORK, NY – JANUARY 8, 2007** – TriLyn LLC, which provides investment advisory and capital placement services, and Investcorp, a global investment group whose real estate team is based in New York, today announced the initial closing of TriLyn-Investcorp Mezzanine Partners I, L.P. The Fund has been formed to originate, invest in and hold a wide range of structured mezzanine and other high-yielding debt and preferred equity investments in U.S. commercial and residential real estate, including in existing property, development and land investments.

The Fund was established with \$100 million in initial capital commitments from affiliates of Investcorp and its clients, as well as Bank of Scotland. Additional capital commitments of up to \$50 million may be sought by the partners. TriLyn and Investcorp intend to leverage the Fund, which will create approximately \$300 million to \$400 million of total investment capital. While the Fund is the first such venture among TriLyn, Investcorp and Bank of Scotland, the partners intend to establish successor closed-ended fund vehicles.

The creation of the Fund brings together the partners' extensive expertise in real estate investment and operations, as well as structured finance. TriLyn will be responsible for day-to-day management of the Fund. In addition to its own internal capabilities, the Fund is expected to benefit from deal flow and market contacts resulting from Investcorp's and Bank of Scotland's existing equity investment and mortgage loan business platforms.

Mark Antoncic, founder and managing principal of TriLyn, commented, "We are thrilled to work with these world-class institutional investors on a specialized U.S. real estate fund. Our team combines fundamental real estate capabilities with significant capital resources and has come together formally following a relationship that has expanded over the past several years. In addition to our complementary expertise, all of the partners in this venture have excellent management strengths and successful track records for generating strong value for investors and transaction partners."

"Investcorp is extremely pleased to be part of this successful fund launch with highly qualified and capable operating and capital partners," stated John Fraser, co-head of Investcorp's real estate group. "The Fund is a natural complement to our common equity investment business, and enables us to provide our investors with attractive real estate investment opportunities in more senior positions in the capital structure. We view the Fund as a significant avenue of potential growth for our real estate investment business, where we have acquired properties valued at approximately \$6.0 billion over the past decade. Equally important, we look forward to providing the Fund's management with opportunities to evaluate and pursue a wide range of proprietary transactions based on our strong pipeline of transactions in the real estate space."

"We are delighted to be a part of this exciting new fund," stated Jimmy Cannon, Executive Vice President of Bank of Scotland, North America. "We see this as a natural progression for our U.S. real estate lending strategy and it is a tremendous opportunity to work with such highly qualified and experienced partners."

**About TriLyn**

TriLyn provides investment advisory and capital placement for institutional and high net worth clients throughout the U.S. Formed in 2002, TriLyn is managed by seasoned professionals with over 30 years and \$5 billion of relevant experience and has recently been involved in over \$250 million of direct investment activity with its partners in TriLyn-Investcorp Mezzanine Partners I, L.P. TriLyn pursues value-oriented investment strategies designed to capitalize on emerging opportunities in both the property and capital markets. TriLyn seeks investments in all property types and categories including residential development, gated communities, hotels, land development, golf courses, office buildings, industrial properties, retail centers, fractional product and multi-family properties. Additional information on TriLyn may be found at [www.trilyn.com](http://www.trilyn.com), or through the contacts below.

**About Investcorp**

Investcorp's New York-based team of real estate professionals invests in all major real estate asset classes throughout the U.S. investment profiles ranging from core-plus to opportunistic, for mid- to long- term holding periods. The team oversees a portfolio with a current value of approximately \$3.0 billion in selected urban and suburban markets in the U.S. Over the past decade, Investcorp has acquired real estate with an initial capitalization of approximately \$6.0 billion.

Investcorp is a manager of alternative asset management products, investing not only in real estate, but private equity, hedge funds and venture capital. Established in 1982, it now manages total investments in alternative assets of approximately \$10.0 billion. Additional information on Investcorp may be found at [www.investcorp.com](http://www.investcorp.com), or through the contacts below.

**About Bank of Scotland**

Bank of Scotland is a wholly owned subsidiary of HBOS plc which was formed by the merger of Halifax and Bank of Scotland in 2001. Two out of every five UK households are HBOS customers. With assets of over £540 billion as of December 31, 2005, it is the UK's largest mortgage and savings provider as well as being a major player in the provision of new, current accounts and credit cards in the UK. Profit before Tax for the year ending December 31, 2005 was £4.8 billion. HBOS in North America has seven regional offices offering corporate lending to a broad range of U.S.-based companies specializing in a number of niche industries, including oil and gas, gaming and continuing care retirement communities.

Inquiries related to the Fund may be directed to:

Mark Antoncic  
TriLyn  
646-290-3981

John Fraser  
Investcorp  
2112-599-4700

Media inquiries related to the Fund may be directed to:

Todd Fogarty/Joseph Kuo  
Kekst and Company  
212-521-4800

###