

RELM Uses Unique Financing Structure for Pending Acquisitions

WILMINGTON, DE, August 1, 2008. Relm Holdings Inc. (OTC: RELM) (“RELM” or the “Company”) announces the use of a unique financing structure for its pending commercial real estate and related acquisitions. The structure is comprised of a 35-year debt instrument with cash reserves to mitigate default risk, and each property acquisition will be owned by a separate RELM LLC entity.

During the first quarter of 2008, the Company, through its wholly owned subsidiary Relm Real Estate Holdings Inc., received funding from its primary lender, under this unique financing structure, in the form of Convertible Preferred Stock (“CPS”) for two pending acquisitions. The first funding transaction of \$672.1 million carries an interest rate of 1.97% for two years and resets to 7.50% for the remaining 33 years. The second funding transaction of \$10.3 million carries a fixed rate of 7.50% for 35 years. The CPS is convertible into the publicly-quoted common stock of the primary lender.

To facilitate the closing of the Company’s larger acquisition, the nucleus of which is a hotel property, RELM is negotiating bridge financing with additional lenders for up to 3 years in the amount of \$198 million, which is expected to be linked to the CPS for repayment. The combination of the bridge financing and the primary lender financing is expected to provide the Company with an effective blended interest rate of approximately 7.1% annually. This bridge financing will serve as up-front cash to be supplemented with an anticipated redemption of the CPS by the issuer in the amount of \$105 million, bringing the total projected funds for closing to \$303 million.

To facilitate the closing of the Company’s smaller acquisition, which is an office building, the Company is renegotiating a purchase contract, which is expected to provide owner financing for up to 1 year in the amount of \$5.8 million. The purchase contract (hence, the owner financing) is expected to be linked to the CPS for repayment. The combination of the owner financing and the primary lender financing is expected to provide the Company with an effective blended rate of approximately 7.5% annually.

Under the primary lender’s financing structure, an escrow agreement and escrow agent will be the mechanisms to fulfill the pay-off the bridge financing, the purchase contract and to fund the cash reserves. The CPS is to be held with, and administered by, an independent escrow agent and converted into cash over a pre-designated period of time. The cash proceeds are then used to pay off the bridge financing and the owner financing, as well as to fund the cash reserves, according to pre-established payment plans. The escrow agent is expected to use an NASD Broker Dealer to either convert the CPS and then sell the common stock or sell the CPS directly on a daily basis to correspond with the requirements of the payment plan.

The final pay-off of the bridge financing and the owner financing is expected to provide the primary lender with a first lien on the property owned by the RELM LLC.

Independent Capital Credit Corporation (“ICCC”), a subsidiary of Heritage Capital Credit Corporation, is arranging the financing. The parent companies of ICCC and RELM have some shareholders and directors in common.

About Relm Holdings Inc.

The Company’s core business is the acquisition of commercial revenue producing real estate property. For more information about the Company and Relm Real Estate Holdings Inc. and their pending transactions, please visit www.relmholdingsinc.com.

Safe Harbor

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking information made on the company's behalf. All statements, other than statements of historical facts which address the company's expectations of sources of capital or which express the company's expectation for the future with respect to financial performance or operating strategies, can be identified as forward-looking statements. Such statements made by the company are based on knowledge of the environment in which it operates, but because of the factors previously listed, as well as other factors beyond the control of the company, which include the ability of the company to implement its business plans by acquiring real estate properties, actual results may differ materially from the expectations expressed in the forward-looking statements.

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