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Federal Capital Partners Announces over \$100 Million in Acquisition Activity

Washington, D.C. – November 30, 2009 -- Federal Capital Partners (FCP) announced today the acquisition of two assets by affiliates of FCP Fund I, LP. The Allegro is a 297 unit mid-rise apartment building located in Washington, DC that was purchased for \$77.5 million. Crystal Park is a 314 unit garden style community located in Frederick, MD. The Crystal Park purchase price and seller were not disclosed due to a prior agreement with the seller.

The Allegro – The Allegro is located two blocks from the Columbia Heights Metro, one of the top emerging submarkets in the District. Allegro is a five story building with an interior courtyard, retail amenities on 14th Street and a 244 space underground parking garage. The project was built to condominium standards and converted to a rental property during 2009. Its excellent finishes include hardwood floors, stainless steel appliances, granite countertops and top of the line fixtures.

“We have been following the events surrounding the Allegro for many months and are excited about the opportunity to acquire such a strong asset in the market,” said Lacy Rice, FCP Managing Partner and successful bidder at the property’s foreclosure auction.

FCP intends to continue the lease up of the property which is being managed by Kettler Management. PNC Bank, N.A. provided \$35 million in acquisition financing for the transaction.

Crystal Park – Crystal Park is a 314 unit garden style community located near the US-40, I-270 and Route 15 interchange in Frederick, Maryland. The 1990’s community has a strong amenity package including a clubhouse, swimming pool, tennis courts, fitness center and business center and enjoys strong occupancy in the mid-90% range.

“The Frederick area is a market where FCP has been active having recently entered into a venture with the Matan Companies to develop a 330,000 square foot build-to-suit for the National Cancer Institute at Riverside Park. We continue to be attracted to its steady job growth dynamics and excellent access to the DC markets,” said Managing Partner Alex Marshall.

Ideal Realty Group acted as the broker on the transaction and Walker & Dunlop placed a \$18.7 million loan with Freddie Mac for the Borrower.

About Federal Capital Partners

Federal Capital Partners is a real estate investment company and fund manager headquartered in Georgetown in Washington, DC. The Managing Partners include Esko Korhonen, Lacy Rice, Tom Carr and Alex Marshall. Since its inception, FCP has acquired more than \$1.5 billion of real estate assets and debt across all property types. FCP’s ability to own, operate, develop or finance allows the firm to have a broad investment strategy focusing on all asset classes. FCP has established a strong reputation in the greater Washington, D.C. metropolitan area real estate markets as an investor with a keen eye for identifying unexploited markets and product sectors.

FCP Fund I, L.P. is a \$240 million co-mingled real estate private equity fund formed to invest in multiple real estate sectors in the Mid-Atlantic region, with a focus on the metro Washington D.C. area. The Fund is able to provide both debt and equity capital as needed for real estate investments in the market. For further information, please visit www.fcpdc.com.