

PRESS RELEASE
January 26th, 2005

Federal Capital Partners (FCP) announced today the acquisition of 1001 N. Fairfax Street, an 111,311 square foot office building in the Old Town submarket of Alexandria, VA.

The building offers approximately 20,000 square foot floor plates with expansive views including the Masonic Temple, the Washington Monument and the Potomac River. The terms of the transaction included a lease with the former building owner Pentagon Federal Credit Union (PFCU) for four of the building's six floors until April of 2006.

FCP will immediately begin improvements to the property, including lobby and common area upgrades. Upon completion the building will be marketed to tenants seeking larger blocks of space.

The transaction marks FCP's third acquisition of January 2005. Other recent transactions include the acquisition of Ballston 880, a condominium project in Arlington, VA and Arbor View, a 450-unit apartment community in Forestville, MD.

Federal Capital Partners is a real estate investment and development company focused on acquiring assets in the Mid-Atlantic Region. Esko I. Korhonen and Lacy I. Rice founded the firm in 1999.

For more information, please visit our web site at www.FCPDC.com or contact Alex Marshall or James Rizzo at 202 333-6030.