

PRESS RELEASE
For Immediate Release – January 7, 2005

Federal Capital Partners Acquires Class A Apartment Building in Ballston

Federal Capital Partners (FCP) announced today the acquisition of 880 N. Pollard Street, a 123-unit apartment building in the Ballston submarket of Arlington, VA.

The property is a Class A apartment building that was built in 2002.

FCP will immediately begin extensive improvements to the property, including in-unit and common-area upgrades. Upon completion, the building will be converted to residential condominiums and brought to market.

The transaction marks FCP's seventh acquisition in the past twenty months. Other recent transactions include the acquisition of Cooper's Crossing, a 427-unit apartment community in Landover Hills, MD; 8441 Dorsey Run Road, a 135,000-square-foot warehouse in Jessup, MD; Ashford at Woodlake Apartment Community, a 534-unit apartment community in Silver Spring, MD; Ashford Park Apartments, a 305-unit apartment community in Prince George's County; and The Flour Mill, a 130,000-square-foot office building in Georgetown.

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.

