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Federal Capital Partners and Angelo, Gordon Announce Purchase of Silver Spring, MD Apartment Community

Washington, D.C. – August 28, 2007 -- Federal Capital Partners (FCP), one of the Washington, D.C. area’s leading real estate investment and operating companies, in a joint venture with Angelo, Gordon & Company (AG), has acquired Castlegate Apartments, a 376-unit garden-style apartment community located on Castle Boulevard in Silver Spring, MD. FCP and AG, in a similar venture, also own the 534-unit Ashford at Woodlake Apartments and 59 fully-approved town home lots, both located adjacent to Castlegate.

“We know this sub-market very well and we see room for even more improvement over the next few years given our hands-on experience, the significant road improvements in the area and the major employers nearby,” commented FCP Partner, Alex J. Marshall. “We anticipate that access will be further enhanced upon completion of the proposed Inter-County Connector, which will be located less than a mile from Castlegate.”

As at Woodlake, FCP is planning capital improvements focused on the clubhouse/leasing center, landscaping, and building entrances to improve the curb appeal of the property. The property has already benefited from investments in new mechanical systems and unit interiors, allowing FCP to focus its attention on the aesthetic enhancements and improved customer service.

About Federal Capital Partners

Founded in 1999 by partners Esko I. Korhonen and Lacy I. Rice, Federal Capital Partners is a real estate investment and operating company headquartered in Washington, DC. Thomas A. Carr, former Chairman and CEO of CarrAmerica Realty Corp. (NYSE:CRE) joined FCP as a partner in early 2007. Since its inception, FCP has acquired more than \$1 billion of real estate assets consisting of Class B and C multi-family, retail and industrial assets and Class A and B office properties. FCP deploys a value-added investment strategy focusing on under-managed or under-capitalized assets in need of repositioning and reinvestment. 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. For further information, please visit www.fcpdc.com.

About Angelo, Gordon & Company

Angelo, Gordon & Co. is a privately-held registered investment advisor dedicated to alternative investing. The firm was founded in 1988 and currently manages approximately \$12 billion. Angelo, Gordon began investing in commercial real estate in 1993 and has acquired over \$8 billion of properties. The firm focuses on a value-added approach through the acquisition of sub-performing real estate properties across a broad range of geographical markets and product types.

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