

For Immediate Release

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JER Receives Payoff for Republic Square Mezzanine Loan

McLean, VA --- JER Partners has received the payoff of its \$32 million mezzanine loan plus interest from Republic Properties Corporation. The Loan was originated in August of 2004 with a 36 month term and a 6 month extension option which was exercised by Republic. The financing was used by Republic for the acquisition of land and to fund development costs related to the Republic Square office project located in the Capitol Hill submarket of Washington, DC.

Republic used the loan proceeds to acquire two adjacent land parcels located at the corner of Massachusetts Avenue and North Capitol Street and to partially fund the development of Phase I, a 385,000 square foot Class A office building at 25 Massachusetts Avenue NW which was completed in 2006. Republic is planning to develop an additional 200,000 SF office building on the adjacent land parcel.

“We were pleased to partner with Republic on this project”, stated Alex Gilbert, Managing Director of US Funds Investment Management. “They are one of the premier office developers and operators in the region. JER is always seeking mutually beneficial commercial real estate mezzanine lending opportunities in the Washington, DC metropolitan region.”

JER Partners is the private equity investment arm of the J.E. Robert Companies, a real estate investment management company with more than 26 years of experience in sourcing, underwriting and managing a broad spectrum of real estate equity investments and debt products in North America, Europe and recently the emerging markets. JER Partners invests primarily in office, retail, hospitality, multi-family and industrial properties. Other areas of investment include commercial mortgage-backed securities (“CMBS”), healthcare related real estate and mezzanine financing. For more information on JER, please visit www.jer.com.