



Interstate General Company L.P., A Limited Partnership

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IGC UNITHOLDER REPORT

IGC ISSUES 2005 SCHEDULE K-1s

FOR IMMEDIATE RELEASE

September 19, 2006

CONTACT

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Middleburg, VA — Interstate General Company L.P. (“IGC”) announced that the year ended December 31, 2005 Schedule K-1s were issued and mailed. Unitholders should have received their individual Schedule K-1s by now.

A K-1 Call Center has been established by the outside preparer to handle 2005 K-1 investor relations matters. The Call Center phone number is 866-867-4811. The Call Center will remain open until approximately Nov. 1st. Unitholders are encouraged to promptly review their tax package, consult a tax advisor, and call into the Call Center with any changes by the deadline.

This letter contains forward-looking statements. Investors are cautioned that all forward-looking statements involve risks, uncertainties and other factors that could cause results to differ materially from those in the forward-looking statement. They include the risks inherent in securing long term municipal or government contracts, obtaining permits and other approvals, arranging for project financing of capital intensive infrastructure projects and the possibility of litigation by environmental or community groups, among other risks. We believe our forward-looking statements are based on reasonable assumptions. However, there can be no assurance that our expectations will be attained.

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