



Chesapeake Industrial Leasing Company, Inc.



DAMASCUS
Community BANK

FOR IMMEDIATE RELEASE

DAMASCUS COMMUNITY BANK TO ACQUIRE LEASING COMPANY

Damascus, Maryland, September 28, 2007 ----- Damascus Community Bank ("Damascus") announced today that it has reached an agreement to purchase Chesapeake Industrial Leasing Co., Inc. ("Chesapeake") located in Baltimore, Maryland. The acquisition, subject to regulatory approval, is expected to be completed not later than November 2007.

Cynthia Cervenka, President and Chief Executive Officer of Damascus stated, *"The pending acquisition of Chesapeake meets our strategic initiatives of continuing to expand our revenue base, diversify our income sources and enhance our available financial services for small to medium sized businesses in the mid-Atlantic area. We have had a very successful working relationship with Gordon Hill and the Chesapeake staff since March 2006, and we believe that the combination of their expertise and our additional contacts and commitment to the business will be mutually rewarding."*

Gordon Hill, President of Chesapeake, commented, *"Most people with whom I deal know me for my directness, and the pending sale of Chesapeake to Damascus is right for our customers, partner financial institutions and our team members. Our staff has developed a very good working relationship with Damascus, and we believe that, together, we can build upon that base to make an even better contribution to the bank."*

Chesapeake has been in business for over twenty-five years originating and brokering leases for all sized businesses primarily in the mid-Atlantic region. Their leases provide financing for essential business equipment such as computers, construction, network systems, office furniture and design systems, communication and special situation equipment. In the acquisition, Damascus Community Bank expects to acquire the portfolio and servicing rights to approximately \$57 million in lease receivables. Chesapeake Industrial Leasing Co. will continue to be managed in transition by its current president, Gordon Hill, with assistance from Rod Reed at Damascus Community Bank.

Opened in July 1988, Damascus Community Bank is locally owned and managed. Damascus Community Bank has five financial services offices; three in Montgomery County, Maryland; two in Frederick County, Maryland with approval to build a new office in Mt. Airy, Carroll County, Maryland. At June 30, 2007 Damascus had consolidated assets of approximately \$170 million, deposits of \$144 million, and stockholders' equity of \$21 million.

Garland McPherson and Associates, Inc. served as financial advisor and Rosenberg, Martin, Greenberg, LLP served as legal counsel to Chesapeake Industrial Leasing Co., Inc. in the transaction. Feldman Financial Advisors, Inc. served as financial advisor and Kennedy & Baris, LLP served as legal counsel to Damascus Community Bank in the transaction.

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For additional information or to answer questions, please contact:

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