

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

-----  
FORM 8-K  
-----

CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) April 25, 2001

CORPORATE OFFICE PROPERTIES TRUST  
-----

(Exact name of registrant as specified in its charter)

MARYLAND ----- (State or other jurisdiction of incorporation)	0-20047 ----- (Commission File Number)	23-2947217 ----- (IRS Employer Identification Number)
--	---	--

8815 CENTRE PARK DRIVE, SUITE 400  
COLUMBIA, MARYLAND 21045  
-----

(Address of principal executive offices)

(410) 730-9092  
-----

(Registrant's telephone number, including area code)

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

The information contained in the attached exhibit is unaudited and should be read in conjunction with the Registrant's annual and quarterly reports filed with the Securities and Exchange Commission.

EXHIBIT NUMBER -----	DESCRIPTION -----
99.1	Supplemental information dated March 31, 2001 for Corporate Office Properties Trust.

ITEM 9. REGULATION FD DISCLOSURE

In connection with its release of earnings on April 25, 2001, the Registrant is making available certain additional information pertaining to its properties and operations as of and for the period ended March 31, 2001. This information is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: April 25, 2001

CORPORATE OFFICE PROPERTIES TRUST

By: /s/ Randall M. Griffin  
-----  
Name: Randall M. Griffin  
Title: President and Chief Operating Officer

By: /s/ Roger A. Waesche, Jr.  
-----  
Name: Roger A. Waesche, Jr.  
Title: Chief Financial Officer

CORPORATE OFFICE PROPERTIES TRUST  
INDEX TO SUPPLEMENTAL INFORMATION (UNAUDITED)

MARCH 31, 2001

<TABLE>	
<CAPTION>	
HIGHLIGHTS AND DISCUSSION	PAGE
<S>	<C>
Reporting Period Highlights - First Quarter 2001.....	1
Subsequent Events.....	2
FINANCIAL STATEMENTS	
Quarterly Selected Financial Summary Data.....	3
Quarterly Consolidated Balance Sheets.....	4
Quarterly Consolidated Statements of Operations and Funds From Operations (FFO).....	5
Quarterly Consolidated Statements of Operations and FFO per Diluted Share.....	6
Quarterly Consolidated Statements of Operations and FFO as a Percentage of Total Revenues.....	7
SELECTED FINANCIAL ANALYSES	
Quarterly Equity Analysis.....	8
Quarterly Valuation Analysis.....	9
Quarterly Debt Analysis.....	10
Quarterly Operating Ratios.....	11
Quarterly Dividend Analysis.....	12
Investor Composition and Analyst Coverage.....	13
Debt Maturity Schedule - March 31, 2001.....	14
PORTFOLIO SUMMARY	
Property Summary by Region - March 31, 2001.....	15
Property Occupancy Rates by Region by Quarter.....	17
Top Twenty Office Tenants as of March 31, 2001.....	18
Total Rental Revenue and Net Operating Income by Geographic Region by Quarter.....	19
Same Office Property Cash and GAAP Net Operating Income by Quarter.....	20
Office Lease Expiration Analysis by Year.....	21
Quarterly Office Renewal Analysis.....	22
Acquisition Summary as of March 31, 2001.....	24
Development Summary as of March 31, 2001.....	25

</TABLE>

TO MEMBERS OF THE INVESTMENT COMMUNITY:

We prepared this supplemental information package to provide you with additional detail on our properties and operations. The information in this package is unaudited, filed with the Securities and Exchange Commission and should be read in conjunction with our quarterly and annual reports. If you have any questions or comments, please contact Ms. Sara L. Grootwassink, Vice President, Finance and Investor Relations at (410) 992-7324 or [sara.grootwassink@copt.com](mailto:sara.grootwassink@copt.com).

REPORTING PERIOD HIGHLIGHTS - FIRST QUARTER 2001

FINANCIAL RESULTS

- o Reported FFO - diluted of \$10,102,000 or \$.31 per share/unit for the first quarter of 2001 as compared to \$8,900,000 or \$.28 per share/unit for the comparable 2000 period, representing an increase of 10.7% per share/unit. FFO - diluted increased \$1,202,000, or 13.5%, over the comparable 2000 period.
- o Reported AFFO - diluted of \$8,296,000 or \$.25 per share/unit for the first quarter of 2001 as compared to \$7,429,000 or \$.23 per share/unit for the comparable 2000 period, representing an increase of 8.7% per share/unit.

FINANCING AND CAPITAL TRANSACTIONS

- o We expanded our Deutsche Bank revolving credit facility capacity to \$125.0 million and extended the maturity date for three years through March 2004.
- o In January 2001, we issued 544,000 Series D convertible preferred shares with a liquidation value of \$25.00 per share, raising \$12.0 million. The preferred shares have a 4% coupon and are convertible into common shares at a ratio of 2.2 to 1.
- o We closed on two seven-year, 7.90%, permanent loans totaling \$39.6 million which generated excess funds of \$6.0 million after repayment of outstanding debt.
- o Our debt to market capitalization is 57.5% and our debt to undepreciated

book value of real estate assets is 59.1% as of March 31, 2001. We achieved an EBITDA interest coverage ratio of 2.38x for this quarter.

- o We expanded our analyst coverage with the addition of Ferris, Baker Watts, Incorporated in March 2001, which initiated coverage with a Buy rating.

#### OPERATIONS

- o We renewed 98.6% of our office leases (based upon square footage) representing 84,972 square feet with an average capital cost of \$6.88 per square foot during the 1st quarter. We realized increases in base and total rents on a straight-line basis of 20.4% and 18.2%, respectively, as measured from the GAAP straight-line rent in effect preceding the renewal date. Base and total rent on a cash basis increased 13.0% and 11.1%, respectively, on this renewed and retenanted space.
- o Overall occupancy was 97.0% as of March 31, 2001. Occupancy rates exceeded 97.7% in the Baltimore/Washington Corridor, which represents 62.0% of our office square footage and 64.5% of our total office revenues for the 1st quarter of 2001. We were 98.4% leased as of March 31, 2001 for our office portfolio.
- o Weighted average lease term of our office portfolio is 4.7 years as of March 31, 2001, with an average contractual rental rate (including tenant reimbursements for operating costs) of \$17.34 per square foot.

1

#### ACQUISITION

- o Through a 40% interest in a joint venture agreement, we acquired five properties totaling 314,594 square feet in the BWI Airport submarket. Including these five joint venture properties, our market share increased to 54% of this submarket and to 87% of the Airport Square Business Park. These properties are 97.9% leased and were acquired for an average cost of \$107 per square foot.

#### CONSTRUCTION

- o In January 2001, we delivered a 78,460 square foot building in Columbia Gateway Business Park, improving our market share to 28% of this submarket. This property is 87% leased primarily to Sun Microsystems (45%) and Coca-Cola Company (35%).

#### SUBSEQUENT EVENTS

- o In April 2001, we issued 1,150,000 Series E cumulative redeemable preferred shares with a liquidation value of \$25.00 per share, raising \$28,750,000 in gross proceeds. These Series E preferred shares have a 10.25% coupon and can be redeemed at our option subsequent to July 15, 2006. Net proceeds were primarily used to pay down our Deutsche Bank revolving credit facility.
- o We closed a \$21.2 million seven-year loan with a fixed interest rate of 7.30%. The proceeds were used to repay \$18.4 million of outstanding debt, eliminating an \$18.0 million scheduled maturity in May 2002.

NOTE: THIS SUPPLEMENTAL INFORMATION CONTAINS "FORWARD LOOKING" STATEMENTS, AS DEFINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, THAT ARE BASED ON THE COMPANY'S CURRENT EXPECTATIONS, ESTIMATES AND PROJECTIONS ABOUT FUTURE EVENTS AND FINANCIAL TRENDS AFFECTING THE FINANCIAL CONDITION OF THE BUSINESS. STATEMENTS THAT ARE NOT HISTORICAL FACTS, INCLUDING STATEMENTS ABOUT THE COMPANY'S BELIEFS AND EXPECTATIONS, ARE FORWARD-LOOKING STATEMENTS. THESE STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE, EVENTS OR RESULTS AND INVOLVE POTENTIAL RISKS AND UNCERTAINTIES. ACCORDINGLY, ACTUAL RESULTS MAY DIFFER MATERIALLY. THE COMPANY UNDERTAKES NO OBLIGATIONS TO PUBLICLY UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE. FOR FURTHER INFORMATION, PLEASE REFER TO THE COMPANY'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION.

2

#### QUARTERLY SELECTED FINANCIAL SUMMARY DATA (DOLLARS IN THOUSANDS)

<TABLE>  
<CAPTION>

2001

2000

MARCH 31

DECEMBER 31

SEPTEMBER 30

JUNE 30

MARCH 31

<S>	<C>	<C>	<C>	<C>
<C>				
Total Revenues from Real Estate Operations \$ 25,861	\$ 29,701	\$ 28,676	\$ 28,039	\$ 26,417
Net Operating Income from Real Estate Operations 18,253	21,235	20,536	19,989	18,980
EBITDA 16,952	19,490	19,298	18,559	17,772
Net Income before Preferred Dividends 3,649	3,726	4,087	3,685	3,712
Preferred Dividends (1,120)	(881)	(782)	(781)	(1,119)
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS \$ 2,530	\$ 2,845	\$ 3,305	\$ 2,904	\$ 2,593
Funds From Operations (FFO) - Diluted \$ 8,900	\$ 10,102	\$ 9,804	\$ 9,550	\$ 9,250
FFO PER DILUTED SHARE \$ 0.28	\$ 0.31	\$ 0.31	\$ 0.30	\$ 0.29
Adjusted FFO - Diluted (A) \$ 7,429	\$ 8,296	\$ 8,228	\$ 6,691	\$ 7,634
ADJUSTED FFO PER DILUTED SHARE \$ 0.23	\$ 0.25	\$ 0.26	\$ 0.23	\$ 0.24
Payout Ratios:				
FFO - DILUTED (B) 68.95%	64.87%	65.67%	67.42%	66.02%
AFFO - DILUTED (C) 82.61%	78.99%	78.25%	87.68%	80.00%
TOTAL DIVIDENDS/DISTRIBUTIONS \$ 6,918	\$ 7,334	\$ 7,220	\$ 7,220	\$ 6,888

</TABLE>

- (A) For the quarter ended September 30, 2000, the Series C convertible preferred units were anti-dilutive for AFFO calculations. Thus, in computing AFFO, the quarterly dividend of \$572 was included in the numerator and the related 2,421 of Series C convertible preferred units (as if already converted into common shares) were excluded from the denominator.
- (B) Computed by dividing total dividends/distributions (except for dividends on Series B Cumulative Redeemable Preferred Shares which are subtracted to calculate FFO) by FFO diluted.
- (C) Computed by dividing total dividends/distributions (except for dividends on Series B Cumulative Redeemable Preferred Shares which are subtracted to calculate AFFO) by AFFO diluted. In addition, for the quarter ended September 30, 2000, the quarterly Series C preferred unit dividend of \$572 was excluded from the numerator.

QUARTERLY CONSOLIDATED BALANCE SHEETS  
(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)

<TABLE>  
<CAPTION>

	2001	
	MARCH 31	DECEMBER 31
<S>	<C>	<C>
ASSETS		
Investment in real estate:		
Land - operational	\$ 140,620	\$ 140,018
Land - development	24,683	19,069

Construction in progress	22,228	17,489
Buildings and improvements	615,586	604,666
Investment in and advances to real estate joint ventures	6,877	3,616
Less: accumulated depreciation	(37,652)	(33,271)
	-----	-----
NET INVESTMENT IN REAL ESTATE	772,342	751,587
Cash and cash equivalents	3,806	4,981
Restricted cash	4,468	2,703
Accounts receivable, net	5,519	3,245
Investment in and advances to other unconsolidated entities	2,159	6,124
Deferred rent receivable	9,335	8,644
Deferred charges, net	15,550	12,905
Prepaid and other assets	6,726	4,501
Furniture, fixtures and equipment, net of accumulated depreciation	1,807	147
	-----	-----
TOTAL ASSETS	\$ 821,712	\$ 794,837
	=====	=====
LIABILITIES AND BENEFICIARIES' EQUITY		
Liabilities:		
Mortgage loans payable	\$ 478,913	\$ 474,349
Accounts payable and accrued expenses	10,889	10,227
Rents received in advance and security deposits	4,236	3,883
Dividends/distributions payable	7,203	7,090
Fair value of derivatives	1,993	--
Other liabilities	10,243	--
	-----	-----
TOTAL LIABILITIES	513,477	495,549
	-----	-----
Minority interests:		
Preferred Units in the Operating Partnership	24,367	24,367
Common Units in the Operating Partnership	80,467	81,069
Other consolidated partnership	166	124
	-----	-----
TOTAL MINORITY INTERESTS	105,000	105,560
	-----	-----
COMMITMENTS AND CONTINGENCIES		
Beneficiaries' equity:		
Preferred Shares (\$0.01 par value; 5,000,000 authorized);		
1,025,000 designated as Series A Convertible Preferred		
Shares of beneficial interest (1 share issued		
as of March 31, 2001)	--	--
1,725,000 designated as Series B Cumulative Redeemable Preferred Shares of		
beneficial interest (1,250,000 shares issued as of March 31, 2001)	13	12
544,000 designated as Series D Cumulative Redeemable Preferred Shares of		
beneficial interest (544,000 shares issued as of March 31, 2001)	5	--
Common Shares of beneficial interest (\$0.01 par value; 45,000,000 authorized,		
20,595,537 shares issued as of March 31, 2001)	207	206
Treasury Shares, at cost (166,600 shares as of March 31, 2001)	(1,415)	(1,415)
Additional paid-in capital	221,682	209,388
Accumulated deficit	(12,222)	(11,064)
Value of unearned restricted Common Share grants	(3,042)	(3,399)
Accumulated comprehensive loss	(1,993)	--
	-----	-----
TOTAL BENEFICIARIES' EQUITY	203,235	193,728
	-----	-----
TOTAL BENEFICIARIES' EQUITY AND MINORITY INTERESTS	308,235	299,288
	-----	-----
TOTAL LIABILITIES AND BENEFICIARIES' EQUITY	\$ 821,712	\$ 794,837
	=====	=====

</TABLE>

<TABLE>

<CAPTION>

	2000	
	-----	
	SEPTEMBER 30	JUNE 30
	-----	-----
MARCH 31		
-----		
<S>	<C>	<C>
<C>		
ASSETS		
Investment in real estate:		
Land - operational	\$ 136,723	\$ 141,646
\$ 137,075		
Land - development	21,888	15,888
16,332		
Construction in progress	21,579	20,300

25,832		
Buildings and improvements	585,067	575,531
551,332		
Investment in and advances to real estate joint ventures	8,606	--
--		
Less: accumulated depreciation	(29,460)	(25,490)
(21,885)		
-----	-----	-----
NET INVESTMENT IN REAL ESTATE	744,403	727,875
708,686		
Cash and cash equivalents	3,259	630
869		
Restricted cash	2,007	2,903
2,507		
Accounts receivable, net	3,571	3,386
2,080		
Investment in and advances to other unconsolidated entities	4,074	4,095
4,393		
Deferred rent receivable	7,882	6,010
5,378		
Deferred charges, net	12,667	10,953
8,133		
Prepaid and other assets	6,836	4,197
2,551		
Furniture, fixtures and equipment, net of accumulated depreciation	166	185
203		
-----	-----	-----
TOTAL ASSETS	\$ 784,865	\$ 760,234
\$ 734,800		
=====	=====	=====
LIABILITIES AND BENEFICIARIES' EQUITY		
Liabilities:		
Mortgage loans payable	\$ 465,696	\$ 436,679
\$ 412,191		
Accounts payable and accrued expenses	6,435	11,245
7,929		
Rents received in advance and security deposits	5,351	4,277
4,168		
Dividends/distributions payable	7,090	6,757
6,787		
Fair value of derivatives	--	--
--		
Other liabilities	--	--
--		
-----	-----	-----
TOTAL LIABILITIES	484,572	458,958
431,075		
-----	-----	-----
Minority interests:		
Preferred Units in the Operating Partnership	24,367	24,367
24,367		
Common Units in the Operating Partnership	81,402	78,720
80,422		
Other consolidated partnership	115	109
106		
-----	-----	-----
TOTAL MINORITY INTERESTS	105,884	103,196
104,895		
-----	-----	-----
COMMITMENTS AND CONTINGENCIES	--	--
--		
Beneficiaries' equity:		
Preferred Shares (\$0.01 par value; 5,000,000 authorized);		
1,025,000 designated as Series A Convertible Preferred Shares		
of beneficial interest (1 share issued as of March 31, 2001)	--	10
10		
1,725,000 designated as Series B Cumulative Redeemable Preferred Shares of		
beneficial interest (1,250,000 shares issued as of March 31, 2001)	12	12
12		
544,000 designated as Series D Cumulative Redeemable Preferred Shares of		
beneficial interest (544,000 shares issued as of March 31, 2001)	--	--
--		

Common Shares of beneficial interest (\$0.01 par value; 45,000,000 authorized, 20,595,537 shares issued as of March 31, 2001)	206	187
185		
Treasury Shares, at cost (166,600 shares as of March 31, 2001)	(1,415)	(1,415)
(52)		
Additional paid-in capital	209,384	211,978
210,524		
Accumulated deficit	(10,379)	(9,293)
(8,450)		
Value of unearned restricted Common Share grants	(3,399)	(3,399)
(3,399)		
Accumulated comprehensive loss	--	--
--		
-----		
TOTAL BENEFICIARIES' EQUITY	194,409	198,080
198,830		
-----		
TOTAL BENEFICIARIES' EQUITY AND MINORITY INTERESTS	300,293	301,276
303,725		
-----		
TOTAL LIABILITIES AND BENEFICIARIES' EQUITY	\$ 784,865	\$ 760,234
\$ 734,800		
=====		
=====		

</TABLE>

Note: Prior to January 1, 2001, other unconsolidated entities include Corporate Office Services, Inc. (COS); Corporate Office Management, Inc. (COMI); Corporate Development Services, LLC (CDS); MediTract, LLC; Corporate Management Services, LLC (CMS); Corporate Realty Management, LLC (CRM); and Martin G. Knott and Associates, LLC (MGK). Subsequent to January 1, 2001, other unconsolidated entities consist solely of Medittract, LLC and Paragon Smart Technologies, LLC.

4

QUARTERLY CONSOLIDATED STATEMENTS OF OPERATIONS AND FUNDS FROM OPERATIONS (FFO)  
(DOLLARS AND UNITS IN THOUSANDS)

	2001	2000		
	-----	-----	-----	-----
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30
	-----	-----	-----	-----
MARCH 31				
-----				
<S>	<C>	<C>	<C>	<C>
<C>				
REVENUES				
Rental revenue	\$ 25,619	\$ 24,269	\$ 23,980	\$ 23,154
\$ 21,906				
Tenant recoveries and other revenue	4,082	4,407	4,059	3,263
3,955				
-----				
TOTAL REVENUES FROM REAL ESTATE OPERATIONS	29,701	28,676	28,039	26,417
25,861				
EXPENSES				
Property operating	3,448	3,220	3,596	3,049
2,883				
Repairs and maintenance	3,518	3,491	3,018	3,065
3,439				
Real estate taxes	1,500	1,429	1,436	1,323
1,286				
-----				
TOTAL PROPERTY EXPENSES FROM REAL ESTATE OPERATIONS	8,466	8,140	8,050	7,437
7,608				
NET OPERATING INCOME FROM REAL ESTATE OPERATIONS	21,235	20,536	19,989	18,980
18,253				
General and administrative	(1,446)	(1,040)	(1,319)	(1,160)
(1,348)				



Equity in income of unconsol. real estate joint venture	30	--	--	--
---				
Earnings from service companies	(329)	--	--	--
---				
Equity in (loss) income of other unconsolidated entities	--	(198)	(111)	(48)
47				
-----	-----	-----	-----	-----
-----				
EBITDA	19,490	19,298	18,559	17,772
16,952				
Interest expense	(8,194)	(8,266)	(7,850)	(7,404)
(6,934)				
Series B Preferred Share dividends	(781)	(782)	(781)	(780)
(781)				
Amortization of deferred financing costs	(383)	(416)	(349)	(311)
(306)				
Income tax benefit	122	--	--	--
---				
Income on options assumed to be converted	(61)	--	--	--
---				
Depreciation on unconsolidated real estate entities	(4)	(4)	(3)	(3)
(3)				
Minority interestholders' share of operations	4	(9)	(6)	(4)
(7)				
Depreciation of corporate FF&E	(91)	(17)	(20)	(20)
(20)				
-----	-----	-----	-----	-----
-----				
FUNDS FROM OPERATIONS (FFO) - DILUTED	10,102	9,804	9,550	9,250
8,900				
Depreciation and other amortization	(4,809)	(4,485)	(4,275)	(4,287)
(3,853)				
Gain on property sales	--	50	--	57
---				
Loss on early extinguishment of debt	(106)	(2)	(109)	(42)
---				
Cumulative effect adjustment for accounting change	(263)	--	--	--
---				
Income on options assumed to be converted	61	--	--	--
---				
Depreciation on unconsolidated real estate entities	4	4	3	3
3				
Minority interestholders' share of operations	(4)	9	6	4
7				
Series B Preferred Share dividends	781	782	781	780
781				
-----	-----	-----	-----	-----
-----				
INCOME BEFORE MINORITY INTERESTS				
AND PREFERRED SHARE DIVIDENDS	5,766	6,162	5,956	5,765
5,839				
MINORITY INTERESTS:				
Preferred Units in Operating Partnership	(572)	(572)	(572)	(548)
(548)				
Common Units in Operating Partnership	(1,472)	(1,494)	(1,693)	(1,501)
(1,634)				
Other consolidated partnership	4	(9)	(6)	(4)
(7)				
Preferred Share dividends	(881)	(782)	(781)	(1,119)
(1,120)				
-----	-----	-----	-----	-----
-----				
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	\$ 2,845	\$ 3,305	\$ 2,904	\$ 2,593
\$ 2,530				
-----	-----	-----	-----	-----
-----				
FUNDS FROM OPERATIONS (FFO) - DILUTED	\$ 10,102	\$ 9,804	\$ 9,550	\$ 9,250
\$ 8,900				
Preferred Units in Operating Partnership (1)	--	--	(572)	--
---				
Straight line rents	(690)	(800)	(1,872)	(693)
(742)				
Non-incremental capital expenditures	(1,116)	(776)	(415)	(923)
(729)				
-----	-----	-----	-----	-----
-----				

ADJUSTED FUNDS FROM OPERATIONS - DILUTED	\$ 8,296	\$ 8,228	\$ 6,691	\$ 7,634
\$ 7,429	-----	-----	-----	-----
-----				
Preferred dividends/distributions (2)	1,453	1,353	1,353	1,668
1,668				
Common dividends/distributions	5,881	5,867	5,867	5,220
5,250	-----	-----	-----	-----
-----				
TOTAL DIVIDENDS/DISTRIBUTIONS	\$ 7,334	\$ 7,220	\$ 7,220	\$ 6,888
\$ 6,918	-----	-----	-----	-----
-----				

</TABLE>

(1) For the quarter ended September 30, 2000, the Series C convertible preferred units were anti-dilutive for AFFO calculations. Thus, in computing AFFO, the quarterly dividend of \$572 was included in the numerator and the related 2,421 of Series C convertible preferred units (as if already converted into common shares) were excluded from the denominator.

(2) Includes Series B Cumulative Redeemable Preferred Share dividends deducted for FFO/AFFO computations.

5

QUARTERLY CONSOLIDATED STATEMENTS OF OPERATIONS AND FFO PER DILUTED SHARE  
(SHARES IN THOUSANDS)

<TABLE>  
<CAPTION>

	2001	2000		
	-----	-----	-----	-----
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30
	-----	-----	-----	-----
MARCH 31				
-----				
<S>	<C>	<C>	<C>	<C>
<C>				
REVENUES				
Rental revenue	\$ 0.78	\$ 0.76	\$ 0.75	\$ 0.71
\$ 0.68				
Tenant recoveries and other revenue	0.12	0.14	0.13	0.10
0.12	-----	-----	-----	-----
-----				
TOTAL REVENUES FROM REAL ESTATE OPERATIONS	0.90	0.90	0.88	0.82
0.80				
EXPENSES				
Property operating	0.10	0.10	0.11	0.09
0.09				
Repairs and maintenance	0.11	0.11	0.09	0.09
0.11				
Real estate taxes	0.05	0.04	0.04	0.04
0.04	-----	-----	-----	-----
-----				
TOTAL PROPERTY EXPENSES FROM REAL ESTATE OPERATIONS	0.26	0.25	0.25	0.23
0.24				
NET OPERATING INCOME FROM REAL ESTATE OPERATIONS	0.64	0.64	0.63	0.59
0.56				
General and administrative	(0.04)	(0.03)	(0.04)	(0.04)
(0.04)				
Equity in income of unconsol. real estate joint venture	0.00	--	--	--
--				
Earnings from service companies	(0.01)	--	--	--
--				
Equity in (loss) income of other unconsolidated entities	--	(0.01)	(0.00)	(0.00)
0.00	-----	-----	-----	-----
-----				

EBITDA	0.59	0.60	0.58	0.55
0.52				
Interest expense	(0.25)	(0.26)	(0.25)	(0.23)
(0.21)				
Series B Preferred Share dividends	(0.02)	(0.02)	(0.02)	(0.02)
(0.02)				
Amortization of deferred financing costs	(0.01)	(0.01)	(0.01)	(0.01)
(0.01)				
Income tax benefit	0.00	--	--	--
--				
Income on options assumed to be converted	(0.00)	--	--	--
--				
Depreciation on unconsolidated real estate entities	(0.00)	(0.00)	(0.00)	(0.00)
(0.00)				
Minority interestholders' share of operations	0.00	(0.00)	(0.00)	(0.00)
(0.00)				
Depreciation of corporate FF&E	(0.00)	(0.00)	(0.00)	(0.00)
(0.00)				
-----	-----	-----	-----	-----
FUNDS FROM OPERATIONS (FFO) - DILUTED	0.31	0.31	0.30	0.29
0.28				
Depreciation and other amortization	(0.15)	(0.14)	(0.13)	(0.13)
(0.12)				
Gain on property sales	--	0.00	--	0.00
--				
Loss on early extinguishment of debt	(0.00)	(0.00)	(0.00)	(0.00)
--				
Cumulative effect adjustment for accounting change	(0.01)	--	--	--
--				
Income on options assumed to be converted	0.00	--	--	--
--				
Depreciation on unconsolidated real estate entities	0.00	0.00	0.00	0.00
0.00				
Minority interestholders' share of operations	(0.00)	0.00	0.00	0.00
0.00				
Series B Preferred Share dividends	0.02	0.02	0.02	0.02
0.02				
-----	-----	-----	-----	-----
INCOME BEFORE MINORITY INTERESTS AND PREFERRED SHARE DIVIDENDS	0.18	0.19	0.19	0.18
0.18				
MINORITY INTERESTS:				
Preferred Units in Operating Partnership	(0.02)	(0.02)	(0.02)	(0.02)
(0.02)				
Common Units in Operating Partnership	(0.04)	(0.05)	(0.05)	(0.05)
(0.05)				
Other consolidated partnership	0.00	(0.00)	(0.00)	(0.00)
(0.00)				
Preferred Share dividends	(0.03)	(0.02)	(0.02)	(0.03)
(0.03)				
-----	-----	-----	-----	-----
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	\$ 0.09	\$ 0.10	\$ 0.09	\$ 0.08
\$ 0.08				
=====	=====	=====	=====	=====
FUNDS FROM OPERATIONS (FFO) - DILUTED	\$ 0.31	\$ 0.31	\$ 0.30	\$ 0.29
\$ 0.28				
Preferred Units in Operating Partnership	--	--	(0.02)	--
--				
Straight line rents	(0.02)	(0.02)	(0.06)	(0.02)
(0.02)				
Non-incremental capital expenditures	(0.03)	(0.02)	(0.01)	(0.03)
(0.02)				
-----	-----	-----	-----	-----
ADJUSTED FUNDS FROM OPERATIONS - DILUTED	\$ 0.25	\$ 0.26	\$ 0.23	\$ 0.24
\$ 0.23				
=====	=====	=====	=====	=====
For FFO Computations:				
Weighted Average Converted Preferred Shares/Units	3,299	2,421	2,421	4,642
4,642				
Weighted Average Common Shares/Units Outstanding	29,643	29,611	29,561	27,750

27,683

WEIGHTED AVERAGE DILUTED SHARES OUTSTANDING	32,942	32,032	31,982	32,393
32,325				
For AFFO Computations:				
Weighted Average Converted Preferred Shares/Units	3,299	2,421	--	4,642
4,642				
Weighted Average Common Shares/Units Outstanding	29,643	29,611	29,561	27,750
27,683				
WEIGHTED AVERAGE DILUTED SHARES OUTSTANDING	32,942	32,032	29,561	32,393
32,325				

6

QUARTERLY CONSOLIDATED STATEMENTS OF OPERATIONS  
AND FFO AS A PERCENTAGE OF TOTAL REVENUES

	2001	2000		
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30
MARCH 31				
<S>	<C>	<C>	<C>	<C>
REVENUES				
Rental revenue	86%	85%	86%	88%
85%				
Tenant recoveries and other revenue	14%	15%	14%	12%
15%				
--	---	---	---	---
TOTAL REVENUES FROM REAL ESTATE OPERATIONS	100%	100%	100%	100%
100%				
EXPENSES				
Property operating	12%	11%	13%	12%
11%				
Repairs and maintenance	12%	12%	11%	12%
13%				
Real estate taxes	5%	5%	5%	5%
5%				
--	---	---	---	---
TOTAL PROPERTY EXPENSES FROM REAL ESTATE OPERATIONS	29%	28%	29%	28%
29%				
NET OPERATING INCOME FROM REAL ESTATE OPERATIONS	71%	72%	71%	72%
71%				
General and administrative	(5%)	(4%)	(5%)	(4%)
(5%)				
Equity in income of unconsol. real estate joint venture	0%	0%	0%	0%
0%				
Earnings from service companies	(1%)	0%	0%	0%
0%				
Equity in (loss) income of other unconsolidated entities	0%	(1%)	(0%)	(0%)
0%				
--	---	---	---	---
EBITDA	66%	67%	66%	67%
66%				
Interest expense	(28%)	(29%)	(28%)	(28%)
(27%)				
Series B Preferred Share dividends	(3%)	(3%)	(3%)	(3%)
(3%)				
Amortization of deferred financing costs	(1%)	(1%)	(1%)	(1%)
(1%)				
Income tax benefit	0%	0%	0%	0%
0%				

Income on options assumed to be converted 0%	(0%)	0%	0%	0%	
Depreciation on unconsolidated real estate entities (0%)	(0%)	(0%)	(0%)	(0%)	
Minority interestholders' share of operations (0%)	0%	(0%)	(0%)	(0%)	
Depreciation of corporate FF&E (0%)	(0%)	(0%)	(0%)	(0%)	
--	---	---	---	---	-
FUNDS FROM OPERATIONS (FFO) - DILUTED 34%	34%	34%	34%	35%	
Depreciation and other amortization (15%)	(16%)	(16%)	(15%)	(16%)	
Gain on property sales 0%	0%	0%	0%	0%	
Loss on early extinguishment of debt 0%	(0%)	(0%)	(0%)	(0%)	
Cumulative effect adjustment for accounting change 0%	(1%)	0%	0%	0%	
Income on options assumed to be converted 0%	0%	0%	0%	0%	
Depreciation on unconsolidated real estate entities 0%	0%	0%	0%	0%	
Minority interestholders' share of operations 0%	(0%)	0%	0%	0%	
Series B Preferred Share dividends 3%	3%	3%	3%	3%	
--	---	---	---	---	-
INCOME BEFORE MINORITY INTERESTS AND PREFERRED SHARE DIVIDENDS 23%	19%	21%	21%	22%	
MINORITY INTERESTS:					
Preferred Units in Operating Partnership (2%)	(2%)	(2%)	(2%)	(2%)	
Common Units in Operating Partnership (6%)	(5%)	(5%)	(6%)	(6%)	
Other consolidated partnership (0%)	0%	(0%)	(0%)	(0%)	
Preferred Share dividends (4%)	(3%)	(3%)	(3%)	(4%)	
--	---	---	---	---	-
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS 10%	10%	12%	10%	10%	
===	===	===	===	===	
FUNDS FROM OPERATIONS (FFO) - DILUTED 34%	34%	34%	34%	35%	
Preferred Units in Operating Partnership 0%	0%	0%	(2%)	0%	
Straight line rents (3%)	(2%)	(3%)	(7%)	(3%)	
Non-incremental capital expenditures (3%)	(4%)	(3%)	(1%)	(3%)	
ADJUSTED FUNDS FROM OPERATIONS - DILUTED 29%	28%	29%	24%	29%	
===	===	===	===	===	

</TABLE>

QUARTERLY EQUITY ANALYSIS  
(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA, SHARE PRICES AND RATIOS)

<TABLE>  
<CAPTION>

	2001	2000			
	-----	-----	-----	-----	
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30	
	-----	-----	-----	-----	-
MARCH 31					

<S>	<C>	<C>	<C>	<C>	<C>
COMMON EQUITY - END OF QUARTER					
Common Shares (1)	20,429	20,409	20,407	18,544	
18,529					
Common Units	9,388	9,388	9,388	9,388	
9,558					
-----	-----	-----	-----	-----	-
TOTAL	29,817	29,797	29,795	27,932	
28,087					
-----	-----	-----	-----	-----	-
CONVERTIBLE PREFERRED EQUITY - END OF QUARTER					
Convertible Series A Preferred Shares Outstanding (2)	0	0	0	984	
984					
Conversion Ratio	1.8748	1.8748	1.8748	1.8748	
1.8748					
Common Shares Issued Assuming Conversion	0	0	0	1,845	
1,845					
Preferred Share Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$
25.00					
Convertible Series D Preferred Shares Outstanding (3)	544	n/a	n/a	n/a	
n/a					
Conversion Ratio	2.2000	n/a	n/a	n/a	
n/a					
Common Shares Issued Assuming Conversion	1,197	n/a	n/a	n/a	
n/a					
Preferred Share Book Value	\$ 25.00	n/a	n/a	n/a	
n/a					
Convertible Series C Preferred Units Outstanding (4)	1,017	1,017	1,017	975	
975					
Conversion Ratio	2.3810	2.3810	2.3810	2.3810	
2.3810					
Common Units Issued Assuming Conversion	2,421	2,421	2,421	2,321	
2,321					
Preferred Units Book Value per Unit	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$
25.00					
PERPETUAL PREFERRED EQUITY - END OF QUARTER					
Redeemable Series B Shares Outstanding	1,250	1,250	1,250	1,250	
1,250					
Preferred Share Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$
25.00					
WEIGHTED AVERAGE SHARES:					
Weighted Average Common Shares Outstanding	19,982	19,947	19,934	18,014	
17,353					
Weighted Average Preferred Shares Outstanding Assuming Conversion	878	--	--	1,845	
1,845					
Weighted Average Dilutive Options	273	276	239	180	
50					
Weighted Average Dilutive Warrants (4)	--	--	--	476	
476					
Weighted Average Common Units	9,388	9,388	9,388	9,556	
10,281					
Weighted Average Preferred Units Assuming Conversion	2,421	2,421	2,421	2,321	
2,321					
-----	-----	-----	-----	-----	-
WEIGHTED AVG. SHARES/UNITS OUTSTANDING ASSUMING CONVERSION OF PREFERRED SHARES/UNITS					
	32,942	32,032	31,982	32,393	
32,325					
-----	-----	-----	-----	-----	-
COMMON SHARES TRADING VOLUME					
Average Daily Volume (Shares)	21	13	20	22	
19					
Average Daily Volume (Dollars in thousands)	\$ 198.00	\$ 122.20	\$ 188.38	\$ 187.74	\$
152.05					
As a Percentage of Common Shares	0.1%	0.1%	0.1%	0.1%	
0.1%					
COMMON SHARE PRICE RANGE					
Quarterly High	\$ 9.98	\$ 10.00	\$ 10.13	\$ 9.25	\$
8.38					
Quarterly Low	\$ 9.03	\$ 8.94	\$ 8.75	\$ 8.00	\$
7.50					
Quarterly Average	\$ 9.59	\$ 9.63	\$ 9.39	\$ 8.72	\$
7.92					

End of Quarter 8.19	\$ 9.51	\$ 9.94	\$ 9.94	\$ 9.19	\$
CAPITALIZATION					
Liquidation Value of Preferred Shares/Units 80,224	\$ 70,267	\$ 56,667	\$ 56,667	\$ 80,224	\$
Market Value of Common Shares/Units 229,962	283,560	296,106	296,088	256,625	
-----	-----	-----	-----	-----	-
TOTAL EQUITY MARKET CAPITALIZATION \$310,187	\$353,826	\$352,773	\$352,754	\$336,850	
=====	=====	=====	=====	=====	
TOTAL DEBT \$412,191	\$478,913	\$474,349	\$465,696	\$436,679	
=====	=====	=====	=====	=====	
TOTAL MARKET CAPITALIZATION \$722,378	\$832,739	\$827,122	\$818,450	\$773,529	
=====	=====	=====	=====	=====	
DEBT TO TOTAL MARKET CAPITALIZATION 57.1%	57.5%	57.3%	56.9%	56.5%	
DEBT TO UNDEPRECIATED BOOK VALUE OF REAL ESTATE ASSETS 56.4%	59.1%	60.4%	60.0%	58.0%	

</TABLE>

- -----

- (1) Net of 166,600 treasury shares as of March 31, 2001.
- (2) Converted September 28, 2000 except for 1 Convertible Series A preferred share.
- (3) We issued 544,000 Convertible Series D preferred shares on January 25, 2001.
- (4) Eliminated a warrant to acquire a maximum of 476,200 common units in exchange for the issuance of 42,000 Series C convertible preferred units in July 2000.

8

QUARTERLY VALUATION ANALYSIS  
(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA AND RATIOS)

<TABLE>				
<CAPTION>				
	2001	2000		
	-----	-----	-----	-----
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30
	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
<C>				
PRICING MULTIPLES				
NOI Multiple				
(Market value of Common Equity + Avg. Preferred Share/Units+ Avg. Total Debt) / Ann. NOI	9.76x	9.99x	10.05x	10.10x
9.80x				
EBITDA Multiple				
(Market value of Common Equity + Avg. Preferred Share/Units + Avg. Total Debt) / Ann. EBITDA	10.64x	10.63x	10.83x	10.79x
10.55x				
FFO Multiple				
(Quarter End Common Share Price / Ann. FFO - diluted)	7.75x	8.12x	8.32x	8.04x
7.43x				
AFFO Multiple				
(Quarter End Common Share Price / Ann. AFFO - diluted)	9.44x	9.67x	10.98x	9.75x
8.91x				
NOI Yield				

(Ann. NOI / (Market value of Common Equity + Avg Preferred Share/Units + Avg. Debt))	10.24%	10.01%	9.95%	9.90%
10.21%				
EBITDA Yield				
(Ann. EBITDA / (Market value of Common Equity + Avg Preferred Share/Units + Avg. Debt))	9.40%	9.41%	9.24%	9.27%
9.48%				
FFO Yield				
(Ann. FFO / Quarter End Common Share Price)	12.90%	12.32%	12.02%	12.43%
13.45%				
AFFO Yield				
(Ann. AFFO / Quarter End Common Share Price)	10.59%	10.34%	9.11%	10.26%
11.23%				
Total Market Capitalization Per Square Foot				
((Market Value of Common Stock + Preferred Share/Units + Total Debt) / GLA) (1)	\$124.70	\$127.79	\$128.86	\$121.76
\$118.79				
RETURNS				
Yield on Real Estate Owned - NOI				
(Ann. NOI / Avg. Adjusted Gross Real Estate Investment) (2)	11.30%	11.16%	11.07%	10.80%
10.67%				
Yield on Real Estate Owned - EBITDA				
(Ann. EBITDA / Avg. Adjusted Gross Real Estate Investment) (2)	10.37%	10.49%	10.28%	10.12%
9.91%				
Return on Book Value of Average Equity & Minority Interest				
(Ann. EBTDA / Avg. Equity & Minority Interest)	14.87%	14.72%	14.24%	13.71%
13.17%				

</TABLE>

(1) Excludes square footage of assets under development, under construction or held in a joint venture.

(2) Excludes land-development, construction in progress and investment in development real estate joint ventures as these assets are not yet income generating.

QUARTERLY DEBT ANALYSIS  
(DOLLARS IN THOUSANDS)

<TABLE>				
<CAPTION>				
	2001	2000		
	-----	-----	-----	-----
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30
	-----	-----	-----	-----
	<C>	<C>	<C>	<C>
DEBT OUTSTANDING				
Mortgage Loans	\$ 356,872	\$ 329,955	\$ 338,063	\$ 313,325
\$ 319,624				
Construction Loans	18,950	33,058	25,586	38,669
29,067				
Revolving Credit Facility	29,091	29,091	4,761	--
--				
Secured Revolving Credit Facility	74,000	82,245	97,285	84,685
63,500				
	-----	-----	-----	-----
	\$ 478,913	\$ 474,349	\$ 465,695	\$ 436,679
\$ 412,191	=====	=====	=====	=====
=====				
AVERAGE OUTSTANDING BALANCE				
Mortgage Loans	\$ 344,023	\$ 325,971	\$ 319,745	\$ 318,249
\$ 317,436				
Construction Loans	26,967	28,277	37,700	34,145
26,551				
Revolving Credit Facility	29,091	22,545	2,381	--
--				



Secured Revolving Credit Facility 61,199	75,507	90,910	91,239	77,794
-----	-----	-----	-----	-----
\$ 405,186	\$ 475,588	\$ 467,703	\$ 451,065	\$ 430,188
=====	=====	=====	=====	=====
INTEREST RATE STRUCTURE				
Fixed	\$ 240,501	\$ 201,715	\$ 305,614	\$ 277,575
\$ 283,624				
Variable	13,412	147,634	60,081	109,104
128,567				
Variable Subject to Interest Rate Protection (1 - 4)	225,000	125,000	100,000	50,000
--	-----	-----	-----	-----
\$ 412,191	\$ 478,913	\$ 474,349	\$ 465,695	\$ 436,679
=====	=====	=====	=====	=====
% of Fixed Rate Loans (A)	50.22%	42.52%	65.63%	63.56%
68.81%				
% of Variable Rate Loans	49.78%	57.48%	34.37%	36.44%
31.19%	-----	-----	-----	-----
100.00%	100.00%	100.00%	100.00%	100.00%
=====	=====	=====	=====	=====

(A) Excludes interest rate protection agreements.

AVERAGE INTERESTS RATES				
Mortgage & Construction Loans	7.44%	7.84%	7.62%	7.52%
7.53%				
Revolving Credit Facility	7.31%	8.17%	8.12%	n/a
n/a				
Secured Revolving Credit Facility	7.85%	8.38%	8.33%	8.11%
7.68%				
Total Weighted Average	7.50%	7.96%	7.64%	7.58%
7.55%				
DEBT RATIOS				
Debt to Total Market Capitalization	57.5%	57.3%	56.9%	56.5%
57.1%				
Debt to Undepreciated Book Value of Real Estate Assets	59.1%	60.4%	60.0%	58.0%
56.4%				
COVERAGE RATIOS (EXCLUDING CAPITALIZED INTEREST)				
Interest Coverage - NOI	2.59x	2.48x	2.55x	2.56x
2.63x				
(NOI / Interest)				
Interest Coverage - EBITDA	2.38x	2.33x	2.36x	2.40x
2.44x				
(EBITDA / Interest)				
Interest Coverage - EBITDA - YTD	2.38x	2.38x	2.40x	2.42x
2.44x				
(EBITDA / Interest - Year-to-date)				
Debt Service Coverage - NOI	2.32x	2.20x	2.28x	2.32x
2.35x				
(NOI / (Interest + Principal Amortization))				
Debt Service Coverage - EBITDA	2.13x	2.07x	2.11x	2.17x
2.18x				
(EBITDA / (Interest + Principal Amortization))				
Fixed Charge Coverage - NOI	2.20x	2.13x	2.17x	2.09x
2.12x				
(NOI / (Interest + Preferred Distribution))				
Fixed Charge Coverage - EBITDA	2.02x	2.01x	2.02x	1.96x
1.97x				
(EBITDA / (Interest + Preferred Distribution))				

</TABLE>

- (1) We purchased a \$50 million 2-year cap on LIBOR at a rate of 7.7% which expires May 31, 2002.
- (2) We purchased a \$50 million 1-year cap on LIBOR at a rate of 7.0% which expires October 13, 2001.
- (3) We purchased a \$25 million 1-year cap on LIBOR at a rate of 7.0% which expires October 13, 2001.
- (4) We executed a \$100 million notional amount swap exchanging 30-day floating LIBOR for LIBOR of 5.76% over a two-year period which expires January 2, 2003.

QUARTERLY OPERATING RATIOS  
(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA AND RATIOS)

<TABLE>  
<CAPTION>

	2001	2000			
	-----	-----	-----	-----	-----
MARCH 31	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30	
	-----	-----	-----	-----	
<S>	<C>	<C>	<C>	<C>	
<C>					
OPERATING RATIOS					
NOI as a % of Real Estate Revenues					
(NOI / (Rental Revenue + Oper. Expense Reimb.))	71.50%	71.61%	71.29%	71.85%	
70.58%					
EBITDA as a % of Real Estate Revenues					
(EBITDA / (Rental Revenue + Oper. Expense Reimb.))	65.62%	67.30%	66.19%	67.27%	
65.55%					
G&A as a % of Real Estate Revenues					
(G&A / (Rental Revenue + Oper. Expense Reimb.))	4.87%	3.63%	4.70%	4.39%	
5.21%					
G&A as a % of EBITDA					
(G&A / EBITDA)	7.42%	5.39%	7.11%	6.53%	
7.95%					
Quarter end occupancy for entire portfolio	96.95%	97.03%	97.33%	96.66%	
97.26%					
Quarter end % leased for office portfolio	98.39%	98.17%	98.30%	98.40%	
98.00%					
Non-Incremental Capital Expenditures	\$ 1,116	\$ 776	\$ 415	\$ 923	\$
729					
Non-Incremental Capital Expenditures per average square feet	\$ 0.34	\$ 0.12	\$ 0.07	\$ 0.15	\$
0.12					
Non-Incremental Capital Expenditures per Diluted Share	\$ 0.03	\$ 0.02	\$ 0.01	\$ 0.03	\$
0.02					
Non-Incremental Capital Expenditures as a % of NOI	5.26%	3.78%	2.08%	4.86%	
3.99%					

</TABLE>

QUARTERLY DIVIDEND ANALYSIS

<TABLE>  
<CAPTION>

	2001	2000			
	-----	-----	-----	-----	-----
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30	MARCH 31
	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
COMMON SHARE DIVIDENDS					
Dividends per share/unit	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.19	\$ 0.19
Increase over prior quarter	0.0%	0.0%	5.3%	0.0%	0.0%
Increase over prior year	5.3%	5.3%	5.3%	5.6%	5.6%
COMMON DIVIDEND PAYOUT RATIOS					
Payout - FFO - Diluted	64.9%	65.7%	67.4%	66.0%	69.0%
((Dividend + Distributions)/FFO)					
Payout - AFFO - Diluted	79.0%	78.3%	87.7%	80.0%	82.6%
(Dividend /FAD)					
Dividend Coverage - FFO - Diluted	1.54x	1.52x	1.48x	1.51x	1.45x

(FFO /dividends)					
Dividend Coverage - AFFO - Diluted	1.27x	1.28x	1.14x	1.25x	1.21x
(AFFO /dividends)					
COMMON DIVIDEND YIELDS					
Dividend Yield	8.41%	8.05%	8.05%	8.27%	9.28%
SERIES C PREFERRED UNIT DISTRIBUTIONS					
Preferred Unit Distributions Per Share	\$ 0.5625	\$ 0.5625	\$ 0.5625	\$ 0.5625	\$ 0.5625
Preferred Unit Distributions Yield	9.00%	9.00%	9.00%	9.00%	9.00%
Quarter End Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
SERIES A PREFERRED SHARE DIVIDENDS					
Preferred Share Dividends Per Share	\$ 0.34375	\$ 0.34375	\$ 0.34375	\$ 0.34375	\$ 0.34375
Preferred Share Dividend Yield	5.50%	5.50%	5.50%	5.50%	5.50%
Quarter End Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
SERIES B PREFERRED SHARE DIVIDENDS					
Preferred Share Dividends Per Share	\$ 0.6250	\$ 0.6250	\$ 0.6250	\$ 0.6250	\$ 0.6250
Preferred Share Dividend Yield	10.00%	10.00%	10.00%	10.00%	10.00%
Quarter End Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
SERIES D PREFERRED SHARE DIVIDENDS (1)					
Preferred Share Dividends Per Share	\$ 0.2500	n/a	n/a	n/a	n/a
Preferred Share Dividend Yield	4.00%	n/a	n/a	n/a	n/a
Quarter End Book Value	\$ 25.00	n/a	n/a	n/a	n/a

</TABLE>

- -----

(1) We issued 544,000 of Series D Convertible Preferred Shares on January 25, 2001. Dividend was prorated based upon the number of days outstanding from date of issuance through quarter end. Prorated dividend was \$.1833 per share.

12

INVESTOR COMPOSITION AND ANALYST COVERAGE  
(AS OF MARCH 31, 2001)

<TABLE>

<CAPTION>

SHAREHOLDER CLASSIFICATION	COMMON SHARES	COMMON UNITS	AS IF CONVERTED PREFERRED SHARES / UNITS	TOTAL	FULLY DILUTED OWNERSHIP % OF TOTAL
-----					
-----					
<S>	<C>	<C>	<C>	<C>	<C>
Constellation Real Estate, Inc.	8,876,171	--	2	8,876,173	26.55%
Insiders	1,123,628	7,837,937	--	8,961,565	26.80%
Institutional Ownership	3,679,986	--	--	3,679,986	11.01%
Other / Retail	6,749,152	1,549,599	3,617,472	11,916,223	35.64%
	20,428,937	9,387,536	3,617,474	33,433,947	100.00%
	=====	=====	=====	=====	=====

</TABLE>

<TABLE>

<CAPTION>

RESEARCH COVERAGE	MARCH 31, 2001	DECEMBER 31, 2000	SEPTEMBER 30, 2000	JUNE 30, 2000	MARCH 31, 2000
-----					
<S>	<C>	<C>	<C>	<C>	<C>
A. G. Edwards	x	x	x		
Deutsche Banc Alex. Brown	x	x			x
Credit Suisse First Boston	x	x	x	x	x
Ferris, Baker Watts, Incorporated	x				
Janney Montgomery Scott	x	x	x	x	x
Tucker Anthony Cleary Gull				x	x
Johnston, Lemon				x	x
Legg Mason Wood Walker, Inc.	x	x	x	x	x
Prudential Securities Incorporated			x	x	x
McDonald Investments	x	x	x	x	x

</TABLE>

SOURCE: INSTITUTIONAL OWNERSHIP WAS OBTAINED FROM FILED FORMS 13(f) AS OF

DEBT MATURITY SCHEDULE - MARCH 31, 2001  
(DOLLARS IN THOUSANDS)

<TABLE> <CAPTION>							
YEAR OF SCHEDULED MATURITY PAYMENTS	MORTGAGES		CONSTRUCTION (1)	TERM CREDIT (2)	\$125,000 SECURED REVOLVING	\$50,000 REVOLVING CREDIT	TOTAL
	MONTHLY	DUE ON					
	AMORTIZATION	MATURITY			LOANS	FACILITY	
-----							
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
2001	3,348	7,000	2,000	--	--	29,091	
41,439							
2002	4,612	11,565	6,631	90,954	--	--	
113,762							
2003	4,575	12,719	3,464	--	--	--	
20,758							
2004	4,617	25,762	--	--	74,000	--	
104,379							
2005	4,550	16,368	--	--	--	--	
20,918							
2006	4,295	59,975	--	--	--	--	
64,270							
2007	3,202	6,142	--	--	--	--	
9,344							
2008	2,237	101,806	--	--	--	--	
104,043							
-----	-----	-----	-----	-----	-----	-----	
	\$ 31,436	\$241,337	\$ 12,095	\$ 90,954	\$ 74,000	\$ 29,091	
\$478,913	=====	=====	=====	=====	=====	=====	
=====							
</TABLE>							

## Notes:

- (1) We have the right to extend a \$3,623 construction loan for a one-year period, subject to certain conditions, upon maturity in 2002. The above table includes this maturity in 2002. The loan balances as of March 31 represent the outstanding balance as of that date.
- (2) The Term Credit Facility was extended through October 13, 2001. We have the right to extend for another one-year period, subject to certain conditions. This loan has been presented as maturing in October 2002 in the above table.

We have obtained interest rate protection agreements as follows:

\$50 million cap on thirty-day LIBOR at 7.7% expiring in May 2002.  
 \$50 million cap on thirty-day LIBOR at 7.0% expiring in October 2001.  
 \$25 million cap on thirty-day LIBOR at 7.0% expiring in October 2001.  
 \$100 million notional amount swap of thirty-day LIBOR at 5.76% expiring in January 2003.

## PROPERTY SUMMARY BY REGION - MARCH 31, 2001

<TABLE> <CAPTION>						
ANTICIPATED  RENTABLE SQUARE  FEET -  DEVELOPMENT	SUBMARKET	STATE	YEAR BUILT OR RENOVATED	SINGLE		RENTABLE  SQUARE  FEET
				STORY (S) OR		
				MULTI-STORY		
				(M)		
<S>	<C>	<C>	<C>	<C>	<C>	<C>
OFFICE PROPERTIES						
BALTIMORE /WASHINGTON CORRIDOR						

131 National Business Parkway	BWI Airport	MD	1990	M	68,906
132 National Business Parkway	BWI Airport	MD	2000	M	117,568
133 National Business Parkway	BWI Airport	MD	1997	M	88,666
134 National Business Parkway	BWI Airport	MD	1999	M	93,482
135 National Business Parkway	BWI Airport	MD	1998	M	86,863
141 National Business Parkway	BWI Airport	MD	1990	M	86,964
2721 Phoenix Road (221 NBP)	BWI Airport	MD	2000	M	117,890
2701 Phoenix Road (201 NBP) (1)	BWI Airport	MD		M	
118,000					
2711 Phoenix Road (211 NBP) (1)	BWI Airport	MD		M	
150,000					
1099 Winterson Road	BWI Airport	MD	1988	M	70,938
1190 Winterson Road	BWI Airport	MD	1987	M	68,567
1199 Winterson Road	BWI Airport	MD	1988	M	96,636
1201 Winterson Road	BWI Airport	MD	1985	M	67,903
1331 Ashton Road	BWI Airport	MD	1989	S	29,936
1334 Ashton Road	BWI Airport	MD	1989	S	37,565
1340 Ashton Road	BWI Airport	MD	1989	S	46,400
1341 Ashton Road	BWI Airport	MD	1989	S	15,841
1343 Ashton Road	BWI Airport	MD	1989	S	9,962
1344 Ashton Road	BWI Airport	MD	1989	M	16,865
1350 Dorsey Road	BWI Airport	MD	1989	S	19,992
2730 Hercules Road	BWI Airport	MD	1990	M	240,336
7240 Parkway Drive	BWI Airport	MD	1985	M	73,500
7318 Parkway Drive	BWI Airport	MD	1984	S	59,204
7321 Parkway Drive	BWI Airport	MD	1984	S	39,822
7467 Ridge Road	BWI Airport	MD	1990	M	73,756
800 International Drive	BWI Airport	MD	1988	S	50,979
849 International Drive	BWI Airport	MD	1988	M	68,186
881 Elkridge Landing Road	BWI Airport	MD	1986	M	73,572
891 Elkridge Landing Road (1)	BWI Airport	MD	2001	M	56,489
900 Elkridge Landing Road	BWI Airport	MD	1982	M	97,139
900 International Drive	BWI Airport	MD	1986	S	57,140
901 Elkridge Landing Road (1)	BWI Airport	MD	2001	M	56,847
911 Elkridge Landing Road	BWI Airport	MD	1985	M	68,297
920 Elkridge Landing Road (1)	BWI Airport	MD	2001	M	96,566
921 Elkridge Landing Road	BWI Airport	MD	1983	M	54,057
930 International Drive	BWI Airport	MD	1986	S	57,140
938 Elkridge Landing Road (1)	BWI Airport	MD	2001	M	52,988
939 Elkridge Landing Road	BWI Airport	MD	1983	M	53,031
940 Elkridge Landing Road (1)	BWI Airport	MD	2001	M	51,704
999 Corporate Boulevard	BWI Airport	MD	2000	M	67,351
1302 Concourse Drive	BWI Airport	MD	1996	M	84,607
1304 Concourse Drive	BWI Airport	MD		M	
100,000					
1306 Concourse Drive	BWI Airport	MD	1990	M	114,046
1615 and 1629 Thames Street	Baltimore City	MD	1989	M	103,683
9690 Deereco Road	North Baltimore County	MD	1988	M	133,702
375 West Padonia Road	North Baltimore County	MD	1986	M	100,804
9140 Route 108	Howard County Perimeter	MD	1974/1985	S	150,000
6716 Alexander Bell Drive	Howard County Perimeter	MD	1990	M	52,002
6740 Alexander Bell Drive	Howard County Perimeter	MD	1992	M	61,878
6750 Alexander Bell Drive	Howard County Perimeter	MD	2001	M	78,460
6760 Alexander Bell Drive	Howard County Perimeter	MD	1991	M	37,248
6940 Columbia Gateway Drive	Howard County Perimeter	MD	1999	M	108,737
6950 Columbia Gateway Drive	Howard County Perimeter	MD	1998	M	107,778
6731 Columbia Gateway Drive	Howard County Perimeter	MD		M	
122,889					
Montpelier Research Phase I (1)	Howard County Perimeter	MD		M	
44,000					
Robert Fulton Drive - Phase I (1)	Howard County Perimeter	MD		M	
144,350					
7200 Riverwood Drive	Howard County Perimeter	MD	1986	S	160,000
8815 Centre Park Drive	Howard County Perimeter	MD	1987	M	53,782
14502 Greenview Drive	Laurel	MD	1988	M	71,873
14504 Greenview Drive	Laurel	MD	1985	M	69,194
6009 - 6011 Oxon Hill Road	Southern Prince George's County	MD	1990	M	181,768

-----					
	# OF OPERATING BUILDINGS:	55	----		
	TOTAL BALTIMORE / WASHINGTON CORRIDOR:				4,258,610
679,239					-----
-----					
</TABLE>					

(1) This property is owned through a joint venture.

<TABLE>  
<CAPTION>

ANTICIPATED			SINGLE		
RENTABLE SQUARE		STORY (S) OR		RENTABLE	
FEET -		YEAR BUILT		MULTI-STORY	
DEVELOPMENT		OR RENOVATED		SQUARE	
SUBMARKET		STATE		(M)	
FEET		FEET		FEET	
<S>		<C>		<C>	
OFFICE PROPERTIES		<C>		<C>	
GREATER PHILADELPHIA		<C>		<C>	
751 Jolly Road	Blue Bell	PA	1966/1991	M	112,958
753 Jolly Road	Blue Bell	PA	1960/1992-94	M	419,472
760 Jolly Road	Blue Bell	PA	1974/1994	M	208,854
785 Jolly Road	Blue Bell	PA	1970/1996	M	219,065
# OF OPERATING BUILDINGS:		4			
TOTAL GREATER PHILADELPHIA:				960,349	
GREATER HARRISBURG					
2601 Market Place	East Shore	PA	1989	M	67,743
2605 Interstate Drive	East Shore	PA	1990	M	84,268
6375 Flank Drive	East Shore	PA	2000	S	19,783
6385 Flank Drive	East Shore	PA	1995	S	32,800
75 Shannon Road	East Shore	PA	1999	S	20,887
85 Shannon Road	East Shore	PA	1999	S	12,863
95 Shannon Road	East Shore	PA	1999	S	21,976
6340 Flank Drive	East Shore	PA	1988	S	68,200
6345 Flank Drive	East Shore	PA	1989	S	69,443
6360 Flank Drive	East Shore	PA	1988	S	46,500
6380 Flank Drive	East Shore	PA	1991	S	32,000
6400 Flank Drive	East Shore	PA	1992	S	52,439
6405 Flank Drive	East Shore	PA	1991	S	32,000
5035 Ritter Road	West Shore	PA	1988	S	56,556
5070 Ritter Road -Building A	West Shore	PA	1989	S	32,000
5070 Ritter Road - Building B	West Shore	PA	1989	S	28,000
# OF OPERATING BUILDINGS:		16			
TOTAL GREATER HARRISBURG:				677,458	
NORTHERN/CENTRAL NEW JERSEY					
101 Interchange Plaza	Exit 8A -- Cranbury	NJ	1985	M	43,749
104 Interchange Plaza	Exit 8A -- Cranbury	NJ	1990	M	47,677
19 Commerce	Exit 8A -- Cranbury	NJ	1989	S	65,277
2 Centre Drive	Exit 8A -- Cranbury	NJ	1989	S	16,132
429 Ridge Road	Exit 8A -- Cranbury	NJ	1966/1996	M	142,385
431 Ridge Road	Exit 8A -- Cranbury	NJ	1958/1998	S	170,000
437 Ridge Road	Exit 8A -- Cranbury	NJ	1962/1996	S	30,000
47 Commerce	Exit 8A -- Cranbury	NJ	1992/1998	S	41,398
7 Centre Drive	Exit 8A -- Cranbury	NJ	1989	S	19,466
8 Centre Drive	Exit 8A -- Cranbury	NJ	1986	S	16,199
68 Culver Road	Exit 8A -- Cranbury	NJ	2000	M	57,280
4301 Route 1	Monmouth Junction	NJ	1986	M	61,300
695 Route 46	Wayne	NJ	1990	M	157,394
710 Route 46	Wayne	NJ	1985	M	101,791
# OF OPERATING BUILDINGS:		14			
TOTAL NORTHERN / CENTRAL NEW JERSEY:				970,048	
TOTAL OFFICE PROPERTIES		# OF OPERATING BUILDINGS:		89	
679,239				6,866,465	
RETAIL PROPERTIES					
114 National Business Parkway	BWI Airport	MD		S	-

10,000			
-----			-----
	# OF OPERATING BUILDINGS:	0	
		----	
TOTAL RETAIL PROPERTIES			-
10,000			
-----			-----
TOTAL PORTFOLIO	# OF OPERATING BUILDINGS:	89	6,866,465
689,239		----	=====
=====			
</TABLE>			

16

PROPERTY OCCUPANCY RATES BY REGION BY QUARTER

<TABLE> <CAPTION>							
TOTAL PORTFOLIO	OFFICE						
	GREATER	BALTIMORE /	NORTHERN /	GREATER	TOTAL		
	PHILADELPHIA	WASHINGTON	CENTRAL	HARRISBURG	OFFICE	RETAIL	
	-----	-----	-----	-----	-----	-----	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
MARCH 31, 2001							
=====							
Number of Buildings	4	55	14	16	89	0	
89							
Rentable Square Feet	960,349	4,258,610	970,048	677,458	6,866,465	-	
6,866,465							
Percent Occupied	100.00%	97.76%	94.03%	91.75%	96.95%	0%	
96.95%							
DECEMBER 31, 2000							
=====							
Number of Buildings	4	49	14	16	83	0	
83							
Rentable Square Feet	960,349	3,864,766	970,048	677,468	6,472,631	-	
6,472,631							
Percent Occupied	100.00%	97.84%	93.07%	93.86%	97.03%	0%	
97.03%							
SEPTEMBER 30, 2000							
=====							
Number of Buildings	4	47	15	15	81	1	
82							
Rentable Square Feet	960,349	3,594,058	990,385	657,685	6,202,477	149,191	
6,351,668							
Percent Occupied	100.00%	97.79%	96.08%	92.82%	97.33%	97.04%	
97.33%							
JUNE 30, 2000							
=====							
Number of Buildings	4	47	15	15	81	1	
82							
Rentable Square Feet	960,349	3,595,118	990,808	657,685	6,203,960	149,191	
6,353,151							
Percent Occupied	100.00%	97.38%	92.15%	94.47%	96.64%	97.41%	
96.66%							
MARCH 31, 2000							
=====							
Number of Buildings	4	44	14	15	77	2	
79							
Rentable Square Feet	960,349	3,333,590	934,059	657,685	5,885,683	195,325	
6,081,008							
Percent Occupied	100.00%	98.20%	92.94%	94.70%	97.27%	96.79%	
97.26%							
</TABLE>							

17

TOP TWENTY OFFICE TENANTS AS OF MARCH 31, 2001  
(DOLLARS AND SQUARE FEET IN THOUSANDS)

<TABLE>  
<CAPTION>

WEIGHTED AVERAGE RENTAL TENANT LEASE TERM (2)		TOTAL NUMBER OF LEASES	TOTAL OCCUPIED SQUARE FEET	PERCENTAGE OF TOTAL OCCUPIED SQUARE FEET	TOTAL RENTAL REVENUE (1)	PERCENTAGE OF TOTAL RENTAL REVENUE
		-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>
United States of America 4.8	(3)	19	960	14.5%	\$16,675	14.9%
AT&T Local Services 7.5	(4), (5)	6	415	6.3%	7,645	6.8%
Unisys 8.3	(6)	3	741	11.2%	7,297	6.5%
Ciena Corporation 4.2		5	298	4.5%	3,791	3.4%
Magellan Behavioral Health, Inc. 2.8		2	151	2.3%	3,259	2.9%
Booz Allen Hamilton 2.8		4	129	1.9%	2,456	2.2%
Merck & Co., Inc. 8.3	(6)	1	219	3.3%	2,193	2.0%
General Dynamics Government Corp. 9.6		2	94	1.4%	2,187	2.0%
Bookham Technology, Inc. 6.8		1	150	2.3%	1,870	1.7%
Commonwealth of Pennsylvania 2.3	(4)	7	145	2.2%	1,786	1.6%
Johns Hopkins University 5.5	(4)	3	80	1.2%	1,696	1.5%
Sun Microsystems, Inc. 4.8		2	61	0.9%	1,403	1.3%
Credit Management Solutions, Inc. 7.7		1	71	1.1%	1,380	1.2%
The Associated Press 14.3		1	65	1.0%	1,347	1.2%
Ameritrade Holding Corporation 9.3		1	62	0.9%	1,304	1.2%
Deutsche Banc Alex. Brown 3.2		1	84	1.3%	1,278	1.1%
Mentor Technologies 2.0		1	60	0.9%	1,275	1.1%
Raytheon E-Systems 2.2	(4)	3	65	1.0%	1,189	1.1%
Computer Sciences Corporation 1.1		1	55	0.8%	1,174	1.1%
Aerotek, Inc. 1.6		3	67	1.0%	1,089	1.0%
		----	-----	-----	-----	-----
SUBTOTAL TOP 20 OFFICE TENANTS 5.7		67	3,972	60.0%	62,294	55.8%
All remaining tenants 3.4		355	2,660	40.0%	49,321	44.2%
		----	-----	-----	-----	-----
Total/Weighted Average 4.7		422	6,632	100.0%	\$111,615	100.0%
		=====	=====	=====	=====	=====

</TABLE>

- (1) Total Rental Revenue is the monthly contractual base rent as of March 31, 2001 multiplied by 12 plus the estimated annualized expense reimbursements under existing office leases.
- (2) The weighting of the lease term was computed using Total Rental Revenue.
- (3) Many of our government leases are subject to early termination provisions which are customary to government leases. The weighted average remaining lease term was computed assuming no exercise of such early termination rights.
- (4) Includes affiliated organizations or agencies.
- (5) AT&T Local Services subleases 173,072 square feet under 2 leases which expire March 30, 2002. Effective April 1, 2002, this same 173,072 square feet will become directly leased by AT&T Local Services with expiration dates ranging from 2006 and 2009. The above weighted average lease term reflects the expiration date of these direct leases.
- (6) Merck & Co., Inc. subleases 219,065 rentable square feet from Unisys' 960,349 leased rentable square feet.



TOTAL RENTAL REVENUE BY GEOGRAPHIC REGION BY QUARTER (1)  
(DOLLARS IN THOUSANDS)

<TABLE>  
<CAPTION>

	2001	2000			
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30	MARCH 31
<S>	<C>	<C>	<C>	<C>	<C>
OFFICE PROPERTIES:					
Greater Philadelphia	\$ 2,506	\$ 2,506	\$ 2,506	\$ 2,506	\$ 2,506
Baltimore/Washington Corridor	18,573	17,224	17,197	16,297	15,830
Northern/Central New Jersey	4,922	5,311	5,326	4,969	4,706
Greater Harrisburg	2,789	2,271	2,228	2,275	2,395
	-----	-----	-----	-----	-----
Total Office Properties	28,790	27,312	27,257	26,047	25,437
	-----	-----	-----	-----	-----
RETAIL PROPERTIES:					
Total Retail Properties	-	72	261	279	281
	-----	-----	-----	-----	-----
TOTAL REGIONAL RENTAL REVENUE	\$ 28,790	\$ 27,384	\$ 27,518	\$ 26,326	\$ 25,718
	=====	=====	=====	=====	=====

</TABLE>

- (1) Rental revenue represents GAAP revenue including operating expense reimbursements, straight line rent adjustments and tenant services income.

NET OPERATING INCOME BY GEOGRAPHIC REGION BY QUARTER  
(DOLLARS IN THOUSANDS)

<TABLE>  
<CAPTION>

	2001	2000		
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30
<S>	<C>	<C>	<C>	<C>
OFFICE PROPERTIES:				
Greater Philadelphia	\$ 2,486	\$ 2,481	\$ 2,482	\$ 2,482
\$ 2,477				
Baltimore/Washington Corridor	12,614	11,571	11,664	11,528
10,681				
Northern/Central New Jersey	3,028	3,418	3,458	3,014
2,920				
Greater Harrisburg	2,195	1,718	1,683	1,645
1,812				
	-----	-----	-----	-----
Total Office Properties	20,323	19,188	19,287	18,669
17,890				
	-----	-----	-----	-----
RETAIL PROPERTIES:				
Total Retail Properties	-	55	179	222
220				
	-----	-----	-----	-----
TOTAL REGIONAL NOI	\$ 20,323	\$ 19,243	\$ 19,466	\$ 18,891
\$ 18,110				
	=====	=====	=====	=====
Other income / expenses, net	912	1,293	523	89
143				
	-----	-----	-----	-----

TOTAL NOI	\$ 21,235	\$ 20,536	\$ 19,989	\$ 18,980
\$ 18,253	=====	=====	=====	=====
=====				

19

SAME OFFICE PROPERTY CASH NET OPERATING INCOME BY QUARTER (1)  
(DOLLARS IN THOUSANDS)

	2001	2000		
	-----	-----	-----	-----
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30
	-----	-----	-----	-----
MARCH 31				
<S>	<C>	<C>	<C>	<C>
<C>				
OFFICE PROPERTIES: (2)				
Greater Philadelphia	\$ 2,352	\$ 2,348	\$ 2,348	\$ 2,302
\$ 2,297				
Baltimore / Washington Corridor	10,295	10,244	9,957	10,743
9,861				
Northern / Central New Jersey	2,656	2,822	2,807	2,357
2,847				
Greater Harrisburg	1,681	1,639	1,644	1,595
1,637				
	-----	-----	-----	-----
TOTAL OFFICE PROPERTIES	\$ 16,984	\$ 17,053	\$ 16,756	\$ 16,997
\$ 16,642	=====	=====	=====	=====
=====				

SAME OFFICE PROPERTY GAAP NET OPERATING INCOME BY QUARTER (1)  
(DOLLARS IN THOUSANDS)

	2001	2000		
	-----	-----	-----	-----
	MARCH 31	DECEMBER 31	SEPTEMBER 30	JUNE 30
	-----	-----	-----	-----
MARCH 31				
<S>	<C>	<C>	<C>	<C>
<C>				
OFFICE PROPERTIES: (2)				
Greater Philadelphia	\$ 2,486	\$ 2,481	\$ 2,482	\$ 2,482
\$ 2,477				
Baltimore / Washington Corridor	10,567	10,468	10,450	11,127
10,266				
Northern / Central New Jersey	2,810	3,056	2,942	2,409
2,919				
Greater Harrisburg	1,713	1,676	1,681	1,643
1,722				
	-----	-----	-----	-----
TOTAL OFFICE PROPERTIES	\$ 17,576	\$ 17,681	\$ 17,555	\$ 17,661
\$ 17,384	=====	=====	=====	=====
=====				

(1) Net operating income for same office properties has been presented on a GAAP basis and a modified cash basis which removes the effect of straight-line rents from the GAAP net operating income.

(2) Same office properties include buildings owned for a minimum of five reporting quarters.

## OFFICE LEASE EXPIRATION ANALYSIS BY YEAR

<TABLE>  
<CAPTION>

Total Rental				Total Rental	Percentage
Revenue of		Square		Revenue of	of Total
Year of	Number	Footage	Percentage of	Expiring	Rental
Expiring Leases	of Leases	of Leases	Total Occupied	Leases (2)	Revenue
per Occupied	Expiring	Expiring	Square Feet		Expiring
Expiration (1)					
Square Foot					
-----	-----	-----	-----	-----	-----
				(\$000s)	
<S>	<C>	<C>	<C>	<C>	<C>
<C>					
2001	67	406,401	6.1%	\$6,866	6.2%
\$16.89					
2002	89	998,595	15.1%	17,028	15.3%
17.05					
2003	91	871,867	13.2%	15,998	14.3%
18.35					
2004	54	624,342	9.4%	11,774	10.6%
18.86					
2005	62	696,323	10.5%	13,285	11.9%
19.08					
2006	21	400,409	6.0%	7,197	6.4%
17.97					
2007	7	267,227	4.0%	3,907	3.5%
14.62					
2008	10	702,622	10.6%	12,505	11.2%
17.80					
2009	11	1,209,213	18.2%	13,509	12.1%
11.17					
2010	9	389,475	5.9%	8,200	7.3%
21.05					
2015	1	65,277	1.0%	1,347	1.2%
20.64					
	---	-----	-----	-----	-----
TOTAL/WEIGHTED AVERAGE	422	6,631,751	100.0%	\$111,616	100.0%
\$17.34	===	=====	=====	=====	=====

</TABLE>

NOTE: As of March 31, 2001, the weighted average lease term is 4.7 years.

(1) Many of our government leases are subject to certain early termination provisions which are customary to government leases. The year of lease expiration was computed assuming no exercise of such early termination rights.

(2) Total Rental Revenue is the monthly contractual base rent as of March 31, 2001 multiplied by 12 plus the estimated annualized expense reimbursements under existing office leases.

## QUARTERLY OFFICE RENEWAL ANALYSIS

<TABLE>  
<CAPTION>

TOTAL	GREATER	BALTIMORE/	NORTHERN/	GREATER
OFFICE	PHILADELPHIA	WASHINGTON	CENTRAL	HARRISBURG
	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
<C>				
QUARTER ENDED MARCH 31, 2001:				
Expiring Square Feet	-	80,677	1,510	4,000
86,187				
Vacated Square Feet	-	1,215	-	-
1,215				
Renewed Square Feet	-	79,462	1,510	4,000

84,972				
Retention Rate (% based upon square feet)	0.00%	98.49%	100.00%	100.00%
98.59%				
RENEWAL & RETENANTED SPACE:				
Increase in Base Rent - Straight-line	0.00%	23.01%	2.78%	-28.63%
20.44%				
Increase in Total Rent - Straight-line	0.00%	20.31%	2.03%	-18.63%
18.20%				
Increase in Base Rent - Cash	0.00%	15.15%	2.78%	-30.74%
12.95%				
Increase in Total Rent - Cash	0.00%	12.84%	2.03%	-20.55%
11.12%				
Average Capital Cost per Square Foot	\$ -	\$ 7.20	\$ 0.42	\$ 1.52
\$ 6.88				
QUARTER ENDED DECEMBER 31, 2000:				
Expiring Square Feet	-	75,372	3,174	6,623
85,169				
Vacated Square Feet	-	29,132	-	-
29,132				
Renewed Square Feet	-	46,240	3,174	6,623
56,037				
Retention Rate (% based upon square feet)	0.00%	61.35%	100.00%	100.00%
65.80%				
RENEWAL & RETENANTED SPACE:				
Increase in Base Rent - Straight-line	0.00%	24.55%	21.47%	-17.49%
17.74%				
Increase in Total Rent - Straight-line	0.00%	15.08%	11.19%	-9.98%
10.57%				
Increase in Base Rent - Cash	0.00%	18.45%	20.00%	-18.85%
13.19%				
Increase in Total Rent - Cash	0.00%	9.73%	10.01%	-11.15%
6.66%				
Average Capital Cost per Square Foot	\$ -	\$ 10.27	\$ 17.92	\$ 1.10
\$ 9.720				
QUARTER ENDED SEPTEMBER 30, 2000:				
Expiring Square Feet	-	186,061	116,771	6,757
309,589				
Vacated Square Feet	-	50,043	40,094	6,757
96,894				
Renewed Square Feet	-	136,018	76,677	-
212,695				
Retention Rate (% based upon square feet)	0.00%	73.10%	65.66%	0.00%
68.70%				
RENEWAL & RETENANTED SPACE:				
Increase in Base Rent - Straight-line	0.00%	6.31%	32.53%	0.00%
14.75%				
Increase in Total Rent - Straight-line	0.00%	4.24%	20.06%	0.00%
9.74%				
Increase in Base Rent - Cash	0.00%	3.45%	13.01%	0.00%
6.52%				
Increase in Total Rent - Cash	0.00%	1.44%	2.97%	0.00%
1.97%				
Average Capital Cost per Square Foot	\$ -	\$ 5.32	\$ 27.35	\$ -
\$ 12.57				

</TABLE>

<TABLE>  
<CAPTION>

	GREATER	BALTIMORE/ WASHINGTON	NORTHERN/ CENTRAL	GREATER
TOTAL	PHILADELPHIA	CORRIDOR	NEW JERSEY	HARRISBURG
OFFICE	-----	-----	-----	-----

-----				
<S>	<C>	<C>	<C>	<C>
<C>				
QUARTER ENDED JUNE 30, 2000:				
Expiring Square Feet 105,080	--	71,275	10,322	23,483
Vacated Square Feet 38,564	--	34,644	--	3,920
Renewed Square Feet 66,516	--	36,631	10,322	19,563
Retention Rate (% based upon square feet) 63.30%	0.00%	51.39%	100.00%	83.31%

RENEWAL & RETENANTED SPACE:

Increase in Base Rent - Straight-line 17.03%	0.00%	18.79%	15.87%	4.15%
Increase in Total Rent - Straight-line 11.05%	0.00%	14.10%	4.75%	3.69%
Increase in Base Rent - Cash 13.14%	0.00%	13.92%	14.87%	0.78%
Increase in Total Rent - Cash 7.33%	0.00%	9.43%	3.42%	0.38%
Average Capital Cost per Square Foot 9.85	\$ --	7.40	19.95	4.58

QUARTER ENDED MARCH 31, 2000:

Expiring Square Feet 201,462	--	150,631	21,708	29,123
Vacated Square Feet 48,818	--	39,335	2,783	6,700
Renewed Square Feet 152,644	--	111,296	18,925	22,423
Retention Rate (% based upon square feet) 75.77%	0.00%	73.89%	87.18%	76.99%

RENEWAL & RETENANTED SPACE:

Increase in Base Rent - Straight-line 14.06%	0.00%	14.11%	12.66%	15.09%
Increase in Total Rent - Straight-line 10.63%	0.00%	10.72%	7.59%	14.06%
Increase in Base Rent - Cash 12.38%	0.00%	12.14%	12.09%	14.66%
Increase in Total Rent - Cash 9.05%	0.00%	8.81%	7.17%	13.64%
Average Capital Cost per Square Foot 3.84	\$ --	4.25	1.46	3.24

</TABLE>

ACQUISITION SUMMARY AS OF MARCH 31, 2001  
(Dollars in Thousands)

<TABLE> <CAPTION>						
2001			OCCUPIED SQ.	OCCUPANCY	MARCH 31,	
INVESTMENT (1)	SUBMARKET	ACQUISITION DATE	SQUARE FEET	FT. AT ACQUISITION	PERCENTAGE AT ACQUISITION	OCCUPANCY PERCENTAGE
-----	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>
<C>						
JOINT VENTURE PORTFOLIO (2)						
920 Elkridge Landing Road \$ 10,939	BWI Airport	3/21/2001	96,566	96,566	100.0%	100.0%
938 Elkridge Landing Road 5,941	BWI Airport	3/21/2001	52,988	52,988	100.0%	100.0%

940 Elkridge Landing Road 4,904	BWI Airport	3/21/2001	51,704	51,704	100.0%	100.0%
891 Elkridge Landing Road 6,129	BWI Airport	3/21/2001	56,489	56,489	100.0%	100.0%
901 Elkridge Landing Road 5,705	BWI Airport	3/21/2001	56,847	50,155	88.2%	88.2%
-----						
TOTAL			314,594	307,902	97.9%	97.9%
\$ 33,618						
=====						

- (1) Initial investment recorded by property as of March 31, 2001 for asset purchase.
- (2) We hold a 40% ownership interest in these office properties through a joint venture agreement.

NOTE: COPT classifies its acquisitions by type -- entity, portfolio or individual acquisitions. Entity acquisitions are defined as mergers of significant portfolios of \$100 + million with strong management organizations and a regional presence.

24

# DEVELOPMENT SUMMARY AS OF MARCH 31, 2001

(DOLLARS IN THOUSANDS EXCEPT PER SQUARE  
FOOT DATA)

<TABLE>  
<CAPTION>

ANTICIPATED STABILIZATION/ PROPERTY AND LOCATION DELIVERY	SUBMARKET	RENTABLE SQUARE FEET	PERCENTAGE PRE - LEASED OR COMMITTED	ANTICIPATED COST PER RENTABLE SQUARE FOOT	ANTICIPATED COST	COST TO DATE
-----	-----	----	-----	-----	----	-----
<S>	<C> <C>	<C>	<C>	<C>	<C>	<C>
<C>						
UNDER CONSTRUCTION						
Montpelier Research Phase I Columbia, Maryland June 2001	(1) Howard County Perimeter	44,000	100.00%	\$ 114	\$ 5,008	\$ 4,477
2701 Phoenix Road (201 NBP) Annapolis Junction, MD September 2001	(2) BWI Airport	118,000	51.91%	155	18,313	8,756
1304 Concourse Drive Linthicum, MD October 2001	(3) BWI Airport	100,000	0.00%	166	16,572	9,129
6731 Columbia Gateway Drive Columbia, Maryland December 2001	(4) Howard County Perimeter	122,889	0.00%	176	21,613	9,446
2711 Phoenix Road (211 NBP) Annapolis Junction, MD March 2002	(5) BWI Airport	150,000	100.00%	174	26,135	5,630
---						
TOTAL UNDER CONSTRUCTION:		534,889	47.72%	\$ 164	\$ 87,641	\$ 37,438
---						

## UNDER DEVELOPMENT

Robert Fulton Drive - Phase I October 2001 Columbia, Maryland	(6) Howard County Perimeter	144,350	0.00%	116	16,704	5,648
114 National Business Parkway Annapolis Junction, MD	BWI Airport	10,000	100.00%	164	1,644	586

December 2001

--

TOTAL UNDER DEVELOPMENT:

-----  
154,350      6.48%      \$ 119      \$ 18,348      \$ 6,234  
-----

--

TOTAL / AVERAGE

689,239      38.48%      \$ 154      \$ 105,989      \$ 43,672  
=====

</TABLE>

- (1) Effective January 16, 2001, we formed a joint venture to develop and construct an office building in two phases. Phase I consists of a 44,000 square foot office building, 100% leased to Johns Hopkins University and is being funded with a \$4,400 construction loan of which \$3,650 is outstanding as of March 31, 2001. Phase II represents a planned 19,000 square foot office building not yet under development.
- (2) On September 29, 2000, we contributed this development asset into a joint venture. The joint venture obtained a \$13,725 construction loan in October 2000 and \$1,667 is outstanding as of March 31, 2001.
- (3) We obtained a \$11,800 construction loan and \$3,623 is outstanding as of March 31, 2001.
- (4) We obtained a \$15,750 construction loan. No draws have been made as of March 31, 2001.
- (5) On December 15, 2000, we contributed this development asset into a joint venture. The joint venture has obtained a \$20,550 construction loan commitment. No draws have been made as of March 31, 2001.
- (6) We participate in the development of this asset through a joint venture arrangement. The joint venture has obtained a \$14,000 construction loan and has borrowed \$2,486 as of March 31, 2001.