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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

Date of report (Date of earliest event reported) November 5, 2007 (November 2, 2007)

**CORPORATE OFFICE PROPERTIES TRUST**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction of incorporation)

**1-14023**  
(Commission  
File Number)

**23-2947217**  
(IRS Employer  
Identification Number)

**6711 Columbia Gateway Drive, Suite 300**  
**Columbia, Maryland 21046**  
(Address of principal executive offices)

**(443) 285-5400**  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01 Entry into a Material Definitive Agreement.**

On November 2, 2007, Corporate Office Properties Trust (the "Registrant"), the General Partner of Corporate Office Properties, L.P. (the "Operating Partnership"), entered into the Twenty-Fourth Amendment (the "Amendment") to the Second Amended and Restated Limited Partnership Agreement (as so amended, the "Partnership Agreement") of Corporate Office Properties, L.P. The Amendment, which is attached hereto as Exhibit 10.1, was entered into in connection with the transfer by one unit holder of an aggregate of 148,381 common units in the Operating Partnership to new unitholders. Other than to reflect the admission of such entity into the Operating Partnership, the Amendment contains no substantive terms.

**Item 2.02. Results of Operations and Financial Condition**

In connection with its release of earnings on November 5, 2007, the Registrant is making available certain additional information pertaining to its properties and operations as of and for the period ended September 30, 2007. This information is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

The information included herein, including the exhibits, shall not be deemed "filed" for any purpose, including the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or subject to liabilities of that Section. The information included herein, including the exhibits, shall also not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act regardless of any general incorporation language in such filing.

The Registrant uses non-GAAP financial measures in earnings press releases and information furnished to the Securities and Exchange Commission. The Registrant believes that these measures are helpful to investors in measuring its performance and comparing such performance to other real estate investment trusts ("REITs"). Descriptions of these measures are set forth below.

Earnings per diluted share ("diluted EPS"), as adjusted for issuance costs associated with redeemed preferred shares

This measure is defined as diluted EPS adjusted to eliminate an accounting charge for original issuance costs associated with the redemption of preferred shares of beneficial interest ("preferred shares"). The accounting charge pertains to a restructuring of the Company's equity and is not indicative of normal operations. As such, the Registrant believes that a measure that excludes the accounting charge is a useful supplemental measure in evaluating its operating performance. The Registrant believes that diluted EPS is the most comparable GAAP measure to this measure. A material limitation to this measure is that it does not reflect the effect of preferred share redemptions in accordance with GAAP; the Registrant compensates for this limitation by using diluted EPS and then supplementing its evaluation of that measure with the use of the non-GAAP measure.

#### Funds from operations (“FFO”)

Funds from operations (“FFO”) is defined as net income computed using GAAP, excluding gains (or losses) from sales of real estate, plus real estate-related depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. Gains from sales of newly-developed properties less accumulated depreciation, if any, required under GAAP are included in FFO on the basis that development services are the primary revenue generating activity; the

2

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Registrant believes that inclusion of these development gains is in accordance with the National Association of Real Estate Investment Trusts’ (“NAREIT”) definition of FFO, although others may interpret the definition differently.

Accounting for real estate assets using historical cost accounting under GAAP assumes that the value of real estate assets diminishes predictably over time. NAREIT stated in its April 2002 White Paper on Funds from Operations that “since real estate asset values have historically risen or fallen with market conditions, many industry investors have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient by themselves.” As a result, the concept of FFO was created by NAREIT for the REIT industry to “address this problem.” The Registrant agrees with the concept of FFO and believes that FFO is useful to management and investors as a supplemental measure of operating performance because, by excluding gains and losses related to sales of previously depreciated operating real estate properties and excluding real estate-related depreciation and amortization, FFO can help one compare the Registrant’s operating performance between periods. In addition, since most equity REITs provide FFO information to the investment community, the Registrant believes that FFO is useful to investors as a supplemental measure for comparing its results to those of other equity REITs. The Registrant believes that net income is the most directly comparable GAAP measure to FFO.

Since FFO excludes certain items includable in net income, reliance on the measure has limitations; management compensates for these limitations by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. FFO is not necessarily an indication of the Registrant’s cash flow available to fund cash needs. Additionally, it should not be used as an alternative to net income when evaluating the Registrant’s financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant’s liquidity or ability to make cash distributions or pay debt service. The FFO presented by the Registrant may not be comparable to the FFO presented by other REITs since they may interpret the current NAREIT definition of FFO differently or they may not use the current NAREIT definition of FFO.

#### Funds from operations-Basic (“Basic FFO”)

Basic FFO is FFO adjusted to (1) subtract preferred share dividends and (2) add back GAAP net income allocated to common units in Corporate Office Properties, L.P. (the “Operating Partnership”) not owned by the Registrant. With these adjustments, Basic FFO represents FFO available to common shareholders and common unitholders. Common units in the Operating Partnership are substantially similar to common shares of beneficial interest in the Registrant (“common shares”); common units in the Operating Partnership are also exchangeable into common shares, subject to certain conditions. The Registrant believes that Basic FFO is useful to investors due to the close correlation of common units to common shares. The Registrant believes that net income is the most directly comparable GAAP measure to Basic FFO. Basic FFO has essentially the same limitations as FFO; management compensates for these limitations in essentially the same manner as described above for FFO.

#### FFO per diluted share (“Diluted FFO per share”)

Diluted FFO per share is (1) Basic FFO adjusted to add back any convertible preferred share dividends and any other changes in Basic FFO that would result from the assumed conversion of securities that are convertible or exchangeable into common shares divided by (2) the sum of the (a) weighted average common shares outstanding during a period, (b) weighted average common units outstanding during a period and (c) weighted average number of potential additional common shares that would have been outstanding during a period if other securities that are

3

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convertible or exchangeable into common shares were converted or exchanged. However, the computation of Diluted FFO per share does not assume conversion of securities that are convertible into common shares if the conversion of those securities would increase Diluted FFO per share in a given period. The Registrant believes that Diluted FFO per share is useful to investors because it provides investors with a further context for evaluating its FFO results in the same manner that investors use earnings per share in evaluating net income available to common shareholders. In addition, since most equity REITs provide Diluted FFO per share information to the investment community, the Registrant believes Diluted FFO per share is a useful supplemental measure for comparing the Registrant to other equity REITs. The Registrant believes that diluted EPS is the most directly comparable GAAP measure to Diluted FFO per share. Diluted FFO per share has most of the same limitations as Diluted FFO (described below); management compensates for these limitations in essentially the same manner as described below for Diluted FFO.

#### Funds from operations-diluted (“Diluted FFO”)

Diluted FFO is Basic FFO adjusted to add back any convertible preferred share dividends and any other changes in Basic FFO that would result from the assumed conversion of securities that are convertible or exchangeable into common shares. However, the computation of Diluted FFO does not assume conversion of securities that are convertible into common shares if the conversion of those securities would increase Diluted FFO per share in a given period. The Registrant believes that Diluted FFO is useful to investors because it is the numerator used to compute Diluted FFO per share. In addition, since most equity REITs provide Diluted FFO information to the investment community, the Registrant believes Diluted FFO is a useful supplemental measure for comparing the Registrant to other equity REITs. The Registrant believes that the numerator to diluted EPS is the most directly comparable GAAP measure to Diluted FFO. Since Diluted FFO excludes certain items includable in the numerator to diluted EPS, reliance on the measure has limitations; management compensates for these limitations by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. Diluted FFO is not necessarily an indication of the Registrant’s cash flow available to fund cash needs. Additionally, it should not be used as an alternative to net income when evaluating the Registrant’s financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant’s liquidity or ability to make cash distributions or pay debt service. The Diluted FFO presented by the Registrant may not be comparable to the Diluted FFO presented by other REITs.

#### FFO-diluted, as adjusted for issuance costs associated with redeemed preferred shares

This measure is defined as Diluted FFO adjusted to eliminate an accounting charge for original issuance costs associated with the redemption of preferred shares of beneficial interest. The accounting charge pertains to a restructuring of the Company’s equity and is not indicative of normal operations. As such, the Registrant believes that a measure that excludes the accounting charge is a useful supplemental measure in evaluating its operating performance. The Registrant believes that the numerator to diluted EPS is the most directly comparable GAAP measure to this non-GAAP measure. Diluted FFO, as adjusted for issuance costs associated with redeemed preferred shares, has essentially the same limitations as Diluted FFO, as well as the further limitation of not reflecting the effect of the preferred share redemption in accordance with GAAP; management compensates for these limitations in essentially the same manner as described above for Diluted FFO.

#### FFO per diluted share, as adjusted for issuance costs associated with redeemed preferred shares

This measure is defined as (1) Diluted FFO adjusted to eliminate an accounting charge for original issuance costs associated with the redemption of preferred shares of beneficial interest

divided by (2) the sum of the (a) weighted average common shares outstanding during a period, (b) weighted average common units outstanding during a period and (c) weighted average number of potential additional common shares that would have been outstanding during a period if other securities that are convertible or exchangeable into common shares were converted or exchanged. However, the computation of the denominator for this measure does not assume conversion of securities that are convertible into common shares if the conversion of those securities would increase the measure in a given period. The accounting charge pertains to a restructuring of the Company's equity and is not indicative of normal operations. As such, the Registrant believes that a measure that excludes the accounting charge is a useful supplemental measure in evaluating its operating performance. The Registrant believes that diluted EPS is the most directly comparable GAAP measure. This measure has most of the same limitations as Diluted FFO (described above), as well as the further limitation of not reflecting the effect of the preferred share redemption in accordance with GAAP; management compensates for these limitations in essentially the same manner as described above for Diluted FFO.

#### Adjusted funds from operations-diluted ("Diluted AFFO")

Diluted AFFO is Diluted FFO adjusted for the following: (1) the elimination of the effect of (a) noncash rental revenues (comprised of straight-line rental adjustments, which includes the amortization of recurring tenant incentives, and amortization of deferred market rental revenue, both of which are described under "Cash NOI" below) and (b) accounting charges for original issuance costs associated with redeemed preferred shares; and (2) recurring capital expenditures (defined below). The Registrant believes that Diluted AFFO is an important supplemental measure of liquidity for an equity REIT because it provides management and investors with an indication of its ability to incur and service debt and to fund dividends and other cash needs. In addition, since most equity REITs provide Diluted AFFO information to the investment community, the Registrant believes that Diluted AFFO is a useful supplemental measure for comparing the Registrant to other equity REITs. The Registrant believes that the numerator to diluted EPS is the most directly comparable GAAP measure to Diluted AFFO. Since Diluted AFFO excludes certain items includable in the numerator to diluted EPS, reliance on the measure has limitations; management compensates for these limitations by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. In addition, see the discussion below regarding the limitations of recurring capital expenditures, which is used to derive Diluted AFFO. Diluted AFFO is not necessarily an indication of the Registrant's cash flow available to fund cash needs. Additionally, it should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. The Diluted AFFO presented by the Registrant may not be comparable to similar measures presented by other equity REITs.

#### Recurring capital expenditures

Recurring capital expenditures are defined as capital expenditures, tenant improvements and incentives and leasing costs associated with operating properties that are not (1) items contemplated prior to the acquisition of a property, (2) improvements associated with the expansion of a building or its improvements, (3) renovations to a building which change the underlying classification of the building (for example, from industrial to office or Class C office to Class B office) or (4) capital improvements that represent the addition of something new to the property rather than the replacement of something (for example, the addition of a new heating and air conditioning unit that is not replacing one that was previously there). The Registrant believes that recurring capital expenditures is an important measure of performance for a REIT because it provides a measure of the capital expenditures that the Registrant can expect to incur on an ongoing basis, which is significant to how the Registrant manages its business since these

expenditures are funded using cash flow from operations. As a result, the measure provides a further indication of the cash flow from operations that is available to fund other uses. The Registrant believes that tenant improvements and incentives, capital improvements and leasing costs associated with operating properties are the most directly comparable GAAP measures. Recurring capital expenditures do not reflect all capital expenditures incurred by the Registrant for the periods reported; the Registrant compensates for this limitation by also using the comparable GAAP measure. The recurring capital expenditures presented by the Registrant may not be comparable to the recurring capital expenditures presented by other REITs.

#### Combined real estate revenue

Combined real estate revenue is total revenue from real estate operations, including rental revenue and tenant recoveries and other revenue, including discontinued operations. The Registrant uses this measure to evaluate the revenue produced by its real estate properties, including those reported in discontinued operations. The Registrant believes that total revenue is the most directly comparable GAAP measure to combined real estate revenue. Combined real estate revenue excludes other types of revenue earned by the Registrant, including construction contract and other service operations revenues. The measure also includes discontinued operations and, by doing so, does not reflect the overall operating performance of the Registrant's continuing operations. Management compensates for these limitations by evaluating this measure in conjunction with the most directly comparable GAAP measure and other operating statistics involving revenue.

#### Combined net operating income ("Combined NOI")

Combined NOI is combined real estate revenue reduced by total property expenses associated with real estate operations, including discontinued operations; total property expenses, as used in this definition, do not include depreciation, amortization or interest expense associated with real estate operations. The Registrant believes that Combined NOI is an important supplemental measure of operating performance for a REIT's operating real estate because it provides a measure of the core real estate operations, rather than factoring in depreciation and amortization or corporate financing and general and administrative expenses; this measure is particularly useful in the opinion of the Registrant in evaluating the performance of geographic segments, same-office property groupings and individual properties. The Registrant believes that net income is the most directly comparable GAAP measure to Combined NOI. The measure excludes many items that are includable in net income; management compensates for this limitation by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. It should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. Combined NOI presented by the Registrant may not be comparable to Combined NOI presented by other equity REITs that define the measure differently.

#### Cash net operating income ("Cash NOI")

Cash NOI is Combined NOI (defined above) adjusted to eliminate the effects of noncash rental revenues (comprised of straight-line rental adjustments, which includes the amortization of recurring tenant incentives, and amortization of deferred market rental revenue). Under GAAP, rental revenue is recognized evenly over the term of tenant leases. Many leases provide for contractual rent increases and the effect of accounting under GAAP for such leases is to accelerate the recognition of lease revenue. Since some leases provide for periods under the lease in which rental concessions are provided to tenants, the effect of accounting under GAAP is to allocate rental revenue to such periods. Also under GAAP, when a property is acquired, in-place

operating leases carrying rents above or below market are valued as of the date of the acquisition; such value is then amortized into rental revenue over the lives of the related leases.

The Registrant believes that Cash NOI is an important supplemental measure of operating performance for a REIT's operating real estate because it makes adjustments to Combined NOI for revenue that is not associated with cash to the Registrant. As is the case with Combined NOI, the measure is useful in the opinion of the Registrant in evaluating and comparing the performance of geographic segments, same-office property groupings and individual properties, although, since it adjusts for noncash items, it provides management and investors with a further indication of the Registrant's ability to incur and service debt and to fund dividends and other cash needs. The Registrant believes that net income is the most directly comparable GAAP measure to Cash NOI. The measure excludes many items that are includable in net income; management compensates for this limitation by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. It should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. The Cash NOI that the Registrant presents may not be comparable to similar measures presented by other equity REITs.

#### Cash NOI adjusted for lease termination fees

This measure is Cash NOI (defined above) adjusted to eliminate the effects of lease termination fees paid by tenants to terminate their lease obligations prior to the end of the agreed lease terms. Lease termination fees are often recognized as revenue in large one-time lump sum amounts upon the termination of tenant leases. The Registrant believes that Cash NOI adjusted for lease termination fees is a useful supplemental measure of operating performance in evaluating same-office property groupings because it provides a means of evaluating the effect that lease terminations had on the performance of the property groupings. As in the case of Cash NOI, since the measure adjusts for noncash items, it also provides management and investors with a further indication of the Registrant's ability to incur and service debt and to fund dividends and other cash needs. The Registrant believes that net income is the most directly comparable GAAP measure to Cash NOI adjusted for termination fees. The measure has essentially the same limitations as Cash NOI as well as the further limitation of not reflecting the effect of lease termination fees in accordance with GAAP. Management compensates for these limitations by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures.

#### Earnings Before Interest, Income Taxes, Depreciation and Amortization ("EBITDA")

EBITDA is net income adjusted for the effects of interest expense, depreciation and amortization, income taxes and minority interests. The Registrant believes that EBITDA is an important measure of performance for a REIT because it provides a further tool to evaluate the Registrant's ability to incur and service debt and to fund dividends and other cash needs that supplements the previously described non-GAAP measures and to compare the Registrant's operating performance with that of other companies. The Registrant believes that net income is the most directly comparable GAAP measure to EBITDA. EBITDA excludes items that are included in net income, including some that require cash outlays; management compensates for this limitation by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. It should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. Additionally, EBITDA as reported by the Registrant may not be comparable to EBITDA reported by other equity REITs.

7

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#### Interest Coverage Ratio-Combined NOI and Interest Coverage Ratio-EBITDA

These measures divide either combined NOI or EBITDA by interest expense on continuing and discontinued operations. The Registrant believes that these ratios are useful measures in evaluating the relationship of earnings to the total cash flow requirements for interest on loans associated with operating properties and, as such, are important tools in the Registrant's finance policy management.

#### Debt Service Coverage Ratio-Combined NOI and Debt Service Coverage Ratio-EBITDA

These measures divide either combined NOI or EBITDA by the sum of interest expense on continuing and discontinued operations and scheduled principal amortization on mortgage loans for continuing and discontinued operations. The Registrant believes that these ratios are useful measures in evaluating the relationship of earnings to the total cash flow requirements of loans associated with operating properties and, as such, are important tools in the Registrant's finance policy management.

#### Fixed Charge Coverage Ratio-Combined NOI and Fixed Charge Coverage Ratio-EBITDA

These measures divide either combined NOI or EBITDA by the sum of (1) interest expense on continuing and discontinued operations, (2) dividends on preferred shares and (3) distributions on preferred units in the Operating Partnership not owned by the Registrant. The Registrant believes that these ratios are useful measures in evaluating the relationship of earnings to the cash flow requirements of (1) interest expense on loans associated with operating properties and (2) dividends to preferred equity holders and, as such, are important tools in the Registrant's finance policy management.

#### Combined NOI as a Percentage of Combined Real Estate Revenues and EBITDA as a Percentage of Combined Real Estate Revenues

These measures divide either Combined NOI or EBITDA by total real estate revenues from continuing and discontinued operations. The Registrant believes that net income divided by combined real estate revenue is the most directly comparable GAAP measure to these two measures.

#### General and Administrative Expenses as a Percentage of Combined Real Estate Revenue or EBITDA

These measures divide general and administrative expenses by either Combined Real Estate Revenue or EBITDA. The Registrant believes that general and administrative expenses divided by net income is the most directly comparable GAAP measure.

#### Recurring Capital Expenditures as a Percentage of Combined NOI

This measure divides recurring capital expenditures by NOI.

#### FFO Diluted Payout Ratio and AFFO Diluted Payout Ratio

These measures are defined as (1) the sum of (A) dividends on common shares and (B) dividends on common and convertible preferred shares and distributions to holders of interests in the Operating Partnership when such dividends and distributions are included in Diluted FFO and Diluted AFFO divided by (2) either Diluted FFO or Diluted AFFO. The Registrant believes that these ratios are useful to investors as supplemental measures of its ability to make distributions to investors. In addition, since most equity REITs provide these ratios, the Registrant believes they are useful supplemental measures for comparing the Registrant to other equity REITs. The Registrant believes that Earnings Payout Ratio is the most comparable GAAP measure. Earnings Payout Ratio is defined as dividends on common shares divided by net income available to

common shareholders. Since FFO Diluted Payout Ratio and AFFO Diluted Payout Ratio are derived from Diluted FFO and Diluted AFFO, they share the limitations previously discussed for those measures; management compensates for these limitations by using the measures simply as supplemental measures that are weighed in the balance with other GAAP and non-GAAP measures.

Dividend Coverage-FFO Diluted and Dividend Coverage-AFFO Diluted

These measures divide either Diluted FFO or Diluted AFFO by the sum of (1) dividends on common shares and (2) dividends on common and convertible preferred shares and distributions to holders of interests in the Operating Partnership when such dividends and distributions are included in Diluted FFO and Diluted AFFO.

Debt to Undepreciated Book Value of Real Estate Assets

This measure is defined as mortgage loans payable divided by net investment in real estate presented on the Registrant's consolidated balance sheet excluding the effect of accumulated depreciation incurred to date on such real estate. The Registrant believes that the measure of Debt to Undepreciated Real Estate Assets is useful to management and investors as a supplemental measure of its borrowing levels. In addition, since most equity REITs provide Debt to Undepreciated Real Estate Asset information, the Registrant believes Debt to Undepreciated Real Estate Assets is a useful supplemental measure for comparing the Registrant to other equity REITs. The Registrant believes that the measure of Debt to Total Assets, defined as mortgage loans payable divided by total assets, is the most comparable GAAP measure. Debt to Undepreciated Real Estate Assets excludes the effect of accumulated depreciation, other assets and other liabilities; management compensates for these limitations by using the measure simply as a supplemental measure that is weighed with the comparable GAAP measure and other GAAP and non-GAAP measures.

**Item 9.01. Financial Statements and Exhibits**

- (a) Financial Statements of Businesses Acquired  
None
- (b) Pro Forma Financial Information  
None
- (c) Shell Company Transactions  
None
- (d) Exhibits

Exhibit Number	Description
10.1	Twenty-Fourth Amendment to Second Amended and Restated Limited Partnership Agreement of Corporate Office Properties, L.P., dated November 2, 2007.
99.1	Supplemental information dated September 30, 2007 for Corporate Office Properties Trust.

**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: November 5, 2007

CORPORATE OFFICE PROPERTIES TRUST

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

By: /s/ Stephen E. Riffie  
 Name: Stephen E. Riffie  
 Title: Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Exhibit Title
10.1	Twenty-Fourth Amendment to Second Amended and Restated Limited Partnership Agreement of Corporate Office Properties, L.P., dated November 2, 2007.
99.1	Supplemental information dated September 30, 2007 for Corporate Office Properties Trust.

**TWENTY-FOURTH AMENDMENT  
TO  
SECOND AMENDED AND RESTATED  
LIMITED PARTNERSHIP AGREEMENT  
OF  
CORPORATE OFFICE PROPERTIES, L.P.**

This Twenty-Fourth Amendment (the Amendment) to the Second Amended and Restated Limited Partnership Agreement Of Corporate Office Properties, L.P., a Delaware limited partnership (the Partnership), is made and entered into as of November 2, 2007, by the undersigned.

Recitals

A. The Partnership is a limited partnership organized under the Delaware Revised Uniform Limited Partnership Act and governed by that certain Second Amended and Restated Limited Partnership Agreement dated as of December 7, 1999, as amended to the date hereof (as amended, the "Partnership Agreement").

B. The sole general partner of the Partnership is Corporate Office Properties Trust, a real estate investment trust formed under the laws of the State of Maryland (the "General Partner").

C. Pursuant to Section 11.1 (b) (iii), the General Partner desires to amend the Partnership Agreement to reflect the admission, substitution, termination and/or withdrawal of various limited partners in accordance with the terms of the Partnership Agreement.

NOW THEREFORE, the General Partner, intending to be legally bound, hereby amends the Partnership Agreement as follows, effective as of the date first set forth above.

1. Exhibit 1, Schedule of Partners, as attached hereto and by this reference made a part hereof, is hereby substituted for and intended to replace any prior Exhibit 1 attached to a prior Amendment to the Partnership Agreement, and as attached hereto shall be a full and complete listing of all the general and limited partners of the Partnership as of the date of this Amendment, same being intended and hereby superceding all prior Exhibit 1 listings.

In Witness Whereof, the General Partner has executed this Amendment as of the day and year first above written.

Corporate Office Properties Trust, a  
Maryland Real Estate Investment Trust

By: /s/ Roger A. Waesche, Jr.  
Roger A. Waesche, Jr.  
Executive Vice President

**Exhibit 1 Addendum**

**Schedule of Partners**

<b>General Partner</b>	<b>Common Units of Partnership Units</b>	<b>Series G Preferred Units</b>	<b>Series H Preferred Units</b>	<b>Series I Preferred Units</b>	<b>Series J Preferred Units</b>	<b>Series K Preferred Units</b>
Corporate Office Properties Trust	45,281,754	2,200,000	2,000,000		3,390,000	531,667
<b>Limited Partners and Preferred Limited Partners</b>						
Jay H. Shidler	452,878					
Shidler Equities, L.P.	2,995,439					
Clay W. Hamlin, III	396,317					
LBCW Limited Partnership	2,681,107					
Robert L. Denton	400,000					
James K. Davis	51,589					
John E. De B. Blockey, Trustee of the John E. de B. Blockey Living Trust dated 9/12/88	300,625					
Frederick K. Ito Trust	20,340					
June Y. I. Ito Trust	20,335					
RP Investments, LLC	50,000					
Denise J. Liszewski	14,333					
Samuel Tang	4,389					
Lawrence J. Taff	13,733					
Kimberly F. Aquino	2,937					
M.O.R. 44 Gateway Associates Limited Partnership	1					
John Parsinen	49,434					
M.O.R. Commons Limited Partnership	7					
John Edward De Burgh Blockey and Sanda Juanita Blockey	10,476					
Lynn Hamlin	121,411					
Housing Affiliates, Inc.	4,402					
Reingle Corp.	730					
Joseph Tawil	2,160					
The Lovejoy Trust	59,528					
The Century Trust	59,528					
A. Charles Wilson & Betty S. Wilson Trust	5,908					
Harold & Renee Holland	4,320					
Irwin Hoffman	1,880					

Rouse 1988 Trust	2,160					
CB Management, L.L.C.	2,497					
Patriot Partner, L.L.C.	25,000					
Lawrence G. Rief	2,526					
David D. Jenkins	262,165					
RA & DM, Inc.	2,954					
Bernard Manekin	16,514					
Estate of Harold Manekin	15,242					
Richard Alter	43,817					
Donald Manekin	23,336					
William Winstead	14,019					
Richard Manekin	8,988					
Robert Manekin	8,988					
Charles Manekin	3,899					
Vivian Manekin	880					
Francine Manekin	880					
Sandy Sirota	5,427					
Lynn Stern	880					
Louis LaPenna	2,513					
Jamie Deutsch	22					
Kelly Alter	22					
TRC Associates Limited Partnership				352,000		
	<b>53,447,990</b>	<b>2,200,000</b>	<b>2,000,000</b>	<b>352,000</b>	<b>3,390,000</b>	<b>531,667</b>

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**Supplemental Information  
(Unaudited)**

September 30, 2007



**Corporate Office Properties Trust  
Index to Supplemental Information (Unaudited)  
September 30, 2007**

	<u>Page</u>
<b>Highlights and Discussion</b>	
Reporting Period Highlights — Third Quarter 2007	1
Forward-Looking Statements	3
<b>Financial Statements</b>	
Quarterly Selected Financial Summary Data	5
Quarterly Consolidated Balance Sheets	6
Quarterly Consolidated Statements of Operations	7
Quarterly Consolidated Reconciliations of Funds From Operations (FFO), Adjusted Funds From Operations (AFFO) and Earnings per diluted share, as adjusted	8
Quarterly Consolidated Reconciliations of Earnings Before Interest, Income Taxes, Depreciation and Amortization (EBITDA), Combined Net Operating Income (NOI), Discontinued Operations and Gains on Sales of Real Estate	9
<b>Selected Financial Analyses</b>	
Quarterly Equity Analysis	10
Quarterly Debt Analysis	11
Quarterly Operating Ratios	12
Quarterly Dividend Analysis	13
Investor Composition and Analyst Coverage	14
Debt Maturity Schedule — September 30, 2007	15
<b>Portfolio Summary</b>	
Property Summary by Region — September 30, 2007 — Wholly Owned Properties	16
Property Summary by Region — September 30, 2007 — Joint Venture Properties	22
Property Occupancy Rates by Region by Quarter — Wholly Owned Properties	23
Property Occupancy Rates by Region by Quarter — Joint Venture Properties	24
Top Twenty Office Tenants of Wholly Owned Properties as of September 30, 2007	25
Combined Real Estate Revenue and Combined Net Operating Income by Geographic Region by Quarter	26
Same Office Property Cash and GAAP Net Operating Income by Quarter	27
Average Occupancy Rates by Region for Same Office Properties	28
Office Lease Expiration Analysis by Year for Wholly Owned Properties	29
Quarterly Office Renewal Analysis for Wholly Owned Properties as of September 30, 2007	30
Year to Date Wholly Owned Acquisition Summary as of September 30, 2007	31
Year to Date Wholly Owned Disposition Summary as of September 30, 2007	32
Development Summary as of September 30, 2007	33
Total Development Placed into Service as of September 30, 2007	35
Land Inventory as of September 30, 2007	36
Joint Venture Summary as of September 30, 2007	37
Reconciliations of Non GAAP Measurements	38

**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,



furnished to the Securities and Exchange Commission ("SEC") and should be read in conjunction with our quarterly and annual reports. If you have any questions or comments, please contact Ms. Mary Ellen Fowler, Vice President and Treasurer at (443) 285-5450 or maryellen.fowler@copt.com. Reconciliations between GAAP and non GAAP measurements have been provided on page 38. Refer to our Form 8-K for definitions of certain terms used herein.

## **Reporting Period Highlights — Third Quarter 2007**

### **Financial Results**

- Reported Net Income Available to Common Shareholders of \$7,406,000, or \$.15 per diluted share, for the third quarter of 2007 as compared to \$14,451,000, or \$.33 per diluted share, for the comparable 2006 period, representing a decrease of 54.5% per share. We experienced a decrease of approximately \$9.3 million in gain on sales of real estate, net of minority interests. Our third quarter 2006 net income included \$12.7 million of net gain on sales of real estate, as compared to \$3.4 million of net gain on sales of real estate included in our third quarter 2007 net income. Also included in our 2006 net income is an accounting charge of \$1.8 million, or \$.04 per share, for the write-off of initial offering costs related to our redemption of Series E preferred shares.
- Reported FFO — diluted of \$32,352,000, or \$.58 per share/unit, for the third quarter of 2007 as compared to \$24,329,000, or \$.46 per share/unit, for the comparable 2006 period, representing an increase of 26.1% per share/unit. Included in our third quarter 2006 FFO - diluted is a \$1.8 million accounting charge associated with the Series E preferred share redemption. Without this accounting charge, our third quarter 2006 FFO — diluted, as adjusted, would have been \$.50 per share, representing an increase of 16.0%.
- Reported AFFO — diluted of \$23,856,000 for the third quarter of 2007 as compared to \$19,173,000 for the comparable 2006 period, representing an increase of 24.4%.
- Our FFO payout ratio was 58.3% for the third quarter of 2007 as compared to 65.4% for the comparable 2006 period. Our AFFO payout ratio was 79.1% for the third quarter of 2007 as compared to 83.0% for the comparable 2006 period.

### **Dispositions**

- On September 7, 2007, we sold two operating properties, totaling 32,331 rentable square feet, for \$6.0 million. We recognized an aggregate gain of \$1.9 million on the sale of these non-core assets as we continue to exit our Northern/Central New Jersey market.
- On September 7, 2007, we sold a 39,822 square foot operating property, located in our BWI Airport submarket, for \$5.0 million and recognized a gain of \$868,000.
- On September 27, 2007, we realized a \$1.1 million gain on the sale of a 3.5 acre land parcel located in White Marsh, Maryland.

1

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### **Financing Activity and Capital Transactions**

- On July 2, 2007, we acquired a 50% joint venture interest in Arundel Preserve #5, LLC which owns a 23 acre land parcel located in Hanover, Maryland which can support up to 455,400 square feet of office development, of which 151,800 square feet are under construction.
- In September 2007, we increased our quarterly dividend by 9.7% to \$.34 per share from \$.31 per share.
- As of September 30, 2007, our ratio of debt to market capitalization was 41.5%, and our ratio of debt to undepreciated book value of real estate assets was 60.6%. We achieved an EBITDA interest coverage ratio of 2.92x and an EBITDA fixed charge coverage ratio of 2.44x for this quarter.

### **Development Activities**

- During the quarter ended September 30, 2007, we placed into service 105,728 rentable square feet in three properties located in the Baltimore/Washington Corridor region. As of September 30, 2007, our total development placed into service was 92.65% leased.
- In September, the City of Colorado Springs selected us to be the master developer for the 272 acre site known as the Colorado Springs Airport Mixed-Use Business Park, located at the entrance of the Colorado Springs Airport and adjacent to the Peterson Air Force Base. We expect that this business park can support approximately 3.5 million square feet, including office, retail, industrial and flex space. This strategic development opportunity is anticipated to cost approximately \$800.0 million, which we expect to be funded over the next ten to twenty years. As each parcel commences development, we expect to execute long term land leases. We expect to then oversee the development, construction, leasing and management of the business park and have a leasehold interest in the buildings.
- On September 14, 2007, we acquired 56 acres of land for \$10.0 million which will be known as Northgate Business Park, strategically located adjacent to Aberdeen Proving Ground in Aberdeen, Maryland. This site can support potential development of 800,000 square feet of office space.

### **Operations**

- Our wholly owned portfolio was 92.80% occupied and 93.22% leased as of September 30, 2007. Our entire portfolio was 92.70% occupied and 93.10% leased as of September 30, 2007.
- Our same office property cash NOI for the quarter ended September 30, 2007 remained flat as compared to the quarter ended September 30, 2006, despite a \$1.3 million drop in lease termination fees as compared to the quarter ended September 30, 2006. Excluding the effect of lease termination fees, our same office property cash NOI would have increased 2.6%, or \$1.2 million, as compared to the quarter ended September 30, 2006. Our same office portfolio consists of 160 properties and, based on rentable square feet, represents 79.8% of our wholly owned portfolio as of September 30, 2007.
- The weighted average lease term of our wholly owned portfolio is 4.9 years as of September 30, 2007, with an average contractual rental rate (including tenant reimbursements of operating costs) of \$21.20 per square foot.
- We renewed 311,553 square feet, or 73.3%, of our expiring office leases (based upon square footage) with an average committed cost of \$5.58 per square foot during the third quarter. For our renewed space only, we realized an increase in total rent of 7.8%, as measured from the GAAP straight-line rent in effect preceding the renewal date, and an increase of 2.1% in total cash rent. For our renewed and retenanted space of 401,284 square feet, we realized an increase in total rent of 7.5%, as measured from the GAAP straight-line rent in effect preceding the renewal date, and an increase of 1.7% in total cash rent. We incurred an average committed cost of \$8.21 per square foot for our renewed and retenanted space in the third quarter.

2

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- For the entire portfolio, we recognized \$1.2 million in lease termination fees, net of write-offs of related straight-line rents and the write-off of previously unamortized deferred market revenue (SFAS 141 revenues) in the quarter ended September 30, 2007, as compared to \$1.3 million in the quarter ended September 30, 2006.

### **Subsequent Events**

- On October 1, 2007, we increased the borrowing capacity under our unsecured line of credit from \$500.0 million to \$600.0 million and extended our maturity date to September 30, 2011, subject to a one-year extension option. As part of the second amended and restated credit agreement, we achieved favorable interest rate pricing ranging from 75 basis points to 125 basis points over LIBOR, depending upon our leverage ratio.
- We placed our development property located at 201 Technology Park Drive into service. All 102,842 rentable square feet in this property are leased through October 2022 to Northrop Grumman Corporation.
- On October 23, 2007, we executed a swap for an aggregate notional amount of \$50.0 million at a fixed one-month LIBOR rate of 4.330%, which commenced October 23, 2007 and expires on October 23, 2009.

### Forward-Looking Statements

This supplemental information contains “forward-looking” statements, as defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are based on our current expectations, estimates and projections about future events and financial trends affecting us. Forward-looking statements can be identified by the use of words such as “may,” “will,” “should,” “expect,” “estimate” or other comparable terminology. Forward-looking statements are inherently subject to risks and uncertainties, many of which we cannot predict with accuracy and some of which we might not even anticipate. Accordingly, we can give no assurance that these expectations, estimates and projections will be achieved. Future events and actual results may differ materially from those discussed in the forward-looking statements.

Important factors that may affect these expectations, estimates, and projections include, but are not limited to:

- our ability to borrow on favorable terms;
- general economic and business conditions, which will, among other things, affect office property demand and rents, tenant creditworthiness, interest rates and financing availability;
- adverse changes in the real estate markets including, among other things, increased competition with other companies;

3

- risk of real estate acquisition and development, including, among other things, risks that development projects may not be completed on schedule, that tenants may not take occupancy or pay rent or that development or operating costs may be greater than anticipated;
- risks of investing through joint venture structures, including risks that our joint venture partners may not fulfill their financial obligations as investors or may take actions that are inconsistent with our objectives;
- our ability to satisfy and operate effectively under federal income tax rules relating to real estate investment trusts and partnerships;
- governmental actions and initiatives; and
- environmental requirements.

We undertake no obligation to update or supplement any forward-looking statements. For further information, please refer to our filings with the Securities and Exchange Commission, particularly the section entitled “Risk Factors” in Item 1 of our Annual Report on Form 10-K for the year ended December 31, 2006.

4

### Quarterly Selected Financial Summary Data (Dollars in thousands)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Revenues from Real Estate Operations</b>	\$ 94,564	\$ 90,826	\$ 89,312	\$ 77,491	\$ 76,869
<b>Total Revenues</b>	\$ 105,521	\$ 102,519	\$ 99,389	\$ 92,335	\$ 91,660
<b>Combined Net Operating Income</b>	\$ 62,593	\$ 61,876	\$ 58,371	\$ 55,636	\$ 53,331
<b>EBITDA</b>	\$ 61,783	\$ 58,381	\$ 53,852	\$ 51,095	\$ 65,379
Net Income	\$ 11,431	\$ 7,877	\$ 5,547	\$ 9,587	\$ 20,587
Preferred Share dividends	(4,025)	(4,025)	(3,993)	(3,790)	(4,307)
Issuance costs associated with redeemed preferred Shares	—	—	—	(2,067)	(1,829)
<b>Net Income Available to Common Shareholders</b>	\$ 7,406	\$ 3,852	\$ 1,554	\$ 3,730	\$ 14,451
<b>Earnings per diluted share</b>	\$ 0.15	\$ 0.08	\$ 0.03	\$ 0.08	\$ 0.33
<b>Earnings per diluted share, as adjusted for issuance costs associated with redeemed preferred shares</b>	\$ 0.15	\$ 0.08	\$ 0.03	\$ 0.13	\$ 0.37
Funds From Operations (FFO) - Diluted	\$ 32,352	\$ 31,837	\$ 28,288	\$ 25,077	\$ 24,329
<b>FFO per diluted share</b>	\$ 0.58	\$ 0.57	\$ 0.51	\$ 0.48	\$ 0.46
<b>FFO per diluted share, as adjusted for issuance costs associated with redeemed preferred shares</b>	\$ 0.58	\$ 0.57	\$ 0.51	\$ 0.52	\$ 0.50
Adjusted FFO - Diluted	\$ 23,856	\$ 21,614	\$ 22,065	\$ 17,695	\$ 19,173

**Payout Ratios:**

<b>Earnings Payout</b>	<b>217.3 %</b>	<b>379.4 %</b>	<b>934.9 %</b>	<b>356.4 %</b>	<b>91.8 %</b>
<b>FFO - Diluted</b>	<b>58.3 %</b>	<b>54.0 %</b>	<b>60.4 %</b>	<b>63.5 %</b>	<b>65.4 %</b>
<b>AFFO - Diluted</b>	<b>79.1 %</b>	<b>79.5 %</b>	<b>77.4 %</b>	<b>89.9 %</b>	<b>83.0 %</b>
<b>Total Dividends/Distributions</b>	<b>\$ 23,059</b>	<b>\$ 21,378</b>	<b>\$ 21,241</b>	<b>\$ 19,869</b>	<b>\$ 20,380</b>

Note: The above presentation does not separately report discontinued operations.

5

**Quarterly Consolidated Balance Sheets**  
(Dollars in thousands except per share data)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Assets</b>					
Investment in real estate:					
Land - operational	\$ 415,061	\$ 414,870	\$ 412,791	\$ 343,098	\$ 334,430
Land - development	218,890	205,887	193,715	153,436	155,232
Construction in progress	193,081	163,810	185,579	144,991	160,128
Buildings and improvements	2,028,493	1,995,254	1,918,742	1,689,359	1,611,425
Less: accumulated depreciation	(270,580)	(255,248)	(236,650)	(219,574)	(205,529)
<b>Net investment in real estate</b>	<b>2,584,945</b>	<b>2,524,573</b>	<b>2,474,177</b>	<b>2,111,310</b>	<b>2,055,686</b>
Cash and cash equivalents	21,895	15,123	22,003	7,923	10,810
Restricted cash	16,874	20,482	19,030	52,856	51,784
Accounts receivable, net	20,680	18,826	24,478	26,367	26,778
Deferred rent receivable	50,891	47,579	44,294	41,643	39,033
Deferred charges, net	46,019	47,292	45,496	43,710	40,091
Intangible assets on real estate acquisitions, net	116,368	123,861	131,934	87,325	92,061
Prepaid and other assets	58,351	56,993	53,311	48,467	39,679
<b>Total assets</b>	<b>\$ 2,916,023</b>	<b>\$ 2,854,729</b>	<b>\$ 2,814,723</b>	<b>\$ 2,419,601</b>	<b>\$ 2,355,922</b>
<b>Liabilities and shareholders' equity</b>					
Liabilities:					
Mortgage and other loans payable	\$ 1,599,912	\$ 1,552,478	\$ 1,515,183	\$ 1,298,537	\$ 1,206,682
3.5% Exchangeable senior notes	200,000	200,000	200,000	200,000	200,000
Accounts payable and accrued expenses	80,022	61,531	61,131	68,190	55,487
Rents received in advance and security deposits	24,916	26,547	25,127	20,237	20,842
Deferred revenue associated with acquired operating leases	12,475	13,522	14,607	11,120	12,074
Distributions in excess of investment in unconsolidated real estate joint ventures	4,124	3,852	3,797	3,614	3,103
Dividends and distributions payable	22,433	20,754	20,687	19,164	19,810
Other liabilities	7,766	7,525	8,951	8,249	5,999
<b>Total liabilities</b>	<b>1,951,648</b>	<b>1,886,209</b>	<b>1,849,483</b>	<b>1,629,111</b>	<b>1,523,997</b>
Minority interests:					
Preferred units in the Operating Partnership	8,800	8,800	8,800	8,800	8,800
Common units in the Operating Partnership	115,837	119,297	118,614	104,934	107,212
Other consolidated real estate joint ventures	6,970	2,654	2,408	2,453	1,760
<b>Total minority interests</b>	<b>131,607</b>	<b>130,751</b>	<b>129,822</b>	<b>116,187</b>	<b>117,772</b>
<b>Commitments and contingencies</b>					
—					
Shareholders' equity:					
Preferred Shares (\$0.01 par value; 15,000,000 authorized)	81	81	81	76	90
Common Shares of beneficial interest (\$0.01 par value; 75,000,000 authorized, 47,344,984 shares issued as of September 30, 2007)	473	472	469	429	425
Additional paid-in capital	949,392	944,818	932,287	758,032	790,525
Cumulative distributions in excess of net income	(115,963)	(107,277)	(96,516)	(83,541)	(76,046)
Accumulated other comprehensive loss	(1,215)	(325)	(903)	(693)	(841)
<b>Total shareholders' equity</b>	<b>832,768</b>	<b>837,769</b>	<b>835,418</b>	<b>674,303</b>	<b>714,153</b>
<b>Total shareholders' equity and minority interests</b>	<b>964,375</b>	<b>968,520</b>	<b>965,240</b>	<b>790,490</b>	<b>831,925</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 2,916,023</b>	<b>\$ 2,854,729</b>	<b>\$ 2,814,723</b>	<b>\$ 2,419,601</b>	<b>\$ 2,355,922</b>

Note: The above presentation does not separately report discontinued operations.

**Quarterly Consolidated Statements of Operations**  
(Dollars and units in thousands)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Revenues</b>					
Rental revenue	\$ 80,428	\$ 78,729	\$ 75,650	\$ 66,614	\$ 65,614
Tenant recoveries and other real estate operations revenue	14,136	12,097	13,662	10,877	11,255
Construction contract revenues	10,047	10,620	8,691	12,263	13,219
Other service operations revenues	910	1,073	1,386	2,581	1,572
<b>Total Revenues</b>	<b>105,521</b>	<b>102,519</b>	<b>99,389</b>	<b>92,335</b>	<b>91,660</b>
<b>Expenses</b>					
Property operating expenses	31,642	28,993	31,587	25,447	24,983
Depreciation and amortization associated with real estate operations	26,587	27,399	26,501	19,916	21,510
Construction contract expenses	9,507	10,136	8,483	11,827	12,465
Other service operations expenses	806	1,126	1,405	2,393	1,495
General and administrative expenses	5,423	5,085	4,614	5,042	4,226
<b>Total Operating Expenses</b>	<b>73,965</b>	<b>72,739</b>	<b>72,590</b>	<b>64,625</b>	<b>64,679</b>
Operating Income	31,556	29,780	26,799	27,710	26,981
Interest expense	(21,000)	(20,460)	(19,801)	(18,625)	(17,678)
Amortization of deferred financing costs	(901)	(921)	(884)	(949)	(736)
Gain on sales of non-real estate investments	—	1,033	—	—	—
<b>Income from continuing operations before equity in (loss) income of unconsolidated entities, income taxes and minority interests</b>					
	<b>9,655</b>	<b>9,432</b>	<b>6,114</b>	<b>8,136</b>	<b>8,567</b>
Equity in (loss) income of unconsolidated entities	(46)	(57)	(94)	(52)	15
Income tax expense	(197)	(178)	(105)	(264)	(202)
Income from continuing operations before minority interests	9,412	9,197	5,915	7,820	8,380
Minority interest in income from continuing operations					
Common units in the Operating Partnership	(808)	(830)	(298)	(672)	(746)
Preferred units in the Operating Partnership	(165)	(165)	(165)	(165)	(165)
Other consolidated entities	12	31	47	40	38
Income from continuing operations	8,451	8,233	5,499	7,023	7,507
Income (loss) from discontinued operations, net of minority interests	1,942	(517)	48	2,564	12,483
Income before gain on sales of real estate	10,393	7,716	5,547	9,587	19,990
Gain on sales of real estate, net of minority interests	1,038	161	—	—	597
<b>Net Income</b>	<b>11,431</b>	<b>7,877</b>	<b>5,547</b>	<b>9,587</b>	<b>20,587</b>
Preferred share dividends	(4,025)	(4,025)	(3,993)	(3,790)	(4,307)
Issuance costs associated with redeemed preferred shares	—	—	—	(2,067)	(1,829)
<b>Net Income Available to Common Shareholders</b>	<b>\$ 7,406</b>	<b>\$ 3,852</b>	<b>\$ 1,554</b>	<b>\$ 3,730</b>	<b>\$ 14,451</b>
<b>For EPS Computations:</b>					
Numerator for Dilutive EPS	\$ 7,406	\$ 3,852	\$ 1,554	\$ 3,730	\$ 14,451
<b>Denominator:</b>					
Weighted Average Common Shares - Basic	46,781	46,686	45,678	42,439	42,197
Dilutive effect of share-based compensation awards	1,005	1,105	1,465	1,641	1,649
Weighted Average Common Shares - Diluted	47,786	47,791	47,143	44,080	43,846
<b>Earnings per diluted share</b>	<b>\$ 0.15</b>	<b>\$ 0.08</b>	<b>\$ 0.03</b>	<b>\$ 0.08</b>	<b>\$ 0.33</b>

**Quarterly Consolidated Reconciliations of Funds From Operations (FFO), Adjusted Funds From Operations (AFFO) and Earnings per diluted share, as adjusted**  
(Dollars in thousands)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Net Income</b>	<b>\$ 11,431</b>	<b>\$ 7,877</b>	<b>\$ 5,547</b>	<b>\$ 9,587</b>	<b>\$ 20,587</b>
Issuance costs associated with redeemed preferred shares (1)	—	—	—	(2,067)	(1,829)
Combined real estate related depreciation and other amortization	26,266	27,087	26,300	19,768	21,305

Depreciation and amortization of unconsolidated real estate entities	166	169	168	345	362
Depreciation and amortization allocable to minority interests in other consol. entities	(48)	(47)	(42)	(41)	(36)
(Gain) loss on sales of real estate properties, excluding development	(2,789)	11	—	71	(15,262)
<b>Funds From Operations (FFO)</b>	<b>35,026</b>	<b>35,097</b>	<b>31,973</b>	<b>27,663</b>	<b>25,127</b>
Minority interest - common units, gross	1,351	765	308	1,204	3,509
Preferred share dividends	(4,025)	(4,025)	(3,993)	(3,790)	(4,307)
<b>Funds From Operations (FFO) - Basic &amp; Diluted</b>	<b>32,352</b>	<b>31,837</b>	<b>28,288</b>	<b>25,077</b>	<b>24,329</b>
Straight line rent adjustments	(3,247)	(3,224)	(2,571)	(2,484)	(2,819)
Amortization of deferred market rental revenue	(585)	(473)	(511)	(578)	(276)
Issuance costs associated with redeemed preferred shares (1)	—	—	—	2,067	1,829
Recurring capital expenditures	(4,664)	(6,526)	(3,141)	(6,387)	(3,890)
<b>Adjusted Funds From Operations (AFFO) - Diluted</b>	<b>\$ 23,856</b>	<b>\$ 21,614</b>	<b>\$ 22,065</b>	<b>\$ 17,695</b>	<b>\$ 19,173</b>
Preferred dividends	4,025	4,025	3,993	3,790	4,307
Preferred distributions	165	165	165	165	165
Common distributions	2,777	2,574	2,554	2,622	2,643
Common dividends	16,092	14,613	14,529	13,292	13,265
<b>Total Dividends/Distributions</b>	<b>\$ 23,059</b>	<b>\$ 21,378</b>	<b>\$ 21,241</b>	<b>\$ 19,869</b>	<b>\$ 20,380</b>
<b>Denominator for earnings per share - Diluted</b>	<b>47,786</b>	<b>47,791</b>	<b>47,143</b>	<b>44,080</b>	<b>43,846</b>
Common units	8,297	8,313	8,411	8,495	8,562
<b>Denominator for funds from operations per share - Diluted</b>	<b>56,083</b>	<b>56,104</b>	<b>55,554</b>	<b>52,575</b>	<b>52,408</b>
<b>Funds From Operations (FFO) - Diluted</b>	<b>\$ 32,352</b>	<b>\$ 31,837</b>	<b>\$ 28,288</b>	<b>\$ 25,077</b>	<b>\$ 24,329</b>
Issuance costs associated with redeemed preferred shares (1)	—	—	—	2,067	1,829
<b>FFO - Diluted, as adjusted for issuance costs associated with redeemed preferred shares</b>	<b>\$ 32,352</b>	<b>\$ 31,837</b>	<b>\$ 28,288</b>	<b>\$ 27,144</b>	<b>\$ 26,158</b>
<b>Numerator for Dilutive EPS Computation</b>	<b>\$ 7,406</b>	<b>\$ 3,852</b>	<b>\$ 1,554</b>	<b>\$ 3,730</b>	<b>\$ 14,451</b>
Issuance costs associated with redeemed preferred shares (1)	—	—	—	2,067	1,829
<b>Numerator for Dilutive EPS Computation, as adjusted</b>	<b>\$ 7,406</b>	<b>\$ 3,852</b>	<b>\$ 1,554</b>	<b>\$ 5,797</b>	<b>\$ 16,280</b>
<b>Earnings per diluted share, as adjusted for issuance costs associated with redeemed preferred shares</b>	<b>\$ 0.15</b>	<b>\$ 0.08</b>	<b>\$ 0.03</b>	<b>\$ 0.13</b>	<b>\$ 0.37</b>

(1) Earnings per diluted share and FFO per diluted share have been adjusted to exclude the issuance costs associated with our Series E and Series F redeemed preferred shares.

**Quarterly Consolidated Reconciliations of Earnings Before Interest, Income Taxes, Depreciation and Amortization (EBITDA),  
Combined Net Operating Income (NOI), Discontinued Operations and Gains on Sales of Real Estate  
(Dollars in thousands)**

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Net Income</b>	<b>\$ 11,431</b>	<b>\$ 7,877</b>	<b>\$ 5,547</b>	<b>\$ 9,587</b>	<b>\$ 20,587</b>
Combined interest expense	21,145	21,074	20,264	18,885	18,184
Combined amortization of deferred financing costs	901	921	884	949	864
Income tax expense, gross	197	181	105	264	202
Depreciation of furniture, fixtures and equipment	339	342	326	313	601
Combined real estate related depreciation and other amortization	26,266	27,087	26,300	19,768	21,305
Minority interest - preferred units	165	165	165	165	165
Minority interest - other consolidated entities	(12)	(31)	(47)	(40)	(38)
Minority interest - common units, gross	1,351	765	308	1,204	3,509
<b>Earnings Before Interest, Income Taxes, Depreciation and Amortization (EBITDA)</b>	<b>\$ 61,783</b>	<b>\$ 58,381</b>	<b>\$ 53,852</b>	<b>\$ 51,095</b>	<b>\$ 65,379</b>
Addback:					
General and administrative	5,424	5,085	4,614	5,042	4,226
Income from service operations	(644)	(431)	(189)	(624)	(831)
(Gain) loss on sales of depreciated real estate properties	(2,789)	11	—	71	(15,262)
Gain on sale of non-real estate investments	—	(1,033)	—	—	—
Non-operational property sales and real estate services	(1,227)	(194)	—	—	(166)
Equity in loss (income) of unconsolidated entities	46	57	94	52	(15)
<b>Combined Net Operating Income (NOI)</b>	<b>\$ 62,593</b>	<b>\$ 61,876</b>	<b>\$ 58,371</b>	<b>\$ 55,636</b>	<b>\$ 53,331</b>
<b>Discontinued Operations</b>					
Revenues from real estate operations	\$ 274	\$ 344	\$ 1,083	\$ 3,986	\$ 2,189
Property operating expenses	(603)	(301)	(437)	(394)	(744)
Depreciation and amortization	(18)	(30)	(125)	(165)	(396)
Amortization of deferred financing costs	—	—	—	—	(128)

General and administrative	(1)	—	—	—	—
Interest	(145)	(614)	(463)	(260)	(506)
Gain (loss) on sales of real estate	2,789	(11)	—	(71)	14,699
Income (loss) from discontinued operations	2,296	(612)	58	3,096	15,114
Minority interests in discontinued operations	(354)	95	(10)	(532)	(2,631)
<b>Income (loss) from discontinued operations, net of minority interests</b>	<b>\$ 1,942</b>	<b>\$ (517)</b>	<b>\$ 48</b>	<b>\$ 2,564</b>	<b>\$ 12,483</b>
<b>Gain on sales of real estate, net, per statements of operations</b>	<b>\$ 1,038</b>	<b>\$ 161</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 597</b>
Add income taxes and minority interest	189	33	—	—	132
Gain (loss) on sales of real estate from discontinued operations	2,789	(11)	—	(71)	14,699
<b>Combined gain (loss) on sales of real estate</b>	<b>4,016</b>	<b>183</b>	<b>—</b>	<b>(71)</b>	<b>15,428</b>
Non-operational property sales and real estate services	(1,227)	(194)	—	—	(166)
<b>Gain (loss) on sales of depreciated real estate properties</b>	<b>\$ 2,789</b>	<b>\$ (11)</b>	<b>\$ —</b>	<b>\$ (71)</b>	<b>\$ 15,262</b>

9

**Quarterly Equity Analysis**  
(Amounts in thousands except per share data, share prices and ratios)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Common Equity - End of Quarter</b>					
Common Shares	47,345	47,155	46,880	42,898	42,811
Common Units	8,168	8,319	8,237	8,459	8,525
<b>Total</b>	<b>55,513</b>	<b>55,474</b>	<b>55,117</b>	<b>51,357</b>	<b>51,336</b>
End of Quarter Common Share Price	\$ 41.63	\$ 41.01	\$ 45.68	\$ 50.47	\$ 44.76
<b>Market Value of Common Shares/Units</b>	<b>\$ 2,310,995</b>	<b>\$ 2,274,978</b>	<b>\$ 2,517,745</b>	<b>\$ 2,591,988</b>	<b>\$ 2,297,799</b>
<b>Common Shares Trading Volume</b>					
Average Daily Volume (Shares)	446	464	416	353	338
Average Daily Volume (Dollars in thousands)	\$ 18,121	\$ 20,650	\$ 20,933	\$ 17,019	\$ 15,199
As a Percentage of Weighted Average Common Shares	1.0%	1.0%	0.9%	0.8%	0.8%
<b>Common Share Price Range</b>					
Quarterly High	\$ 44.63	\$ 48.81	\$ 56.45	\$ 51.45	\$ 47.54
Quarterly Low	\$ 35.21	\$ 40.47	\$ 44.85	\$ 44.21	\$ 40.65
Quarterly Average	\$ 40.66	\$ 44.48	\$ 50.27	\$ 48.23	\$ 44.92
<b>Convertible Preferred Equity - End of Quarter</b>					
Convertible Series I Preferred Units Outstanding	352	352	352	352	352
Conversion Ratio	0.5000	0.5000	0.5000	0.5000	0.5000
Common Shares Issued Assuming Conversion	176	176	176	176	176
Convertible Series K Preferred Shares Outstanding (1)	532	532	532	—	—
Conversion Ratio	0.8163	0.8163	0.8163	—	—
Common Shares Issued Assuming Conversion	434	434	434	—	—
<b>Nonconvertible Preferred Equity - End of Quarter</b>					
Redeemable Series F Shares Outstanding (2)	—	—	—	—	1,425
Redeemable Series G Shares Outstanding	2,200	2,200	2,200	2,200	2,200
Redeemable Series H Shares Outstanding	2,000	2,000	2,000	2,000	2,000
Redeemable Series J Shares Outstanding	3,390	3,390	3,390	3,390	3,390
<b>Total Nonconvertible Preferred Equity</b>	<b>7,590</b>	<b>7,590</b>	<b>7,590</b>	<b>7,590</b>	<b>9,015</b>
<b>Total Convertible Preferred Equity</b>	<b>884</b>	<b>884</b>	<b>884</b>	<b>352</b>	<b>352</b>
<b>Total Preferred Equity</b>	<b>8,474</b>	<b>8,474</b>	<b>8,474</b>	<b>7,942</b>	<b>9,367</b>
Preferred Share/Unit Recorded Book Value at \$25 per share	\$ 198,550	\$ 198,550	\$ 198,550	\$ 198,550	\$ 234,175
Preferred Share Recorded Book Value at \$50 per share	26,583	26,583	26,583	—	—
<b>Recorded Book Value of Preferred Equity</b>	<b>\$ 225,133</b>	<b>\$ 225,133</b>	<b>\$ 225,133</b>	<b>\$ 198,550</b>	<b>\$ 234,175</b>
<b>Weighted Average Shares:</b>					
Common Shares Outstanding	46,781	46,686	45,678	42,439	42,197
Dilutive effect of share-based compensation awards	1,005	1,105	1,465	1,641	1,649
Common Units	8,297	8,313	8,411	8,495	8,562
<b>Denominator for funds from operations per share - diluted</b>	<b>56,083</b>	<b>56,104</b>	<b>55,554</b>	<b>52,575</b>	<b>52,408</b>
<b>Capitalization</b>					
Recorded Book Value of Preferred Shares	\$ 225,133	\$ 225,133	\$ 225,133	\$ 198,550	\$ 234,175
Market Value of Common Shares/Units	2,310,995	2,274,978	2,517,745	2,591,988	2,297,799
<b>Total Equity Market Capitalization</b>	<b>\$ 2,536,128</b>	<b>\$ 2,500,111</b>	<b>\$ 2,742,878</b>	<b>\$ 2,790,538</b>	<b>\$ 2,531,974</b>
<b>Total Debt</b>	<b>\$ 1,799,912</b>	<b>\$ 1,752,478</b>	<b>\$ 1,715,183</b>	<b>\$ 1,498,537</b>	<b>\$ 1,406,682</b>
<b>Total Market Capitalization</b>	<b>\$ 4,336,040</b>	<b>\$ 4,252,589</b>	<b>\$ 4,458,061</b>	<b>\$ 4,289,075</b>	<b>\$ 3,938,656</b>
<b>Debt to Total Market Capitalization</b>	<b>41.5%</b>	<b>41.2%</b>	<b>38.5%</b>	<b>34.9%</b>	<b>35.7%</b>
<b>Debt to Total Assets</b>	<b>61.7%</b>	<b>61.4%</b>	<b>60.9%</b>	<b>61.9%</b>	<b>59.7%</b>
<b>Debt to Undepreciated Book Value of Real Estate Assets</b>	<b>60.6%</b>	<b>60.4%</b>	<b>60.3%</b>	<b>62.0%</b>	<b>59.8%</b>

- (1) We issued 531,667 Series K Cumulative Redeemable Preferred Shares with a \$50.00 per share liquidation preference on January 9, 2007.  
(2) We redeemed all of the outstanding Series F Preferred Shares on October 15, 2006 for \$35,625,000 or \$25.00 per share.

**Quarterly Debt Analysis**  
(Dollars in thousands)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Debt Outstanding</b>					
Mortgage Loans	\$ 1,169,094	\$ 1,196,512	\$ 1,174,859	\$ 1,057,458	\$ 913,354
Construction Loans	103,818	88,966	76,324	56,079	93,328
Unsecured Revolving Credit Facility	327,000	267,000	264,000	185,000	200,000
Exchangeable Senior Notes	200,000	200,000	200,000	200,000	200,000
	<u>\$ 1,799,912</u>	<u>\$ 1,752,478</u>	<u>\$ 1,715,183</u>	<u>\$ 1,498,537</u>	<u>\$ 1,406,682</u>
<b>Average Outstanding Balance</b>					
Mortgage Loans	\$ 1,172,087	\$ 1,184,784	\$ 1,167,459	\$ 918,938	\$ 951,798
Construction Loans	95,025	85,624	60,559	51,412	103,538
Unsecured Revolving Credit Facility	312,792	276,350	254,419	306,556	324,236
Exchangeable Senior Notes (1)	200,000	200,000	200,000	200,000	28,261
	<u>\$ 1,779,904</u>	<u>\$ 1,746,758</u>	<u>\$ 1,682,437</u>	<u>\$ 1,476,906</u>	<u>\$ 1,407,833</u>
<b>Interest Rate Structure</b>					
Fixed-Mortgage Loans	\$ 1,134,594	\$ 1,162,012	\$ 1,051,243	\$ 1,022,958	\$ 878,854
Fixed-Exchangeable Senior Notes	200,000	200,000	200,000	200,000	200,000
Variable	365,318	290,466	363,940	175,579	227,828
Variable Subject to Interest Rate Protection (2) (3) (4)	100,000	100,000	100,000	100,000	100,000
	<u>\$ 1,799,912</u>	<u>\$ 1,752,478</u>	<u>\$ 1,715,183</u>	<u>\$ 1,498,537</u>	<u>\$ 1,406,682</u>
% of Fixed Rate Loans (5)	79.70%	83.43%	78.78%	88.28%	83.80%
% of Variable Rate Loans (2) (3)	20.30%	16.57%	21.22%	11.72%	16.20%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
<b>Average Contract Interest Rates</b>					
Mortgage & Construction Loans	6.01%	6.08%	6.12%	6.18%	6.24%
Unsecured Revolving Credit Facility	6.72%	6.62%	6.66%	6.77%	6.83%
Exchangeable Senior Notes	3.50%	3.50%	3.50%	3.50%	3.50%
Total Weighted Average	5.89%	5.89%	5.83%	5.99%	6.47%
<b>Coverage Ratios (excluding capitalized interest) — All coverage computations include the effect of discontinued operations</b>					
Interest Coverage - Combined NOI	2.96x	2.94x	2.88x	2.95x	2.93x
Interest Coverage - EBITDA	2.92x	2.77x	2.66x	2.71x	3.60x
Debt Service Coverage - Combined NOI	2.50x	2.50x	2.09x	2.45x	2.42x
Debt Service Coverage - EBITDA	2.46x	2.36x	1.93x	2.25x	2.97x
Fixed Charge Coverage - Combined NOI	2.47x	2.45x	2.39x	2.44x	2.35x
Fixed Charge Coverage - EBITDA	2.44x	2.31x	2.21x	2.24x	2.89x

- (1) On September 18, 2006, we issued \$200.0 million in exchangeable senior notes. The notes bear interest at a fixed interest rate of 3.5%, with interest payable semi-annually beginning March 15, 2007, and mature in September 2026.  
(2) On March 28, 2006, we entered into a \$50.0 million notional amount swap at a fixed one-month LIBOR rate of 5.036%, which commenced on the same day and expires March 30, 2009.  
(3) On April 27, 2006, we entered into two notional amount swaps aggregating \$50.0 million at a fixed one-month LIBOR rate of 5.232%, which commenced May 1, 2006 and expire May 1, 2009.  
(4) Subsequent to September 30, 2007, we entered into a \$50.0 million notional amount swap at a fixed one-month LIBOR rate of 4.330% which commenced October 23, 2007 and expires October 23, 2009. If this swap had been effective as of quarter end, 82.48% of our debt would have been subjected to fixed interest rates.  
(5) Includes interest rate protection agreements.

**Quarterly Operating Ratios**  
(Dollars in thousands except per share data and ratios)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>OPERATING RATIOS — All computations include the effect of discontinued operations</b>					
<b>Net Income as a % of Combined Real Estate Revenues</b>					
(Net Income / Combined Real Estate Revenues)	12.05%	8.64%	6.14%	11.77%	26.04%
<b>Combined NOI as a % of Combined Real Estate Revenues</b>					
(Combined NOI / Combined Real Estate Revenues)	66.00%	67.87%	64.57%	68.28%	67.46%
<b>EBITDA as a % of Combined Real Estate Revenues</b>					
(EBITDA / Combined Real Estate Revenues)	65.15%	64.04%	59.57%	62.71%	82.70%
<b>G&amp;A as a % of Net Income</b>					
(G&A / Net Income)	47.44%	64.56%	83.18%	52.59%	20.53%

G&A as a % of Combined Real Estate Revenues						
(G&A / Combined Real Estate Revenues)	5.72%	5.58%	5.10%	6.19%	5.35%	
G&A as a % of EBITDA						
(G&A / EBITDA)	8.78%	8.71%	8.57%	9.87%	6.46%	
Recurring Capital Expenditures	\$ 4,664	\$ 6,526	\$ 3,141	\$ 6,387	\$ 3,890	
Recurring Capital Expenditures per average square foot of wholly owned properties	\$ 0.26	\$ 0.37	\$ 0.19	\$ 0.43	\$ 0.26	
Recurring Capital Expenditures as a % of NOI (Combined NOI)	7.45%	10.55%	5.38%	11.48%	7.29%	

12

### Quarterly Dividend Analysis

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Common Share Dividends</b>					
Dividends per share/unit	\$ 0.340	\$ 0.310	\$ 0.310	\$ 0.310	\$ 0.310
Increase over prior quarter	9.7%	0.0%	0.0%	0.0%	10.7%
<b>Common Dividend Payout Ratios</b>					
Payout - Earnings	217.3%	379.4%	934.9%	356.4%	91.8%
Payout - FFO - Diluted	58.3%	54.0%	60.4%	63.5%	65.4%
Payout - AFFO - Diluted	79.1%	79.5%	77.4%	89.9%	83.0%
Dividend Coverage - FFO - Diluted	1.71x	1.85x	1.66x	1.58x	1.53x
Dividend Coverage - AFFO - Diluted	1.26x	1.26x	1.29x	1.11x	1.21x
<b>Common Dividend Yields</b>					
Dividend Yield	3.27%	3.02%	2.71%	2.46%	2.77%
<b>Series I Preferred Unit Distributions</b>					
Preferred Unit Distributions Per Unit	\$ 0.46875	\$ 0.46875	\$ 0.46875	\$ 0.46875	\$ 0.46875
Preferred Unit Distributions Yield	7.500%	7.500%	7.500%	7.500%	7.500%
Quarter End Recorded Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
<b>Series E Preferred Share Dividends (1)</b>					
Preferred Share Dividends Per Share	n/a	n/a	n/a	n/a	\$ 0.09965
Preferred Share Dividend Yield	n/a	n/a	n/a	n/a	10.250%
Quarter End Recorded Book Value	n/a	n/a	n/a	n/a	\$ 25.00
<b>Series F Preferred Share Dividends (2)</b>					
Preferred Share Dividends Per Share	n/a	n/a	n/a	\$ 0.09601	\$ 0.61719
Preferred Share Dividend Yield	n/a	n/a	n/a	9.875%	9.875%
Quarter End Recorded Book Value	n/a	n/a	n/a	\$ 25.00	\$ 25.00
<b>Series G Preferred Share Dividends</b>					
Preferred Share Dividends Per Share	\$ 0.50000	\$ 0.50000	\$ 0.50000	\$ 0.50000	\$ 0.50000
Preferred Share Dividend Yield	8.000%	8.000%	8.000%	8.000%	8.000%
Quarter End Recorded Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
<b>Series H Preferred Share Dividends</b>					
Preferred Share Dividends Per Share	\$ 0.46875	\$ 0.46875	\$ 0.46875	\$ 0.46875	\$ 0.46875
Preferred Share Dividend Yield	7.500%	7.500%	7.500%	7.500%	7.500%
Quarter End Recorded Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
<b>Series J Preferred Share Dividends (3)</b>					
Preferred Share Dividends Per Share	\$ 0.47656	\$ 0.47656	\$ 0.47656	\$ 0.47656	\$ 0.37598
Preferred Share Dividend Yield	7.625%	7.625%	7.625%	7.625%	7.625%
Quarter End Recorded Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
<b>Series K Preferred Share Dividends (4)</b>					
Preferred Share Dividends Per Share	\$ 0.70000	\$ 0.70000	\$ 0.63770	n/a	n/a
Preferred Share Dividend Yield	5.600%	5.600%	5.600%	n/a	n/a
Quarter End Recorded Book Value	\$ 50.00	\$ 50.00	\$ 50.00	n/a	n/a

- (1) We redeemed all of the outstanding Series E Preferred Shares on July 15, 2006 for \$28,750,000, or \$25.00 per share. A prorated dividend of \$0.09965 was recognized in the third quarter of 2006.
- (2) We redeemed all of the outstanding Series F Preferred Shares on October 15, 2006 for \$35,625,000, or \$25.00 per share. A prorated dividend of \$0.09601 was recognized in the fourth quarter of 2006.
- (3) We issued 3,390,000 Series J Cumulative Redeemable Preferred Shares with a \$25.00 per share liquidation preference on July 20, 2006 and paid a prorated dividend of \$0.4501 on October 15, 2006, \$0.37598 of which was recognized in the third quarter of 2006.
- (4) We issued 531,667 Series K Cumulative Redeemable Preferred Shares with a \$50.00 per share liquidation preference on January 9, 2007 and paid a dividend of \$0.7466 on April 15, 2007, \$0.6377 of which was recognized in the first quarter of 2007.

13



**Investor Composition and Analyst Coverage**  
(as of September 30, 2007)

SHAREHOLDER CLASSIFICATION	Common Shares	Common Units	As if Converted Preferred Shares / Units	Total	Fully Diluted Ownership % of Total
Insiders	862,284	7,047,153	—	7,909,437	14.09%
Non-insiders	46,482,700	1,120,583	610,000	48,213,283	85.91%
	47,344,984	8,167,736	610,000	56,122,720	100.00%

RESEARCH COVERAGE	September 30, 2007	June 30, 2007	March 31, 2007	December 31, 2006	September 30, 2006
A.G. Edwards	x	x	x	x	x
BMO Capital Markets	x	x	x	x	x
Citigroup Global Markets	x	x	x	x	n/a
Ferris, Baker Watts, Incorporated	x	x	x	x	x
Friedman Billings Ramsey & Co.	x	x	x	x	x
Green Street Advisors	x	n/a	n/a	n/a	n/a
Merrill Lynch	x	x	x	n/a	n/a
RBC Capital Markets	x	x	x	x	x
Raymond James	x	x	x	x	x
Robert W. Baird & Co. Incorporated	x	x	x	x	x
Stifel, Nicolaus & Company, Incorporated	x	x	x	x	x
Wachovia Securities	x	x	x	x	x

14

**Debt Maturity Schedule - September 30, 2007**  
(Dollars in thousands)

Year of Maturity	Non-Recourse Debt (1)		Recourse Debt (1)		Revolver (2)	Total Scheduled Payments
	Annual Amortization of Monthly Payments	Due on Maturity	Annual Amortization of Monthly Payments	Due on Maturity		
2007	\$ 3,588	\$ 3,842	\$ 1,022	\$ 750	\$ —	\$ 9,202
2008	13,139	142,903	739	139,163	327,000	622,944
2009	9,620	52,228	795	—	—	62,643
2010 (3)	9,103	52,177	272	12,481	—	74,033
2011	7,309	102,264	241	—	—	109,814
2012	5,816	36,123	260	—	—	42,199
2013	2,593	134,843	282	—	—	137,718
2014 (4)	890	8,212	305	—	—	9,407
2015	552	114,559	329	—	—	115,440
2016	321	113,169	356	—	—	113,846
2017	193	300,610	385	—	—	301,188
2018	—	—	417	—	—	417
2019	—	—	373	39	—	412
	<b>\$ 53,124</b>	<b>\$ 1,060,930</b>	<b>\$ 5,776</b>	<b>\$ 152,433</b>	<b>\$ 327,000</b>	<b>\$ 1,599,263</b>
						649
						<b>\$ 1,599,912</b>
						<b>\$ 200,000</b>
						<b>\$ 1,799,912</b>

Notes:

- Certain mortgages contain extension options, generally either for a period of six months or one year, subject to certain conditions. The maturity dates presented above in the table assume that the extension options have not been exercised.
- Effective October 1, 2007, we extended the Revolver for a four-year period, through September 2011, with the right to extend through September 2012, subject to certain conditions.
- Our \$9.3 million non-recourse loan that matures in September 2025 will be called in October 2010. The above table includes the \$8.5 million amount due on maturity in 2010.
- We assumed that our \$4.8 million non-recourse loan that matures in March 2034 may be prepaid in the three-month period ending March 2014 without penalty. The above table includes the \$4.3 million amount due on maturity in 2014.
- Exchangeable Senior Notes mature in September 2026 but are subject to a put by the holders in September 2011 and every five years thereafter.

15

**Property Summary by Region - September 30, 2007**  
Wholly Owned Properties

Operating Property Count	Submarket	Business Park	Year Built or Renovated	S or M	Total Operational Square Feet	Total Square Feet Under Construction / Redevelopment
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**Office Properties**

Baltimore /Washington Corridor

1	2730 Hercules Road	BWI Airport	NBP	1990	M	240,336	
2	304 Sentinel Drive (304 NBP)	BWI Airport	NBP	2005	M	162,498	
3	306 Sentinel Drive (306 NBP)	BWI Airport	NBP	2006	M	157,896	
4	302 Sentinel Drive (302 NBP)	BWI Airport	NBP	2007	M	48,377	108,769
5	2720 Technology Drive (220 NBP)	BWI Airport	NBP	2004	M	156,730	
6	2711 Technology Drive (211 NBP)	BWI Airport	NBP	2002	M	152,000	
	320 Sentinel Drive (320 NBP)	BWI Airport	NBP		M		125,681
7	318 Sentinel Drive (318 NBP)	BWI Airport	NBP	2005	M	125,681	
8	322 Sentinel Drive (322 NBP)	BWI Airport	NBP	2006	M	125,568	
9	140 National Business Parkway	BWI Airport	NBP	2003	M	119,904	
10	132 National Business Parkway	BWI Airport	NBP	2000	M	118,598	
11	2721 Technology Drive (221 NBP)	BWI Airport	NBP	2000	M	118,093	
12	2701 Technology Drive (201 NBP)	BWI Airport	NBP	2001	M	117,450	
13	2691 Technology Drive (191 NBP)	BWI Airport	NBP	2005	M	103,683	
14	134 National Business Parkway	BWI Airport	NBP	1999	M	93,482	
15	135 National Business Parkway	BWI Airport	NBP	1998	M	87,655	
16	133 National Business Parkway	BWI Airport	NBP	1997	M	87,401	
17	141 National Business Parkway	BWI Airport	NBP	1990	M	87,247	
18	131 National Business Parkway	BWI Airport	NBP	1990	M	69,039	
19	114 National Business Parkway	BWI Airport	NBP	2002	S	9,908	
						<b>2,181,546</b>	<b>234,450</b>
1	1306 Concourse Drive	BWI Airport	APS	1990	M	114,046	
2	870-880 Elkridge Landing Road	BWI Airport	APS	1981	M	105,151	
3	1304 Concourse Drive	BWI Airport	APS	2002	M	101,710	
	900 Elkridge Landing Road						
4		BWI Airport	APS	1982	M	97,261	
5	1199 Winterson Road	BWI Airport	APS	1988	M	96,636	
6	920 Elkridge Landing Road	BWI Airport	APS	1982	M	96,566	
7	1302 Concourse Drive	BWI Airport	APS	1996	M	84,406	
8	881 Elkridge Landing Road	BWI Airport	APS	1986	M	73,572	
9	1099 Winterson Road	BWI Airport	APS	1988	M	70,569	
10	1190 Winterson Road	BWI Airport	APS	1987	M	69,127	
11	849 International Drive	BWI Airport	APS	1988	M	68,758	
12	911 Elkridge Landing Road	BWI Airport	APS	1985	M	68,296	
13	1201 Winterson Road	BWI Airport	APS	1985	M	67,903	
14	999 Corporate Boulevard	BWI Airport	APS	2000	M	67,455	
15	891 Elkridge Landing Road	BWI Airport	APS	1984	M	58,454	
16	901 Elkridge Landing Road	BWI Airport	APS	1984	M	57,593	
17	930 International Drive	BWI Airport	APS	1986	S	57,409	
18	800 International Drive	BWI Airport	APS	1988	S	57,379	
19	900 International Drive	BWI Airport	APS	1986	S	57,140	
20	921 Elkridge Landing Road	BWI Airport	APS	1983	M	54,175	
21	939 Elkridge Landing Road	BWI Airport	APS	1983	M	53,031	
22	938 Elkridge Landing Road	BWI Airport	APS	1984	M	52,988	
						<b>1,629,625</b>	<b>—</b>
1	7467 Ridge Road	BWI Airport	Comm./Pkwy.	1990	M	74,326	
2	7240 Parkway Drive	BWI Airport	Comm./Pkwy.	1985	M	73,970	
3	7272 Park Circle Drive	BWI Airport	Comm./Pkwy.	1991/1996	M	59,397	
4	7318 Parkway Drive	BWI Airport	Comm./Pkwy.	1984	S	59,204	
5	7320 Parkway Drive	BWI Airport	Comm./Pkwy.	1983	S	58,453	
6	1340 Ashton Road	BWI Airport	Comm./Pkwy.	1989	S	46,400	
	1362 Mellon Road	BWI Airport	Comm./Pkwy.	2006	M		44,134
7	1334 Ashton Road	BWI Airport	Comm./Pkwy.	1989	S	37,565	
8	1331 Ashton Road	BWI Airport	Comm./Pkwy.	1989	S	29,936	
9	1350 Dorsey Road	BWI Airport	Comm./Pkwy.	1989	S	19,992	
10	1344 Ashton Road	BWI Airport	Comm./Pkwy.	1989	M	17,062	
11	1341 Ashton Road	BWI Airport	Comm./Pkwy.	1989	S	15,841	
12	1343 Ashton Road	BWI Airport	Comm./Pkwy.	1989	S	9,962	
13	1348 Ashton Road	BWI Airport	Comm./Pkwy.	1988	S	3,108	
						<b>505,216</b>	<b>44,134</b>
<b>54</b>	<b>Subtotal (continued on next page)</b>					<b>4,316,387</b>	<b>278,584</b>

The S or M notation indicates single story or multi-story, respectively.

Operating Property Count	Submarket	Business Park	Year Built or Renovated	S or M	Total Operational Square Feet	Total Square Feet Under Construction / Redevelopment
<b>54</b>	<u>Subtotal (continued from prior page)</u>				<b>4,316,387</b>	<b>278,584</b>
<b>1</b>	5520 Research Park Drive (UMBC) (1)	BWI Airport	bwtech@UMBC	M		110,400
	5522 Research Park Drive (UMBC) (1)	BWI Airport	bwtech@UMBC	S	23,500	
					<b>23,500</b>	<b>110,400</b>
<b>1</b>	2500 Riva Road	Annapolis		M	155,000	
<b>1</b>	Old Annapolis Road	Howard Co. Perimeter	Oakland Ridge	M	171,436	

1	7125 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	1973/1999	M	611,379	
2	7000 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	1999	M	145,806	
3	6731 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	2002	M	123,911	
4	6711 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	2006-2007	M	123,410	
5	6940 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	1999	M	109,003	
6	6950 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	1998	M	107,778	
7	8621 Robert Fulton Drive	Howard Co. Perimeter	Columbia Gateway	2005-2006	M	86,032	
8	7067 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	2001	M	82,953	
9	6750 Alexander Bell Drive	Howard Co. Perimeter	Columbia Gateway	2001	M	78,460	
10	6700 Alexander Bell Drive	Howard Co. Perimeter	Columbia Gateway	1988	M	74,859	
11	6740 Alexander Bell Drive	Howard Co. Perimeter	Columbia Gateway	1992	M	63,480	
12	7015 Albert Einstein Drive	Howard Co. Perimeter	Columbia Gateway	1999	S	61,203	
13	8671 Robert Fulton Drive	Howard Co. Perimeter	Columbia Gateway	2002	S	56,350	
14	6716 Alexander Bell Drive	Howard Co. Perimeter	Columbia Gateway	1990	M	52,005	
15	8661 Robert Fulton Drive	Howard Co. Perimeter	Columbia Gateway	2002	S	49,307	
16	7130 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	1989	S	46,840	
17	7142 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	1994	S	45,951	
18	6708 Alexander Bell Drive	Howard Co. Perimeter	Columbia Gateway	1988	M	39,203	
19	7065 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	2000	S	38,560	
20	7138 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	1990	S	38,225	
21	7063 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	2000	S	36,813	
22	6760 Alexander Bell Drive	Howard Co. Perimeter	Columbia Gateway	1991	M	36,440	
23	7150 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	1991	S	35,812	
24	7061 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	2000	M	29,910	
25	6724 Alexander Bell Drive	Howard Co. Perimeter	Columbia Gateway	2001	M	28,420	
26	7134 Columbia Gateway Drive	Howard Co. Perimeter	Columbia Gateway	1990	S	21,991	
						<u>2,224,101</u>	—
1	7200 Riverwood Drive	Howard Co. Perimeter	Rivers Corporate Park	1986	S	160,000	
2	7160 Riverwood Drive	Howard Co. Perimeter	Rivers Corporate Park	2000	M	62,084	
3	9140 Guilford Road	Howard Co. Perimeter	Rivers Corporate Park	1983	S	41,704	
4	7150 Riverwood Drive	Howard Co. Perimeter	Rivers Corporate Park	2000	M	41,382	
5	9160 Guilford Road	Howard Co. Perimeter	Rivers Corporate Park	1984	M	37,034	
6	7170 Riverwood Drive	Howard Co. Perimeter	Rivers Corporate Park	2000	M	29,162	
7	7175 Riverwood Drive	Howard Co. Perimeter	Rivers Corporate Park	1996	S	26,500	
8	9150 Guilford Road	Howard Co. Perimeter	Rivers Corporate Park	1984	S	18,592	
9	10280 Old Columbia Road	Howard Co. Perimeter	Rivers Corporate Park	1988/2001	S	16,796	
10	10270 Old Columbia Road	Howard Co. Perimeter	Rivers Corporate Park	1988/2001	S	16,686	
11	9130 Guilford Road	Howard Co. Perimeter	Rivers Corporate Park	1984	S	13,700	
12	10290 Old Columbia Road	Howard Co. Perimeter	Rivers Corporate Park	1988/2001	S	10,890	
						<u>474,530</u>	—
1	9720 Patuxent Woods Drive	Howard Co. Perimeter	Owen Brown South	1986/2001	M	40,004	
2	9740 Patuxent Woods Drive	Howard Co. Perimeter	Owen Brown South	1986/2001	M	38,292	
3	9700 Patuxent Woods Drive	Howard Co. Perimeter	Owen Brown South	1986/2001	M	31,261	
4	9730 Patuxent Woods Drive	Howard Co. Perimeter	Owen Brown South	1986/2001	M	30,986	
5	9710 Patuxent Woods Drive	Howard Co. Perimeter	Owen Brown South	1986/2001	M	15,229	
						<u>155,772</u>	—
1	9020 Mendenhall Court	Howard Co. Perimeter	Sieling Business Park	1982/2005	S	49,259	
<b>101</b>	<b>Total Baltimore/Washington Corridor</b>					<u><b>7,569,985</b></u>	<u><b>388,984</b></u>

The S or M notation indicates single story or multi-story building, respectively.

(1) This property is a land-lease property.

Operating Property Count		Submarket	Business Park	Year Built or Renovated	S or M	Total Operational Square Feet	Total Square Feet Under Construction / Redevelopment
<u>St. Mary's &amp; King George Counties</u>							
1	22309 Exploration Drive	St. Mary's County	Exploration Park	1984/1997	M	98,860	
2	22289 Exploration Drive	St. Mary's County	Exploration Park	2000	M	61,059	
3	22299 Exploration Drive	St. Mary's County	Exploration Park	1998	M	58,231	
4	22300 Exploration Drive	St. Mary's County	Exploration Park	1997	M	44,830	
						<u>262,980</u>	<u>—</u>
1	46579 Expedition Drive	St. Mary's County	Expedition Park	2002	M	61,156	
2	46591 Expedition Drive	St. Mary's County	Expedition Park	2005-2006	M	60,029	
						<u>121,185</u>	<u>—</u>
1	44425 Pecan Court	St. Mary's County	Wildewood Tech Park	1997	M	59,055	
2	44408 Pecan Court	St. Mary's County	Wildewood Tech Park	1986	S	50,532	
3	23535 Cottonwood Parkway	St. Mary's County	Wildewood Tech Park	1984	M	46,656	
4	44417 Pecan Court	St. Mary's County	Wildewood Tech Park	1989	S	29,053	
5	44414 Pecan Court	St. Mary's County	Wildewood Tech Park	1986	S	25,444	
6	44420 Pecan Court	St. Mary's County	Wildewood Tech Park	1989	S	25,200	
						<u>235,940</u>	<u>—</u>
1	16480 Commerce Drive	King George County	Dahlgren Technology Center	2000	M	70,728	
2	16541 Commerce Drive	King George County	Dahlgren Technology Center	1996	S	36,053	
3	16539 Commerce Drive	King George County	Dahlgren Technology Center	1990	S	32,076	
4	16442 Commerce Drive	King George County	Dahlgren Technology Center	2002	S	25,518	
5	16501 Commerce Drive	King George County	Dahlgren Technology Center	2002	S	22,833	
6	16543 Commerce Drive	King George County	Dahlgren Technology Center	2002	S	17,370	
						<u>204,578</u>	<u>—</u>
<b>18</b>	<b>Total St. Mary's &amp; King George Counties</b>					<u><b>824,683</b></u>	<u><b>—</b></u>
<u>Northern Virginia</u>							
1	15000 Conference Center Drive	Dulles South	Westfields	1989	M	470,406	
2	15010 Conference Center Drive	Dulles South	Westfields	2006	M	223,610	
3	15059 Conference Center Drive	Dulles South	Westfields	2000	M	145,192	
4	15049 Conference Center Drive	Dulles South	Westfields	1997	M	145,053	
5	14900 Conference Center Drive	Dulles South	Westfields	1999	M	127,115	
6	14280 Park Meadow Drive	Dulles South	Westfields	1999	M	114,126	
7	4851 Stonecroft Boulevard	Dulles South	Westfields	2004	M	88,094	
8	14850 Conference Center Drive	Dulles South	Westfields	2000	M	69,711	
9	14840 Conference Center Drive	Dulles South	Westfields	2000	M	69,710	
						<u>1,453,017</u>	<u>—</u>
<b>1</b>	<b>13200 Woodland Park Road</b>	<b>Herndon</b>	<b>Woodland</b>	<b>2002</b>	<b>M</b>	<b>404,665</b>	
1	13454 Sunrise Valley Road	Herndon	Dulles Tech	1998	M	112,633	
2	13450 Sunrise Valley Road	Herndon	Dulles Tech	1998	M	53,728	
						<u>166,361</u>	<u>—</u>
1	1751 Pinnacle Drive	Tysons Corner		1989/1995	M	260,469	
2	1753 Pinnacle Drive	Tysons Corner		1976/2004	M	181,637	
						<u>442,106</u>	<u>—</u>
<b>14</b>	<b>Total Northern Virginia</b>					<u><b>2,466,149</b></u>	<u><b>—</b></u>
<u>Other</u>							
<b>1</b>	<b>11751 Meadowville Lane</b>	<b>Richmond Southwest</b>	<b>Meadowville Technology Park</b>	<b>2007</b>	<b>M</b>	<b>193,000</b>	
	201 Technology Park Drive (1)	Southwest Virginia	Russell Regional Business Tech Park		S		<b>102,842</b>
1	607 Lakeside Drive	Fort Ritchie		1990/2007	S	4,904	
<b>2</b>	<b>Total Other</b>					<u><b>197,904</b></u>	<u><b>102,842</b></u>

The S or M notation indicates single story or multi-story building, respectively.

(1) The lease provides for conveyance of the land parcel.

<u>Operating Property Count</u>	<u>Submarket</u>	<u>Business Park</u>	<u>Year Built or Renovated</u>	<u>S or M</u>	<u>Total Operational Square Feet</u>	<u>Total Square Feet Under Construction / Redevelopment</u>	
<u>Greater Philadelphia</u>							
1	753 Jolly Road	Blue Bell	Unisys campus	1992	S	419,472	
2	785 Jolly Road	Blue Bell	Unisys campus	1996	M	219,065	
3	760 Jolly Road	Blue Bell	Unisys campus	1994	M	208,854	
4	751 Jolly Road	Blue Bell	Unisys campus	1991	M	112,958	
<b>Total Greater Philadelphia</b>						<b>960,349</b>	<b>—</b>
<u>Northern/Central New Jersey</u>							
1	431 Ridge Road	Exit 8A — Cranbury	Princeton Tech Cntr.	1998	S	171,200	
2	429 Ridge Road	Exit 8A — Cranbury	Princeton Tech Cntr.	1996	M	142,385	
3	437 Ridge Road	Exit 8A — Cranbury	Princeton Tech Cntr.	1996	S	30,000	
						<b>343,585</b>	<b>—</b>
1	47 Commerce	Exit 8A — Cranbury	Centrepont North	1998	S	41,398	
4	<b>Total Northern/Central New Jersey</b>					<b>384,983</b>	<b>—</b>
<u>San Antonio, Texas</u>							
2	8611 Military Drive	San Antonio		1982/1985	M	468,994	
<b>Total San Antonio, Texas</b>						<b>468,994</b>	<b>—</b>
<u>Colorado Springs</u>							
	655 Space Center Drive	Colorado Springs East	Patriot Park		M		103,900
1	985 Space Center Drive	Colorado Springs East	Patriot Park	1989	M	102,717	
2	745 Space Center Drive	Colorado Springs East	Patriot Park	2006	M	50,000	
3	980 Technology Court	Colorado Springs East	Patriot Park	1995	S	33,190	
4	525 Babcock Road	Colorado Springs East	Patriot Park	1967	S	14,000	
						<b>199,907</b>	<b>103,900</b>
	1055 North Newport Road	Colorado Springs East	Aerotech Commerce Park		M		59,763
1	1670 North Newport Road	Colorado Springs East		1986-1987	M	67,500	
2	1915 Aerotech Drive	Colorado Springs East		1985	S	37,946	
3	1925 Aerotech Drive	Colorado Springs East		1985	S	37,946	
						<b>143,392</b>	<b>—</b>
1	9950 Federal Drive	I-25 North Corridor	InterQuest Office	2001	S	66,222	
2	9965 Federal Drive	I-25 North Corridor	InterQuest Office	1983/2007	M	41,120	33,629
3	9960 Federal Drive	I-25 North Corridor	InterQuest Office	2001	S	46,948	
						<b>154,290</b>	<b>33,629</b>
1	5775 Mark Dabling Boulevard	Colorado Springs Northwest		1984	M	109,678	
2	5725 Mark Dabling Boulevard	Colorado Springs Northwest		1984	M	108,976	
3	5755 Mark Dabling Boulevard	Colorado Springs Northwest		1989	M	105,210	
						<b>323,864</b>	<b>—</b>
13	<b>Total Colorado Springs</b>					<b>821,453</b>	<b>197,292</b>

The S or M notation indicates single story or multi-story building, respectively.

<u>Operating Property Count</u>	<u>Submarket</u>	<u>Business Park</u>	<u>Year Built or Renovated</u>	<u>S or M</u>	<u>Total Operational Square Feet</u>	<u>Total Square Feet Under Construction / Redevelopment</u>
<u>Suburban Maryland</u>						

1	11800 Tech Road	North Silver Spring	Montgomery Industrial	1989	M	228,179	
1	400 Professional Drive	Gaithersburg	Crown Point	2000	M	129,311	
1	110 Thomas Johnson Drive	Frederick		1987/1999	M	117,803	
1	45 West Gude Drive	Rockville		1987	M	108,588	
2	15 West Gude Drive	Rockville		1986	M	106,694	
						215,282	—
5	<b>Total Suburban Maryland</b>					690,575	—
<b>Suburban Baltimore</b>							
1	11311 McCormick Road	Hunt Valley/Rte 83 Corridor	Hunt Valley Business Comm.	1984/1994	M	212,691	
2	200 International Circle	Hunt Valley/Rte 83 Corridor	Hunt Valley Business Comm.	1987	M	128,658	
3	226 Schilling Circle	Hunt Valley/Rte 83 Corridor	Hunt Valley Business Comm.	1980	M	98,640	
4	201 International Circle	Hunt Valley/Rte 83 Corridor	Hunt Valley Business Comm.	1982	M	78,634	
5	11011 McCormick Road	Hunt Valley/Rte 83 Corridor	Hunt Valley Business Comm.	1974	M	56,512	
6	216 Schilling Circle	Hunt Valley/Rte 83 Corridor	Hunt Valley Business Comm.	1988/2001	M	36,003	
7	222 Schilling Circle	Hunt Valley/Rte 83 Corridor	Hunt Valley Business Comm.	1978/1997	M	28,003	
8	224 Schilling Circle	Hunt Valley/Rte 83 Corridor	Hunt Valley Business Comm.	1978/1997	M	27,372	
9	11101 McCormick Road	Hunt Valley/Rte 83 Corridor	Hunt Valley Business Comm.	1976	S	24,232	
						690,745	—
1	10150 York Road	Hunt Valley/Rte 83 Corridor		1985	M	178,286	
2	9690 Deereco Road	Hunt Valley/Rte 83 Corridor		1988	M	134,175	
3	375 West Padonia Road	Hunt Valley/Rte 83 Corridor		1986	M	110,328	
						422,789	—
1	7210 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1972	S	83,435	
2	7152 Windsor Boulevard	Baltimore County Westside	Rutherford Business Center	1986	S	57,855	
3	21 Governor's Court	Baltimore County Westside	Rutherford Business Center	1981/1995	M	56,063	
4	7125 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1985	M	50,488	
5	7253 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1988	S	38,930	
6	7104 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1988	M	30,257	
7	17 Governor's Court	Baltimore County Westside	Rutherford Business Center	1981	S	14,619	
8	15 Governor's Court	Baltimore County Westside	Rutherford Business Center	1981	S	14,568	
9	7127 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1985	S	11,144	
10	7129 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1985	S	11,075	
11	7108 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1988	S	9,018	
12	7102 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1988	S	8,879	
13	7106 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1988	S	8,820	
14	7131 Ambassador Road	Baltimore County Westside	Rutherford Business Center	1985	S	7,453	
						402,604	—
1	502 Washington Avenue	Towson		1984	M	91,188	
2	102 West Pennsylvania Avenue	Towson		1968/2001	M	49,497	
3	100 West Pennsylvania Avenue	Towson		1952/1989	M	18,451	
4	109-111 Allegheny Avenue	Towson		1971	M	18,431	
						177,567	—
30	<b>Subtotal (continued on next page)</b>					1,693,705	—

The S or M notation indicates single story or multi-story building, respectively.

Operating Property Count	Submarket	Business Park	Year Built or Renovated	S or M	Total Operational Square Feet	Total Square Feet Under Construction / Redevelopment
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30	Subtotal (continued from prior page)					1,693,705	—
1	4940 Campbell Boulevard	White Marsh	Campbell Corporate Center	1990	M	49,813	
1	8140 Corporate Drive	White Marsh	Corporate Place	2003	M	75,687	
2	8110 Corporate Drive	White Marsh	Corporate Place	2001	M	75,687	
						151,374	—
1	9910 Franklin Square Drive	White Marsh	Franklin Ridge	2005	S	56,271	
2	9920 Franklin Square Drive	White Marsh	Franklin Ridge	2006	S	44,566	
3	9930 Franklin Square Drive	White Marsh	Franklin Ridge	2001	S	39,750	
4	9900 Franklin Square Drive	White Marsh	Franklin Ridge	1999	S	33,912	
5	9940 Franklin Square Drive	White Marsh	Franklin Ridge	2000	S	33,134	
						207,633	—
1	8020 Corporate Drive	White Marsh	McLean Ridge	1997	S	51,600	
2	8094 Sandpiper Circle	White Marsh	McLean Ridge	1998	S	50,812	
3	8098 Sandpiper Circle	White Marsh	McLean Ridge	1998	S	47,680	
4	8010 Corporate Drive	White Marsh	McLean Ridge	1998	S	39,351	
						189,443	—
1	5325 Nottingham Ridge Road	White Marsh	Nottingham Ridge	2002	S	37,322	
2	5355 Nottingham Ridge Road	White Marsh	Nottingham Ridge	2005	S	36,981	
						74,303	—
1	7941-7949 Corporate Drive	White Marsh	Tyler Ridge	1996	S	57,600	
2	8007 Corporate Drive	White Marsh	Tyler Ridge	1995	S	43,197	
3	8013 Corporate Drive	White Marsh	Tyler Ridge	1990	S	38,618	
4	8019 Corporate Drive	White Marsh	Tyler Ridge	1990	S	25,461	
5	8003 Corporate Drive	White Marsh	Tyler Ridge	1999	S	18,327	
6	8015 Corporate Drive	White Marsh	Tyler Ridge	1990	S	16,610	
7	8023 Corporate Drive	White Marsh	Tyler Ridge	1990	S	9,486	
						209,299	—
1	5020 Campbell Boulevard	White Marsh	White Marsh Business Center	1986-1988	S	44,701	
2	5024 Campbell Boulevard	White Marsh	White Marsh Business Center	1986-1988	S	33,858	
3	5026 Campbell Boulevard	White Marsh	White Marsh Business Center	1986-1988	S	30,868	
4	5022 Campbell Boulevard	White Marsh	White Marsh Business Center	1986-1988	S	27,507	
						136,934	—
1	1001 Franklin Square Drive	White Marsh	White Marsh Commerce Center	1997	S	216,000	
1	8114 Sandpiper Circle	White Marsh	White Marsh Health Center	1986	S	45,399	
1	4979 Mercantile Road	White Marsh	White Marsh Hi-Tech Center	1985	S	50,498	
2	4969 Mercantile Road	White Marsh	White Marsh Hi-Tech Center	1983	S	47,574	
						98,072	—
1	7939 Honeygo Boulevard	White Marsh	White Marsh Professional Center	1984	M	28,081	
2	8133 Perry Hall Boulevard	White Marsh	White Marsh Professional Center	1988	M	27,803	
3	7923 Honeygo Boulevard	White Marsh	White Marsh Professional Center	1985	M	24,053	
						79,937	—
1	8031 Corporate Drive	White Marsh		1988/2004	S	66,000	
2	10552 Philadelphia Road	White Marsh		1996/2005	S	56,000	
3	8615 Ridgely's Choice Drive	White Marsh		2005	M	37,797	
4	8029 Corporate Drive	White Marsh		1988/2004	S	25,000	
						184,797	—
66	<b>Total Suburban Baltimore</b>					<b>3,336,709</b>	—
229	<b>TOTAL PORTFOLIO</b>					<b>17,721,784</b>	<b>689,118</b>

The S or M notation indicates single story or multi-story building, respectively.

**Property Summary by Region - September 30, 2007  
Joint Venture Properties**

Operating Property Count	Submarket	Business Park	Year Built or Renovated	S or M	Total Operational Square Feet	Total Square Feet Under Construction / Redevelopment
<b>Unconsolidated Joint Venture Properties</b>						
<b>Greater Harrisburg</b>						

1	2605 Interstate Drive	East Shore	Commerce Park	1990	M	79,456	
2	2601 Market Place	East Shore	Commerce Park	1989	M	65,411	
						<b>144,867</b>	<b>—</b>
1	6345 Flank Drive	East Shore	Gtwy Corp. Ctr.	1989	S	69,443	
2	6340 Flank Drive	East Shore	Gtwy Corp. Ctr.	1988	S	68,200	
3	6400 Flank Drive	East Shore	Gtwy Corp. Ctr.	1992	S	52,439	
4	6360 Flank Drive	East Shore	Gtwy Corp. Ctr.	1988	S	46,500	
5	6385 Flank Drive	East Shore	Gtwy Corp. Ctr.	1995	S	32,921	
6	6380 Flank Drive	East Shore	Gtwy Corp. Ctr.	1991	S	32,668	
7	6405 Flank Drive	East Shore	Gtwy Corp. Ctr.	1991	S	32,000	
8	95 Shannon Road	East Shore	Gtwy Corp. Ctr.	1999	S	21,976	
9	75 Shannon Road	East Shore	Gtwy Corp. Ctr.	1999	S	20,887	
10	6375 Flank Drive	East Shore	Gtwy Corp. Ctr.	2000	S	19,783	
11	85 Shannon Road	East Shore	Gtwy Corp. Ctr.	1999	S	12,863	
						<b>409,680</b>	<b>—</b>
1	5035 Ritter Road	West Shore	Rossmoyne Bus. Ctr.	1988	S	56,556	
2	5070 Ritter Road - Building A	West Shore	Rossmoyne Bus. Ctr.	1989	S	32,309	
3	5070 Ritter Road - Building B	West Shore	Rossmoyne Bus. Ctr.	1989	S	28,347	
						<b>117,212</b>	<b>—</b>
<b>16</b>	<b>Total Greater Harrisburg</b>					<b>671,759</b>	<b>—</b>
<b>16</b>	<b>Total Unconsolidated Joint Venture Properties</b>					<b>671,759</b>	<b>—</b>
<b>Consolidated Joint Venture Properties</b>							
<b>Suburban Maryland</b>							
1	4230 Forbes Boulevard	Lanham	Forbes 50	2003	S	55,866	
	<b>Total Suburban Maryland</b>					<b>55,866</b>	<b>—</b>
<b>Baltimore/Washington Corridor</b>							
	7468 Candlewood Road	BWI Airport	Baltimore Commons	1979/1982	M		<b>471,587</b>
	7740 Milestone Parkway	BWI Airport	Arundel Preserve		M		<b>151,800</b>
	<b>Total Baltimore/Washington Corridor</b>					<b>—</b>	<b>623,387</b>
<b>Northern Virginia</b>							
1	2900 Towerview Road and 13849 Park Center Road	Route 28 South	Renaissance Park	1982	M	78,171	115,866
	<b>Total Northern Virginia</b>					<b>78,171</b>	<b>115,866</b>
<b>2</b>	<b>Total Consolidated Joint Venture Properties</b>					<b>134,037</b>	<b>739,253</b>
<b>18</b>	<b>TOTAL PORTFOLIO</b>					<b>805,796</b>	<b>739,253</b>

The S or M notation indicates single story or multi-story building, respectively.

### Property Occupancy Rates by Region by Quarter Wholly Owned Properties

	Baltimore / Washington Corridor	Suburban Baltimore	Northern Virginia	Suburban Maryland	St. Mary's & King George Counties	Colorado Springs	San Antonio	Greater Philadelphia	Northern / Central New Jersey	Other	Total Portfolio
<b>September 30, 2007</b>											
Number of Buildings	101	66	14	5	18	13	2	4	4	2	229
Rentable Square Feet	7,569,985	3,336,709	2,466,149	690,575	824,683	821,453	468,994	960,349	384,983	197,904	17,721,784
Occupied %	93.46%	83.87%	99.23%	97.80%	92.32%	96.05%	100.00%	100.00%	70.82%	100.00%	92.80%
Leased %	93.85%	84.69%	99.33%	97.80%	94.11%	96.05%	100.00%	100.00%	70.82%	100.00%	93.22%
<b>June 30, 2007</b>											
Number of Buildings	101	66	14	5	18	12	2	4	6	1	229
Rentable Square Feet	7,536,565	3,336,085	2,466,149	698,584	824,710	808,031	468,994	960,349	417,314	193,000	17,709,781
Occupied %	93.54%	84.34%	99.23%	95.91%	92.15%	94.50%	100.00%	100.00%	68.73%	100.00%	92.68%
Leased %	94.11%	85.65%	99.23%	95.91%	92.95%	96.23%	100.00%	100.00%	68.73%	100.00%	93.28%
<b>March 31, 2007</b>											
Number of Buildings	100	66	14	5	18	11	2	4	6	n/a	226
Rentable Square Feet	7,463,037	3,335,160	2,466,149	698,584	824,710	766,911	468,994	960,349	417,314	n/a	17,401,208
Occupied %	94.11%	85.22%	99.39%	94.79%	92.15%	94.21%	100.00%	100.00%	68.73%	n/a	92.97%
Leased %	94.94%	86.91%	99.39%	94.79%	92.35%	94.21%	100.00%	100.00%	68.73%	n/a	93.66%
<b>December 31, 2006</b>											
Number of Buildings	87	23	14	5	18	11	2	4	6	n/a	170
Rentable Square Feet	7,021,396	1,425,788	2,466,113	698,584	824,710	766,911	468,994	960,349	417,314	n/a	15,050,159
Occupied %	95.10%	81.06%	90.93%	83.20%	92.15%	92.75%	100.00%	100.00%	97.18%	n/a	92.78%
Leased %	95.81%	85.36%	99.46%	94.79%	92.15%	93.04%	100.00%	100.00%	97.18%	n/a	95.46%
<b>September 30, 2006</b>											
Number of Buildings	86	23	13	5	18	11	2	4	6	n/a	168
Rentable Square Feet	6,825,128	1,425,023	2,242,503	704,770	779,059	766,911	468,994	960,349	417,314	n/a	14,590,051
Occupied %	95.03%	84.73%	95.89%	82.18%	96.80%	91.20%	100.00%	100.00%	97.18%	n/a	93.98%
Leased %	95.65%	88.59%	99.30%	82.18%	96.80%	92.96%	100.00%	100.00%	97.18%	n/a	95.26%



**Property Occupancy Rates by Region by Quarter  
Joint Venture Properties**

	<u>Unconsolidated</u>	<u>Consolidated</u>		<u>Total Portfolio</u>
	<u>Greater Harrisburg</u>	<u>Suburban Maryland</u>	<u>Northern Virginia</u>	
<b>September 30, 2007</b>				
Number of Buildings	16	1	1	18
Rentable Square Feet	671,759	55,866	78,171	805,796
Occupied %	90.46%	76.15%	100.00%	90.39%
Leased %	90.46%	76.15%	100.00%	90.39%
<b>June 30, 2007</b>				
Number of Buildings	16	1	1	18
Rentable Square Feet	671,759	55,866	78,171	805,796
Occupied %	90.96%	75.00%	100.00%	90.73%
Leased %	91.13%	75.00%	100.00%	90.87%
<b>March 31, 2007</b>				
Number of Buildings	16	1	1	18
Rentable Square Feet	671,759	55,866	78,171	805,796
Occupied %	91.25%	47.95%	100.00%	89.09%
Leased %	91.25%	74.94%	100.00%	90.97%
<b>December 31, 2006</b>				
Number of Buildings	16	1	1	18
Rentable Square Feet	671,211	55,866	78,171	805,248
Occupied %	91.16%	47.95%	100.00%	89.02%
Leased %	91.16%	47.95%	100.00%	89.02%
<b>September 30, 2006</b>				
Number of Buildings	16	1	1	18
Rentable Square Feet	671,759	55,866	78,171	805,796
Occupied %	91.46%	47.95%	100.00%	89.27%
Leased %	91.46%	47.95%	100.00%	89.27%

**Reconciliation of Wholly Owned Properties to Entire Portfolio as of September 30, 2007**

	<u>Count</u>	<u>Square Feet</u>	<u>Occupied %</u>	<u>Leased %</u>
Wholly Owned Properties	229	17,721,784	92.80%	93.22%
Add: Consolidated Joint Venture Properties	2	134,037	90.06%	90.06%
Subtotal	231	17,855,821	92.78%	93.20%
Add: Unconsolidated Joint Venture Properties	16	671,759	90.46%	90.46%
Entire Portfolio	247	18,527,580	92.70%	93.10%

**Top Twenty Office Tenants of Wholly Owned Properties as of September 30, 2007 (1)  
(Dollars in thousands)**

<u>Tenant</u>	<u>Number of Leases</u>	<u>Total Occupied Square Feet</u>	<u>Percentage of Total Occupied Square Feet</u>	<u>Total Annualized Rental Revenue (2) (3)</u>	<u>Percentage of Total Annualized Rental Revenue</u>	<u>Weighted Average Remaining Lease Term (4)</u>	
United States of America	(5)	59	2,338,501	14.2%	\$ 53,843	15.4%	6.1
Northrop Grumman Corporation	(6)	16	942,600	5.7%	23,085	6.6%	6.8
Booz Allen Hamilton, Inc.	(6)	9	723,255	4.4%	19,643	5.6%	6.7
Computer Sciences Corporation	(6)	4	454,645	2.8%	11,446	3.3%	3.7
Unisys Corporation	(7)	4	760,145	4.6%	8,843	2.5%	2.0
L-3 Communications Holdings, Inc.	(6)	4	221,493	1.3%	8,838	2.5%	6.2
General Dynamics Corporation	(6)	9	284,415	1.7%	7,249	2.1%	2.5
Wachovia Corporation	(6)	5	189,478	1.2%	6,744	1.9%	10.7
The Aerospace Corporation	(6)	2	221,785	1.3%	6,504	1.9%	7.2

Comcast Corporation		11	342,266	2.1%	6,091	1.8%	4.4
AT&T Corporation	(6)	9	337,052	2.0%	6,041	1.7%	5.1
The Boeing Company	(6)	4	143,480	0.9%	4,085	1.2%	4.0
Ciena Corporation		3	221,609	1.3%	3,675	1.1%	4.4
Science Applications International Corp.		12	170,839	1.0%	3,238	0.9%	1.4
Magellan Health Services, Inc.		3	142,199	0.9%	3,021	0.9%	3.2
BAE Systems PLC	(6)	7	212,339	1.3%	2,873	0.8%	3.3
The Johns Hopkins University		4	129,735	0.8%	2,834	0.8%	8.4
Merck & Co., Inc. (Unisys)	(7)	2	227,273	1.4%	2,670	0.8%	1.7
Wyle Laboratories, Inc.		4	174,792	1.1%	2,461	0.7%	5.0
AARP		1	104,695	0.6%	2,454	0.7%	14.2
<b>Subtotal Top 20 Office Tenants</b>		<b>172</b>	<b>8,342,596</b>	<b>50.7%</b>	<b>185,638</b>	<b>53.2%</b>	<b>5.7</b>
All remaining tenants		766	8,103,712	49.3%	163,099	46.8%	4.0
Total/Weighted Average		<u>938</u>	<u>16,446,38</u>	<u>100.0%</u>	<u>\$ 348,737</u>	<u>100.0%</u>	<u>4.9</u>

- (1) Table excludes owner occupied leasing activity which represents 151,127 square feet with a weighted average remaining lease term of 7.1 years as of September 30, 2007.
- (2) Total Annualized Rental Revenue is the monthly contractual base rent as of September 30, 2007, multiplied by 12, plus the estimated annualized expense reimbursements under existing office leases.
- (3) Order of tenants is based on Annualized Rent.
- (4) The weighting of the lease term was computed using Total Rental Revenue.
- (5) 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.
- (6) Includes affiliated organizations or agencies.
- (7) Merck & Co., Inc. subleases 219,065 rentable square feet from Unisys' 960,349 leased rentable square feet in our Greater Philadelphia region.

25

**Combined Real Estate Revenue by Geographic Region by Quarter**  
(Dollars in thousands)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Office Properties:</b>					
Baltimore/Washington Corridor	\$ 43,850	\$ 42,722	\$ 43,837	\$ 40,093	\$ 38,347
Suburban Baltimore	13,576	13,448	13,081	6,415	7,569
Northern Virginia	18,554	18,255	17,172	15,400	16,746
Suburban Maryland	4,410	3,943	3,967	3,864	4,114
St. Mary's and King George Counties	3,338	3,029	3,098	3,083	2,979
Colorado Springs	4,311	3,605	3,594	3,364	3,158
San Antonio	1,832	1,862	1,781	2,046	1,787
Greater Philadelphia	2,506	2,506	2,506	2,506	2,506
Northern/Central New Jersey	1,110	1,006	1,786	4,698	2,317
Other	1,704	858	267	260	n/a
Subtotal	95,191	91,234	91,089	81,729	79,523
Eliminations / other	(353)	(64)	(694)	(252)	(465)
<b>Combined Real Estate Revenue</b>	<b>\$ 94,838</b>	<b>\$ 91,170</b>	<b>\$ 90,395</b>	<b>\$ 81,477</b>	<b>\$ 79,058</b>

**Combined Net Operating Income by Geographic Region by Quarter**  
(Dollars in thousands)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Office Properties:</b>					
Baltimore/Washington Corridor	\$ 29,172	\$ 29,385	\$ 29,310	\$ 27,532	\$ 25,745
Suburban Baltimore	8,110	8,492	7,310	3,387	4,480
Northern Virginia	12,027	11,772	10,844	9,535	11,179
Suburban Maryland	2,670	2,290	2,304	2,333	2,516
St. Mary's and King George Counties	2,555	2,290	2,326	2,218	2,123
Colorado Springs	2,339	2,412	2,315	2,020	1,949
San Antonio	1,457	1,477	1,421	1,476	1,477
Greater Philadelphia	2,471	2,477	2,473	2,461	2,464
Northern/Central New Jersey	434	621	1,088	4,064	1,449
Other	1,239	598	(309)	191	n/a
Subtotal	62,474	61,814	59,082	55,217	53,382
Eliminations / other	119	62	(711)	419	(51)
<b>Combined NOI</b>	<b>\$ 62,593</b>	<b>\$ 61,876</b>	<b>\$ 58,371</b>	<b>\$ 55,636</b>	<b>\$ 53,331</b>

26

**Same Office Property Cash Net Operating Income by Quarter**

## (Dollars in thousands)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Office Properties: (1)</b>					
Baltimore/Washington Corridor	\$ 24,116	\$ 25,377	\$ 25,529	\$ 25,041	\$ 23,558
Suburban Baltimore	2,910	3,169	2,656	3,143	3,774
Northern Virginia	10,072	9,922	9,674	8,443	10,385
Suburban Maryland	2,492	2,097	2,096	2,170	2,275
St. Mary's and King George Counties	2,433	2,292	2,318	2,180	2,113
Colorado Springs	1,648	1,710	1,834	1,599	1,659
San Antonio	1,128	1,146	1,136	1,133	1,102
Greater Philadelphia	2,692	2,644	2,640	2,628	2,633
Northern/Central New Jersey	547	529	471	543	602
<b>Total Office Properties</b>	<b>\$ 48,038</b>	<b>\$ 48,886</b>	<b>\$ 48,354</b>	<b>\$ 46,880</b>	<b>\$ 48,101</b>
Less: Lease termination fees	(610)	(921)	(1,160)	(798)	(1,883)
<b>Same Office Cash NOI, adjusted for lease termination fees</b>	<b>\$ 47,428</b>	<b>\$ 47,965</b>	<b>\$ 47,194</b>	<b>\$ 46,082</b>	<b>\$ 46,218</b>

**Same Office Property GAAP Net Operating Income by Quarter**  
(Dollars in thousands)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Office Properties: (1)</b>					
Baltimore/Washington Corridor	\$ 24,706	\$ 25,777	\$ 25,975	\$ 25,818	\$ 24,634
Suburban Baltimore	3,303	3,523	2,932	3,381	4,038
Northern Virginia	10,716	10,478	10,254	9,046	10,896
Suburban Maryland	2,667	2,292	2,302	2,353	2,506
St. Mary's and King George Counties	2,529	2,263	2,294	2,163	2,099
Colorado Springs	1,906	1,973	2,026	1,885	1,951
San Antonio	1,477	1,495	1,485	1,482	1,484
Greater Philadelphia	2,473	2,479	2,475	2,463	2,468
Northern/Central New Jersey	753	666	608	658	717
<b>Total Office Properties</b>	<b>\$ 50,530</b>	<b>\$ 50,946</b>	<b>\$ 50,351</b>	<b>\$ 49,249</b>	<b>\$ 50,793</b>

(1) Same office properties represent buildings owned and 100% operational for a minimum of five reporting quarters. Amounts reported do not include the effects of eliminations.

27

**Average Occupancy Rates by Region for Same Office Properties (1)**

	Baltimore / Washington Corridor	Suburban Baltimore	Northern Virginia	Suburban Maryland	St.Mary's and King George Counties	Colorado Springs	San Antonio	Greater Philadelphia	Northern/ Central New Jersey	Total Office
<b>3rd Quarter 2007 Average</b>										
Number of Buildings	82	23	13	6	17	10	2	4	3	160
Rentable Square Feet	6,563,856	1,424,364	2,242,539	751,780	764,672	716,718	468,994	960,349	242,598	14,135,870
Percent Occupied	93.61%	81.94%	99.15%	95.46%	96.51%	94.62%	100.00%	100.00%	100.00%	94.38%
<b>2nd Quarter 2007 Average</b>										
Number of Buildings	82	23	13	6	17	10	2	4	3	160
Rentable Square Feet	6,542,319	1,423,590	2,242,539	754,450	764,681	716,911	468,994	960,349	242,598	14,116,431
Percent Occupied	94.34%	83.91%	99.27%	92.72%	96.52%	93.80%	100.00%	100.00%	100.00%	94.75%
<b>1st Quarter 2007 Average</b>										
Number of Buildings	82	23	13	6	17	10	2	4	3	160
Rentable Square Feet	6,545,101	1,424,674	2,242,539	754,450	764,681	716,911	468,994	960,349	242,598	14,120,297
Percent Occupied	94.56%	82.85%	97.48%	91.32%	96.52%	93.61%	100.00%	100.00%	100.00%	94.37%
<b>4th Quarter 2006 Average</b>										
Number of Buildings	82	23	13	6	17	10	2	4	3	160
Rentable Square Feet	6,541,920	1,425,466	2,242,503	754,377	764,681	716,911	468,994	960,349	242,598	14,117,799
Percent Occupied	94.88%	83.91%	93.43%	80.51%	96.52%	92.39%	100.00%	100.00%	100.00%	93.34%
<b>3rd Quarter 2006 Average</b>										
Number of Buildings	82	23	13	6	17	10	2	4	3	160
Rentable Square Feet	6,541,834	1,424,950	2,242,503	760,636	764,681	716,982	468,994	960,349	242,598	14,123,527
Percent Occupied	94.68%	85.58%	95.28%	79.06%	96.43%	90.73%	100.00%	100.00%	100.00%	93.54%

(1) Same office properties represent buildings owned and 100% operational for a minimum of five reporting quarters.

28

**Office Lease Expiration Analysis by Year for Wholly Owned Properties**

Year of Lease Expiration (1)	Number of Leases Expiring	Square Footage of Leases Expiring	Percentage of Total Occupied Square Feet	Total Annualized Rental Revenue of Expiring Leases (2) (000's)	Percentage of Total Annualized Rental Revenue Expiring	Total Annual Rental Revenue of Expiring Leases per Occupied Square Foot
October - December	60	757,163	4.6%	\$ 15,671	4.5%	\$ 20.70
<b>Total 2007</b>	<b>60</b>	<b>757,163</b>	<b>4.6%</b>	<b>\$ 15,671</b>	<b>4.5%</b>	<b>\$ 20.70</b>
<b>2008</b>	<b>169</b>	<b>1,744,143</b>	<b>10.6%</b>	<b>35,059</b>	<b>10.1%</b>	<b>20.10</b>
<b>2009</b>	<b>165</b>	<b>3,002,572</b>	<b>18.3%</b>	<b>50,351</b>	<b>14.4%</b>	<b>16.77</b>
<b>2010</b>	<b>161</b>	<b>2,078,361</b>	<b>12.7%</b>	<b>47,496</b>	<b>13.6%</b>	<b>22.85</b>
<b>2011</b>	<b>121</b>	<b>1,523,468</b>	<b>9.3%</b>	<b>30,214</b>	<b>8.7%</b>	<b>19.83</b>
<b>2012</b>	<b>105</b>	<b>2,173,898</b>	<b>13.2%</b>	<b>46,356</b>	<b>13.3%</b>	<b>21.32</b>
<b>2013</b>	<b>31</b>	<b>943,951</b>	<b>5.7%</b>	<b>22,149</b>	<b>6.4%</b>	<b>23.46</b>
<b>2014</b>	<b>23</b>	<b>693,886</b>	<b>4.2%</b>	<b>19,759</b>	<b>5.7%</b>	<b>28.48</b>
<b>2015</b>	<b>28</b>	<b>1,296,734</b>	<b>7.9%</b>	<b>30,659</b>	<b>8.8%</b>	<b>23.64</b>
<b>2016</b>	<b>20</b>	<b>483,682</b>	<b>2.9%</b>	<b>12,038</b>	<b>3.5%</b>	<b>24.89</b>
<b>2017</b>	<b>28</b>	<b>616,505</b>	<b>3.7%</b>	<b>15,476</b>	<b>4.4%</b>	<b>25.10</b>
<b>2018</b>	<b>4</b>	<b>331,115</b>	<b>2.0%</b>	<b>8,523</b>	<b>2.4%</b>	<b>25.74</b>
<b>2019</b>	<b>—</b>	<b>—</b>	<b>0.0%</b>	<b>—</b>	<b>0.0%</b>	<b>0.00</b>
<b>2020</b>	<b>—</b>	<b>—</b>	<b>0.0%</b>	<b>—</b>	<b>0.0%</b>	<b>0.00</b>
<b>2021</b>	<b>1</b>	<b>104,695</b>	<b>0.6%</b>	<b>2,454</b>	<b>0.7%</b>	<b>23.44</b>
<b>2022</b>	<b>1</b>	<b>193,000</b>	<b>1.2%</b>	<b>5,134</b>	<b>1.4%</b>	<b>26.60</b>
<b>2023</b>	<b>—</b>	<b>—</b>	<b>0.0%</b>	<b>—</b>	<b>0.0%</b>	<b>0.00</b>
<b>2024</b>	<b>—</b>	<b>—</b>	<b>0.0%</b>	<b>—</b>	<b>0.0%</b>	<b>0.00</b>
<b>2025</b>	<b>2</b>	<b>468,994</b>	<b>2.9%</b>	<b>7,094</b>	<b>2.0%</b>	<b>15.13</b>
Other (3)	19	34,141	0.2%	304	0.1%	8.91
<b>Total / Average</b>	<b>938</b>	<b>16,446,308</b>	<b>100.0%</b>	<b>\$ 348,737</b>	<b>100.0%</b>	<b>\$ 21.20</b>

NOTE: As of September 30, 2007, the weighted average lease term for the wholly owned properties is 4.9 years.

- 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.
- Total Annualized Rental Revenue is the monthly contractual base rent as of September 30, 2007 multiplied by 12 plus the estimated annualized expense reimbursements under existing office leases.
- Other consists primarily of amenities, including cafeterias, concierge offices and property management space. In addition, month-to-month leases and leases which have expired but the tenant remains in holdover are included in this line as the exact expiration date is unknown.

**Quarterly Office Renewal Analysis for Wholly Owned Properties as of September 30, 2007**

	Baltimore/ Washington Corridor	Northern Virginia	Northern/ Central New Jersey	Suburban Maryland	Suburban Baltimore	St. Mary's and King George Counties	Colorado Springs	Total Office
<b>Quarter Ended September 30, 2007:</b>								
Expiring Square Feet	156,654	—	—	7,954	125,500	134,687	—	424,795
Vacated Square Feet	53,757	—	—	—	45,062	14,423	—	113,242
Renewed Square Feet	102,897	—	—	7,954	80,438	120,264	—	311,553
Retention Rate (% based upon square feet)	65.68%	0.00%	0.00%	100.00%	64.09%	89.29%	0.00%	73.34%
<b>Renewed Space Only:</b>								
Average Committed Cost per Square Foot	\$ 4.83	\$ —	\$ —	\$ 15.02	\$ 5.65	\$ 5.56	\$ —	\$ 5.58
Weighted Average Lease Term in years	4.4	—	—	6.2	4.7	4.5	—	4.6
Change in Total Rent - GAAP	12.06%	0.00%	0.00%	-9.98%	-3.94%	12.92%	0.00%	7.83%
Change in Total Rent - Cash	6.91%	0.00%	0.00%	-19.35%	-8.97%	6.48%	0.00%	2.11%
<b>Renewed &amp; Retenanted Space:</b>								
Average Committed Cost per Square Foot	\$ 9.80	\$ 14.71	\$ —	\$ 15.02	\$ 7.99	\$ 5.55	\$ 2.68	\$ 8.21
Weighted Average Lease Term in years	5.3	6.5	—	6.2	4.6	4.5	5.0	4.9
Change in Total Rent - GAAP	17.05%	-8.87%	0.00%	-9.98%	-6.66%	12.14%	18.68%	7.47%
Change in Total Rent - Cash	11.11%	-17.66%	0.00%	-19.35%	-10.34%	5.68%	18.68%	1.72%

Notes: No renewal or retenanting activity transpired in our Greater Philadelphia, San Antonio or Other regions.  
Activity is exclusive of owner occupied space and leases with less than a one-year term.  
Expiring square feet includes early renewals and early terminations.

30

**Year to Date Wholly Owned Acquisition Summary as of September 30, 2007 (1)**  
(Dollars in thousands)

	<u>Submarket</u>	<u>Acquisition Date</u>	<u>Building Count</u>	<u>Square Feet as of 9/30/07</u>	<u>Occupancy Percentage at Acquisition</u>	<u>Contractual Purchase Price (2)</u>	<u>Investment (2) (3)</u>
Nottingham Portfolio	BWI Airport	1/9-1/10/07	1	59,397	76.8%	\$ 8,910	\$ 9,233
Nottingham Portfolio	Howard Co. Perimeter	1/9-1/10/07	12	382,031	87.8%	57,983	59,669
Nottingham Portfolio	Hunt Valley/Rte 83 Corridor	1/9-1/10/07	3	91,378	93.9%	12,904	13,641
Nottingham Portfolio	Towson	1/9-1/10/07	4	177,567(4)	90.7%	25,485	26,228
Nottingham Portfolio	White Marsh	1/9-1/10/07	36	1,643,004	84.5%	219,718	220,268
525 Babcock Road	Colorado Springs East	7/12/2007	1	14,000	100.0%	1,504	1,523
<b>Total</b>			<b>57</b>	<b>2,367,377</b>		<b>\$ 326,504</b>	<b>\$ 330,562</b>

- (1) Excludes land only acquisitions.  
(2) Contractual purchase price and investment balances exclude value assigned to development land.  
(3) Initial accounting investment recorded by property.  
(4) Excludes approximately 160,000 square foot parking garage; although, garage purchase price is included in purchase price and investment columns.

31

**Year to Date Wholly Owned Disposition Summary as of September 30, 2007 (1)**  
(Dollars in thousands)

	<u>Submarket</u>	<u>Disposition Date</u>	<u>Square Feet</u>	<u>Contractual Sales Price</u>
7321 Parkway Drive	BWI Airport	9/7/2007	39,822	\$ 5,000
2 Centre Drive	Exit 8A - Cranbury	9/7/2007	16,132	3,400
8 Centre Drive	Exit 8A - Cranbury	9/7/2007	16,199	2,600
<b>Total</b>			<b>72,153</b>	<b>\$ 11,000</b>

- (1) Includes operational buildings only.

32

**Development Summary as of September 30, 2007**  
(Dollars in thousands)

<u>Property and Location</u>	<u>Submarket</u>	<u>Wholly Owned or Joint Venture (JV)</u>	<u>Total Rentable Square Feet</u>	<u>Percentage Leased</u>	<u>Anticipated Total Cost</u>	<u>Cost to date</u>	<u>Outstanding Loan as of 9/30/2007</u>	<u>Anticipated Date of Operations</u>
<b>Under Construction</b>								
201 Technology Park Drive Lebanon, Virginia	Southwest Virginia	Owned	102,842	100.00%	\$ 28,818	\$ 22,450	—	4Q 07
320 Sentinel Drive (320 NBP) Annapolis Junction, Maryland	(1) BWI Airport	Owned	125,681	100.00%	22,863	20,877	18,083	4Q 07
1055 North Newport Road Colorado Springs, Colorado	Colorado Springs East	Owned	59,763	100.00%	11,803	7,706	—	4Q 07
302 Sentinel Drive (302 NBP) Annapolis Junction, Maryland	(2) (3) BWI Airport	Owned	157,146	51.33%	31,132	28,610	22,506	1Q 08
1362 Mellon Road Hanover, Maryland	BWI Airport	Owned	44,134	0.00%	10,374	8,070	—	2Q 08

655 Space Center Drive Colorado Springs, Colorado	Colorado Springs East	Owned	103,900	0.00%	19,030	7,877	—	3Q 08
7740 Milestone Parkway Hanover, Maryland	BWI Airport	JV	151,800	0.00%	33,819	18,965	—	2Q 09
5520 Research Park Drive (UMBC) Baltimore, Maryland	BWI Airport	Land Lease	110,400	0.00%	24,187	8,201	—	3Q 09
<b>Total Under Construction</b>			<b>855,666</b>	<b>43.12 %</b>	<b>\$ 182,026</b>	<b>\$ 122,756</b>	<b>\$ 40,589</b>	

- (1) Total loan commitment is \$21.0 million.  
(2) Total loan commitment is \$27.0 million.  
(3) Although classified as "Under Construction," 48,377 square feet are operational.

33

**Development Summary as of September 30, 2007 (continued)**  
(Dollars in thousands)

<u>Property and Location</u>	<u>Submarket</u>	<u>Wholly Owned or Joint Venture (JV)</u>	<u>Total Rentable Square Feet</u>	<u>Percentage Leased</u>	<u>Anticipated Total Cost</u>	<u>Cost to date</u>	<u>Outstanding Loan as of 9/30/2007</u>	<u>Anticipated Date of Operations</u>	
<b>Redevelopment</b>									
9965 Federal Drive Colorado Springs, Colorado	(1)	I-25 North Corridor	Owned	74,749	100.00%	\$ 7,370	\$ 7,104	\$ —	2008
2900 Towerview Road and 13849 Park Center Road Hemdon, Virginia	(2)	Route 28 South	JV	194,037	40.29%	24,330	21,318	—	2008
7468 Candlewood Road Hanover, Maryland		BWI Airport	JV	471,587	0.00%	60,491	24,733	—	2009
<b>Total Redevelopment</b>				<b>740,373</b>	<b>20.65 %</b>	<b>\$ 92,191</b>	<b>\$ 53,155</b>	<b>\$ —</b>	
<b>Under Development</b>									
Rockville Corporate Center Rockville, Maryland		Rockville	Owned	110,000	0.00%	\$ 23,599	\$ 4,232	\$ —	2009
Riverwood I & II Columbia, Maryland		Howard Co. Perimeter	Owned	70,000	0.00%	14,703	1,824	—	2009
300 Sentinel Drive (300 NBP) Annapolis Junction, Maryland		BWI Airport	Owned	190,000	0.00%	39,265	5,869	—	2009
316 Sentinel Drive (316 NBP) Annapolis Junction, Maryland		BWI Airport	Owned	125,000	0.00%	24,978	3,100	—	2009
16444 Commerce Drive Dahlgren, Virginia		King George County	Owned	50,000	0.00%	10,349	923	—	2009
InterQuest South, Hybrid I Colorado Springs, Colorado		I-25 North Corridor	Owned	73,940	0.00%	12,935	2,093	—	2009
InterQuest South, Hybrid II Colorado Springs, Colorado		I-25 North Corridor	Owned	53,845	0.00%	9,014	1,295	—	2009
308 Sentinel Drive (308 NBP) Annapolis Junction, Maryland		BWI Airport	Owned	161,200	0.00%	33,625	2,090	—	2009
6721 Columbia Gateway Drive Columbia, Maryland		Howard Co. Perimeter	Owned	131,550	0.00%	25,996	11,063	—	2009
InterQuest Epic One Colorado Springs, Colorado		I-25 North Corridor	Owned	151,000	0.00%	30,457	2,558	—	2009
8130 Corporate Drive White Marsh, Maryland		White Marsh	Owned	125,000	0.00%	20,610	2,249	—	2009
110 Thomas Johnson Drive Bldg #2 Frederick, Maryland		Frederick	Owned	85,000	0.00%	16,162	1,726	—	2009
<b>Total Under Development</b>				<b>1,326,535</b>	<b>0.00 %</b>	<b>\$ 261,693</b>	<b>\$ 39,022</b>	<b>\$ —</b>	

- (1) Although classified as "Redevelopment," 41,120 square feet are operational.  
(2) Although classified as "Redevelopment," 78,171 square feet located at 2900 Towerview Road are operational. In addition, 57,000 square feet of flex space are located at 13849 Park Center Road.

34

**Total Development Placed into Service as of September 30, 2007**  
(Dollars in thousands)

Property and Location	Submarket	Wholly Owned or Joint Venture (JV)	Total Rentable Square Feet	Development Square Feet Placed Into Service			Percentage of Development Square Feet Placed Into Service Leased or Committed as of 9/30/07	Percentage of Total Rentable Square Feet Leased or Committed as of 9/30/07
				Year 2006	Year 2007			
					2nd Quarter	3rd Quarter		
11751 Meadowville Lane Chester, Virginia	Richmond Southwest	Owned	193,000	—	193,000	—	100.00%	100.00%
6711 Columbia Gateway Drive Columbia, Maryland	Howard Co. Perimeter	Owned	123,410	68,196	21,363	33,851(1)	76.88%	76.88%
302 Sentinel Drive (302 NBP) Annapolis Junction, Maryland	BWI Airport	Owned	157,146	—	—	48,377	100.00%	51.33%
5522 Research Park Drive (UMBC) Baltimore, Maryland	BWI Airport	Land Lease	23,500	—	—	23,500	100.00%	100.00%
<b>Total Development Placed Into Service</b>			<b>497,056</b>	<b>68,196</b>	<b>214,363</b>	<b>105,728</b>	<b>92.65%</b>	<b>78.87%</b>

(1) As of September 30, 2007, 100% of this building was operational. As of December 31, 2006, 68,196 square feet were placed into service.

**Land Inventory as of September 30, 2007**

Location	Submarket	Status	Non-Wholly Owned		Wholly Owned	
			Acres	Developable Square Feet	Acres	Developable Square Feet
Westfields Corporate Center	Dulles South	owned	—	—	19	246,800
Westfields Corporate Center	Dulles South	owned	—	—	17	377,300
Westfields Corporate Center	Dulles South	owned	—	—	32	674,200
Woodland Park	Herndon	owned	—	—	5	225,000
<b>Total Northern Virginia</b>			<b>—</b>	<b>—</b>	<b>73</b>	<b>1,523,300</b>
National Business Park (Phase II)	BWI Airport	owned	—	—	16	443,965
National Business Park (Phase III)	BWI Airport	owned	—	—	205	1,250,000
1243 Winterson Road (AS 22)	BWI Airport	owned	—	—	2	30,000
940 Elkridge Landing Road (AS 7)	BWI Airport	owned	—	—	3	53,941
Arundel Preserve	BWI Airport	under contract/JV	56	up to 1,648,200	—	—
1460 Dorsey Road	BWI Airport	owned	—	—	6	60,000
Columbia Gateway Parcel T-11	Howard Co. Perimeter	owned	—	—	14	220,000
7125 Columbia Gateway Drive	Howard Co. Perimeter	owned	—	—	5	120,000
<b>Total Baltimore / Washington Corridor</b>			<b>56</b>	<b>1,648,200</b>	<b>251</b>	<b>2,177,906</b>
White Marsh (1)	White Marsh	owned	—	—	145	1,527,000
10521 Red Run Boulevard	Owings Mills	owned	—	—	12	190,000
37 Allegheny Avenue	Towson	owned	—	—	0.3	40,000
Northgate Business Park	Harford County	owned	—	—	56	800,000
<b>Total Suburban Baltimore</b>			<b>—</b>	<b>—</b>	<b>213</b>	<b>2,557,000</b>
110 Thomas Johnson Drive	Frederick	owned	—	—	3	85,000
Rockville Corporate Center	Rockville	owned	—	—	5	110,000
<b>Total Suburban Maryland</b>			<b>—</b>	<b>—</b>	<b>8</b>	<b>195,000</b>
Unisys Campus	Blue Bell	owned	—	—	45	600,000
<b>Total Greater Philadelphia</b>			<b>—</b>	<b>—</b>	<b>45</b>	<b>600,000</b>
Princeton Technology Center	Exit 8A - Cranbury	owned	—	—	19	250,000
<b>Total Northern / Central New Jersey</b>			<b>—</b>	<b>—</b>	<b>19</b>	<b>250,000</b>
Dahlgren Technology Center	King George County	owned	—	—	32	65,000
Expedition Park	St. Mary's County	owned	—	—	6	60,000
<b>Total St. Mary's &amp; King George Counties</b>			<b>—</b>	<b>—</b>	<b>38</b>	<b>125,000</b>
InterQuest	I-25 North Corridor	owned	—	—	111	1,471,000
9965 Federal Drive	I-25 North Corridor	owned	—	—	4	30,000
Patriot Park	Colorado Springs East	owned	—	—	78	860,000
Aerotech Commerce	Colorado Springs East	owned	—	—	7	90,000
<b>Total Colorado Springs</b>			<b>—</b>	<b>—</b>	<b>200</b>	<b>2,451,000</b>

San Antonio	San Antonio	owned	—	—	27	350,000
San Antonio	San Antonio	owned	—	—	31	375,000
<b>Total San Antonio</b>			—	—	<b>58</b>	<b>725,000</b>
Indian Head	Charles County, MD	JV- 75% ownership	153	677,250	—	—
Fort Ritchie (2)	Cascade, MD	under contract/owned	—	—	591 (3)	1,700,000
<b>Total Other</b>			<b>153</b>	<b>677,250</b>	<b>591</b>	<b>1,700,000</b>
<b>TOTAL</b>			<b>209</b>	<b>2,325,450</b>	<b>1,496</b>	<b>12,304,206</b>

- (1) We sold 3.52 acres of developable land in White Marsh on September 27, 2007 and realized a \$1.1 million gain.  
(2) The Fort Ritchie acquisition includes 301,134 square feet of existing office space, targeted for future redevelopment, and 110 existing usable residential units.  
(3) Of this total acreage, 91 acres are under contract.

This land inventory schedule excludes all properties listed as under construction, redevelopment or under development as detailed on pages 33 and 34.

**Joint Venture Summary as of September 30, 2007**  
(Dollars in thousands)

Consolidated Properties

<u>Property and Location</u>	<u>Joint Venture Interest Held By COPT</u>	<u>Status</u>	<u>Square Feet</u>	<u>Acreage</u>	<u>Total Assets</u>	<u>Consolidated Debt as of 9/30/07</u>	<u>Recourse to COPT</u>	<u>Option to Acquire Partner's Interest</u>
4230 Forbes Boulevard Lanham, Maryland	50.0%	Operating	55,866	5 acres	\$ 4,405	\$ —	N/A	Yes
7468 Candlewood Road (1) Hanover, Maryland	92.5%	Redevelopment	471,587	19 acres	27,559	—	N/A	Yes
2900 Towerview Road and 13849 Park Center Road (2) Herndon, Virginia	92.5%	Operating/ Redevelopment	196,877	12 acres	23,570	—	N/A	Yes
Indian Head Technology Center Business Park Indian Head, Maryland	75.0%	Land Inventory	677,250	153 acres	3,047	—	N/A	Yes
7740 - 7744 Milestone Parkway (3) Hanover, Maryland	50.0%	Construction/ Land Inventory	455,400	23 acres	23,362	—	N/A	No
<b>TOTAL</b>					<b>\$ 81,942</b>	<b>\$ —</b>		

- (1) The 7468 Candlewood Road project consists of 471,587 square feet of warehouse space and will be redeveloped into approximately 325,000 rentable square feet of office space.  
(2) This joint venture includes 57,000 square feet of flex space at 13849 Park Center Road.  
(3) Of this joint venture entity, one building totaling 151,800 square feet is currently under construction.

Unconsolidated Properties

<u>Property and Location</u>	<u>Joint Venture Interest Held By COPT</u>	<u>Status</u>	<u>Square Feet</u>	<u>COPT Investment</u>	<u>Off-Balance Sheet Debt as of 9/30/07</u>	<u>Recourse to COPT</u>	<u>Option to Acquire Partner's Interest</u>
Greater Harrisburg Portfolio Harrisburg and Mechanicsburg, Pennsylvania	20.0%	Operating	671,759	\$ (4,124)	\$ 66,600	No	No

**Reconciliations of Non GAAP Measurements**  
(Dollars in thousands)

	2007			2006	
	September 30	June 30	March 31	December 31	September 30
<b>Total Assets or Denominator for Debt to Total Assets</b>	<b>\$ 2,916,023</b>	<b>\$ 2,854,729</b>	<b>\$ 2,814,723</b>	<b>\$ 2,419,601</b>	<b>\$ 2,355,922</b>
Accumulated depreciation	270,580	255,248	236,650	219,574	205,529
Intangible assets on real estate acquisitions, net	116,368	123,861	131,934	87,325	92,061
Assets other than assets included in investment in real estate	(331,078)	(330,156)	(340,546)	(308,291)	(300,236)
<b>Denominator for Debt to Undepreciated Book Value of Real Estate Assets</b>	<b>\$ 2,971,893</b>	<b>\$ 2,903,682</b>	<b>\$ 2,842,761</b>	<b>\$ 2,418,209</b>	<b>\$ 2,353,276</b>
<b>GAAP Revenues from Real Estate Operations</b>	<b>\$ 94,564</b>	<b>\$ 90,826</b>	<b>\$ 89,312</b>	<b>\$ 77,491</b>	<b>\$ 76,869</b>
Revenues from discontinued operations	274	344	1,083	3,986	2,189



<b>Combined Real Estate Revenues</b>	\$	<b>94,838</b>	\$	<b>91,170</b>	\$	<b>90,395</b>	\$	<b>81,477</b>	\$	<b>79,058</b>
<b>GAAP Revenues from Real Estate Operations</b>	\$	<b>94,564</b>	\$	<b>90,826</b>	\$	<b>89,312</b>	\$	<b>77,491</b>	\$	<b>76,869</b>
Property operating expenses		(31,642)		(28,993)		(31,587)		(25,447)		(24,983)
Revenues from discontinued operations		274		344		1,083		3,986		2,189
Property operating expenses from discontinued operations		(603)		(301)		(437)		(394)		(744)
<b>Combined Net Operating Income</b>	\$	<b>62,593</b>	\$	<b>61,876</b>	\$	<b>58,371</b>	\$	<b>55,636</b>	\$	<b>53,331</b>
<b>GAAP Net Operating Income for Same Office Properties</b>	\$	<b>50,530</b>	\$	<b>50,946</b>	\$	<b>50,351</b>	\$	<b>49,249</b>	\$	<b>50,793</b>
Less: Straight-line rent adjustments		(1,951)		(1,644)		(1,520)		(1,878)		(2,533)
Less: Amortization of deferred market rental revenue		(541)		(416)		(477)		(491)		(159)
<b>Cash Net Operating Income for Same Office Properties</b>	\$	<b>48,038</b>	\$	<b>48,886</b>	\$	<b>48,354</b>	\$	<b>46,880</b>	\$	<b>48,101</b>
Less: Lease termination fees, gross		(610)		(921)		(1,160)		(798)		(1,883)
<b>Cash Net Operating Income for Same Office Properties, adjusted for lease termination fees</b>	\$	<b>47,428</b>	\$	<b>47,965</b>	\$	<b>47,194</b>	\$	<b>46,082</b>	\$	<b>46,218</b>
<b>Depreciation and amortization</b>	\$	<b>26,587</b>	\$	<b>27,399</b>	\$	<b>26,501</b>	\$	<b>19,916</b>	\$	<b>21,510</b>
Depreciation of furniture, fixtures and equipment		(339)		(342)		(326)		(313)		(601)
Depreciation and amortization from discontinued operations		18		30		125		165		396
<b>Combined real estate related depreciation and other amortization</b>	\$	<b>26,266</b>	\$	<b>27,087</b>	\$	<b>26,300</b>	\$	<b>19,768</b>	\$	<b>21,305</b>
<b>Total tenant improvements and incentives on operating properties</b>	\$	<b>4,605</b>	\$	<b>7,673</b>	\$	<b>6,517</b>	\$	<b>9,907</b>	\$	<b>4,552</b>
Total capital improvements on operating properties		2,514		2,387		1,581		3,844		2,276
Total leasing costs for operating properties		719		2,014		2,979		2,827		3,416
Less: Nonrecurring tenant improvements and incentives on operating properties		(1,887)		(3,636)		(5,858)		(7,489)		(3,340)
Less: Nonrecurring capital improvements on operating properties		(1,198)		(1,446)		(408)		(1,364)		(467)
Less: Nonrecurring leasing costs for operating properties		(89)		(494)		(1,698)		(2,171)		(2,783)
Add: Recurring improvements on operating properties held through joint ventures		—		28		28		833		236
<b>Recurring capital expenditures</b>	\$	<b>4,664</b>	\$	<b>6,526</b>	\$	<b>3,141</b>	\$	<b>6,387</b>	\$	<b>3,890</b>
<b>Interest expense from continuing operations</b>	\$	<b>21,000</b>	\$	<b>20,460</b>	\$	<b>19,801</b>	\$	<b>18,625</b>	\$	<b>17,678</b>
Interest expense from discontinued operations		145		614		463		260		506
<b>Combined interest expense or denominator for interest coverage</b>	\$	<b>21,145</b>	\$	<b>21,074</b>	\$	<b>20,264</b>	\$	<b>18,885</b>	\$	<b>18,184</b>
Scheduled principal amortization		3,936		3,696		7,685		3,834		3,822
<b>Denominator for Debt Service Coverage</b>	\$	<b>25,081</b>	\$	<b>24,770</b>	\$	<b>27,949</b>	\$	<b>22,719</b>	\$	<b>22,006</b>
Scheduled principal amortization		(3,936)		(3,696)		(7,685)		(3,834)		(3,822)
Preferred dividends - redeemable non-convertible		4,025		4,025		3,993		3,790		4,307
Preferred distributions		165		165		165		165		165
<b>Denominator for Fixed Charge Coverage</b>	\$	<b>25,335</b>	\$	<b>25,264</b>	\$	<b>24,422</b>	\$	<b>22,840</b>	\$	<b>22,656</b>
<b>Common dividends for Earnings Payout Ratio</b>	\$	<b>16,092</b>	\$	<b>14,613</b>	\$	<b>14,529</b>	\$	<b>13,292</b>	\$	<b>13,265</b>
Common distributions		2,777		2,574		2,554		2,622		2,643
<b>Dividends and distributions for FFO and AFFO Payout Ratio</b>	\$	<b>18,869</b>	\$	<b>17,187</b>	\$	<b>17,083</b>	\$	<b>15,914</b>	\$	<b>15,908</b>
Amortization of deferred financing costs from continuing operations	\$	901	\$	921	\$	884	\$	949	\$	736
Amortization of deferred financing costs from discontinued operations		—		—		—		—		128
<b>Combined amortization of deferred financing costs</b>	\$	<b>901</b>	\$	<b>921</b>	\$	<b>884</b>	\$	<b>949</b>	\$	<b>864</b>