# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

**Washington, DC 20549**

# FORM 8-K

**CURRENT REPORT**

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

Date of report (Date of earliest event reported) **July 30, 2008 (July 29, 2008)**

# CORPORATE OFFICE PROPERTIES TRUST

(Exact name of registrant as specified in its charter)

| **Maryland** | **1-14023** | **23-2947217** |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (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))

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

On July 29, 2008, the Registrant issued a press release relating to its financial results for the three months ended June 30, 2008. A copy of the press release is included as Exhibit 99.1 to this report 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.

Funds from operations ("FFO")

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 after adjustments for unconsolidated partnerships and joint ventures. Gains from the sale of real estate that are attributable to sales of non-operating properties are included in FFO. Gains from sales of newly-developed properties less accumulated depreciation, if any, required under GAAP are also included in FFO on the basis that development services are the primary revenue generating activity; the 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 (a) preferred share dividends and (b) issuance costs associated with redeemed preferred shares 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.

Diluted funds from operations or funds from operations-diluted ("Diluted FFO")

Diluted FFO is Basic FFO adjusted to add back any 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 other than common units in the Operating Partnership 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, discussed below. In addition, since most equity REITs provide Diluted FFO information to the investment community, the Registrant believes that Diluted FFO is a useful supplemental measure for comparing the Registrant to other equity REITs. The Registrant believes that the numerator for 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 per diluted share or diluted FFO per common share ("Diluted FFO per share")

Diluted FFO per share is (1) Diluted FFO 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 Diluted FFO per share does not assume conversion of securities other than common units in the Operating Partnership 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 the Registrant's FFO results in the same manner that investors use earnings per share ("EPS") 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 that 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 above); 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 improvements, 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.

Net operating income ("NOI")

NOI is total revenue from real estate operations, including rental revenue and tenant recoveries and other 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 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 NOI.  The measure excludes many items that are includable in net income, including construction contract and other service operations revenues, as well as expenses including those mentioned above; 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.  NOI presented by the Registrant may not be comparable to NOI presented by other equity REITs that define the measure differently.

Cash net operating income ("Cash NOI")

Cash NOI is 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 NOI for revenue that is not associated with cash to the Registrant.  As is the case with 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.

EBITDA Interest Coverage Ratio

This measure divides EBITDA by interest expense on continuing and discontinued operations.  The Registrant believes that this ratio is a useful measure in evaluating the relationship of earnings to the total cash flow requirements for interest on loans associated with operating properties and, as such, is an important tool in the Registrant's finance policy management.

EBITDA Fixed Charge Coverage Ratio

This measure divides 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 this ratio is a useful measure 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, is an important tool in the Registrant's finance policy management.

Diluted FFO Payout Ratio and Diluted AFFO Payout Ratio

These measures are defined as (1) the sum of (A) dividends on common shares and (B) dividends on restricted 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 Payout-FFO Diluted and Payout-AFFO Diluted 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.

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 this measure is useful to management and investors as a supplemental measure of its borrowing levels.  In addition, since most equity REITs provide Debt to Undepreciated Book Value of Real Estate Asset information, the Registrant believes that this measure 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 Book Value of 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 | Exhibit Title |
|---|---|
| 99.1 | Press release dated July 29, 2008 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: July 30, 2008

CORPORATE OFFICE PROPERTIES TRUST

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

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



EXHIBIT INDEX

| Exhibit Number | Exhibit Title |
|---|---|
| 99.1 | Press release dated July 29, 2008 for Corporate Office Properties Trust. |

COPT
CORPORATE OFFICE PROPERTIES TRUST

6711 Columbia Gateway Drive, Suite 300
Columbia, Maryland 21046
Telephone 443-285-5400
Facsimile 443-285-7650
www.copt.com
NYSE: OFC

NEWS RELEASE

**FOR IMMEDIATE RELEASE**

Contact:
Mary Ellen Fowler
Vice President and Treasurer
443-285-5450
maryellen.fowler@copt.com

**CORPORATE OFFICE PROPERTIES TRUST**
**REPORTS SECOND QUARTER 2008 RESULTS**

**COLUMBIA, MD July 29, 2008 -** Corporate Office Properties Trust (COPT) (NYSE: OFC) announced today financial and operating results for the quarter ended June 30, 2008.

**Highlights**

- 7.0% increase in Diluted Funds from Operations ("Diluted FFO") per share to $.61 for the second quarter 2008 or $34.2 million from $.57 for the second quarter 2007 or $31.8 million.

- Diluted earnings per share ("Diluted EPS") of $.18 for the second quarter 2008 or $8.8 million of net income available to common shareholders as compared to $.08 per diluted share for the second quarter 2007 or $3.9 million of net income available to common shareholders.

- 16.4% increase in Adjusted Funds from Operations ("AFFO") diluted to $25.1 million for the second quarter 2008 as compared to $21.6 million for the second quarter 2007.

- 55.5% Diluted FFO payout ratio for second quarter 2008 as compared to 54.0% for the second quarter 2007.

- 75.4% Diluted AFFO payout ratio for second quarter 2008 as compared to 79.5% for the second quarter 2007.

- 93.4% occupied and 94.2% leased for our wholly-owned portfolio as of June 30, 2008.

- 369,000 square feet of development space leased for the second quarter 2008.

- 76.1% renewal rate on expiring leases for the six months ended June 30, 2008, with a 10.1% increase in total straight-line rent for renewed space. During the quarter, the Company had a renewal rate of 60.4%.

- 3.1% increase in same office property cash NOI for the quarter, excluding the effect of an $863,000 reduction in lease termination fees. Including the effect of lower lease termination fees, same office property cash NOI increased 1.5% for the quarter. The Company's same



office portfolio for the quarter ended June 30, 2008 represents 92.4% of its consolidated portfolio and consists of 217 properties.

- $40.5 million in acquisitions year to date, totaling 247,000 square feet.

"Our recent financing activities include increasing the line to $600.0 million, adding a new $225.0 million construction revolver and a new $221.4 million permanent loan, which all combined have satisfied our capital requirements for 2008," stated Randall M. Griffin, President and CEO, Corporate Office Properties Trust. "In addition, we experienced strong development leasing since last quarter, totaling 431,000 square feet with two of the leases for full building users," he added.

**Financial Results**

Revenues from real estate operations for the quarter ended June 30, 2008 were $98.1 million, as compared to revenue for the quarter ended June 30, 2007 of $90.4 million.

As of June 30, 2008, the Company had a total market capitalization of $4.0 billion, with $1.9 billion in debt outstanding, equating to a 47.1% debt-to-total market capitalization ratio.

As of June 30, 2008, the Company's weighted average interest rate was 5.1% and the Company had 74.3% of the total debt subject to fixed interest rates.

For the second quarter 2008, EBITDA to interest expense coverage ratio was 3.10x and the EBITDA to fixed charge coverage ratio was 2.55x.

Reconciliations of non-GAAP measures to the most directly comparable GAAP measures are included in the tables that follow the text of this press release.

**Operating Results**

At June 30, 2008, the Company's wholly-owned portfolio of 234 office properties totaled 18.2 million square feet. The weighted average remaining lease term for the portfolio was 4.8 years and the average rental rate (including tenant reimbursements) was $21.92 per square foot.

For the six months ended June 30, 2008, 781,000 square feet were renewed equating to a 76.1% renewal rate, at an average committed cost of $4.58 per square foot. Total rent on renewed space increased 10.1% on a straight-line basis, as measured from the straight-line rent in effect preceding the renewal date and increased 4.0% on a cash basis. For renewed and retenanted space of 995,000 square feet, total straight-line rent increased 7.2% and total rent on a cash basis increased 1.5%. The average committed cost for renewed and retenanted space was $7.75 per square foot. During the quarter, 193,000 square feet were renewed equating to a 60.4% renewal rate, at an average committed cost of $7.06 per square foot.

The Company recognized total lease termination fees of $54,000, net of write-offs of related straight-line rents and accretion of intangible assets and liabilities for the quarter, as compared to $708,000 in the second quarter of 2007.

**Development Activity**

At quarter end, the Company had 2.6 million square feet under construction, development and redevelopment for a total projected cost of $504.1 million.



---

The Company's land inventory (wholly-owned and joint venture) at quarter end totaled 1,731 acres that can support 15.1 million square feet of development.

During the quarter, the Company placed 190,000 square feet of development projects into service, of which 146,000 square feet, or 76.7%, were leased as of June 30, 2008.

The Company signed leases for 369,000 square feet of space under construction and development during the quarter. Included in this total are the following:

- 131,000 square foot property located in the Columbia Gateway Business Park, at 6721 Columbia Gateway Drive in Columbia, Maryland, 100.0% leased long term to Integral Systems, Inc.

- 123,000 square foot property (owned through a joint venture) located at 5850 University Research Court in College Park, Maryland, 100.0% leased long term to a large credit worthy tenant.

- 44,000 square feet of the 54,000 square foot property located at 9925 Federal Drive in Colorado Springs, Colorado, leased long term to Plasmon, LLC.

- 41,500 square feet of the 116,000 square foot property (owned through a joint venture) located at 5825 University Research Court in College Park, Maryland, leased to the University of Maryland's Earth System Science Interdisciplinary Center (ESSIC).

- 29,000 square feet of the 104,000 square foot property located at 655 Space Center Drive in Colorado Springs, Colorado, now 100.0% leased long term to ITT Corporation, Systems Division.

**Acquisition Activity**

The Company acquired 247,000 square feet year to date for $40.5 million. Included in this total, are the following:

- 124,000 square foot property for $23.2 million, located in the Colorado Springs Airport Business Park, known as Cresterra, at 3535 Northrop Grumman Point in Colorado Springs, Colorado, 100.0% leased long term to Northrop Grumman Corporation.

- 123,000 square feet in two properties for $17.3 million, located at 1560 Cable Ranch Road, known collectively as 151 Technology Center in San Antonio, Texas, 100.0% leased long term to Sears, Air Force Federal Credit Union and AFNI.

**Disposition Activity**

During the quarter, the Company sold two properties totaling 80,000 square feet for an aggregate of $8.3 million.

**Financing and Capital Transactions**

The Company closed on a $225.0 million construction loan facility that will be used to fund most of the Company's construction costs over the next several years. The facility has a three year term with a one year extension option, and requires interest only payments throughout the term.



---

**Subsequent Events**

The Company executed the following transactions subsequent to quarter end:

- Closed on a $221.4 million loan requiring interest only payments for the term at LIBOR plus 225 basis points. The loan facility has a four year term with an option to extend by an additional year. The Company used $63.5 million of the proceeds to repay construction loan facilities due to mature in 2008, $11.8 million of the proceeds to repay borrowings under the Company's Construction Revolver and the majority of the remaining proceeds to repay borrowings under the Company's Revolving Credit Facility.

- 34,000 square feet of the 146,000 square foot property located at 10807 New Allegiance Drive in Colorado Springs, Colorado, leased to Lockheed Martin Corporation.

- 28,000 square feet of the 107,000 square foot property located in the University of Maryland, Baltimore County's bwtech@UMBC research and technology park, at 5520 Research Park Drive, leased long term to RMF Engineering, Inc.

**Earnings Guidance**

The Company's 2008 EPS guidance has been revised from a range of $.62 to $.70 to a range of $.66 to $.72 per diluted share, due primarily to the inclusion of the second quarter 2008 gain on the sales of real estate properties.

The Company's 2008 FFO guidance has been revised from a range of $2.41 to $2.49 to a range of $2.42 to $2.48 per diluted share, representing FFO growth of 8% to 11% compared to 2007 actual results.

**Conference Call**

The Company will hold an investor/analyst conference call:

**Conference Call and Webcast Date:** Wednesday, July 30, 2008

**Time:** 10:00 a.m. Eastern Time

**Dial In Number:** 888-713-4218

**Passcode:** 66686327

A replay of this call will be available beginning Wednesday, July 30 at 2:00 p.m. Eastern Time through Wednesday, August 13 at midnight Eastern Time. To access the replay, please call 888-286-8010 and use passcode 98729394.

The conference call will also be available via live webcast in the Investor Relations section of the Company's website at www.copt.com. A replay of the conference call will be immediately available via webcast in the Investor Relations section of the Company's website.

Please use the following link to pre-register and view important information about this conference call. Pre-registering is not mandatory but is recommended as it will provide you immediate entry into the call and will facilitate the timely start of the conference. Pre-registration only takes a few moments and you may pre-register at anytime, including up to and after the call start time. To pre-register, please click on the below link:
https://www.theconferencingservice.com/prereg/key.process?key=PG3YGJYDN



You may also pre-register in the Investor Relations section of the Company's website at www.copt.com. Alternatively, you may be placed into the call by an operator by calling the number provided above at least 5 to 10 minutes before the start of the call.

**Definitions**

Please refer to our Form 8-K or our website (www.copt.com) for definitions of certain terms used in this press release. Reconciliations of non-GAAP measures to the most directly comparable GAAP measures are included in the attached tables.

**Company Information**

Corporate Office Properties Trust (COPT) (NYSE: OFC) is a specialty office real estate investment trust (REIT) that focuses on strategic customer relationships and specialized tenant requirements in the U.S. Government, Defense Information Technology and Data sectors. The Company acquires, develops, manages and leases properties which are typically concentrated in large office parks primarily located adjacent to government demand drivers and/or in growth corridors. As of June 30, 2008, the Company owned 253 office and data properties totaling 19.1 million rentable square feet, which includes 19 properties totaling 847,000 square feet held through joint ventures. The Company's portfolio primarily consists of technically sophisticated buildings in visually appealing settings that are environmentally sensitive, sustainable and meet unique customer requirements. More information on COPT can be found at www.copt.com.

**Forward-Looking Information**

*This press release may contain "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 the Company's current expectations, estimates and projections about future events and financial trends affecting the Company. 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 the Company cannot predict with accuracy and some of which the Company might not even anticipate. Accordingly, the Company 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:*

- *the Company's 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;*
- *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 the Company's joint venture partners may not fulfill their financial obligations as investors or may take actions that are inconsistent with the Company's 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.*

*The Company undertakes no obligation to update or supplement any forward-looking statements. For further information, please refer to the Company's filings with the Securities and Exchange Commission, particularly the section entitled "Risk Factors" in Item 1 of the Company's Annual Report on Form 10-K for the year ended December 31, 2007.*



Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(Amounts in thousands, except per share data)

| | Three Months Ended June 30, 2008 | Three Months Ended June 30, 2007 |
|---|---|---|
| Revenues | | |
| Real estate revenues | $ 98,111 | $ 90,374 |

| | | |
|---|---|---|
| Service operations revenues | 15,144 | 11,693 |
| Total revenues | 113,255 | 102,067 |
| Expenses | | |
| Property operating expenses | 33,957 | 29,032 |
| Depreciation and other amortization associated with real estate operations | 24,955 | 26,834 |
| Service operations expenses | 14,646 | 11,262 |
| General and administrative expenses | 6,036 | 5,326 |
| Total operating expenses | 79,594 | 72,454 |
| Operating income | 33,661 | 29,613 |
| Interest expense | (19,437) | (20,437) |
| Amortization of deferred financing costs | (910) | (921) |
| Gain on sales of non-real estate investments | 5 | 1,033 |
| Income from continuing operations before equity in loss of unconsolidated entities, income taxes and minority interests | 13,319 | 9,288 |
| Equity in loss of unconsolidated entities | (56) | (57) |
| Income tax benefit (expense) | 107 | (178) |
| Income from continuing operations before minority interests | 13,370 | 9,053 |
| Minority interests in income from continuing operations | (1,663) | (941) |
| Income from continuing operations | 11,707 | 8,112 |
| Income (loss) from discontinued operations, net | 1,115 | (396) |
| Income before gain on sales of real estate | 12,822 | 7,716 |
| Gain on sales of real estate, net | 31 | 161 |
| Net income | 12,853 | 7,877 |
| Preferred share dividends | (4,026) | (4,025) |
| Net income available to common shareholders | $ 8,827 | $ 3,852 |
| | | |
| **Earnings per share "EPS" computation** | | |
| Numerator | $ 8,827 | $ 3,852 |
| | | |
| Denominator: | | |
| Weighted average common shares - basic | 47,110 | 46,686 |
| Dilutive effect of share-based compensation awards | 888 | 1,105 |
| Weighted average common shares - diluted | 47,998 | 47,791 |
| | | |
| **EPS** | | |
| Basic | $ 0.19 | $ 0.08 |
| Diluted | $ 0.18 | $ 0.08 |



Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(Amounts in thousands, except per share data and ratios)

| | Three Months Ended June 30, 2008 | 2007 |
|---|---|---|
| Net income | $ 12,853 | $ 7,877 |
| Add: Real estate-related depreciation and amortization | 24,955 | 27,087 |
| Add: Depreciation and amortization on unconsolidated real estate entities | 163 | 169 |
| Less: Depreciation and amortization allocable to minority interests in other consolidated entities | (75) | (47) |
| (Gain) loss on sales of real estate, excluding development portion | (1,250) | 11 |
| Funds from operations ("FFO") | 36,646 | 35,097 |
| Add: Minority interests-common units in the Operating Partnership | 1,585 | 765 |
| Less: Preferred share dividends | (4,026) | (4,025) |
| Funds from operations - basic and diluted ("Basic and Diluted FFO") | 34,205 | 31,837 |
| Less: Straight-line rent adjustments | (2,778) | (3,224) |
| Less: Recurring capital expenditures | (5,821) | (6,526) |
| Less: Amortization of deferred market rental revenue | (458) | (473) |
| Adjusted funds from operations - diluted ("Diluted AFFO") | $ 25,148 | $ 21,614 |
| | | |
| Weighted average shares | | |
| Weighted average common shares | 47,110 | 46,686 |
| Conversion of weighted average common units | 8,151 | 8,313 |
| Weighted average common shares/units - basic FFO per share | 55,261 | 54,999 |
| Dilutive effect of share-based compensation awards | 888 | 1,105 |
| Weighted average common shares/units - diluted FFO per share | 56,149 | 56,104 |
| | | |
| Diluted FFO per common share | $ 0.61 | $ 0.57 |
| Dividends/distributions per common share/unit | $ 0.34 | $ 0.31 |
| Earnings payout ratio | 183.5 % | 379.4 % |
| Diluted FFO payout ratio | 55.5 % | 54.0 % |
| Diluted AFFO payout ratio | 75.4 % | 79.5 % |
| EBITDA interest coverage ratio | 3.10 x | 2.77 x |
| EBITDA fixed charge coverage ratio | 2.55 x | 2.31 x |

| | | |
|---|---|---|
| **Reconciliation of denominators for diluted EPS and diluted FFO per share** | | |
| Denominator for diluted EPS | 47,998 | 47,791 |
| Weighted average common units | 8,151 | 8,313 |
| Denominator for diluted FFO per share | 56,149 | 56,104 |



Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(Amounts in thousands, except per share data)

| | Six Months Ended June 30, 2008 | Six Months Ended June 30, 2007 |
|---|---|---|
| Revenues | | |
| Real estate revenues | $ 195,262 | $ 179,242 |
| Service operations revenues | 24,136 | 21,770 |
| Total revenues | 219,398 | 201,012 |
| Expenses | | |
| Property operating expenses | 68,499 | 60,591 |
| Depreciation and other amortization associated with real estate operations | 49,847 | 52,786 |
| Service operations expenses | 23,531 | 21,150 |
| General and administrative expenses | 11,969 | 10,203 |
| Total operating expenses | 153,846 | 144,730 |
| Operating income | 65,552 | 56,282 |
| Interest expense | (39,746) | (40,213) |
| Amortization of deferred financing costs | (1,713) | (1,805) |
| Gain on sales of non-real estate investments | 51 | 1,033 |
| Income from continuing operations before equity in loss of unconsolidated entities, income taxes and minority interests | 24,144 | 15,297 |
| Equity in loss of unconsolidated entities | (110) | (151) |
| Income tax expense | (5) | (283) |
| Income from continuing operations before minority interests | 24,029 | 14,863 |
| Minority interests in income from continuing operations | (2,801) | (1,340) |
| Income from continuing operations | 21,228 | 13,523 |
| Income (loss) from discontinued operations, net | 2,187 | (260) |
| Income before gain on sales of real estate | 23,415 | 13,263 |
| Gain on sales of real estate, net | 833 | 161 |
| Net income | 24,248 | 13,424 |
| Preferred share dividends | (8,051) | (8,018) |
| Net income available to common shareholders | $ 16,197 | $ 5,406 |
| | | |
| **Earnings per share "EPS" computation** | | |
| Numerator | $ 16,197 | $ 5,406 |
| | | |
| Denominator: | | |
| Weighted average common shares - basic | 47,055 | 46,185 |
| Dilutive effect of share-based compensation awards | 797 | 1,305 |
| Weighted average common shares - diluted | 47,852 | 47,490 |
| | | |
| **EPS** | | |
| Basic | $ 0.34 | $ 0.12 |
| Diluted | $ 0.34 | $ 0.11 |



Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(Amounts in thousands, except per share data and ratios)

| | Six Months Ended June 30, 2008 | Six Months Ended June 30, 2007 |
|---|---|---|
| Net income | $ 24,248 | $ 13,424 |
| Add: Real estate-related depreciation and amortization | 49,899 | 53,387 |
| Add: Depreciation and amortization on unconsolidated real estate entities | 327 | 337 |
| Less: Depreciation and amortization allocable to minority interests in other consolidated entities | (124) | (89) |
| (Gain) loss on sales of real estate, excluding development portion | (2,630) | 11 |
| Funds from operations ("FFO") | 71,720 | 67,070 |
| Add: Minority interests-common units in the Operating Partnership | 2,909 | 1,073 |
| Less: Preferred share dividends | (8,051) | (8,018) |
| Funds from Operations - basic and diluted ("Basic and Diluted FFO") | 66,578 | 60,125 |
| Less: Straight-line rent adjustments | (5,434) | (5,795) |
| Less: Recurring capital expenditures | (10,603) | (9,667) |

| | | |
|---|---|---|
| Less: Amortization of deferred market rental revenue | (903) | (984) |
| Adjusted funds from operations - diluted (“Diluted AFFO”) | $ 49,638 | $ 43,679 |
| | | |
| Weighted average shares | | |
| Weighted average common shares | 47,055 | 46,185 |
| Conversion of weighted average common units | 8,153 | 8,361 |
| Weighted average common shares/units - basic FFO per share | 55,208 | 54,546 |
| Dilutive effect of share-based compensation awards | 797 | 1,305 |
| Weighted average common shares/units - diluted FFO per share | 56,005 | 55,851 |
| | | |
| Diluted FFO per common share | $ 1.19 | $ 1.08 |
| Dividends/distributions per common share/unit | $ 0.68 | $ 0.62 |
| Earnings payout ratio | 199.9% | 539.1% |
| Diluted FFO payout ratio | 56.9% | 57.0% |
| Diluted AFFO payout ratio | 76.4% | 78.5% |
| | | |
| **Reconciliation of denominators for diluted EPS and diluted FFO per share** | | |
| Denominator for diluted EPS | 47,852 | 47,490 |
| Weighted average common units | 8,153 | 8,361 |
| Denominator for diluted FFO per share | 56,005 | 55,851 |



Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(Dollars and shares in thousands, except per share data)

| | June 30, 2008 | December 31, 2007 |
|---|---|---|
| **Balance Sheet Data (in thousands) (as of period end)** | | |
| Investment in real estate, net of accumulated depreciation | $ 2,701,167 | $ 2,603,939 |
| Total assets | 3,010,470 | 2,931,853 |
| Debt | 1,904,351 | 1,825,842 |
| Total liabilities | 2,068,082 | 1,979,116 |
| Minority interests | 130,092 | 130,095 |
| Beneficiaries’ equity | 812,296 | 822,642 |
| | | |
| Debt to total assets | 63.3% | 62.3% |
| Debt to undepreciated book value of real estate assets | 60.9% | 60.8% |
| Debt to total market capitalization | 47.1% | 48.0% |
| | | |
| **Property Data (wholly owned properties) (as of period end)** | | |
| Number of operating properties owned | 234 | 228 |
| Total net rentable square feet owned (in thousands) | 18,224 | 17,832 |
| Occupancy | 93.4% | 92.6% |
| | | |
| **Reconciliation of denominator for debt to total assets to denominator for debt to undepreciated book value of real estate assets** | | |
| Denominator for debt to total assets | $ 3,010,470 | $ 2,931,853 |
| Assets other than assets included in investment in real estate | (309,303) | (327,914) |
| Accumulated depreciation on real estate assets | 320,879 | 288,747 |
| Intangible assets on real estate acquisitions, net | 104,136 | 108,661 |
| Denominator for debt to undepreciated book value of real estate assets | $ 3,126,182 | $ 3,001,347 |

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2008 | 2007 | 2008 | 2007 |
| **Reconciliation of tenant improvements and incentives, capital improvements and leasing costs for operating properties to recurring capital expenditures** | | | | |
| Total tenant improvements and incentives on operating properties | $ 4,731 | $ 7,673 | $ 8,578 | $ 14,190 |
| Total capital improvements on operating properties | 2,631 | 2,387 | 3,648 | 3,968 |
| Total leasing costs on operating properties | 520 | 2,014 | 1,765 | 4,993 |
| Less: Nonrecurring tenant improvements and incentives on operating properties | (1,287) | (3,636) | (2,082) | (9,494) |
| Less: Nonrecurring capital improvements on operating properties | (866) | (1,446) | (1,368) | (1,854) |
| Less: Nonrecurring leasing costs incurred on operating properties | (22) | (494) | (52) | (2,192) |
| Add: Recurring improvements on operating properties held through joint ventures | 114 | 28 | 114 | 56 |
| Recurring capital expenditures | $ 5,821 | $ 6,526 | $ 10,603 | $ 9,667 |



Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(Dollars in thousands)

| | Three Months Ended June 30, | Six Months Ended June 30, |
|---|---|---|

| | 2008 | 2007 | 2008 | 2007 |
|---|---|---|---|---|
| **Reconciliation of dividends for earnings payout ratio to dividends and distributions for FFO & AFFO payout ratio** | | | | |
| Common share dividends for earnings payout ratio | $ 16,197 | $ 14,613 | $ 32,370 | $ 29,142 |
| Common unit distributions | 2,772 | 2,574 | 5,543 | 5,128 |
| Dividends and distributions for FFO & AFFO payout ratio | $ 18,969 | $ 17,187 | $ 37,913 | $ 34,270 |
| | | | | |
| **Reconciliation of GAAP net income to earnings before interest, income taxes, depreciation and amortization (“EBITDA”)** | | | | |
| Net income | $ 12,853 | $ 7,877 | | |
| Interest expense on continuing operations | 19,437 | 20,437 | | |
| Interest expense on discontinued operations | 10 | 637 | | |
| Income tax (benefit) expense | (102) | 181 | | |
| Real estate-related depreciation and amortization | 24,955 | 27,087 | | |
| Amortization of deferred financing costs-continuing operations | 910 | 921 | | |
| Other depreciation and amortization | 392 | 342 | | |
| Minority interests | 1,872 | 899 | | |
| EBITDA | $ 60,327 | $ 58,381 | | |
| | | | | |
| **Reconciliation of interest expense from continuing operations to the denominators for interest coverage-EBITDA and fixed charge coverage-EBITDA** | | | | |
| Interest expense from continuing operations | $ 19,437 | $ 20,437 | | |
| Interest expense from discontinued operations | 10 | 637 | | |
| Denominator for interest coverage-EBITDA | 19,447 | 21,074 | | |
| Preferred share dividends | 4,026 | 4,025 | | |
| Preferred unit distributions | 165 | 165 | | |
| Denominator for fixed charge coverage-EBITDA | $ 23,638 | $ 25,264 | | |
| | | | | |
| **Reconciliation of same property net operating income to same property cash net operating income and same property cash net operating income, adjusted for lease termination fees** | | | | |
| Same property net operating income | $ 60,140 | $ 59,866 | | |
| Less: Straight-line rent adjustments | (1,788) | (2,352) | | |
| Less: Amortization of deferred market rental revenue | (360) | (399) | | |
| Same property cash net operating income | $ 57,992 | $ 57,115 | | |
| Less: Lease termination fees, gross | (59) | (922) | | |
| Same property cash net operating income, adjusted for lease termination fees | $ 57,933 | $ 56,193 | | |





**Reconciliation of projected EPS-diluted to projected diluted FFO per share**

| | Year Ending December 31, 2008 Low | High |
|---|---|---|
| Reconciliation of numerators | | |
| Numerator for projected EPS-diluted | $ 31,609 | $ 34,469 |
| Less: Gain on sales of real estate, net of taxes, excluding development portion (1) | (2,630) | (2,630) |
| Real estate-related depreciation and amortization (2) | 101,398 | 101,398 |
| Minority interests-common units | 5,669 | 6,182 |
| Numerator for projected diluted FFO per share | $ 136,046 | $ 139,419 |
| | | |
| Reconciliation of denominators | | |
| Denominator for projected EPS-diluted | 48,085 | 48,085 |
| Weighted average common units | 8,132 | 8,132 |
| Denominator for projected diluted FFO per share | 56,217 | 56,217 |
| | | |
| Projected EPS - diluted | $ 0.66 | $ 0.72 |
| Projected diluted FFO per share | $ 2.42 | $ 2.48 |

(1) Reconciliation excludes any potential gains or losses from the future sale of previously depreciated operating properties.
(2) The estimate of real estate-related depreciation and amortization excludes any impact of potential write-offs resulting from lease terminations.



**Top Twenty Office Tenants of Wholly Owned Properties as of June 30, 2008 (1)**
**(Dollars in thousands)**

Percentage of | Total | Percentage | Weighted

| Tenant | | Number of Leases | Total Occupied Square Feet | Total Occupied Square Feet | Annualized Rental Revenue (2) (3) | of Total Annualized Rental Revenue | Average Remaining Lease Term (4) |
|---|---|---|---|---|---|---|---|
| United States of America | (5) | 64 | 2,500,678 | 14.7% | $ 60,370 | 16.2% | 6.0 |
| Northrop Grumman Corporation | (6) | 16 | 1,139,591 | 6.7% | 27,740 | 7.4% | 7.6 |
| Booz Allen Hamilton, Inc. | | 8 | 714,233 | 4.2% | 20,034 | 5.4% | 6.1 |
| Computer Sciences Corporation | (6) | 4 | 454,645 | 2.7% | 11,774 | 3.2% | 3.1 |
| L-3 Communications Holdings, Inc. | (6) | 4 | 259,161 | 1.5% | 9,406 | 2.5% | 5.8 |
| Unisys Corporation | (7) | 4 | 760,145 | 4.5% | 8,866 | 2.4% | 1.2 |
| General Dynamics Corporation | (6) | 9 | 288,600 | 1.7% | 7,640 | 2.0% | 2.1 |
| The Aerospace Corporation | | 3 | 245,598 | 1.4% | 7,268 | 1.9% | 6.6 |
| Wachovia Corporation | (6) | 4 | 183,577 | 1.1% | 6,613 | 1.8% | 10.1 |
| Comcast Corporation | (6) | 11 | 342,266 | 2.0% | 6,486 | 1.7% | 3.7 |
| ITT Corporation | (6) | 14 | 277,626 | 1.6% | 6,163 | 1.7% | 6.0 |
| AT&T Corporation | (6) | 8 | 306,988 | 1.8% | 5,647 | 1.5% | 4.9 |
| The Boeing Company | (6) | 4 | 143,480 | 0.8% | 4,128 | 1.1% | 3.2 |
| Ciena Corporation | | 3 | 221,609 | 1.3% | 3,760 | 1.0% | 3.7 |
| Science Applications International Corp. | (6) | 12 | 177,527 | 1.0% | 3,576 | 1.0% | 0.9 |
| BAE Systems PLC | (6) | 7 | 212,339 | 1.2% | 3,130 | 0.8% | 3.6 |
| The Johns Hopkins Institutions | (6) | 4 | 124,749 | 0.7% | 2,911 | 0.8% | 8.0 |
| Merck & Co., Inc. (Unisys) | (6 )(7) | 2 | 227,273 | 1.3% | 2,697 | 0.7% | 0.9 |
| Magellan Health Services, Inc. | | 2 | 113,727 | 0.7% | 2,673 | 0.7% | 3.1 |
| Wyle Laboratories, Inc. | | 4 | 174,792 | 1.0% | 2,471 | 0.7% | 4.8 |
| **Subtotal Top 20 Office Tenants** | | **187** | **8,868,604** | **52.1%** | **203,352** | **54.5%** | **5.4** |
| All remaining tenants | | 767 | 8,152,968 | 47.9% | 169,820 | 45.5% | 4.0 |
| Total/Weighted Average | | 954 | 17,021,572 | 100.0% | $ 373,172 | 100.0% | 4.8 |

(1) Table excludes owner occupied leasing activity which represents 148,460 square feet with a weighted average remaining lease term of 6.7 years as of June 30, 2008.
(2) Total Annualized Rental Revenue is the monthly contractual base rent as of June 30, 2008, 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.