

January 17, 2007



# Corporate Office Properties Trust Closes on \$363.9 Million Office Portfolio

COLUMBIA, Md.--(BUSINESS WIRE)--

Corporate Office Properties Trust (COPT) (NYSE:OFC) announced today that the Company closed on the acquisition of 56 operating properties containing 2,352,000 square feet and 187 acres of land at a cost of \$363.9 million, including approximately \$1.4 million in transaction costs, all located in Maryland. The buildings are located in the submarkets of White Marsh, Columbia, BWI, Towson and Hunt Valley.

The operating properties are approximately 85% occupied. Major tenants in the portfolio include Comcast Corporation, MedStar Health, Inc., Orbital Sciences Corporation and The Johns Hopkins University. The 187 acres of entitled land can support a minimum of 2 million square feet of office development. The total price was funded through \$182.4 million in debt assumption and cash, with the seller receiving \$154.9 million in the form of common shares issued at a deemed value of \$49.00 per share and \$26.6 million in Series K convertible preferred shares with a fixed coupon of 5.6%.

"This acquisition represents a number of opportunities for the Company. In addition to being a highly accretive transaction, it offers: value-add opportunities given the occupancy level; expansion into the White Marsh submarket of the I-95 Corridor; the addition of properties to two of COPT's most dominant submarkets; and significant development land added for future growth," stated Randall M. Griffin, President and Chief Executive Officer for Corporate Office Properties Trust.

The Company will hold a conference call and live webcast on Friday, January 19, 2007 at 11:00 a.m. ET to discuss this acquisition. A presentation titled, The Acquisition of the Nottingham Office & Land Portfolio will be posted to the Company's website in the Investor Relations section at [www.copt.com](http://www.copt.com) that will be used on the conference call. Please open the presentation before the start of the conference call.

#### Conference Call and Webcast

Date: Friday, January 19, 2007

Time: 11:00 a.m. ET

Telephone Number: 888-569-5033

Confirmation Code: 6341725

Please dial into the conference 5 to 10 minutes before the start of the call. A replay of this call will be available beginning Friday, January 19, 2007 at 4:00 p.m. ET through Friday, February 2, 2007 at midnight ET. To access the replay, please call 888-203-1112 and use confirmation code 6341725.

The conference call will also be available via live webcast in the Investor Relations section of the Company's website at [www.copt.com](http://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.

## Company Information

Corporate Office Properties Trust (COPT) is a fully integrated, self-managed real estate investment trust (REIT) that focuses on the ownership, management, leasing, acquisition and development of suburban office properties located primarily in submarkets within the Greater Washington, DC region. As of September 30, 2006, the Company owned 186 office properties totaling 15.4 million rentable square feet, which included 18 properties totaling 806,000 square feet held through joint ventures. The Company has implemented a core customer expansion strategy that is built around meeting, through acquisitions and development, the multi-location requirements of the Company's existing strategic tenants. The Company's property management services team provides comprehensive property and asset management to company owned properties and select third party clients. The Company's development and construction services team provides a wide range of development and construction management services for company owned properties, as well as land planning, design/build services, consulting, and merchant development to select third party clients. The Company's shares are traded on the New York Stock Exchange under the symbol OFC. More information on Corporate Office Properties Trust can be found on the Internet at [www.copt.com](http://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, 2005.

Source: Corporate Office Properties Trust (COPT)