July 28, 2015

COPT Reports Second Quarter 2015 Results

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust ("COPT" or the "Company") (NYSE: OFC) announced financial and operating results for the second quarter ended June 30, 2015.

"Second quarter results exceeded the high end of our guidance due to favorable NOI and the timing of our $300 million Senior Notes offering. For the year, FFO per share is on track to grow by 7.5%," stated Roger A. Waesche, Jr., COPT's President & Chief Executive Officer. "During the quarter we opportunistically acquired a Class-A, Metro-served building for $81 million that is 100% leased to Strategic Tenants. The building is in an amenity-rich, supply-constrained submarket on the Northern Virginia side of the Washington, DC Beltway and evidences our commitment to increasing our concentration of urban and/or mass transit-served office buildings."

Results:

Diluted funds from operations per share ("FFOPS"), as adjusted for comparability, was $0.52 for the quarter ended June 30, 2015 as compared to $0.44 reported for the second quarter of 2014.

Per NAREIT's definition, FFOPS for the second quarter of 2015 was $0.48 versus $0.37 reported in the second quarter of 2014.

Diluted earnings per share ("EPS") was $0.13 for the quarter ended June 30, 2015 as compared to $0.02 in the second quarter of 2014. Please refer to the reconciliation tables that appear later in this press release.

Operating Performance:

Portfolio Summary – At June 30, 2015, the Company's portfolio of 179 operating office properties totaled 18.0 million square feet that were 92.0% occupied and 92.9% leased. During the quarter, the Company placed 7400 Redstone Gateway into service in Huntsville, Alabama. The 69,000 square foot project completes a 132,000 square foot facility that is 100% leased by DRS Technologies.

Same Office Performance – The Company's same office portfolio for the quarter ended June 30, 2015 consisted of 160 properties encompassing 15.5 million square feet, or 86% of the total portfolio. The Company's same office portfolio occupancy improved 50 basis points during the quarter, to 91.2% occupied and, at June 30, 2015, was 92.2% leased. For the second quarter ended June 30, 2015, the Company's same office property cash NOI, which excludes gross lease termination fees and rent from tenant-funded landlord assets, increased 0.6% as compared to the second quarter of 2014.

Office Leasing – COPT completed a total of 490,000 square feet of leasing in the quarter

ended June 30, 2015 and achieved a 74% renewal rate.

In the quarter, lease terms on renewals averaged 3.1 years; for development and other new leases they averaged 9.1 and 6.9 years, respectively.

For the quarter, total rent on renewed space increased 2.5% on a GAAP basis; on a cash basis, renewal rates declined 2.3% compared to the expiring rents.

Investment Activity:

Construction – At June 30, 2015, the Company had six properties totaling 1.0 million square feet under construction for a total projected cost of $219.3 million, of which $130.1 million had been invested. These six projects were 62% pre-leased at June 30, 2015. As of the same date, COPT had six properties under redevelopment representing a total projected cost of $63.9 million, of which $44.3 million has been invested. The six redevelopment properties totaled approximately 309,000 square feet that, at June 30, 2015, were 46% pre-leased.

Acquisitions – During the quarter, the Company acquired Metro Place II, a 237,000 square foot, Class-A office building that is 100% leased to customers in COPT's Strategic Tenant Niche, for $81 million. The building is located at 2600 Park Tower Drive, a Metro-served, mixed-use and amenity-rich location within the Merrifield submarket of Northern Virginia.

Balance Sheet and Capital Transactions:

As of June 30, 2015, the Company's debt to adjusted book ratio was 41.6%, its adjusted debt to in-place adjusted EBITDA ratio was 6.6x and its adjusted EBITDA fixed charge coverage ratio was 3.1x. The Company's weighted average interest rate was 3.8% for the quarter ended June 30, 2015 and 94% of the Company's debt was subject to fixed interest rates, including the effect of interest rate swaps.

During the quarter ended June 30, 2015:

- On May 6, the Company amended the terms of its $800 million line of credit to: (1) extend the maturity date from July 14, 2017, to May 6, 2019 plus two six-month extension options; and (2) lower the interest rate spread over 30-day LIBOR and the facility fee to current market.
- Also on May 6, the Company amended the terms of its $250 million Term Loan and repaid $50 million on its $150 million Term Loan. The $250 million dollar Term Loan, that was previously scheduled to mature on February 14, 2017, was increased by $50 million, to $300 million, the maturity date was extended to May 6, 2020 and the spread to LIBOR was lowered to current market.
- In late June, the Company issued $300 million of 5.00% senior unsecured notes due July 1, 2025 at a price equal to 99.510% of the principal amount. The net proceeds from the offering were used to repay borrowings under its unsecured revolving credit facility and for general corporate purposes.

2015 FFO Guidance:

Management is increasing its previously issued full year guidance for FFOPS, as adjusted for comparability, by $0.01 to $2.00—$2.04. Management is establishing guidance for FFOPS, as adjusted for comparability, of $0.51—$0.53 for the third quarter 2015 and $0.52—$0.54 for the fourth quarter 2015. Reconciliations of projected diluted EPS to projected FFOPS are provided as follows:

	Three months ending September 30, 2015		Three months ending December 31, 2015		Year ending December 31, 2015	
	Low	High	Low	High	Low	High
EPS	$ 0.11	$ 0.13	$ 0.11	$ 0.13	$ 1.26	$ 1.30
Real estate depreciation and amortization	0.36	0.36	0.38	0.38	1.46	1.46
Impairment losses on previously depreciated properties	-	-	-	-	0.01	0.01
FFOPS, NAREIT definition	0.47	0.49	0.49	0.51	2.73	2.77
Operating property acquisition costs	0.01	0.01	-	-	0.02	0.02
Demolition costs on redevelopment properties	0.01	0.01	0.01	0.01	0.02	0.02
NOI from properties to be conveyed (a)	(0.01)	(0.01)	(0.01)	(0.01)	(0.04)	(0.04)
Interest expense on loan secured by properties to be conveyed (a)	0.03	0.03	0.03	0.03	0.12	0.12
Gains on sales of undepreciated properties	-	-	-	-	(0.04)	(0.04)
Net gains on early extinguishment of debt (b)	-	-	-	-	(0.81)	(0.81)
FFOPS, as adjusted for comparability	$ 0.51	$ 0.53	$ 0.52	$ 0.54	$ 2.00	$ 2.04

a. The Company expects to transfer two operating properties in satisfaction of non-recourse secured indebtedness. These amounts represent the Company's forecast of net operating income generated by these assets and interest expense (accrued at the default rate) in 2015, assuming a transfer date of December 31, 2015.

b. Represents debt and accrued interest in excess of the book value of the assets to be conveyed.

Associated Supplemental Presentation:

The Company has posted a slide presentation to accompany management's prepared remarks for its second quarter conference call, the details of which are provided below. You may access the slide presentation on the 'Investors' section of the website (www.copt.com). Please have the slides available to review during management's comments.

2Q 2015 Conference Call Information:

Earnings Release Date:	Tuesday, July 28, 2015 at 6:00 a.m. Eastern Time
Conference Call Date:	Tuesday, July 28, 2015
Time:	12:00 p.m. Eastern Time
Telephone Number: (within the U.S.)	888-680-0890
Telephone Number: (outside the U.S.)	617-213-4857
Passcode:	92956617

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=PHTEJFBAM

You may also pre-register in the Investors 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.

A replay of this call will be available beginning Tuesday, July 28 at 4:00 p.m. Eastern Time through Tuesday, August 11 at midnight Eastern Time. To access the replay within the United States, please call 888-286-8010 and use passcode 29841980. To access the replay outside the United States, please call 617-801-6888 and use passcode 29841980.

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 calls will be immediately available via webcast in the Investor Relations section of the Company's website.

Definitions:

For definitions of certain terms used in this press release, please refer to the information furnished in our Supplemental Information Package filed as a Form 8-K which can be found on our website (www.copt.com). Reconciliations of non-GAAP measures to the most directly comparable GAAP measures are included in the attached tables.

Company Information

COPT is an office REIT that focuses primarily on serving the specialized requirements of U.S. Government agencies and defense contractors, most of which are engaged in defense information technology and national security-related activities. As of June 30, 2015, COPT derived 75% of its annualized revenue from its strategic tenant niche properties and 22% from its regional office properties. The Company generally acquires, develops, manages and leases office and data center properties concentrated in large office parks primarily located near knowledge-based government demand drivers and/or in targeted markets or submarkets in the Greater Washington, DC/Baltimore region. As of June 30, 2015, the Company's consolidated portfolio consisted of 179 office properties totaling 18.0 million rentable square feet. COPT is an S&P MidCap 400 company.

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," "could," "believe," "anticipate," "expect," "estimate," "plan" 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:

- *general economic and business conditions, which will, among other things, affect office property and data center demand and rents, tenant creditworthiness, interest rates, financing availability and property values;*
- *adverse changes in the real estate markets including, among other things, increased competition with other companies;*
- *governmental actions and initiatives, including risks associated with the impact of a prolonged government shutdown or budgetary reductions or impasses, such as a reduction in rental revenues, non-renewal of leases, and/or a curtailment of demand for additional space by the Company's strategic customers;*
- *the Company's ability to borrow on favorable terms;*
- *risks of real estate acquisition and development activities, 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;*
- *changes in the Company's plans for properties or views of market economic conditions or failure to obtain development rights, either of which could result in recognition of significant impairment losses;*
- *the Company's ability to satisfy and operate effectively under Federal income tax rules relating to real estate investment trusts and partnerships;*
- *the Company's ability to achieve projected results;*
- *the dilutive effects of issuing additional common shares; 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 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

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

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	**2014**	**2015**	**2014**
Revenues				
Real estate revenues	$128,191	$115,959	$250,901	$240,836
Construction contract and other service revenues	42,172	23,861	80,496	45,651
Total revenues	170,363	139,820	331,397	286,487
Expenses				
Property operating expenses	46,418	43,772	97,099	93,544
Depreciation and amortization associated with real estate operations	33,786	30,895	65,385	74,491
Construction contract and other service expenses	41,293	23,136	78,791	41,760
Impairment losses	1,238	1,302	1,238	1,302
General and administrative expenses	5,884	5,815	12,134	11,973
Leasing expenses	1,650	1,713	3,291	3,698
Business development expenses and land carry costs	2,623	1,351	5,413	2,677
Total operating expenses	132,892	107,984	263,351	229,445
Operating income	37,471	31,836	68,046	57,042
Interest expense	(21,768)	(23,478)	(42,606)	(44,305)
Interest and other income	1,242	1,299	2,525	2,584
Loss on early extinguishment of debt	(65)	(270)	(68)	(270)
Income from continuing operations before equity in income (loss) of unconsolidated entities and income taxes	16,880	9,387	27,897	15,051
Equity in income (loss) of unconsolidated entities	9	(47)	34	13
Income tax expense	(50)	(92)	(105)	(156)
Income from continuing operations	16,839	9,248	27,826	14,908
Discontinued operations	394	(198)	156	(187)
Income before gain on sales of real estate	17,233	9,050	27,982	14,721
Gain on sales of real estate, net of income taxes	(1)	—	3,985	—
Net income	17,232	9,050	31,967	14,721
Net income attributable to noncontrolling interests				
Common units in the Operating Partnership	(476)	(158)	(874)	(174)
Preferred units in the Operating Partnership	(165)	(165)	(330)	(330)
Other consolidated entities	(810)	(837)	(1,627)	(1,586)
Net income attributable to COPT	15,781	7,890	29,136	12,631
Preferred share dividends	(3,553)	(4,344)	(7,105)	(8,834)
Issuance costs associated with redeemed preferred shares	—	(1,769)	—	(1,769)
Net income attributable to COPT common shareholders	$ 12,228	$ 1,777	$ 22,031	$ 2,028
Earnings per share ("EPS") computation:				
Numerator for diluted EPS:				
Net income attributable to common shareholders	$ 12,228	$ 1,777	$ 22,031	$ 2,028
Amount allocable to share-based compensation awards	(113)	(108)	(235)	(229)
Numerator for diluted EPS	$ 12,115	$ 1,669	$ 21,796	$ 1,799
Denominator:				
Weighted average common shares - basic	94,128	87,214	93,666	87,148
Dilutive effect of share-based compensation awards	35	201	114	156
Weighted average common shares - diluted	94,163	87,415	93,780	87,304
Diluted EPS	$ 0.13	$ 0.02	$ 0.23	$ 0.02

Corporate Office Properties Trust
Summary Financial Data

(unaudited)
(in thousands, except per share data)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	**2014**	**2015**	**2014**
Net income	$17,232	$ 9,050	$31,967	$14,721
Real estate-related depreciation and amortization	33,786	30,895	65,385	74,491
Impairment losses on previously depreciated operating properties	1,239	1,328	1,472	1,329
Gain on sales of previously depreciated operating properties	—	—	—	4
Funds from operations ("FFO")	52,257	41,273	98,824	90,545
Noncontrolling interests - preferred units in the Operating Partnership	(165)	(165)	(330)	(330)
FFO allocable to other noncontrolling interests	(1,072)	(758)	(1,742)	(1,519)
Preferred share dividends	(3,553)	(4,344)	(7,105)	(8,834)
Issuance costs associated with redeemed preferred shares	—	(1,769)	—	(1,769)
Basic and diluted FFO allocable to share-based compensation awards	(202)	(146)	(385)	(351)
Basic and diluted FFO available to common share and common unit holders ("Basic and diluted FFO")	47,265	34,091	89,262	77,742
Operating property acquisition costs	361	—	1,407	—
Gain on sales of non-operating properties	1	—	(3,985)	—
(Gain) loss on early extinguishment of debt	(315)	363	(312)	386
Issuance costs associated with redeemed preferred shares	—	1,769	—	1,769
Add: Negative FFO of properties to be conveyed to extinguish debt in default (1)	3,419	3,629	7,690	3,629
Demolition costs on redevelopment properties	66	—	241	—
Diluted FFO comparability adjustments allocable to share-based compensation awards	(14)	(26)	(21)	(26)
Diluted FFO available to common share and common unit holders, as adjusted for comparability	50,783	39,826	94,282	83,500
Straight line rent adjustments	(3,788)	(1,745)	(5,059)	(985)
Straight line rent adjustments - properties in default to be conveyed	(24)	1	(96)	1
Amortization of intangibles included in net operating income	478	224	589	441
Share-based compensation, net of amounts capitalized	1,658	1,501	3,210	3,056
Amortization of deferred financing costs	1,146	1,122	2,136	2,289
Amortization of deferred financing costs - properties in default to be conveyed	—	(27)	—	(27)
Amortization of net debt discounts, net of amounts capitalized	264	229	528	400
Amortization of settled debt hedges	—	15	—	30
Recurring capital expenditures	(9,705)	(13,585)	(17,054)	(24,637)
Diluted adjusted funds from operations available to common share and common unit holders ("Diluted AFFO")	$40,812	$27,561	$78,536	$64,068
Diluted FFO per share	$ 0.48	$ 0.37	$ 0.92	$ 0.85
Diluted FFO per share, as adjusted for comparability	$ 0.52	$ 0.44	$ 0.97	$ 0.92
Dividends/distributions per common share/unit	$ 0.275	$ 0.275	$ 0.550	$ 0.550

(1) Interest expense exceeded net operating income from these properties by the amounts in the statement.

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

	June 30, 2015	December 31, 2014
Balance Sheet Data		
Properties, net of accumulated depreciation	$3,418,800	$ 3,296,914
Total assets	3,910,921	3,670,257
Debt, net	2,130,170	1,920,057
Total liabilities	2,373,874	2,130,956
Redeemable noncontrolling interest	19,414	18,417
Equity	1,517,633	1,520,884
Debt to adjusted book	41.6%	39.7 %
Debt to total market capitalization	45.8%	39.3 %
Core Portfolio Data (as of period end) (1)		
Number of operating properties	172	173
Total net rentable square feet owned (in thousands)	17,403	16,790
Occupancy %	91.9%	90.9 %
Leased %	92.8%	92.4 %

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Payout ratios				
Diluted FFO	57.2%	73.8 %	60.5%	64.8%
Diluted FFO, as adjusted for comparability	53.2%	63.2 %	57.3%	60.3%
Diluted AFFO	66.2%	91.3 %	68.8%	78.6%
Adjusted EBITDA interest coverage ratio	4.6x	3.7x	4.4x	3.6x
Adjusted EBITDA fixed charge coverage ratio	3.1x	2.6x	3.0x	2.6x
Adjusted debt to in-place adjusted EBITDA ratio (2)	6.6x	7.1x	N/A	N/A
Reconciliation of denominators for diluted EPS and diluted FFO per share				
Denominator for diluted EPS	94,163	87,415	93,780	87,304
Weighted average common units	3,680	3,912	3,706	3,934
Denominator for diluted FFO per share	97,843	91,327	97,486	91,238
Reconciliation of FFO to FFO, as adjusted for comparability				
FFO, per NAREIT	$ 52,257	$ 41,273	$ 98,824	$90,545
Gain on sales of non-operating properties	1	—	(3,985)	—
Operating property acquisition costs	361	—	1,407	—
(Gain) loss on early extinguishment of debt, continuing and discontinued operations	(315)	363	(312)	386
Issuance costs associated with redeemed preferred shares	—	1,769	—	1,769
Add: Negative FFO of properties to be conveyed to extinguish debt in default	3,419	3,629	7,690	3,629
Demolition costs on redevelopment properties	66	—	241	—
FFO, as adjusted for comparability	$ 55,789	$ 47,034	$103,865	$96,329

(1) Represents operating properties held for long-term investment.

(2) Represents debt as of period end divided by in-place adjusted EBITDA for the period, as annualized (i.e. three month periods are multiplied by four).

Corporate Office Properties Trust
Summary Financial Data
(unaudited)

(Dollars in thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Reconciliation of common share dividends to dividends and distributions for payout ratios				
Common share dividends	$26,002	$24,103	$ 52,000	$ 48,194
Common unit distributions	1,012	1,072	2,024	2,153
Dividends and distributions for payout ratios	$27,014	$25,175	$ 54,024	$ 50,347
Reconciliation of GAAP net income to adjusted earnings before interest, income taxes, depreciation and amortization ("Adjusted EBITDA") and in-place adjusted EBITDA				
Net income	$17,232	$ 9,050	$ 31,967	$ 14,721
Interest expense on continuing operations	21,768	23,478	42,606	44,305
Income tax expense	50	92	105	156
Real estate-related depreciation and amortization	33,786	30,895	65,385	74,491
Depreciation of furniture, fixtures and equipment	527	843	1,019	1,348
Impairment losses	1,239	1,328	1,472	1,329
(Gain) loss on early extinguishment of debt on continuing and discontinued operations	(315)	363	(312)	386
Gain on sales of operating properties	—	—	—	4
Gain on sales of non-operational properties	1	—	(3,985)	—
Net loss on investments in unconsolidated entities included in interest and other income	(52)	282	23	302
Operating property acquisition costs	361	—	1,407	—
EBITDA of properties to be conveyed to extinguish debt in default	(843)	(531)	(753)	(531)
Demolition costs on redevelopment properties	66	—	241	—
Adjusted EBITDA	$73,820	$65,800	$139,175	$136,511
Proforma net operating income adjustment from property in quarter of acquisition	253	—		
In-place adjusted EBITDA	$74,073	$65,800		
Reconciliation of interest expense to the denominators for interest coverage-Adjusted EBITDA and fixed charge coverage-Adjusted EBITDA				
Interest expense	$21,768	$23,478	$ 42,606	$ 44,305
Less: Amortization of deferred financing costs	(1,146)	(1,122)	(2,136)	(2,289)
Less: Amortization of net debt discount, net of amounts capitalized	(264)	(229)	(528)	(400)
Less: Interest exp. on debt in default to be extin. via conveyance of properties	(4,261)	(4,133)	(8,443)	(4,133)
Denominator for interest coverage-Adjusted EBITDA	16,097	17,994	31,499	37,483
Scheduled principal amortization	1,670	1,582	3,319	3,437
Capitalized interest	1,950	1,422	4,082	3,011
Preferred share dividends	3,553	4,344	7,105	8,834
Preferred unit distributions	165	165	330	330
Denominator for fixed charge coverage-Adjusted EBITDA	$23,435	$25,507	$ 46,335	$ 53,095

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

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Reconciliations of tenant improvements and incentives, capital improvements and leasing costs for operating properties to recurring capital expenditures				
Tenant improvements and incentives on operating properties	$ 6,644	$ 4,512	$ 11,034	$ 10,831
Building improvements on operating properties	4,445	6,357	7,648	10,339
Leasing costs for operating properties	1,485	2,790	2,439	4,318
Less: Nonrecurring tenant improvements and incentives on operating properties	(986)	483	(1,250)	467
Less: Nonrecurring building improvements on operating properties	(1,200)	(519)	(2,075)	(1,087)
Less: Nonrecurring leasing costs for operating properties	(683)	(38)	(742)	(231)
Recurring capital expenditures	$ 9,705	$13,585	$ 17,054	$ 24,637
Same office property cash NOI	**$66,807**	**$66,425**	**$130,839**	**$131,053**
Straight line rent adjustments	664	744	$ 1,376	$ (632)
Add: Amortization of deferred market rental revenue	4	(44)	31	(82)
Less: Amortization of below-market cost arrangements	(250)	(288)	(495)	(578)
Add: Lease termination fee, gross	1,012	93	1,765	605
Add: Cash NOI on tenant-funded landlord assets	—	928	—	4,113
Same office property NOI	**$68,237**	**$67,858**	**$133,516**	**$134,479**

	June 30, 2015	December 31, 2014
Reconciliation of total assets to adjusted book		
Total assets	$3,910,921	$3,670,257
Accumulated depreciation	723,470	703,083
Accumulated depreciation included in assets held for sale	24,930	—
Accumulated amortization of real estate intangibles and deferred leasing costs	211,522	214,611
Accumulated amortization of real estate intangibles and deferred leasing costs included in assets held for sale	15,271	—
Less: Adjusted book assoc. with properties to be conveyed to extinguish debt in default	(130,471)	(131,118)
Adjusted book	$4,755,643	$4,456,833
Reconciliation of debt to adjusted debt		
Debt, net	$2,130,170	$1,920,057
Less: Debt in default to be extinguished via conveyance of properties	(150,000)	(150,000)
Numerator for debt to adjusted book ratio	1,980,170	1,770,057
Less: Cash and cash equivalents	(37,074)	(6,077)
Adjusted debt	$1,943,096	$1,763,980

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Source: Corporate Office Properties Trust (COPT)