February 10, 2022

COPT 4Q and Full Year 2021 Results Exceed Guidance

Reported EPS of $0.12 in 4Q21 and $0.68 for Full Year

4Q & FY FFO per Share, as Adjusted for Comparability, of $0.58 & $2.29, Respectively, Exceeded Previously Elevated Guidance

1.2% Increase in Same-Property Cash NOI During 2021 also Exceeded Guidance

Core Portfolio 92.6% Occupied & 94.4% Leased at Year End

Active Development Pipeline Stands at 1.7 Million SF, 96% Leased

Strong Leasing Achievement

Total Leasing of 1.2 Million SF in the Quarter and 3.9 Million SF for the Year Included 196,000 SF and 616,000 SF of Vacancy Leasing, Respectively

Strong Tenant Retention of 73% in the Quarter and 74% for the Year

1.2 Million SF of Development Leasing During 2021 Exceeded Management Goal by 18%

Post Year-End Sale of DC-6 Raised $222.5 Million to Fund Value-Accretive Development

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust ("COPT" or the "Company") (NYSE: OFC) announced results for the fourth quarter and full year ended December 31, 2021.

Management Comments

Stephen E. Budorick, COPT's President & Chief Executive Officer, commented, "Our unique investment strategy of allocating capital to Defense/IT Locations that support priority missions at U.S. defense installations continues to produce strong results that are not correlated to traditional office fundamentals and distinguishes us from other office REITs. The 8% growth in FFO per share, as adjusted for comparability we generated in 2021 exceeded our previously elevated guidance and was driven by solid same-property cash NOI growth of 1.2% and strong lease achievement that included 616,000 square feet of vacancy leasing. Demand for our Defense/IT Locations drove 1.2 million square feet of development leasing, exceeding our goal by 18%. Our 1.7 million square foot pipeline of active development projects that are 96% leased will drive earnings growth this year and beyond." He continued, "Our balance sheet is strong and inflation-protected. Since the third quarter 2020, we refinanced and issued $1.8 billion of new debt, equating to 150% of our then-existing senior notes, locking-in low rates for long durations. Additionally, the equity we harvested from the sale of DC-6 on January 25, 2022, strengthened our balance sheet and

provided us with capital to fund our highly leased development pipeline and the next wave of value accretive development projects with the U.S. Government and defense contractors who support the priority missions our Defense/IT Locations serve."

Financial Highlights

4th Quarter Financial Results:

- Diluted earnings per share ("EPS") was $0.12 for the quarter ended December 31, 2021 compared to $0.73 for the fourth quarter of 2020.
- Diluted funds from operations per share ("FFOPS"), as calculated in accordance with Nareit's definition, was $0.21 for the fourth quarter of 2021 compared to $0.53 for fourth quarter 2020.
- FFOPS, as adjusted for comparability, was $0.58 for the fourth quarter of 2021 compared to $0.56 for the fourth quarter of 2020.

Full Year 2021 Financial Results:

- EPS for the year ended December 31, 2021 was $0.68 as compared to 2020 EPS of $0.87.
- Per Nareit's definition, FFOPS for 2021 was $1.40 as compared to $1.50 for 2020.
- FFOPS, as adjusted for comparability, for 2021 was $2.29 as compared to $2.12 for 2020.

Operating Performance Highlights

Operating Portfolio Summary:

- At December 31, 2021, the Company's core portfolio of 184 operating office and data center shell properties was 92.6% occupied and 94.4% leased.
- During the quarter and the year, the Company placed into service 57,000 and 766,000 square feet of developments that were 18% and 84% leased, respectively.

Same-Property Performance:

- At December 31, 2021, COPT's same-property portfolio of 159 buildings was 91.3% occupied and 93.4% leased. Same-property occupancy at year end was in-line with Company guidance.
- For the quarter and year ended December 31, 2021, the Company's same-property cash NOI increased 0.5% and 1.2%, respectively, over the prior year's comparable periods. For the full year, same-property cash NOI exceeded the high end of the Company's guidance by 20 basis points.

Leasing:

- Total Square Feet Leased: For the quarter ended December 31, 2021, the Company leased 1.2 million square feet, including 701,000 square feet of renewals, 196,000 square feet of new leases on vacant space, and 263,000 square feet in development projects.

  For the year ended December 31, 2021, the Company executed 3.9 million square feet of leasing, including 2.1 million square feet of renewals, 616,000 square feet of vacancy leasing, and 1.2 million square feet in development projects. Development leasing achievement for the year exceeded the Company's 1 million square foot goal.

- Tenant Retention Rates: During the quarter and year ended December 31, 2021, the Company renewed 73.4% and 74.2%, respectively, of expiring square feet, which was in-line with previously elevated guidance for the year.

- Rent Spreads & Average Escalations on Renewing Leases: For the quarter and year ended December 31, 2021, straight-line rents on renewals increased 2.9% and 5.2%, respectively, and cash rents on renewed space decreased 5.8% and 2.2%, respectively. For the same time periods, annual escalations on renewing leases averaged 2.3%.

- Lease Terms: In the fourth quarter of 2021, lease terms averaged 8.5 years on renewing leases, 7.5 years on new leasing of vacant space, and 11.0 years on development leasing. For the year, lease terms averaged 5.4 years on renewing leases, 8.2 years on vacancy leasing, and 13.4 years on development leasing.

Investment Activity Highlights

- Development Pipeline: The Company's development pipeline consists of 11 properties totaling 1.7 million square feet that were 96% leased at December 31, 2021. These projects represent a total estimated investment of $542.4 million, of which $209.9 million has been spent.

Balance Sheet and Capital Transaction Highlights

- In November, the Company issued $400 million of 2.9% senior unsecured notes due 2033. The Company used net proceeds from this issuance to redeem its 5.0% senior unsecured notes due 2025 and retire a $49.4 million mortgage loan.

- In December, the Company sold 2500 Riva Road in Annapolis, MD, a property that was removed from service in 2019, for $30 million. The Company used proceeds from the sale to pay down borrowings under its line of credit and recognized a gain on sale of $26 million.

- On January 25, 2022, the Company sold 100% of COPT DC-6 ("DC-6"), the only asset in the Company's Wholesale Data Center reporting segment for $222.5 million. There was no debt on the asset.

- At December 31, 2021, the Company's net debt to in-place adjusted EBITDA ratio was 6.7x, and was 6.3x as adjusted to reflect the effects of the DC-6 sale. Also at December 31, 2021, the Company's net debt adjusted for fully-leased development to

in-place adjusted EBITDA ratio was 6.2x, and was 5.8x as adjusted to reflect the effects of the DC-6 sale.

- At December 31, 2021, and including the effect of interest rate swaps, the Company's weighted average effective interest rate on its consolidated debt portfolio was 2.69% with a weighted average maturity of 6.8 years; additionally, 94.5% of the Company's debt was subject to fixed interest rates.

- For the quarter and year ended December 31, 2021, the Company's adjusted EBITDA fixed charge coverage ratio was 4.9x and 4.7x, respectively.

Associated Supplemental Presentation

Prior to the call, the Company will post a slide presentation to accompany management's prepared remarks for its fourth quarter and full year 2021 conference call; the presentation can be viewed and downloaded from the 'Latest Updates' section of COPT's Investors website: https://investors.copt.com/

2022 Guidance

The Company details its initial full year and first quarter guidance, with supporting assumptions, in a separate press release issued concurrently with this press release; that release can be found in the 'News, Presentations & Event Calendar' section of COPT's Investors website: https://investors.copt.com/News/news-releases/default.aspx

Conference Call Information

Management will discuss fourth quarter and full year 2021 results on its conference call tomorrow at 12:00 p.m. Eastern Time, details of which are listed below:

Conference Call Date:	Friday, February 11, 2022
Time:	12:00 p.m. Eastern Time
Telephone Number: (within the U.S.)	855-463-9057
Telephone Number: (outside the U.S.)	661-378-9894
Passcode:	5193227

The conference call will also be available via live webcast in the 'Latest Updates' section of COPT's Investors website: https://investors.copt.com/

Replay Information

A replay of the conference call will be immediately available via webcast on the Investors website. Additionally, a telephonic replay of this call will be available beginning at 3:00 p.m. Eastern Time on Friday, February 11, through 3:00 p.m. Eastern Time on Friday, February 25. To access the replay within the United States, please call 855-859-2056; to access it from outside the United States, please call 404-537-3406. In either case, use passcode 5193227.

Definitions

For definitions of certain terms used in this press release, please refer to the information furnished in the Company's Supplemental Information Package furnished on a Form 8-K

which can be found on its website (www.copt.com). Reconciliations of non-GAAP measures to the most directly comparable GAAP measures are included in the attached tables.

About COPT

COPT is a REIT that owns, manages, leases, develops and selectively acquires office and data center properties. The majority of its portfolio is in locations that support the United States Government and its contractors, most of whom are engaged in national security, defense and information technology ("IT") related activities servicing what the Company believes are growing, durable, priority missions (such properties, "Defense/IT Locations"). The Company also owns a portfolio of office properties located in select urban/urban-like submarkets in the Greater Washington, DC/Baltimore region with durable Class-A office fundamentals and characteristics ("Regional Office Properties"). As of December 31, 2021, the Company derived 88% of its core portfolio annualized rental revenue from Defense/IT Locations and 12% from its Regional Office Properties. As of the same date and including 19 properties owned through unconsolidated joint ventures, COPT's core portfolio of 184 office and data center shell properties encompassed 21.6 million square feet and was 94.4% leased; the Company also owned one wholesale data center that it sold on January 25, 2022.

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. Although the Company believes that the expectations, estimates and projections reflected in such forward-looking statements are based on reasonable assumptions at the time made, 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 and the Company undertakes no obligation to update or supplement any forward-looking statements.

The areas of risk that may affect these expectations, estimates and projections include, but are not limited to, those risks described in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2020.

Category: Quarterly Results
Source: Corporate Office Properties Trust

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

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2021	2020	2021	2020
Revenues				
Revenues from real estate operations	$ 142,648	$ 132,207	$ 556,570	$ 511,714
Construction contract and other service revenues	43,284	24,400	107,876	70,640
Total revenues	185,932	156,607	664,446	582,354
Operating expenses				
Property operating expenses	56,459	48,870	213,377	190,796
Depreciation and amortization associated with real estate operations	34,504	33,814	137,543	126,503
Construction contract and other service expenses	42,089	23,563	104,053	67,615
Impairment losses	—	—	—	1,530
General and administrative expenses	6,589	7,897	27,213	25,269
Leasing expenses	2,568	1,993	8,914	7,732
Business development expenses and land carry costs	1,088	999	4,647	4,473
Total operating expenses	143,297	117,136	495,747	423,918
Interest expense	(16,217)	(17,148)	(65,398)	(67,937)
Interest and other income	1,968	3,341	7,879	8,574
Credit loss recoveries	88	772	1,128	933
Gain on sales of real estate	25,879	30,204	65,590	30,209
Gain on sale of investment in unconsolidated real estate joint venture	—	29,416	—	29,416
Loss on early extinguishment of debt	(41,073)	(4,069)	(100,626)	(7,306)
Loss on interest rate derivatives	—	—	—	(53,196)
Income from continuing operations before equity in income of unconsolidated entities and income taxes	13,280	81,987	77,272	99,129
Equity in income of unconsolidated entities	314	453	1,093	1,825
Income tax expense	(42)	(258)	(145)	(353)
Income from continuing operations	13,552	82,182	78,220	100,601
Discontinued operations	1,413	1,367	3,358	2,277
Net Income	14,965	83,549	81,578	102,878
Net income attributable to noncontrolling interests:				
Common units in the Operating Partnership ("OP")	(181)	(995)	(1,012)	(1,180)
Preferred units in the OP	—	(69)	—	(300)
Other consolidated entities	(1,076)	(817)	(4,025)	(4,024)
Net income attributable to COPT common shareholders	$ 13,708	$ 81,668	$ 76,541	$ 97,374
Earnings per share ("EPS") computation:				
Numerator for diluted EPS:				
Net income attributable to COPT common shareholders	$ 13,708	$ 81,668	$ 76,541	$ 97,374
Amount allocable to share-based compensation awards	(116)	(280)	(417)	(404)
Redeemable noncontrolling interests	(46)	44	(128)	—
Distributions on dilutive convertible preferred units	—	69	—	—
Numerator for diluted EPS	$ 13,546	$ 81,501	$ 75,996	$ 96,970
Denominator:				
Weighted average common shares - basic	111,990	111,817	111,960	111,788
Dilutive effect of share-based compensation awards	386	320	330	288
Dilutive effect of redeemable noncontrolling interests	124	117	128	—
Dilutive convertible preferred units	—	155	—	—
Weighted average common shares - diluted	112,500	112,409	112,418	112,076
Diluted EPS	$ 0.12	$ 0.73	$ 0.68	$ 0.87

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

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2021	2020	2021	2020
Net income	$ 14,965	$ 83,549	$ 81,578	$ 102,878
Real estate-related depreciation and amortization	36,346	36,653	147,833	138,193
Impairment losses on real estate	—	—	—	1,530
Gain on sales of real estate from continuing and discontinued operations	(25,879)	(30,204)	(65,590)	(30,209)
Gain on sale of investment in unconsolidated real estate joint venture	—	(29,416)	—	(29,416)
Depreciation and amortization on unconsolidated real estate JVs	526	874	1,981	3,329
Funds from operations (“FFO”)	25,958	61,456	165,802	186,305
FFO allocable to other noncontrolling interests	(1,458)	(1,091)	(5,483)	(15,705)
Basic FFO allocable to share-based compensation awards	(149)	(272)	(777)	(719)
Noncontrolling interests - preferred units in the OP	—	(69)	—	(300)
Basic FFO available to common share and common unit holders (“Basic FFO”)	24,351	60,024	159,542	169,581
Dilutive preferred units in the OP	—	69	—	—
Redeemable noncontrolling interests	(13)	44	(11)	147
Diluted FFO adjustments allocable to share-based compensation awards	6	—	32	—
Diluted FFO available to common share and common unit holders (“Diluted FFO”)	24,344	60,137	159,563	169,728
Loss on early extinguishment of debt	41,073	4,069	100,626	7,306
Loss on interest rate derivatives	—	—	—	53,196
Loss on interest rate derivatives included in interest expense	221	—	221	—
Demolition costs on redevelopment and nonrecurring improvements	(8)	—	423	63
Dilutive preferred units in the OP	—	—	—	300
FFO allocation to other noncontrolling interests resulting from capital event	—	—	—	11,090
Diluted FFO comparability adjustments allocable to share-based compensation awards	(172)	(18)	(507)	(327)
Diluted FFO available to common share and common unit holders, as adjusted for comparability	65,458	64,188	260,326	241,356
Straight line rent adjustments and lease incentive amortization	(3,835)	3,438	(10,286)	4,100
Amortization of intangibles and other assets included in net operating income	40	24	162	(162)
Share-based compensation, net of amounts capitalized	2,018	1,751	7,979	6,505
Amortization of deferred financing costs	640	664	2,980	2,539
Amortization of net debt discounts, net of amounts capitalized	615	504	2,244	1,733
Replacement capital expenditures	(32,317)	(13,973)	(70,973)	(60,944)
Other diluted AFFO adjustments associated with real estate JVs	204	196	824	190
Diluted adjusted funds from operations available to common share and common unit holders (“Diluted AFFO”)	$ 32,823	$ 56,792	$ 193,256	$ 195,317
Diluted FFO per share	$ 0.21	$ 0.53	$ 1.40	$ 1.50
Diluted FFO per share, as adjusted for comparability	$ 0.58	$ 0.56	$ 2.29	$ 2.12
Dividends/distributions per common share/unit	$ 0.275	$ 0.275	$ 1.10	$ 1.10

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

	December 31, 2021	December 31, 2020
Balance Sheet Data		
Properties, net of accumulated depreciation	$ 3,532,944	$ 3,362,285
Total assets	4,262,452	4,077,023
Debt, per balance sheet	2,272,304	2,086,918
Total liabilities	2,578,479	2,357,881
Redeemable noncontrolling interests	26,898	25,430
Equity	1,657,075	1,693,712
Net debt to adjusted book	40.5%	39.1%
Core Portfolio Data (as of period end) (1)		
Number of operating properties	184	179
Total operational square feet (in thousands)	21,553	20,802
% Occupied	92.6%	94.3%
% Leased	94.4%	95.0%

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2021	2020	2021	2020
Payout ratios				
Diluted FFO	128.0%	51.8%	78.1%	73.3%
Diluted FFO, as adjusted for comparability	47.6%	48.6%	47.9%	51.7%
Diluted AFFO	95.0%	54.9%	64.5%	63.8%
Adjusted EBITDA fixed charge coverage ratio	4.9x	4.1x	4.7x	3.9x
Net debt to in-place adjusted EBITDA ratio (2)	6.7x	6.2x	N/A	N/A
Pro forma net debt to in-place adjusted EBITDA ratio (2)(3)	6.3x	N/A	N/A	N/A
Net debt adj. for fully-leased development to in-place adj. EBITDA ratio (4)	6.2x	5.9x	N/A	N/A
Pro forma net debt adj. for fully-leased development to in-place adj. EDITDA ratio (3)(4)	5.8x	N/A	N/A	N/A
Reconciliation of denominators for per share measures				
Denominator for diluted EPS	112,500	112,409	112,418	112,076
Weighted average common units	1,259	1,239	1,257	1,236
Redeemable noncontrolling interests	—	—	—	123
Denominator for diluted FFO per share	113,759	113,648	113,675	113,435
Dilutive convertible preferred units	—	—	—	171
Denominator for diluted FFO per share, as adjusted for comparability	113,759	113,648	113,675	113,606

(1) Represents Defense/IT Locations and Regional Office properties.

(2) Represents net 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).

(3) Includes adjustments associated with the sale on 1/25/22 of the Company's wholesale data center and use of resulting proceeds to repay debt.

(4) Represents net debt less costs incurred on properties under development that were 100% leased 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)
(in thousands)

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2021	2020	2021	2020
Reconciliation of common share dividends to dividends and distributions for payout ratios				
Common share dividends - unrestricted shares and deferred shares	$ 30,814	$ 30,764	$ 123,243	$ 123,042
Common unit distributions - unrestricted units	346	341	1,387	1,362
Common unit distributions - dilutive restricted units	7	—	25	—
Distributions on dilutive preferred units	—	69	—	—
Dividends and distributions for diluted FFO payout ratio	31,167	31,174	124,655	124,404
Distributions on dilutive preferred units	—	—	—	300
Dividends and distributions for other payout ratios	$ 31,167	$ 31,174	$ 124,655	$ 124,704
Reconciliation of GAAP net income (loss) to earnings before interest, income taxes, depreciation and amortization for real estate ("EBITDAre"), adjusted EBITDA, in-place adjusted EBITDA and pro forma in-place adjusted EBITDA				
Net income	$ 14,965	$ 83,549	$ 81,578	$ 102,878
Interest expense	16,217	17,148	65,398	67,937
Income tax expense	42	258	145	353
Real estate-related depreciation and amortization	36,346	36,653	147,833	138,193
Other depreciation and amortization	622	513	2,811	1,837
Impairment losses on real estate	—	—	—	1,530
Gain on sales of real estate	(25,879)	(30,204)	(65,590)	(30,209)
Gain on sale of investment in unconsolidated real estate joint venture	—	(29,416)	—	(29,416)
Adjustments from unconsolidated real estate JVs	763	1,306	2,930	5,120
EBITDAre	43,076	79,807	235,105	258,223
Loss on early extinguishment of debt	41,073	4,069	100,626	7,306
Loss on interest rate derivatives	—	—	—	53,196
Net gain on other investments	—	(1,218)	(63)	(966)
Credit loss recoveries	(88)	(772)	(1,128)	(933)
Business development expenses	628	412	2,233	2,042
Demolition costs on redevelopment and nonrecurring improvements	(8)	—	423	63
Adjusted EBITDA	84,681	82,298	$ 337,196	$ 318,931
Pro forma net operating income adjustment for property changes within period	—	1,459		
Change in collectability of deferred rental revenue	—	678		
Other	1,578	—		
In-place adjusted EBITDA	86,259	84,435		
Pro forma NOI adjustment for sale of Wholesale Data Center	(3,074)	N/A		
Pro forma in-place adjusted EBITDA	$ 83,185	$ 84,435		
Reconciliation of interest expense to the denominators for fixed charge coverage-Adjusted EBITDA				
Interest expense	$ 16,217	$ 17,148	$ 65,398	$ 67,937
Less: Amortization of deferred financing costs	(640)	(664)	(2,980)	(2,539)
Less: Amortization of net debt discounts, net of amounts capitalized	(615)	(504)	(2,244)	(1,733)
Less: Loss on interest rate derivatives included in interest expense	(221)	—	(221)	—
COPT's share of interest expense of unconsolidated real estate JVs, excluding deferred financing costs	237	422	943	1,749
Scheduled principal amortization	950	1,048	3,860	4,125
Capitalized interest	1,192	2,620	6,467	12,060
Preferred unit distributions	—	69	—	300
Denominator for fixed charge coverage-Adjusted EBITDA	$ 17,120	$ 20,139	$ 71,223	$ 81,899

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

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2021	2020	2021	2020
Reconciliations of tenant improvements and incentives, building improvements and leasing costs for operating properties to replacement capital expenditures				
Tenant improvements and incentives	$ 19,724	$ 9,165	$ 43,820	$ 36,342
Building improvements	17,778	7,523	35,970	34,060
Leasing costs	5,863	1,514	12,736	8,432
Net (exclusions from) additions to tenant improvements and incentives	(5,093)	(370)	(4,704)	1,042
Excluded building improvements and leasing costs	(5,955)	(3,859)	(16,849)	(18,932)
Replacement capital expenditures	$ 32,317	$ 13,973	$ 70,973	$ 60,944
Same Properties cash NOI	$ 76,866	$ 76,515	$ 304,178	$ 300,539
Straight line rent adjustments and lease incentive amortization	(2,604)	(1,416)	(6,534)	(2,998)
Amortization of acquired above- and below-market rents	100	99	396	390
Amortization of intangibles and other assets to property operating expenses	—	—	—	(69)
Lease termination fees, net	(893)	141	2,416	834
Tenant funded landlord assets and lease incentives	187	249	997	939
Cash NOI adjustments in unconsolidated real estate JV	35	45	154	195
Same Properties NOI	$ 73,691	$ 75,633	$ 301,607	$ 299,830

	December 31, 2021	December 31, 2020
Reconciliation of total assets to adjusted book		
Total assets	$ 4,262,452	$ 4,077,023
Accumulated depreciation	1,152,523	1,052,007
Accumulated depreciation included in assets held for sale	82,385	72,246
Accumulated amortization of intangibles on property acquisitions and deferred leasing costs	215,925	212,700
Accumulated amortization of intangibles on property acquisitions and deferred leasing costs included in assets held for sale	4,547	4,424
COPT's share of liabilities of unconsolidated real estate JVs	27,312	26,710
COPT's share of accumulated depreciation and amortization of unconsolidated real estate JVs	3,744	1,489
Less: Property - operating lease liabilities	(29,342)	(30,746)
Less: Property - finance lease liabilities	—	(28)
Less: Cash and cash equivalents	(13,262)	(18,369)
Less: COPT's share of cash of unconsolidated real estate JVs	(434)	(152)
Adjusted book	$ 5,705,850	$ 5,397,304

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

	December 31, 2021	December 31, 2020
Reconciliation of debt to net debt, net debt adjusted for fully-leased development and pro forma net debt adjusted for fully-leased development		
Debt, per balance sheet	$ 2,272,304	$ 2,086,918
Net discounts and deferred financing costs	25,982	14,547
COPT's share of unconsolidated JV gross debt	26,250	26,250
Gross debt	$ 2,324,536	$ 2,127,715
Less: Cash and cash equivalents	(13,262)	(18,369)
Less: COPT's share of cash of unconsolidated real estate JVs	(434)	(152)
Net debt	$ 2,310,840	$ 2,109,194
Costs incurred on fully-leased development properties	(162,884)	(114,532)
Net debt adjusted for fully-leased development	$ 2,147,956	$ 1,994,662
Net debt	$ 2,310,840	$ 2,109,194
Debt pay down from Wholesale Data Center sale proceeds	(216,000)	N/A
Pro forma net debt	$ 2,094,840	$ 2,109,194
Costs incurred on fully-leased development properties	(162,884)	(114,532)
Pro forma net debt adjusted for fully-leased development	$ 1,931,956	$ 1,994,662

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Source: Corporate Office Properties Trust