

COPT Forms New \$293 Million Data Center Shells Joint Ventures with Blackstone Real Estate

Approximately \$165 Million of Equity Value to COPT

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust ("COPT" or the "Company") (NYSE: OFC) announces the formation of new joint ventures with funds affiliated with Blackstone Real Estate. The new ventures are acquiring interests in eight single-tenant, data center shell properties totaling 1.3 million square feet and valued at \$293 million.

In a recently closed transaction, Blackstone Real Estate acquired a 90% interest in two of COPT's wholly owned data center shell properties valued at \$90 million. Blackstone Real Estate has also signed an agreement to acquire a 90% interest in six other data center shell properties partially owned by COPT, and that transaction is expected to close before the end of the year.

"We are very pleased to expand our relationship with Blackstone. These transactions further confirm the value of our portfolio of strategically located data center shell properties and the value our development platform adds for shareholders," stated Stephen E. Budorick, COPT's President & Chief Executive Officer.

Tyler Henritze, Head of Acquisitions Americas for Blackstone Real Estate, said, "We believe data centers will continue to benefit from strong secular tailwinds, including immense demand growth as internet traffic and the use of cloud services continue to rise. These transactions are attractive opportunities to invest in high-quality powered shell warehouses in the premier market globally. We have an excellent partner in COPT and look forward to continuing to build our relationship over the long-term."

About Blackstone Real Estate

Blackstone is a global leader in real estate investing. Blackstone's real estate business was founded in 1991 and has \$174 billion of investor capital under management. Blackstone is one of the largest property owners in the world, owning and operating assets across every major geography and sector, including logistics, multifamily and single family housing, office, hospitality and retail. Our opportunistic funds seek to acquire undermanaged, well-located assets across the world. Blackstone's Core+ strategy invests in substantially stabilized real estate globally through regional open-ended funds focused on high-quality assets and Blackstone Real Estate Income Trust, Inc. (BREIT), a non-listed REIT that invests in U.S. income-generating assets. Blackstone Real Estate also operates one of the leading global real estate debt businesses, providing comprehensive financing solutions across the capital structure and risk spectrum, including management of Blackstone Mortgage Trust (NYSE: BXMT).

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 it believes are growing, durable, priority missions ("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 September 30, 2020, 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 15 properties owned through unconsolidated joint ventures, COPT's core portfolio of 174 office and data center shell properties encompassed 20.2 million square feet and was 94.6% leased; the Company also owned one wholesale data center with a critical load of 19.25 megawatts that was 86.7% leased.

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, 2019 and subsequent Quarterly Reports on Form 10-Q.

Source: Corporate Office Properties Trust

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