July 28, 2015

COPT to Acquire Baltimore’s Transamerica Building

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust (“COPT” or the “Company”) (NYSE: OFC) has agreed to acquire 100 Light Street and its 560-space structured parking garage, 30 Light Street (together, “100 Light” or the “Transamerica Building”) in downtown Baltimore for $121.0 million. The 37-story office building contains 549,300 rentable square feet and, at June 30, 2015, was 94% leased to credit-worthy tenants, the largest three of which are Transamerica Life Insurance Company (28% of the building), Miles & Stockbridge (21%) and Ober | Kaler (17%). Located at the corner of Light and Pratt Streets – “Main & Main” in the Pratt Street Corridor – 100 Light is the tallest building in the state of Maryland.

“The acquisition of 100 Light advances COPT’s strategic objective of increasing the amount of urban, amenity-rich and mass-transit served buildings in our Regional Office portfolio,” stated Roger A. Waesche, Jr., COPT’s President and Chief Executive Officer. “We are in the process of recycling proceeds from the sale of suburban properties to fund our investment in higher growth opportunities, such as 100 Light and, of course, new development projects for our Strategic Tenant Niche.”

The Company is under contract to acquire 100 Light from Lexington Realty Trust (NYSE: LXP) and expects to complete the transaction in August of this year. The $121.0 million purchase price includes COPT assuming the property’s $55.0 million mortgage loan, which bears interest at a fixed rate of 4.32% and matures in June 2023.

Associated Supplemental Presentation

For more information on this acquisition, please refer to the presentation the Company has posted on the ‘Investors’ section of our corporate website, www.copt.com. The presentation will be available until two weeks after the acquisition is closed.

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.

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