

PRESENTATION
2023
INVESTOR
DAY

OCTOBER 11, 2023



COPT DEFENSE
P R O P E R T I E S

Welcome + Introduction



Welcome | Overall Introduction: Speaker

STEVE BUDORICK



> President + Chief Executive Officer

Introduction: Rebranded to COPT Defense Properties

ALIGNS NAME WITH OUR INVESTMENT STRATEGY + PORTFOLIO

- > Reiterate focus on Defense/IT
 - Since 2016, 100% of committed capital investments has been allocated to development at our Defense/IT Locations
- > Insulated from Work from Home
 - Critical nature of our tenants' missions insulates Defense/IT portfolio from WFH headwinds and corporate rightsizing
- > Poised for Growth
 - Durable demand characteristics, superior tenant credit, growing cash flows, and consistent development opportunities
- > Retained COPT (as a proper name), based on immense brand value with our U.S. Government and Defense customers
 - 30-year track record of development and operating excellence associated with COPT



COPT DEFENSE
P R O P E R T I E S

 **COPT**
CORPORATE OFFICE
PROPERTIES TRUST

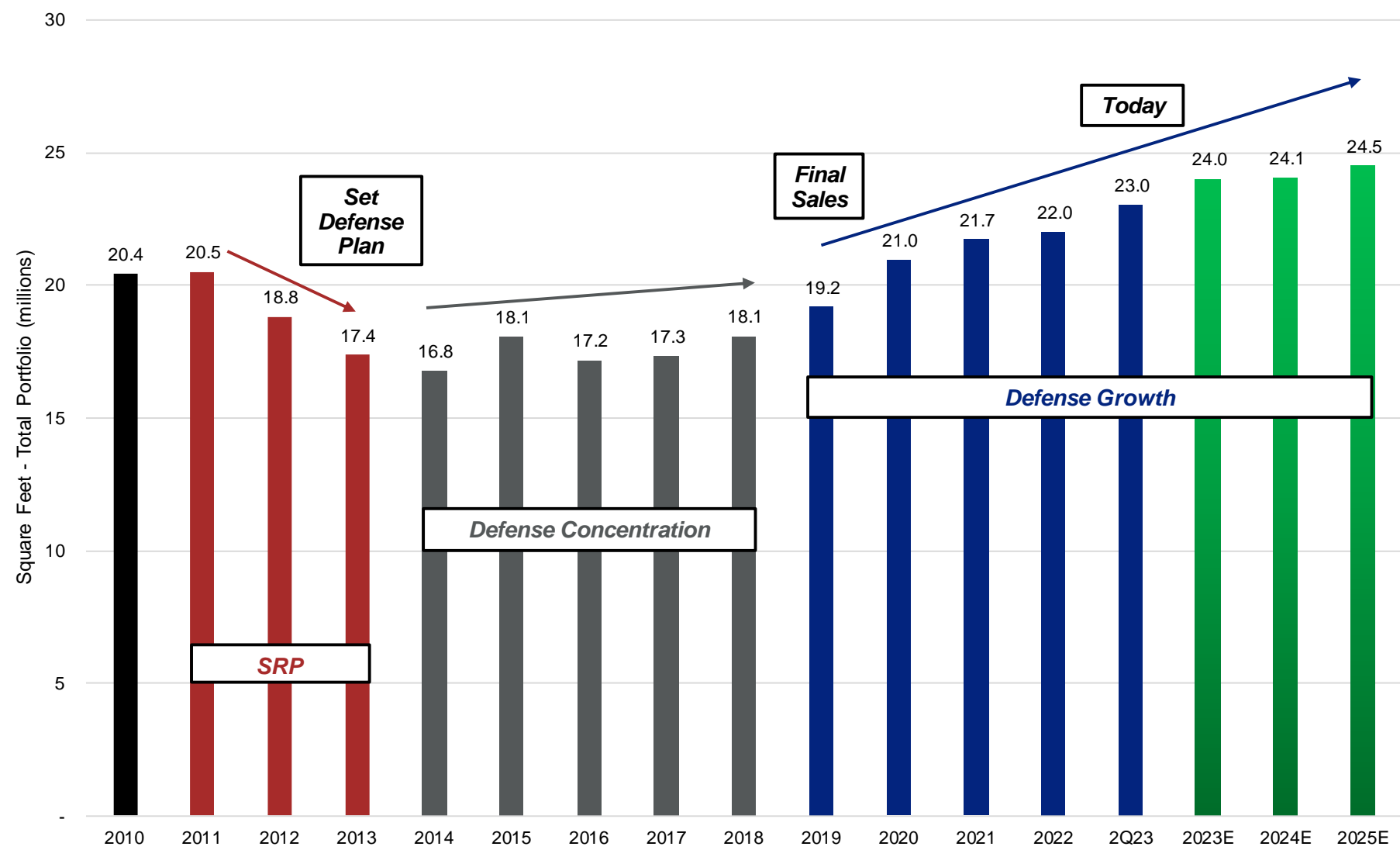


Introduction: Celebrating 25 Years as a Public Company

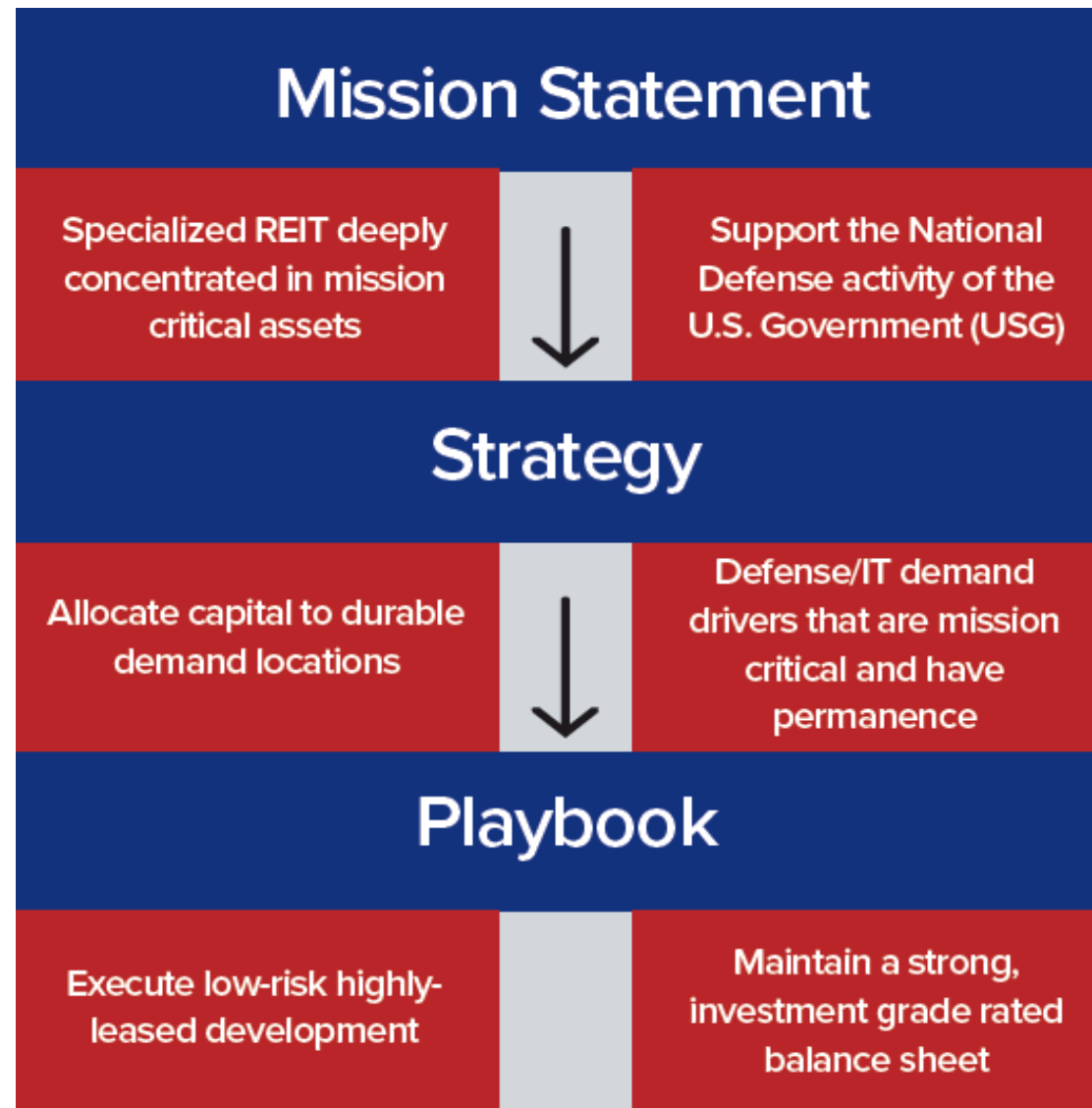


Introduction: Portfolio Transformation

IN 2016, WE ESTABLISHED A GOAL TO GROW OUR PORTFOLIO TO 25 MILLION SF



Introduction: Corporate Strategy



Introduction: Competitive Advantages

DIFFERENTIATED PLATFORM AS THE ONLY “GO-TO” PUBLIC COMPANY LANDLORD FOR SECURED, SPECIALIZED SPACE¹

Operating Platform

- Our teams of managers have specialized skills + credentials required to handle the complex space + security needs of tenants at our Defense/IT Locations – a distinct competitive advantage over non-credentialed landlords

Track Record + Customer Relationships

- 30 years of operating excellence + customer service – since 1992, one of the few trusted landlords able to accommodate U.S. Government + defense contractor tenant requirements

Proven Development Expertise

- Trusted provider of secured, specialized space, with the ability to satisfy SCIF, ATFP + other requirements

Unique + Advantaged Land Positions

- Proximity to Demand Drivers – Properties + entitled land adjacent to mission-critical, knowledge-based defense installations



SCIF + ATFP



SCIF + ATFP: Speakers

GREG PROSSNER



> SVP, Asset Management +
Leasing

DAVE NORFOLK

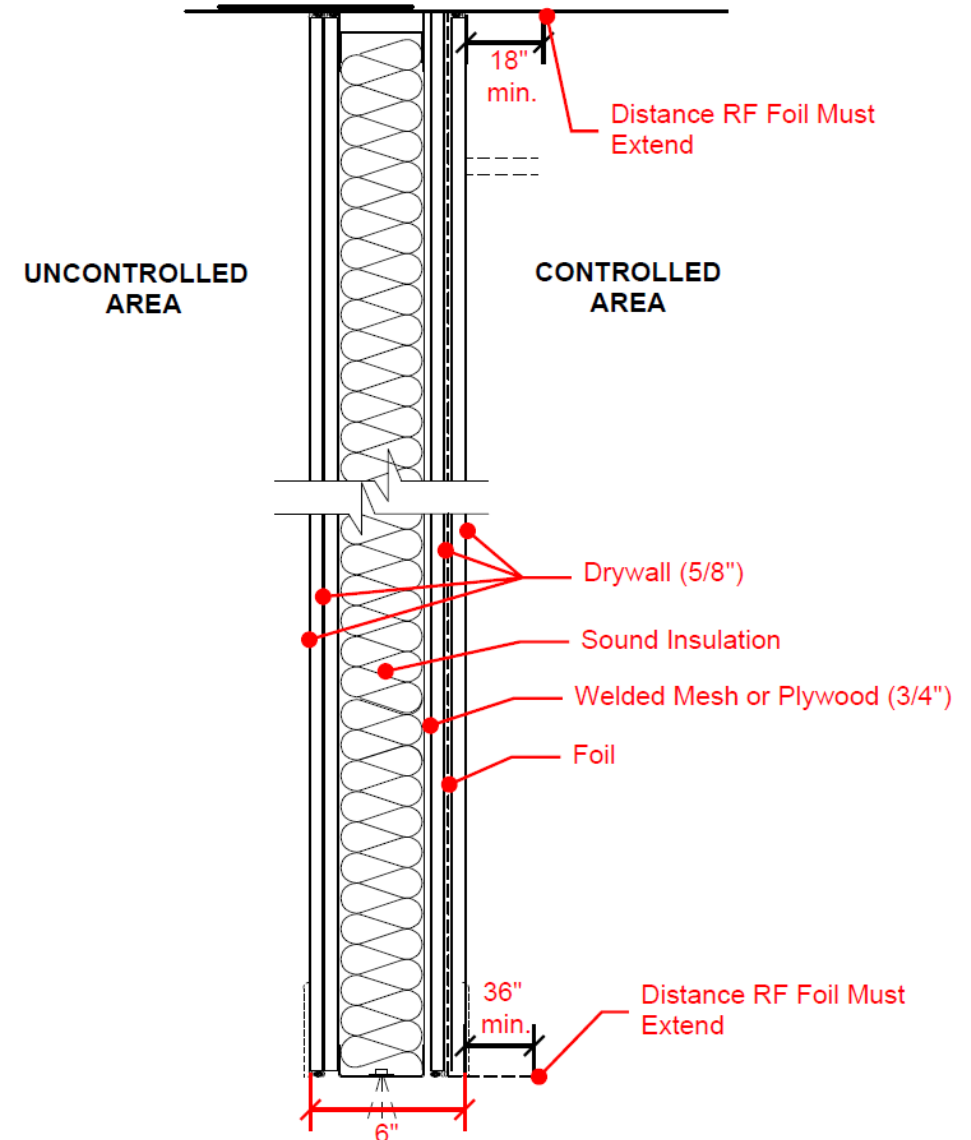


> Director, Development +
Construction

SCIF: Sensitive Compartmented Information Facility

RIGOROUS PHYSICAL + TECHNICAL STANDARDS

- > SCIF = Sensitive Compartmented Information Facility
 - A secure area where sensitive information can be viewed, discussed, or stored by government officials and approved contractors
- > What makes a SCIF secure?
 - Physical: Robust walls, floor, ceiling, door, and window treatments
 - Technical: Electromagnetic and radio frequency interference and detection
 - Armed security must arrive within 5 to 15 minutes depending on facility type
- > What approvals are necessary to build out a SCIF?
 - Contractor needs approval from the US Government
 - USG authorizes a classified mission which can be performed by a Contractor via a Classified contract
 - Defense Counterintelligence Agency provides approval to build the SCIF
 - Monitors construction and approves the workforce
 - Accredits and recertifies the facility every 2 years



SCIF: About

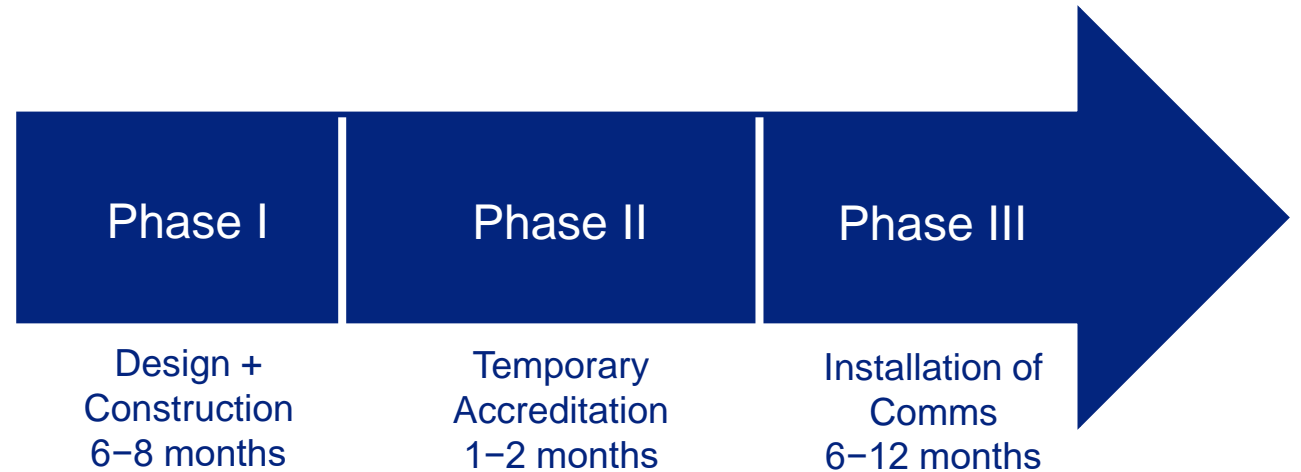
EXPENSIVE + TIME CONSUMING TO BUILD

> Cost to build a SCIF

- Typical Construction cost \geq \$150 PSF
- Smaller Spaces (< 10,000 SF): Cost = 4x market TI's
- Larger Spaces (> 10,000 SF): Cost = 2x market TI's

> Time to build a SCIF

- 12 to 24 months to construct
 - Phase I: Design and construction = 6–8 months
 - Phase II: Accreditation = 1–2 months
 - Phase III: Installation = 6–12 months
 - Tenant installs secure communications gear (fiber/cryptography)
- SCIF construction is limited to U.S. firms / citizens
- Cleared supervisors monitor the entire construction process



SCIF: Physical + Technical Standards

PREVENT PHYSICAL + ELECTRONIC INTRUSION

- > Prevent someone from hacking into the wall
 - Requires 50%–100% more drywall than a standard wall
 - Heavy duty structural steel studs placed every 16 inches
- > Prevent electronic spying by blocking signals
 - RF Shielding Foil lines the perimeter wall
- > Prevent unauthorized entry
 - Welded Steel frame that is RF rated and meets acoustic requirements
 - DOD/GSA-approved combination deadbolt lock, which is alarmed
 - Ideal access control is visual recognition upon entry
- > Prevent entry through the vents/ducts
 - Permanently affixed waveguides (or manbars)
 - Access port inside SCIF to allow visual inspection of vents/ducts



SCIF: Conclusion

SCIF = HIGH RETENTION RATE

- > High Cost
 - SCIF = Expensive to build
 - Require a significant tenant investment (well above market TI allowance)
- > Time Consuming to Construct
 - SCIF can take between one to two years to construct
- > Catch-22
 - You need a contract to get a SCIF, but need a SCIF to get a contract
- > A SCIF can't be relocated
 - Once vacated, a SCIF will be de-accredited
- > Key Takeaways:
 - Once a tenant spends the time, money, and effort to build SCIF space, they are very reluctant to ever vacate the space
 - Our advantage = Expedite the process and save tenants time and money
 - Efficiently design/construct SCIF by credentialed project managers

Expensive

Time
Consuming

Catch-22

Can't be
Relocated

High
Retention



ATFP: Anti-Terrorism Force Protection

MINIMIZE CASUALTIES FROM A TERRORIST ATTACK

- > Intent: Reduce collateral damage and the scope and severity of mass casualties in the event of a terrorist attack
- > ATFP was introduced out of tragedy
 - 1995: Oklahoma City Bombing of the Alfred P. Murrah Federal Building
 - 1996: Bombing of the Khobar Towers in Dhahran, Saudi Arabia
- > USG Guidelines
 - Similar standards apply to DOD-leased buildings as DOD-owned buildings
 - Mandatory for all new construction for DOD facilities and major renovations
 - USG should not invest money in inadequate buildings that DOD personnel will have to occupy for decades
 - Appropriate level of protection at a reasonable cost



ONLY FEASIBLE WITH NEW CONSTRUCTION

> Major Elements:

- Maximize Standoff Distance to a controlled perimeter and on-site parking
- Minimize Access Points
- Construct Superstructures to avoid progressive collapse
- Minimize Hazardous Flying Debris
- Reinforce Façade to Resist Blast Pressure
- Limit Airborne Contamination

> Financial Implications:

- ~20% increase in cost versus traditional construction for core and shell
- Most significant factor is standoff distances
 - As standoff distance ↓ construction cost ↑
- Incorporating ATFP is only feasible for new construction or major renovation

ATFP: The National Business Park

OUR SECURE CAMPUS AT NBP EXEMPLIFIES ATFP

- > Cluster facilities into compounds or pods
 - Higher density core with pedestrian friendly green space
 - Provides antiterrorism and environment benefits
 - Parking and vehicle circulation are then kept on the compound perimeter
- > Controlled Perimeters and Access Control
 - The purpose is to search for and detect explosives in a vehicle
- > Controlled Perimeter
 - Limit opportunities for aggressors to get vehicles close to DOD Buildings
- > Access Control
 - Barriers, gates, electronic security equipment, and/or guards
- > Vantage Points
 - Identify / eliminate positions from which potential aggressors can observe and target people / assets in and around buildings
 - Reorient buildings, reflective glazing, walls privacy fencing, and vegetation



ATFP: Conclusion

DOD NEED TO OCCUPY ATFP SPACE BODES WELL FOR FUTURE U.S. GOVERNMENT DEMAND

- > ATFP is not feasible from a cost standpoint for existing construction
 - Increasing amount / diameter of structural columns requires a full renovation
- > Inverse relationship between standoff distance and cost
 - Shorter the distance = Increase in cost
 - ATFP building on a campus = Decline in building square footage
- > Costs ~20% more than traditional construction for core and shell
 - Further increases when accounting for building setbacks, perimeters, and access control
- > USG is looking to move out of buildings that don't meet ATFP standards
 - 2011: Defense Information Systems Agency (DISA) moved HQ to Fort Meade from Crystal City, largely driven by the need to occupy ATFP space
- > Our advantage:
 - Existing DOD relationships, land parcels to accommodate development for DOD in/around mission-critical demand driver locations

Requires New Construction

Results in Less Buildable SF

Expensive

Long Term Demand from DOD

High Retention



Northern Virginia



Northern Virginia (NoVA): Speakers

JASON KRAWIECKI



> VP, Asset Management +
Leasing

GREG PROSSNER

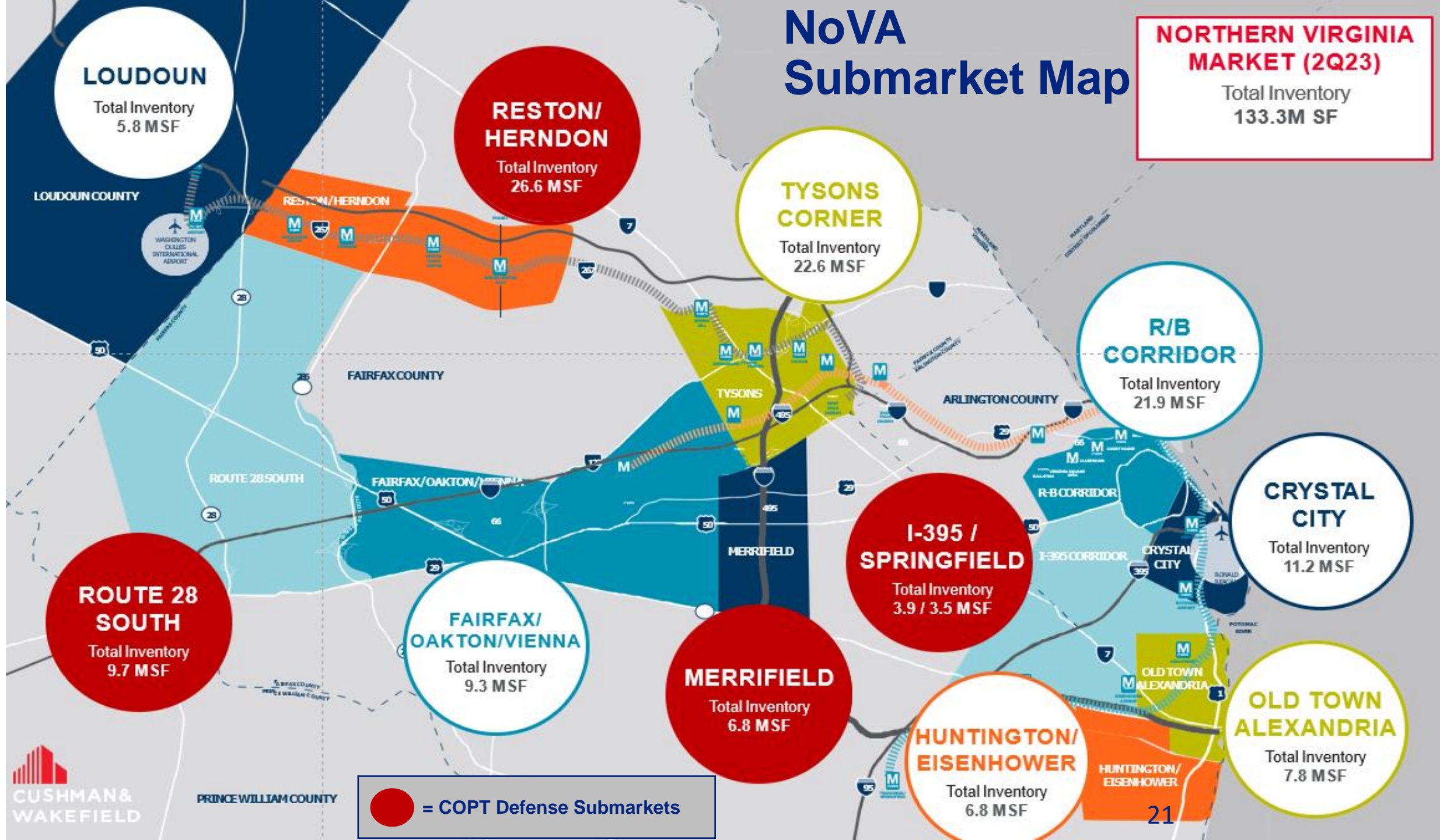


> SVP, Asset Management +
Leasing

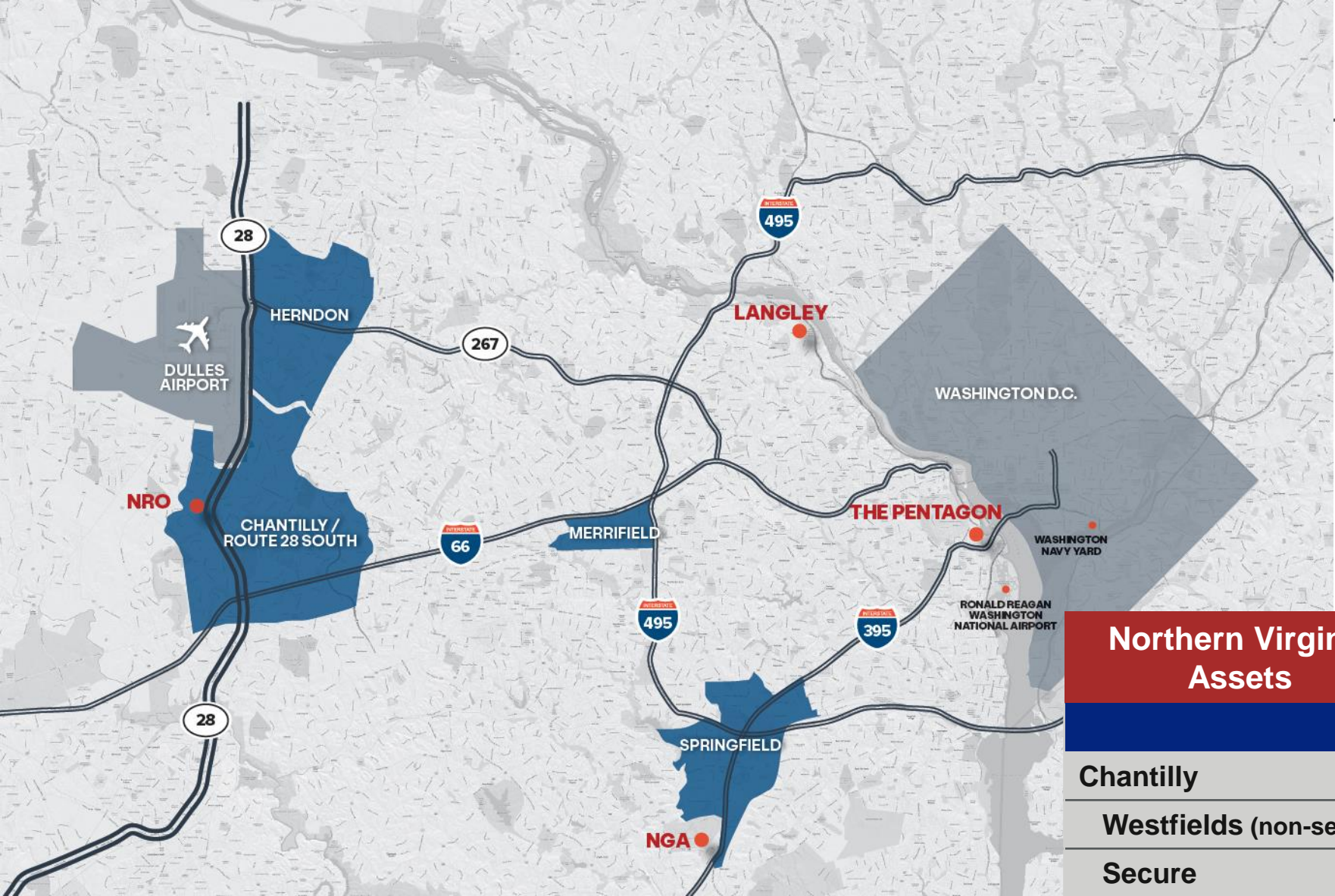
NoVA Submarket Map

**NORTHERN VIRGINIA
MARKET (2Q23)**

Total Inventory
133.3M SF



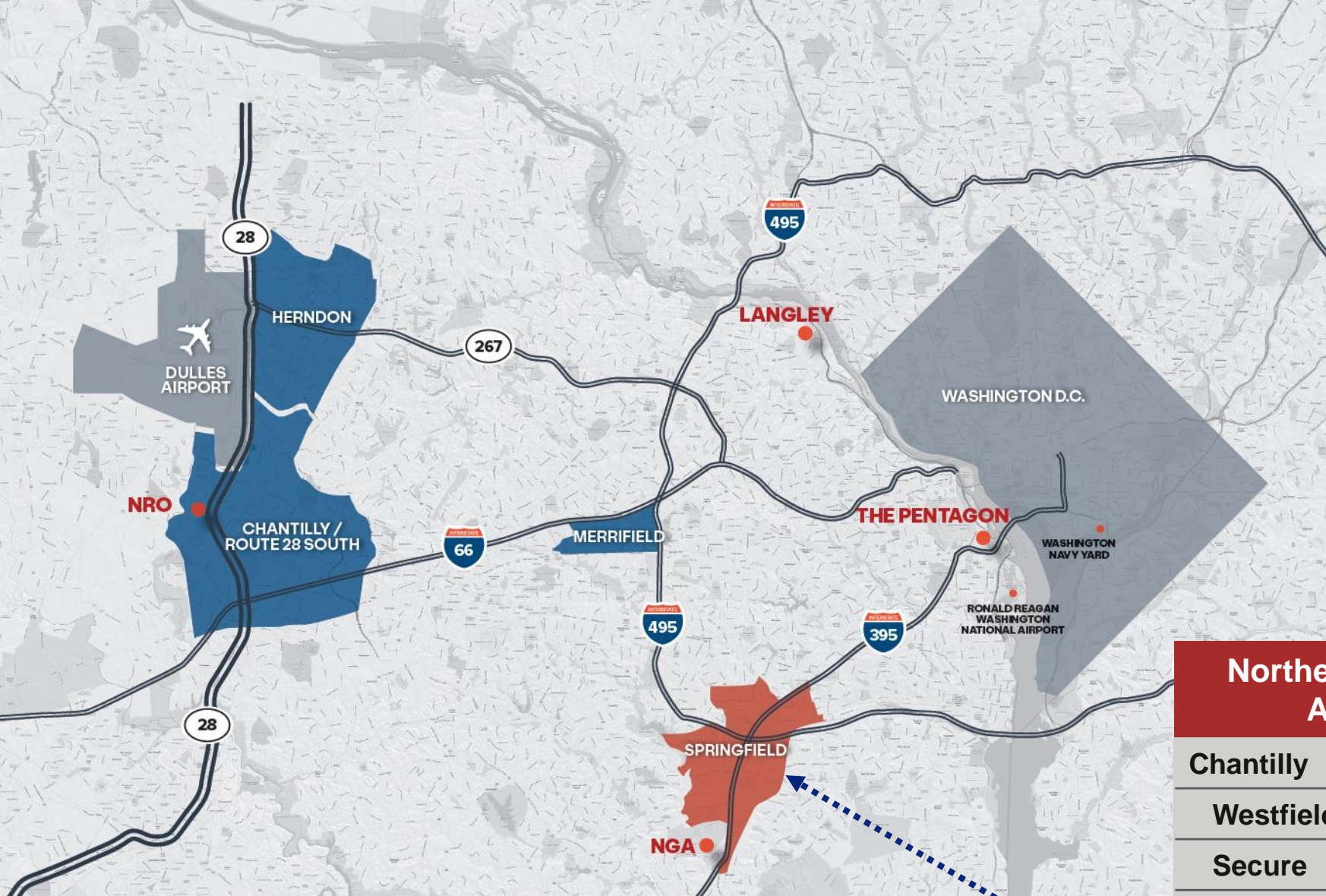
NoVA: Submarket Map



Northern Virginia Assets	# Buildings	SF (000s)	% Leased
Chantilly			
Westfields (non-secure)	7	758	
Secure	4	900	
Herndon	3	370	
Merrifield	1	234	
Springfield	1	238	
TOTAL	16	2,499	92%

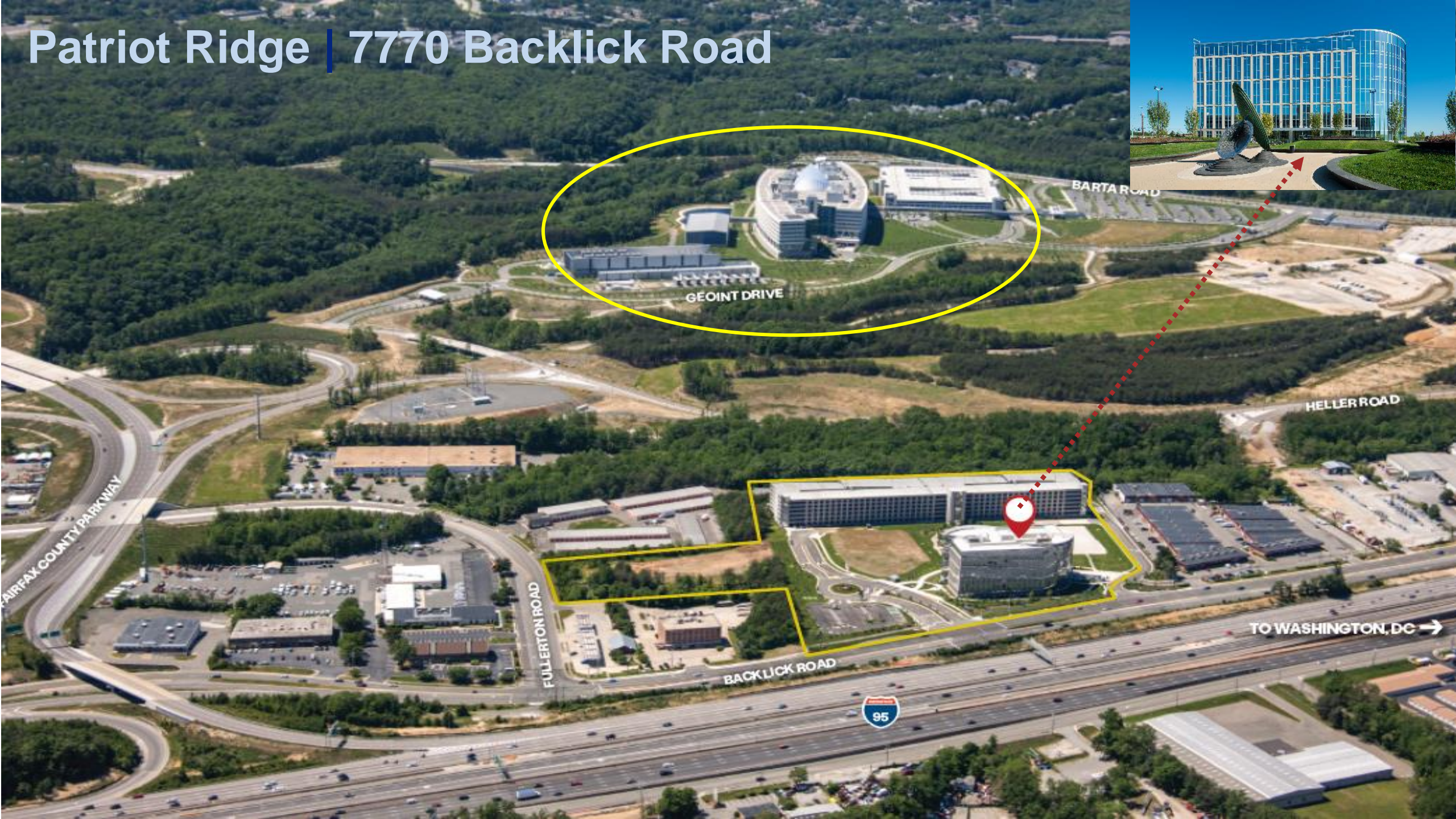


NoVA: Springfield

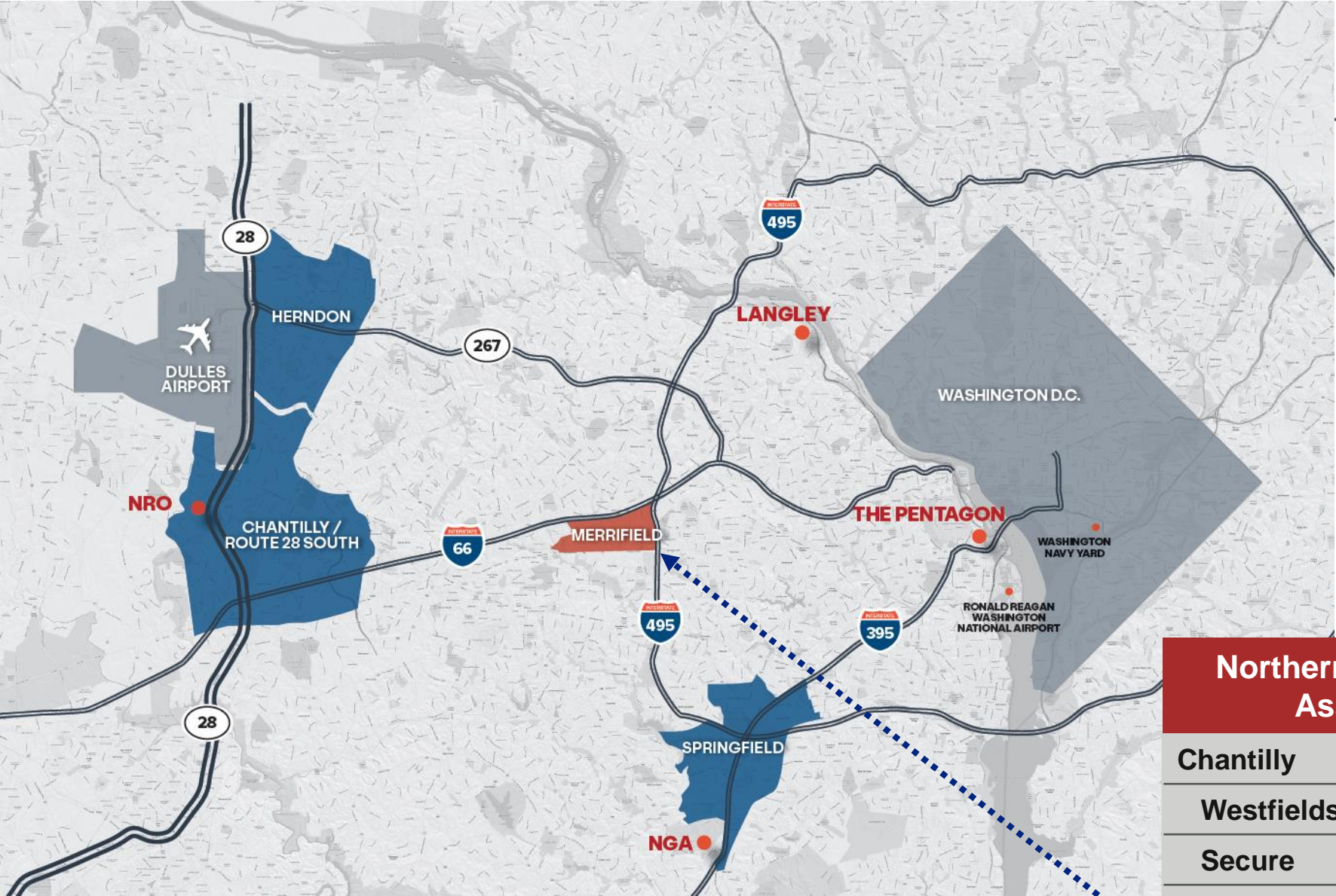


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Westfields (non-secure)	7	758
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Herndon	3	370
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Springfield	1	238
TOTAL	16	2,499

Patriot Ridge | 7770 Backlick Road



NoVA: Merrifield



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Chantilly		
Westfields (non-secure)	7	758
Secure	4	900
Herndon	3	370
Merrifield	1	234
Springfield	1	238
TOTAL	16	2,499



Metro Place II | 2600 Park Tower Drive



NoVA: Why the IC Likes Route 28-S

DEMOGRAPHICS, HOUSING + QUALITY OF LIFE

> Education

- Highly Educated Workforce, including IT

> Commute

- Less Traffic/Less Expensive Commute

> Airport

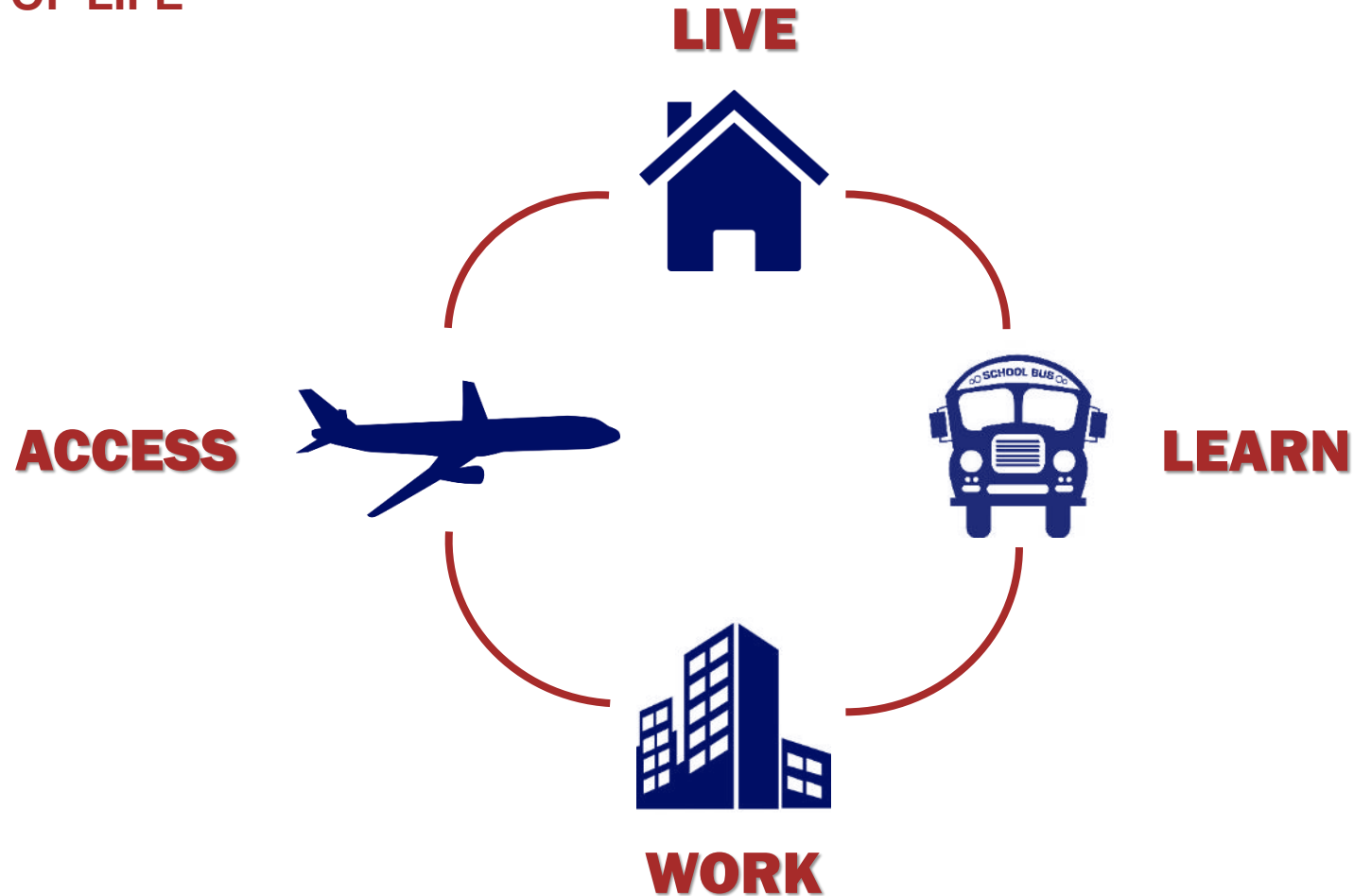
- Proximity to Dulles International Airport

> Housing

- Access to More Affordable Housing

> Schools

- Top Rated, Strong Schools



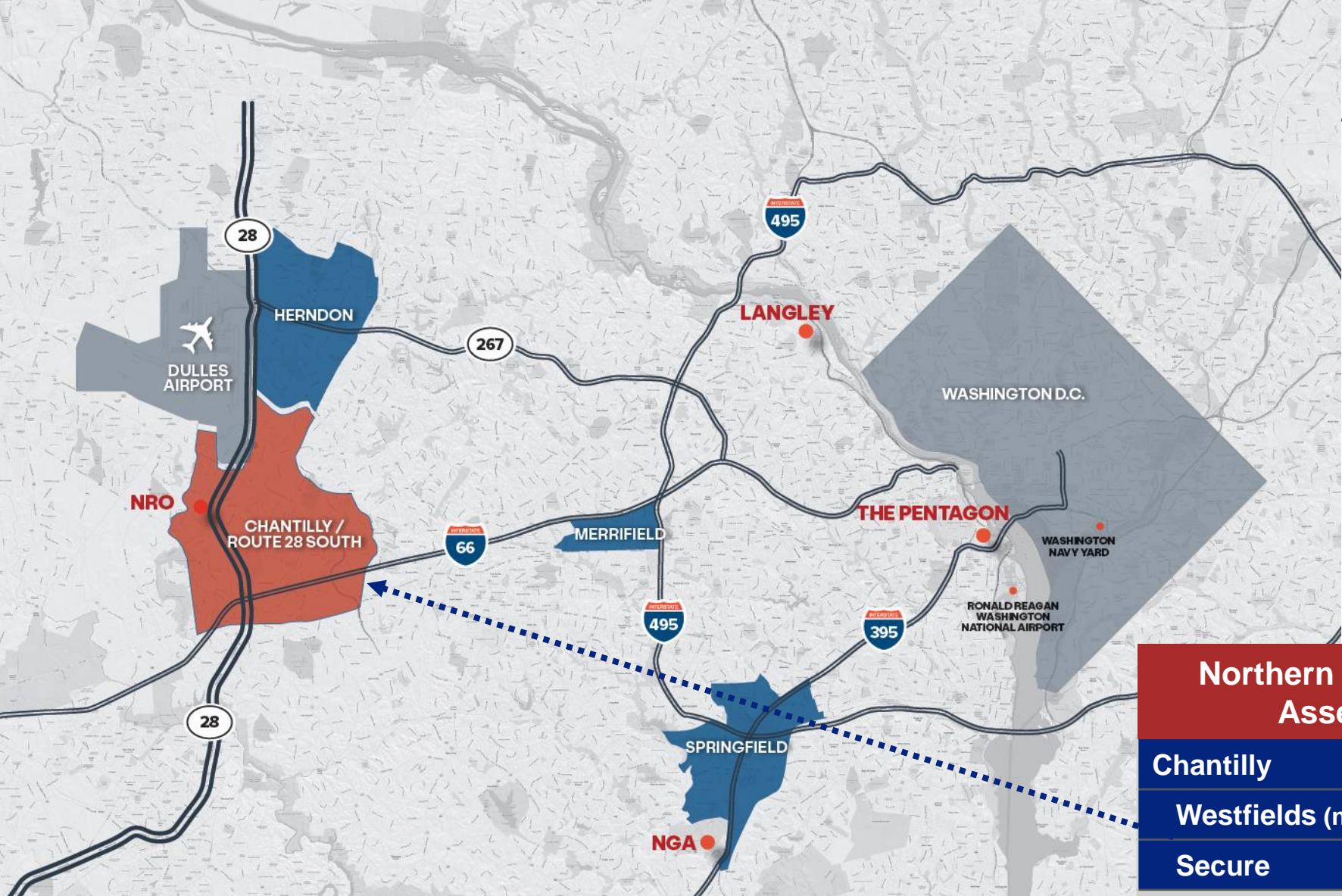
NoVA: 13857 McLearen Road

HIGH DENSITY OF SCIF

- > 100% leased to General Dynamics Information Technology (GDIT)
 - 204,000 SF
 - Leased since 2010
- > Close proximity to the Customer
- > On-site conferencing and fitness



NoVA: Chantilly



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TOTAL	16	2,499

NoVA: Intelligence Community (IC) is the Demand Driver

UNCLASSIFIED DEMAND DRIVERS

> The National Reconnaissance Office (“NRO”):

- Mission is to develop and operate unique and innovative overhead reconnaissance systems
 - Conduct intelligence-related activities for U.S. national security
- Established in 1961 as a classified DOD agency
 - Its existence and mission were declassified in 1992



> The Aerospace Corporation (Nonprofit Corporation):

- Federally funded research and development center (“FFRDC”) for the United States Air Force
- In Westfields, Aerospace is the independent testing, assessment, and research center for national security space systems (rocket and satellite) for the NRO



> FBI Cyber Division:

- Heads the national effort to investigate and prosecute internet crimes
 - Includes "cyber based terrorism, espionage, computer intrusions, and major cyber fraud"



Northern Virginia: Government Services



DIRECTOR, REGIONAL OPERATIONS, NoVA/MD/DC REGION

- > Joined COPT Defense in 2023
- > 2 years with Microsoft
 - 2021 – 2023: Customer Success Account Manager
 - Joint Federal Accounts: Functional Combatant Commands
- > **20 years with U.S. Army**
- > U.S. Army Corps of Engineers, Baltimore District
 - 2018 – 2021: Project Manager/Project Engineer
- > 555th Engineer Brigade
 - 2016 – 2018: Commander, 22nd Engineer Route Clearance Company
- > I Corps, Joint Base Lewis McChord
 - 2015 – 2016: Lead Engineer Planner
- > U.S. Army Central
 - 2014 – 2015: Operations and Maintenance Officer in Charge, Camp Arifjan

CHUCK ROBITAILLE



- > Director, Regional Operations

Government Services | Operations: Team Overview

MARKETS COVERED | RESPONSIBILITIES

> Markets Covered

- NoVA Defense/IT | Route 28 corridor; Dahlgren: Naval Support
- Maryland | College Park: IC/DoD; PAX River: Naval Support
- DC: DOD/DHS

> Team Overview

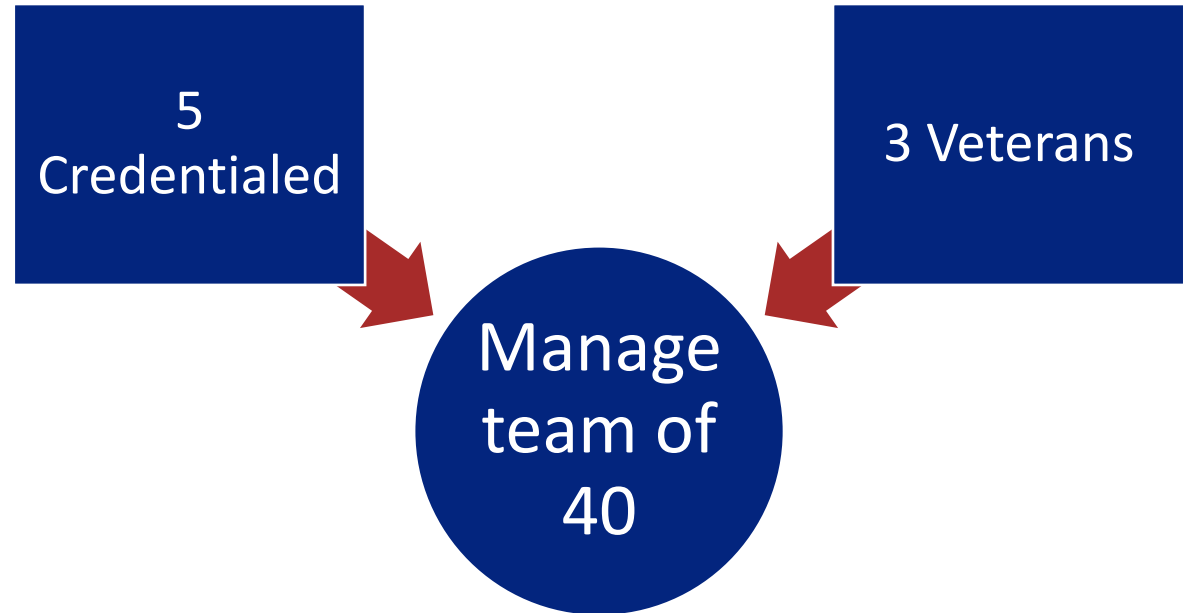
- 40 members | 5 credentialed | 3 veterans in VA

> Our Advantage

- Broad geographical coverage: overlap of Defense/IT tenants
- Understand tenant's mission critical requirements
- Strong focus on quality property management

> What's exciting?

- Nurturing strong defense relationships in our region
- Growing exceptional talent, adapting our facilities for growing demand



Data Centers



Data Center Shells: Speaker

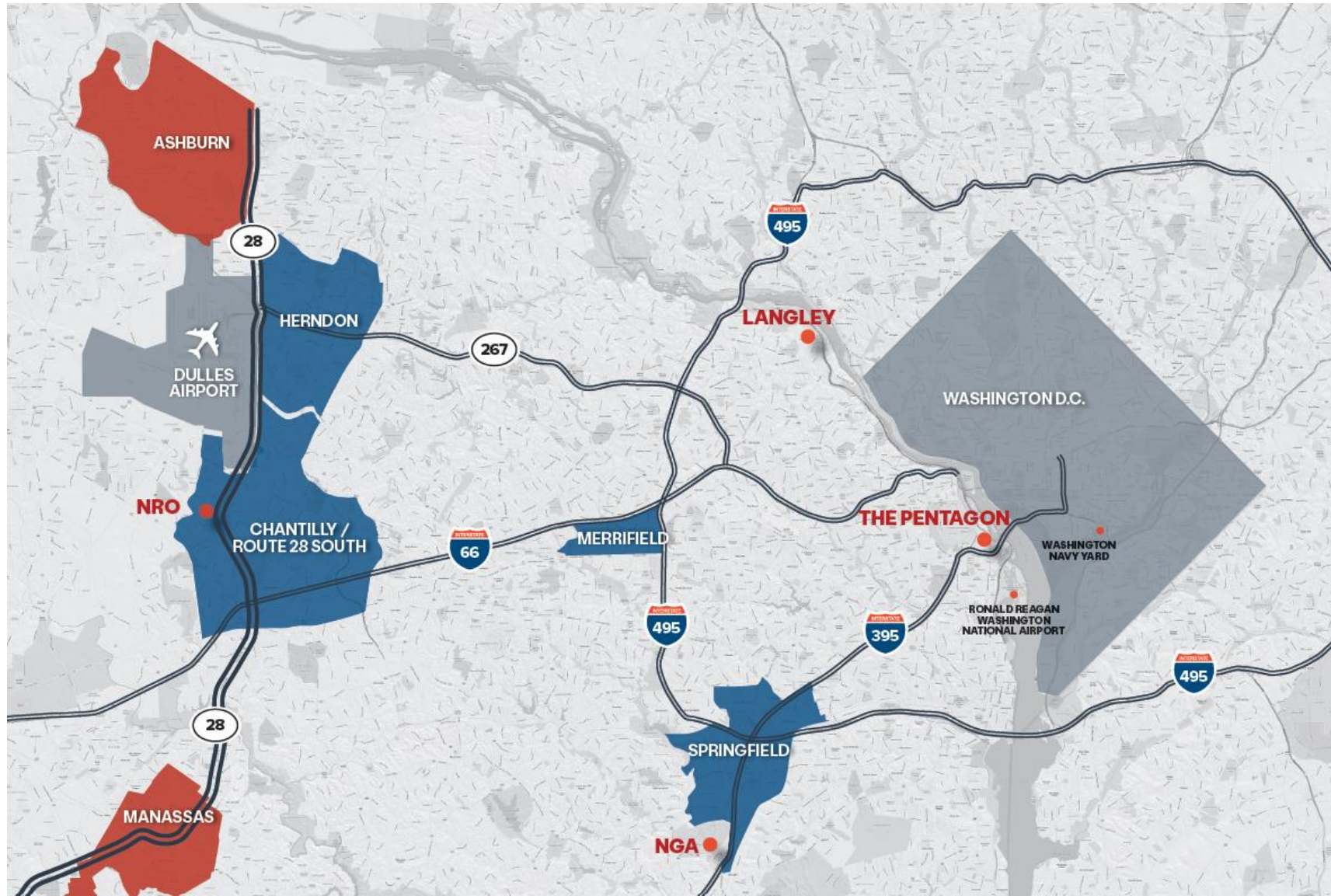
STEVE BUDORICK



> President + Chief Executive Officer

Data Center Shells: Market Map

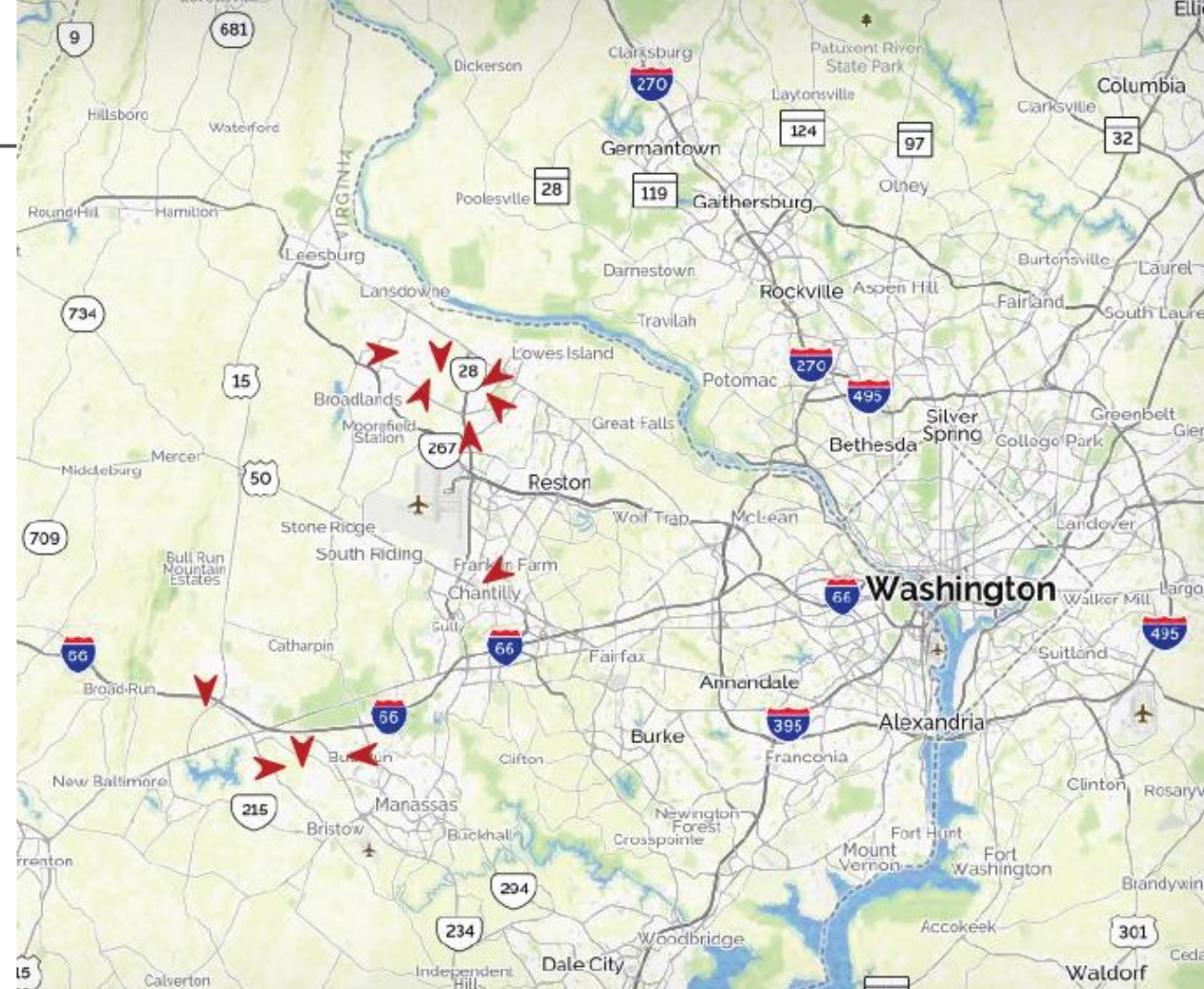
LOCATED IN THE PRIME NOVA SUBMARKETS | “THE DATA CENTER CAPITAL OF THE WORLD”



Data Center Shells: Snapshot

32 PROPERTIES | 5.3M SF OPERATIONAL¹
5% OF TOTAL COMPANY ARR

- Build-to-Suit Program
 - Lease terms: 10–15 years
 - 100% pre-leased
 - Single tenant | Triple Net
 - Avg Rent Escalator = 2.25%–2.50%
- Consolidated Portfolio
 - 4 properties | 1.0M SF
- Unconsolidated Portfolio
 - 24 properties | 4.3M SF
 - Joint Venture Program with Blackstone affiliates (90% / 10%)
 - Right of First Offer
- Active Development
 - 4 properties | 1.0M SF | 100% leased
 - Total Cost = \$267M
- Future Development
 - Negotiating 225,000 SF build-to-suit lease on current campus
 - Would be 3rd building at Maries Tech Park



¹ SF reflect 100% of 24 joint ventured data centers; % of Core ARR is based on COPT Defense's share.

Data Center Shells: Maries Tech Park (MP-1, MP-3)



Data Center Shells: Bethlehem Tech Park



The National Business Park (NBP)



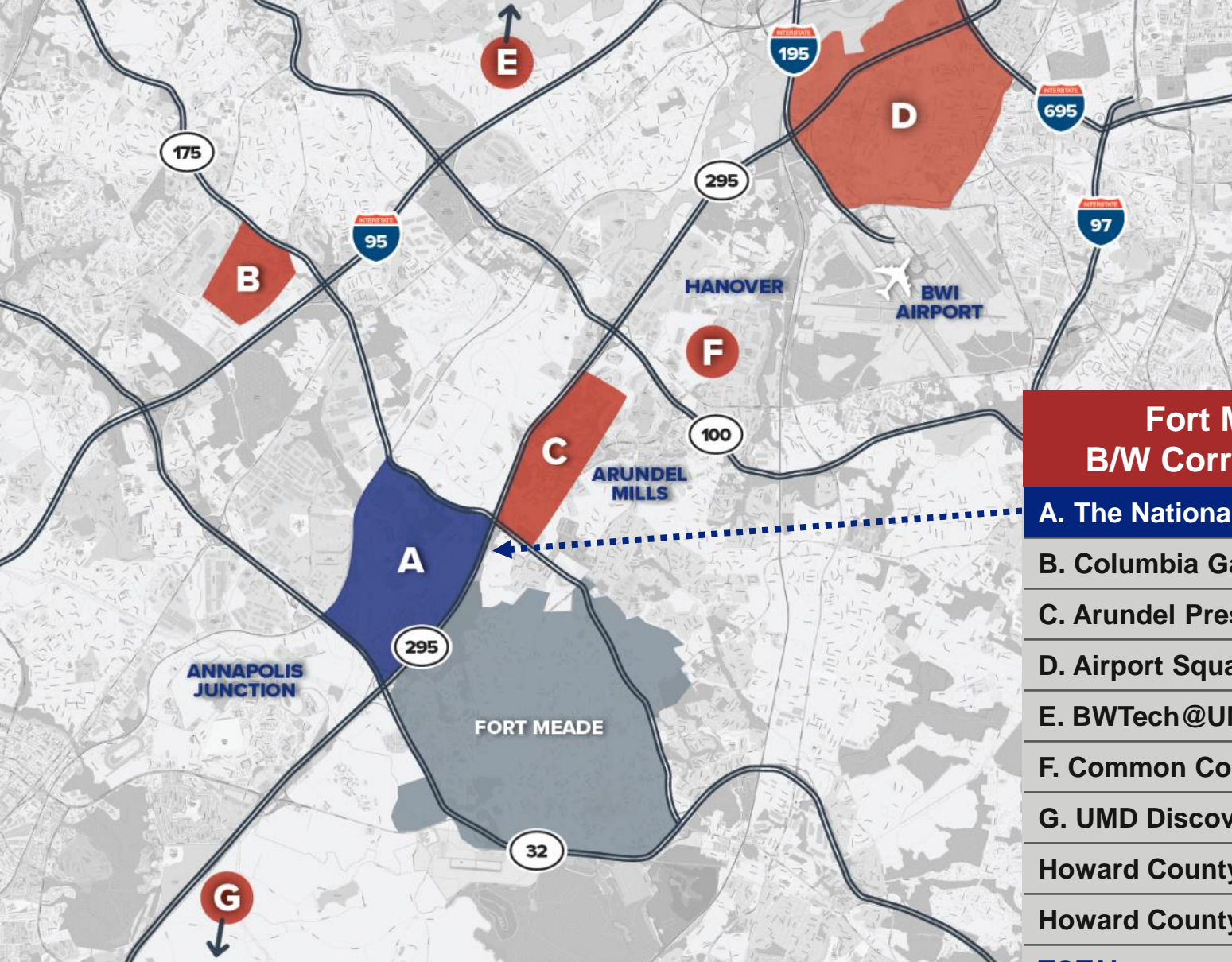
The National Business Park (NBP): Speaker

GREG PROSSNER



> SVP, Asset Management +
Leasing

NBP: Submarket Map



Fort Meade + B/W Corridor Assets	# Buildings	SF (000s)	% Leased
A. The National Business Park	33	4,106	99.3%
B. Columbia Gateway	28	2,286	94.9%
C. Arundel Preserve	2	266	100%
D. Airport Square	10	634	93.8%
E. BWTech@UMBC	2	129	100%
F. Common Corporate Center	5	283	94.8%
G. UMD Discovery District	4	414	92.1%
Howard County Secure	4	447	100%
Howard County Other	3	130	85.6%
TOTAL	91	8,694	97.1%

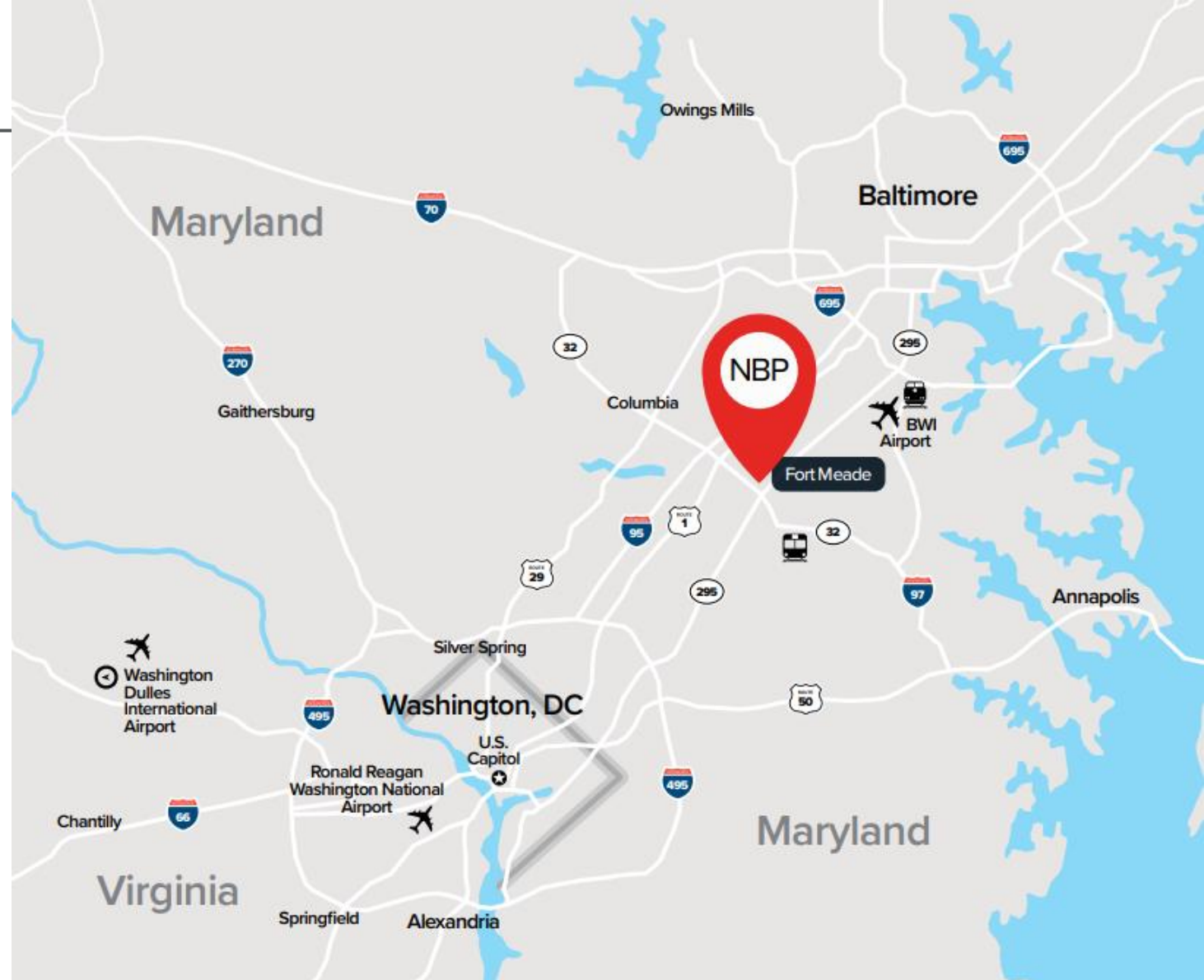


Under Development:	1 Project 186,000 SF
Land for Future Development:	144 Acres 1.6M Buildable SF

NBP: About Fort Meade

MEANINGFUL FROM A MILITARY + ECONOMIC STANDPOINT

- > Centrally located between DC and Baltimore
- > 116 Federal agencies and Military commands located on post
- > Second largest Army installation in the U.S. (by population)
 - All 6 U.S. military branches have service members on post
 - 5,067 acres | 1,300 buildings
 - 1/3 the size of Manhattan (by acres)
 - > 64,000 employees
 - > 50,000 civilian employees
 - > 12,000 service members and families reside on post
- > Largest single employer in Maryland
 - Supports ~\$38 billion in economic activity annually
 - Supports 125,000 jobs earning ~\$9 billion in compensation



NBP: Intelligence Agency History

1917 U.S. Army Code and Cipher Section, MI-8 established	1952 Intelligence Agency formally established	1975 Existence of the Intelligence Agency was revealed	1986 Completion of 2 new HQ buildings - OPS-2A + OPS-2B	2014 East Campus expansion begins - \$4.6B total cost
WWI	Post WWII	1970s	1980s	2010s- 2020s
Followed the declaration of war by the U.S. against Germany	1957 Consolidated HQ operations at Fort Meade - OPS-1 building		Ronald Reagan was the first President to visit the Agency to dedicate the new buildings	Completed ECB1, ECB2 + ECB3 Planned ECB4 + ECB5



NBP: U.S. Cyber Command History

Cyber Command is established as a Sub-Unified Command	Cyber Mission Force (CMF) is authorized	CMF teams achieve Initial Operating Capability (IOC)	Elevated to Unified Combatant Command	Enhanced Budget Authority provides:
2010	2012	2016	2018	2022
Becomes operational at Fort Meade	133 Teams ~6,200 military/civilian personnel	Threshold capacity for units to execute missions	CMF reaches Full Operational Capacity (FOC) CMF reaches their projected strength	Ability to directly allocate resources Ability to fund major acquisition programs



NBP: U.S. Cyber Command Components

ENCOMPASSED BY ALL FIVE SERVICES

- > Cyber defense activity for all 5 Components is controlled out of Fort Meade
- > Army
 - U.S. Army Cyber Command
 - Supports Central, Africa, and Northern Command
- > Navy
 - U.S. Tenth Fleet/Fleet Cyber Command
 - Supports Indo-Pacific, Southern, and Space Command
- > Marine Corps
 - U.S. Marine Corps Forces Cyberspace Command
 - Supports U.S. Special Operations Command
- > Air Force
 - 16th Air Forces Cyber
 - Supports U.S. European Command
- > Coast Guard
 - U.S. Coast Guard Cyber

U.S. Army Cyber Command and Air Forces Cyber both have locations at Fort Meade

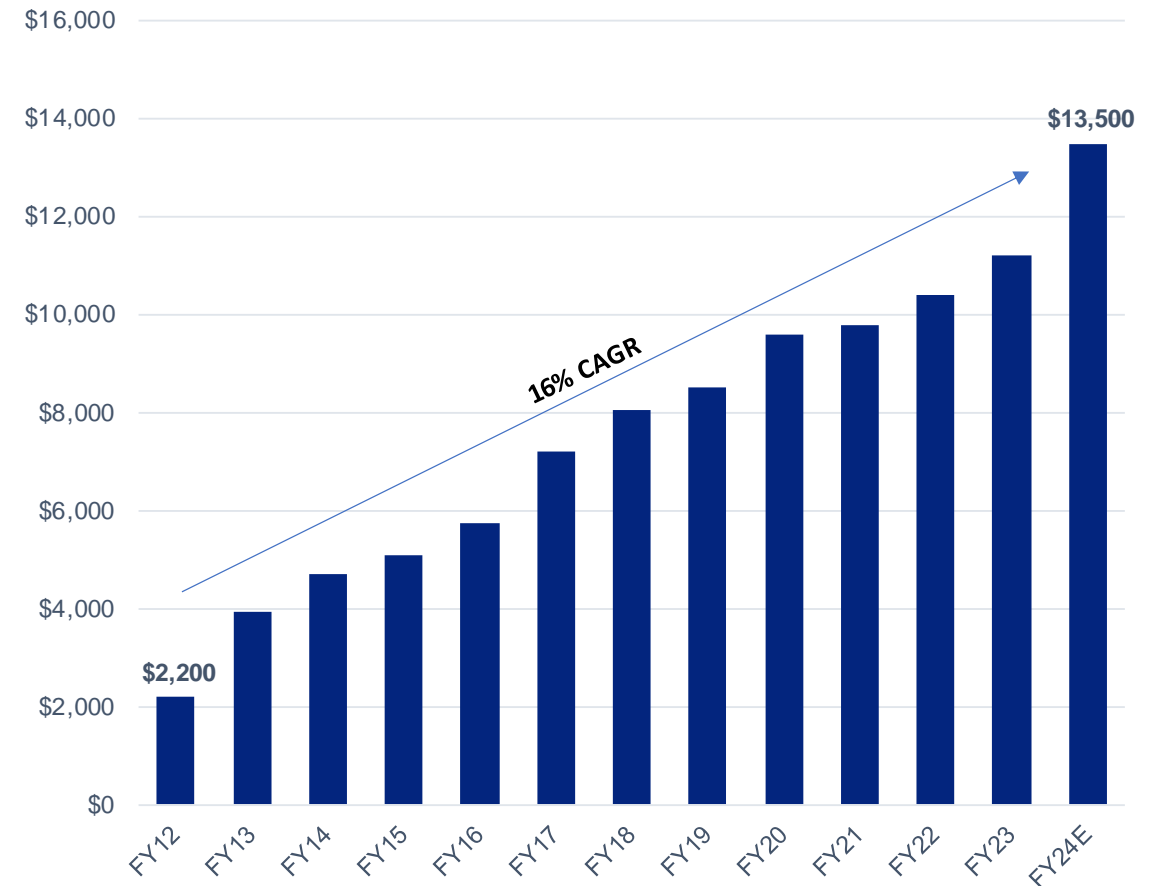


NBP: Department of Defense (DOD) Cyber Funding

GROWTH IN CYBER FUNDING = GROWTH IN CYBER LEASING

- > U.S. DOD Cyberspace funding has increased dramatically
 - FY12 = ~\$2B
 - FY24E = ~\$13.5B
- > U.S. Cyber Command's FY24E budget is ~\$2.5B
 - Roughly 5x higher than FY14 at ~\$450M
- > U.S. Cyber Command Mission Force teams has grown
 - FY12 – FY21 = 133 teams
 - FY24E = 147 teams
- > Since 2011, COPT Defense has executed 2.5M SF of cybersecurity leasing in the Ft. Meade / BW Corridor
 - Roughly half has been executed at NBP

DOD Cyberspace Funding (millions)



NBP: Snapshot

33 PROPERTIES | 4.1M SF OPERATIONAL 27% OF TOTAL COMPANY ARR

- > Location: Adjacent to Fort Meade, direct access to gate
 - Fort Meade is home to 6 of 8 DOD cyber defense agencies
- > Building Uses: Class A office, SCIF, and ATFP
- > 99.3% Leased | 97.7% Occupied
 - Unleased space = 25,000 SF
 - Largest vacant space = 7,800 SF
- > 1.6M SF of future development on land owned
 - One property under development which delivers in 4Q23
 - 550 NBP = ~\$75M total cost | 100% leased
- > ~1.9M SF = Leased to USG
- > ~1.3M SF = Secured space
- > ~1.0M SF = Cyber



NBP: Key Tenants

HOME TO THE LARGEST U.S. DEFENSE CONTRACTORS

GENERAL DYNAMICS
GENERAL DYNAMICS
Information Technology

 **Raytheon**
An RTX Business

NORTHROP
GRUMMAN

 **BOEING**

LOCKHEED MARTIN 

BAE SYSTEMS

 **PARSONS**

ManTech
Securing the Future

Booz | Allen | Hamilton®

CACI
EVER VIGILANT

SAIC

Peraton

IBM

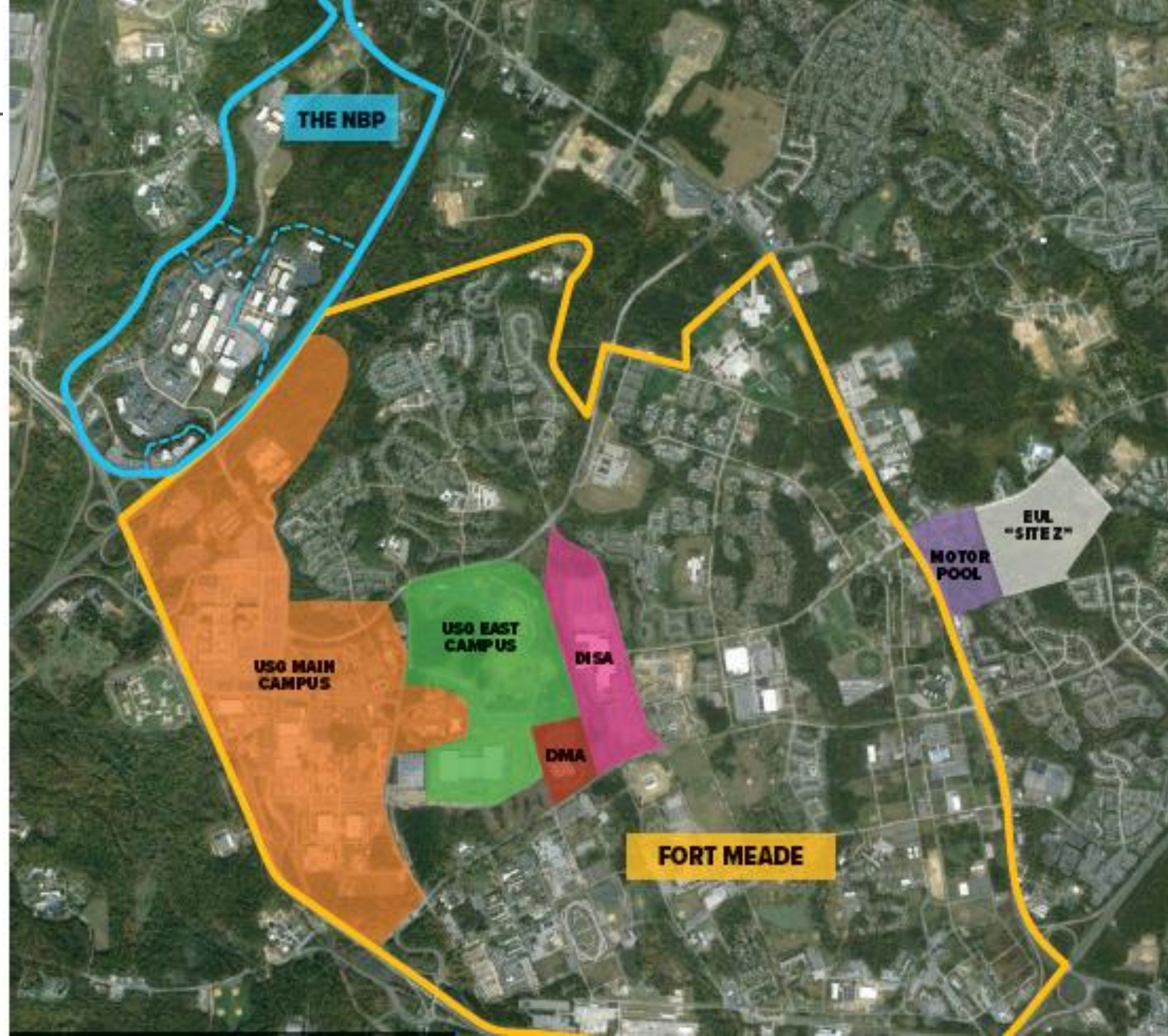
ORACLE



NBP: Adjacent to Fort Meade

DIRECT ACCESS TO FORT MEADE

- > Direct road connection to 24/7 gate into Fort Meade
- > U.S. Government shuttle service between NBP and Fort Meade's main campus
- > Easy access to MD Routes 295 and 32
- > Prime address for contractors
- > Preferred address for government tenants



NBP: Aerial View (from South)



TO BALTIMORE ↑

TOWNEPLACE SUITES
BY MARRIOTT

FITNESS + RECREATION

DAYCARE CENTER

COURTYARD BY MARRIOTT

RESTAURANTS
+ CREDIT UNION

NATIONAL BUSINESS PARKWAY

TECHNOLOGY DRIVE

SENTINEL DRIVE

DIRECT ACCESS
TO FORT MEADE →

FORT MEADE →

295

BALTIMORE-WASHINGTON PARKWAY

TO WASHINGTON, DC ↓

32



TOUR
STOP

SECURE

FUTURE

BALTIMORE-WASHINGTON PARKWAY

← DIRECT ACCESS
TO FORT MEADE

32

TO WASHINGTON, DC ↑

NBP: Aerial View (from North)



TOUR
STOP



SECURE



FUTURE

NBP: Recently Completed Development

560 NATIONAL BUSINESS PARKWAY

- > Build to Suit: 100% leased to Fortune 100 Company
 - ~70% SCIF
- > Total Cost = \$65M
 - Square Feet = 183,000
 - Construction Cost = ~\$355/SF
- > 6 Quarters to Deliver
 - Construction Commencement = 2Q21
 - Shell Completion Date = 3Q22
 - Placed in Service = 4Q22



NBP: Active Development

550 NATIONAL BUSINESS PARKWAY

- > Build to Suit: 100% leased to Fortune 100 Company
 - ~70% SCIF
- > Total Cost = \$75M
 - Square Feet = 186,000
 - Construction Cost = ~\$400/SF
- > 6 Quarters to Deliver
 - Construction Commencement = 2Q22
 - Shell Completion Date = 4Q23
 - Operational Date = 4Q23



NBP: Key Benefits

NBP IS THE ONLY PARK TO OFFER THESE KEY BENEFITS TO FORT MEADE

Proximity / Access	Power	ATFP	Location	Shuttle
<p>Closest to commands on Fort Meade</p> <p>Direct road connection to 24/7 gate into Fort Meade</p>	<p>Upgraded power and trusted, High-Speed connectivity</p>	<p>Has sites that meet Anti-Terrorism / Force Protection (ATFP) requirements</p>	<p>Easy access to MD Routes 295 and 32</p> <p>Prime contractor address</p> <p>Preferred government address</p>	<p>Free shuttle bus throughout the park</p>



The National Business Park (NBP): Government Services



Government Services | Operations: Bio

VP, REGIONAL OPERATIONS, MARYLAND REGION

- > Joined COPT Defense in 2021
- > **26+ years in U.S. Army, active duty**
- > U.S. Army Corps of Engineers, Baltimore District
 - 2018 – 2021: District Commander
- > U.S. Department of the Army Staff
 - 2017 – 2018: Division Chief | The Pentagon
- > U.S. Army Corps of Engineers
 - 2013 – 2016: Executive Director for Civil Works
- > U.S. Army, Training and Doctrine Command
 - 2012 – 2013: Deputy Brigade Commander
- > U.S. Army, 75th Ranger Regiment
 - 2008 – 2014: Regimental Engineer (Command Engineer)

JOHN LITZ



- > VP, Property Management + Government Services



Government Services | Operations: Team Overview

MARKETS COVERED | RESPONSIBILITIES

> Markets Covered

- Maryland | Ft. Meade / BW Corridor

> Team Overview

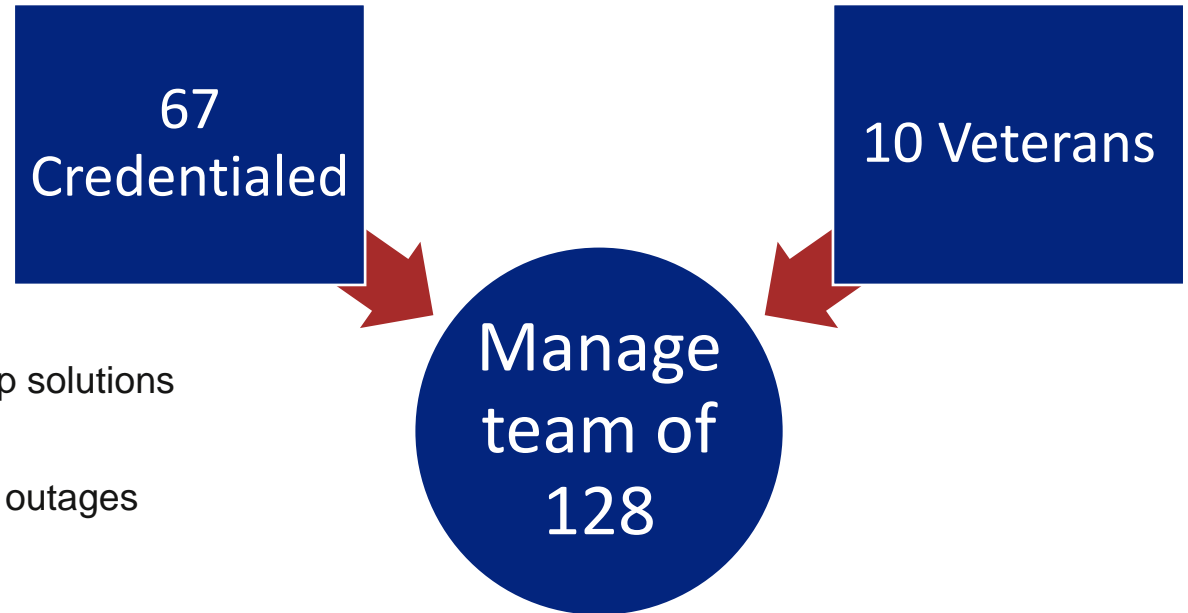
- 128 members | 67 credentialed | 10 veterans in MD

> Our Advantage

- Strong Tenant Relationships: Understand requirements / develop solutions
- Own / Operate Our Facilities: Strong sense of ownership
- Preventive Maintenance: Reduce repair costs and unscheduled outages

> What's exciting?

- Strong sense of mission
- True partnership with our U.S. Government and defense contractor tenants



Columbia Gateway



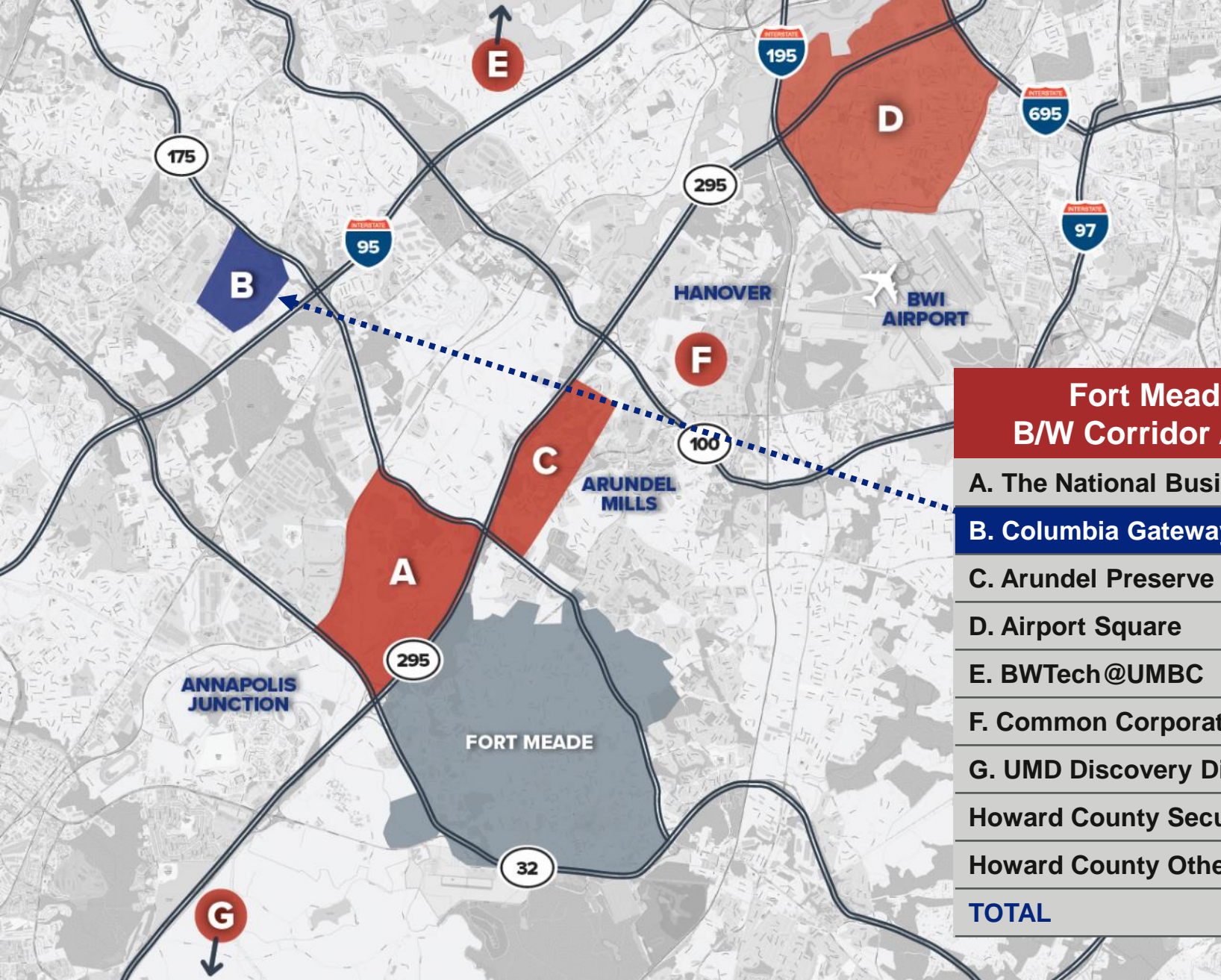
Columbia Gateway (CG): Speaker

KRYSTA HERRING



> VP, Asset Management +
Leasing

CG: Submarket Map



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C. Arundel Preserve	2	266	100%
D. Airport Square	10	634	93.8%
E. BWTech@UMBC	2	129	100%
F. Common Corporate Center	5	283	94.8%
G. UMD Discovery District	4	414	92.1%
Howard County Secure	4	447	100%
Howard County Other	3	130	85.6%
TOTAL	91	8,694	97.1%

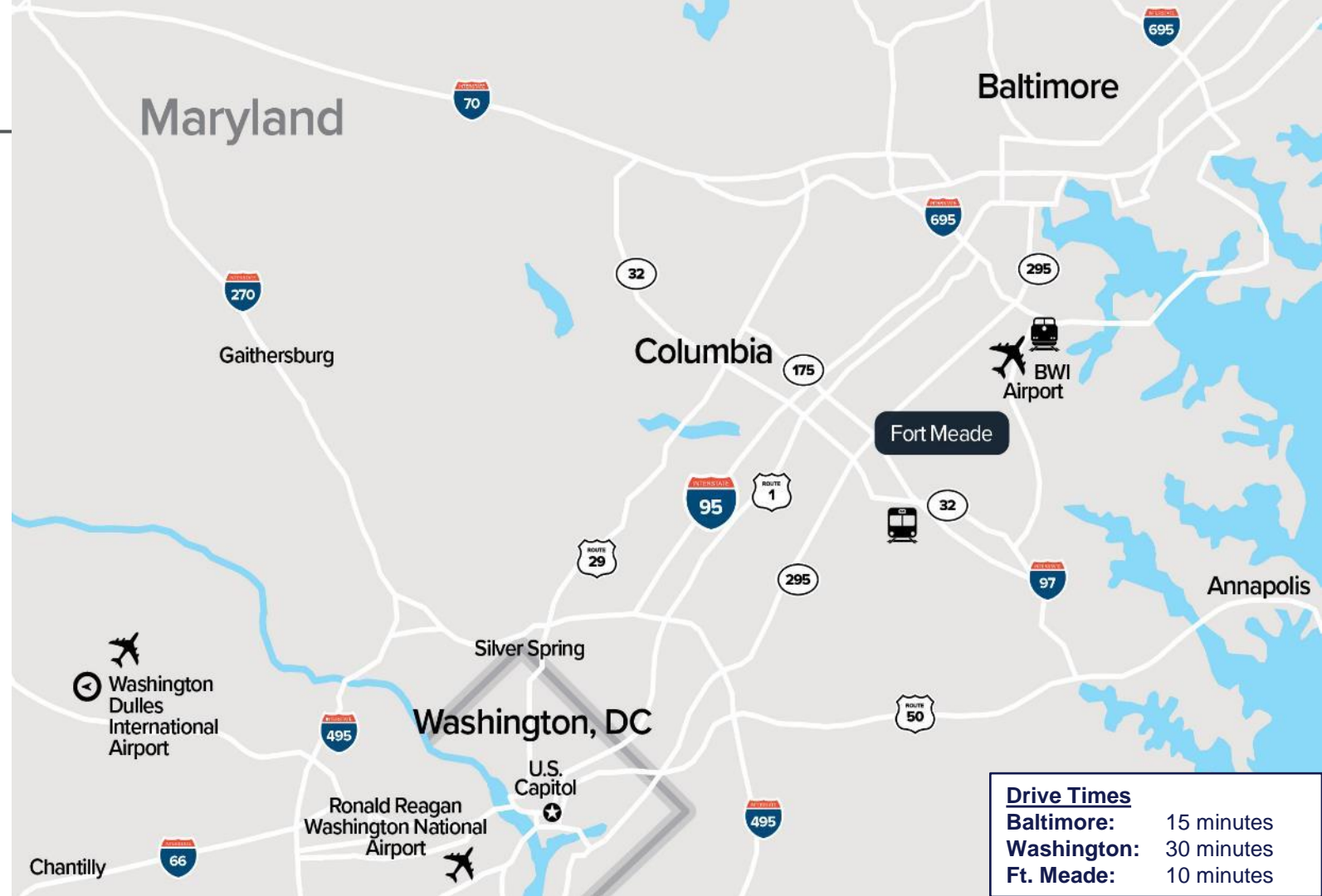
Under Development: N/A

Land for Future Development: 19 Acres | 290,000 Buildable SF

CG: About Columbia, MD

PROXIMATE TO SKILLED WORKFORCE + FORT MEADE

- > Master planned by Jim Rouse of The Rouse Company
 - Second largest city in Maryland behind Baltimore
- > Location
 - Centrally located between DC and Baltimore
 - 7 miles | 10 minutes to Fort Meade
- > Access to Talent
 - Attracts the young technology workers who live in Baltimore
- > Highly Ranked Schools
 - Ranked #1 in Best School Districts in Maryland by Niche
- > Well-Amenitized
 - Large concentration and variety of restaurants, grocery, retail, and fitness within a 1.5 mile radius



CG: Snapshot

28 PROPERTIES | 2.3M SF 9% OF TOTAL COMPANY ARR

- > Location: Short commute to Fort Meade
 - Fort Meade is home to 6 of 8 DOD cyber defense agencies
- > Building Uses: Class A office, SCIF, and flex office
- > 94.9% Leased | 93.9% Occupied
 - Unleased space = 117,000 SF between 6 properties
 - Largest block = 27,000 SF (1 floor)
 - 22 properties are 100% leased
- > 290,000 SF of future development on land owned
 - 7005 Columbia Gateway Drive (70,000 SF)
 - 7055 Columbia Gateway Drive (220,000 SF)
- > ~120,000 SF = Leased to USG
- > ~700,000 SF = Secured space
- > ~500,000 SF = Cyber




CG: Aerial View

TO WASHINGTON, DC ↗

← TO BALTIMORE





TOUR
STOP



FUTURE

CG: Close Proximity to 10+ Major Markets

Annapolis 25 minutes	College Park 25 minutes	Bethesda 30 minutes
Inner Harbor 16 minutes	Savage MARC Station 10 minutes	Fort Meade 10 minutes
Frederick 45 minutes	Towson 35 minutes	The Pentagon 40 minutes
BWI Airport 12 minutes	Downtown Columbia 10 minutes	



CG: Well-Amenitized

80+
ALL WITHIN
1.5 MILE
RADIUS



CG: Life Cycle Landlord Concept Attracts Smaller Tenants

GROW WITH OUR TENANTS

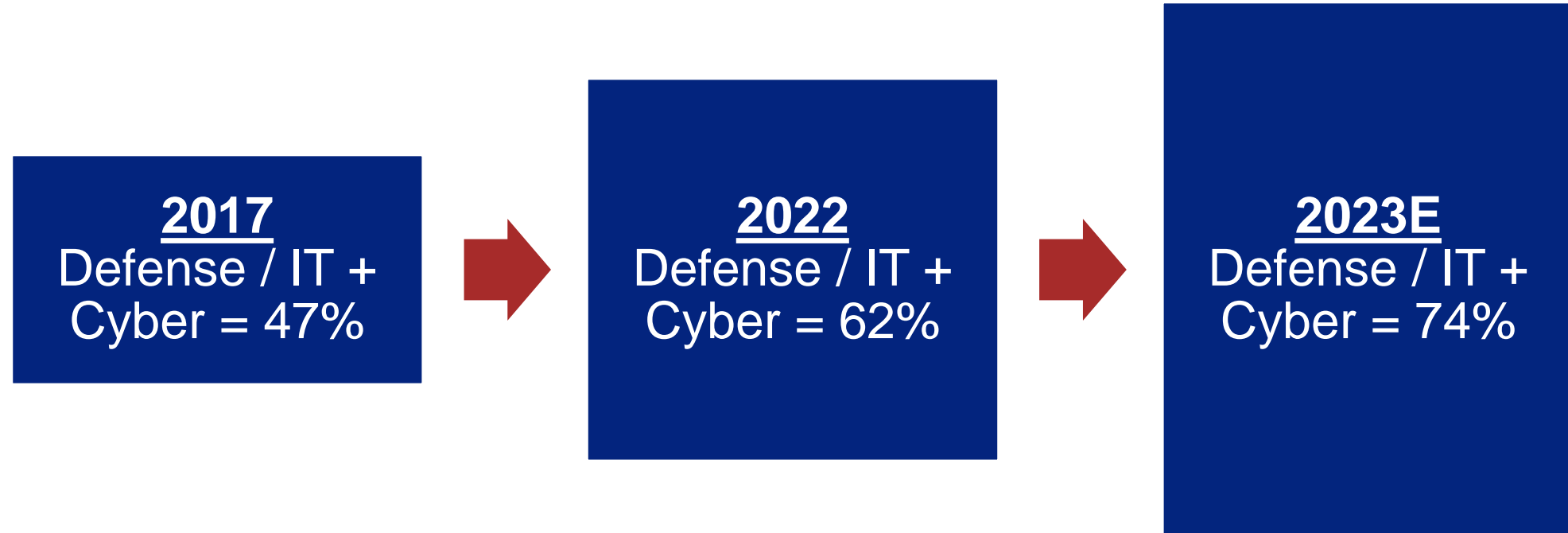
- > Increased push by USG to work with Smaller Companies
 - Prime contract = Work directly with USG
 - Subcontract = Work for a large contractor with a prime
 - Some contracts require large contractors to subcontract to smaller companies
- > Life Cycle Landlord Concept
 - Provide space to a small defense / cyber company
 - Accommodate expansion as contracts are awarded
 - Typically entails SCIF
 - If tenant wins a prime, we can scale in CG or relocate them to NBP
- > 7 miles to Fort Meade
 - Lies within contractor service radius of NBP
- > Value oriented alternative to NBP

Top 5 Tenants in CG



CG: Growth in Defense Tenancy

MEDIAN DEFENSE / IT + CYBER TENANT SIZE = 10,000 SF



> Recent Expansions within Columbia Gateway



CG: Home to Large Tenants as well

DRIVEN BY TENANT INVESTMENT + LACK OF AVAILABILITY AT NBP

- > Several Fortune 500 firms are located in Columbia Gateway
- > Lack of availability at NBP and diverse product offering drives large firms to CG
- > Tenant investment in SCIF space keeps large tenants at CG
 - L3 Harris has 3 different leases in CG
 - Significant amount of SCIF
 - Serves different contracts versus L3's space at NBP



CG: DreamPort Serves as a Mini-Demand Driver

DREAMPORT IS A DEMAND DRIVER

- > What is DreamPort?
 - Enables collaboration between federal and private sector cybersecurity experts
 - Serve as an intermediary to the small business and academic communities
 - Unclassified collaboration venue
- > What is DreamPort's Mission?
 - Help U.S. Cyber Command and the USG access innovative products / solutions to advance their cybersecurity capabilities
 - Identify, qualify, accelerate, and implement cyber innovations into National Security
- > Why did DreamPort locate in Columbia Gateway?
 - Rich concentration of cyber innovators
 - Proximity to U.S. Cyber Command at Fort Meade

Federal Allies: Uniting Forces for a Resilient Future



Amplifying Impact Through Industry Partnerships



CG: DreamPort | Engaging the Private Sector

SUCCESS CAN LEAD TO CONTRACT AWARDS

> Hackathons

- Hack The Building (*COPT Defense sponsored event*)
 - Full attack simulation on IT, Internet of Things (IoT), and Operational Technology (OT)
 - Inspired by a U.S. Cyber Command request
 - 35 offensive red teams versus 15 defensive blue teams
- Future events include
 - Hack the Building 2.0 | Hospital Edition
 - Hack the Railroad 2023
 - Hack the Port 2024

> Rapid Prototyping Events

- Goal is to create a useable prototype, such as a software code, IoT device, or robotic solution
- Successful execution has resulted in contract awards
- Conducted on-site and held every month at a minimum



“DreamPort is key to the command’s ability to engage in public-private partnerships at the unclassified level.”

**General Paul Nakasone,
Head of Intel Agency, CSS, and USCYBERCOM**

CG: Strategic Investment in Tenant Amenities

NORTH 



TO WASHINGTON, DC
30 MINUTES →

← TO BALTIMORE
15 MINUTES



CIRQL

2016 + 2018

The Stade
2023

7063 CGD

7067 CGD

7061 CGD

7065 CGD

8621 RFD

8661 RFD

8671 RFD

7134 CGD

7125 CGD

7142 CGD

Sound track
2019 + 2022

COLUMBIA GATEWAY DRIVE

ROBERT FULTON DRIVE

6950 CGD

6940 CGD

WAYLINE
2021

COLUMBIA GATEWAY DRIVE

6731 CGD

6711 CGD

6721 CGD

6700 ABD

6724 ABD

6708 ABD

The Bell
2023

6760 ABD

6716 ABD

6750 ABD

6740 ABD

175

 COLUMBIA
GATEWAY

CG: CIRQL I + II



CyberPoint

CIRQL II
7142 Columbia
Gateway Drive

L3 Harris + others

CIRQL I
7134 Columbia
Gateway Drive

DreamPort
7000 Columbia
Gateway Drive

STUBBORN VACANCY (2010 – 2015)

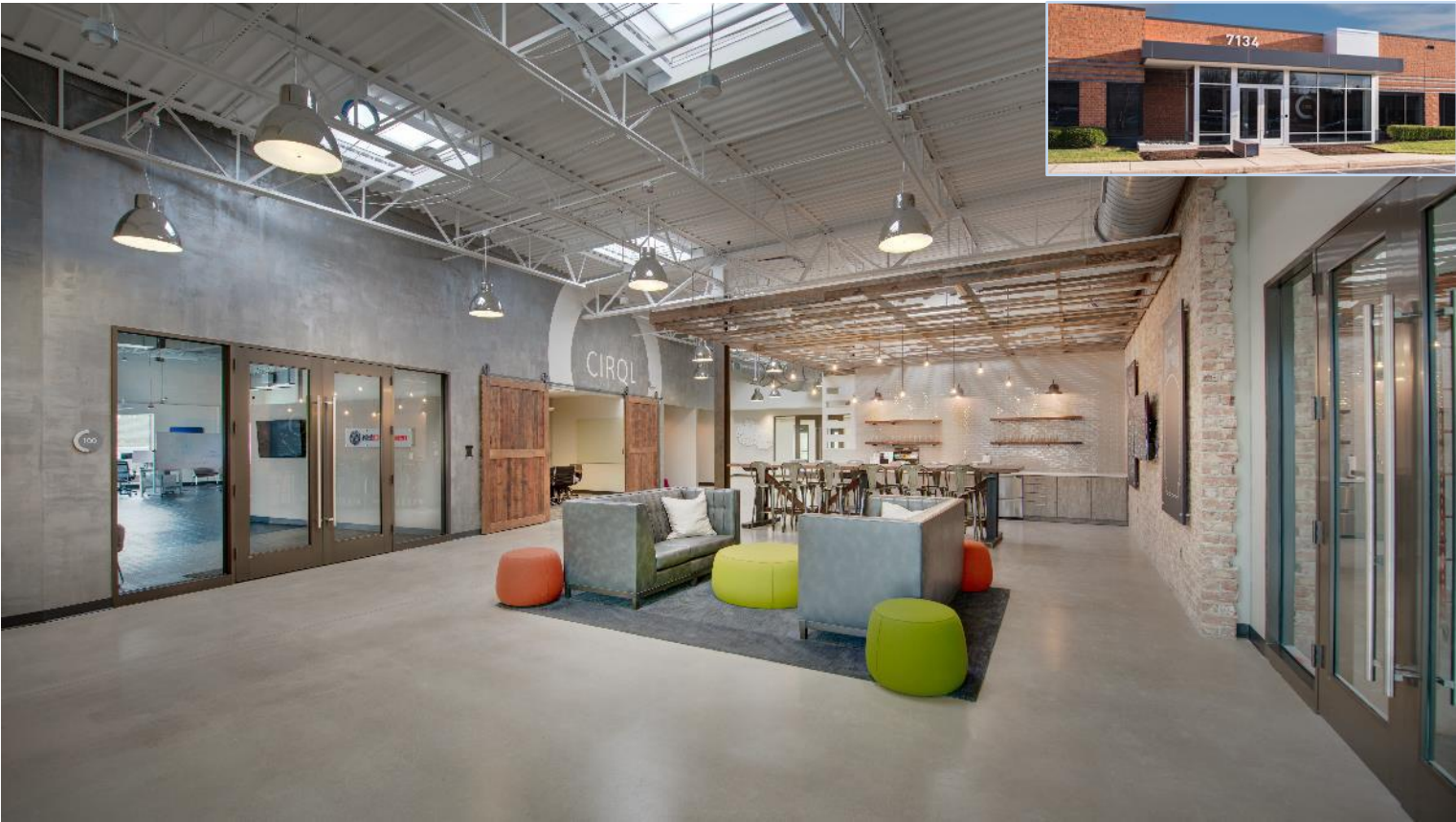


Facade





NEW PROTOTYPE TO CAPTURE SMALL-MIDSIZE CYBER DEMAND



Centralized, shared amenity hub

	Functional Footprints (from 1,500-4,000 SF)		Shared Kitchen
	Flexible Leases (two year average term)		Contemporary Lounges
	Bike Share Program		Dog-Friendly
	Conference Space		Nitro Brew Coffee, Kombucha + Hibiscus Tea on Tap

REDEVELOPMENT OF SISTER BUILDING WITH SIMILAR VACANCY PROFILE



PRE-BUILT SUITES FOR THE SMALLER TENANT

- > 2 Buildings | Approximately 21,500 SF Each
 - 14 Tenant Suites
- > Average Achieved Rental Rates:
 - Gross = \$29
 - Unimproved = \$23 – \$24
- > Blended Stabilized Yield: 8.7%
- > 100% Leased
- > Embodies our “Lifecycle Landlord” value proposition
 - Feeder for Columbia Gateway portfolio
- > Proof of concept for future redevelopment



FULL BUILDING SUBLEASED FOR 10 YEARS | PRIME LEASE EXPIRED IN MAY 2020



Single-tenant lobby with guard desk + support functions



1st Floor Common Areas



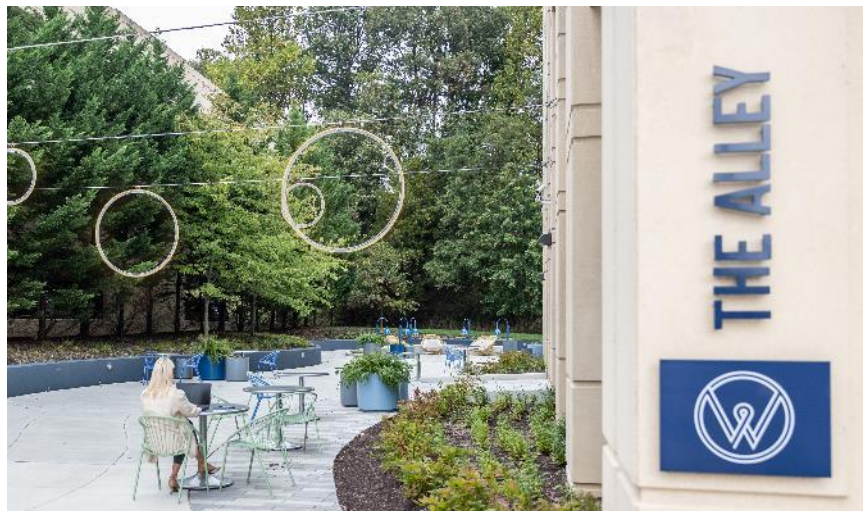
Facade



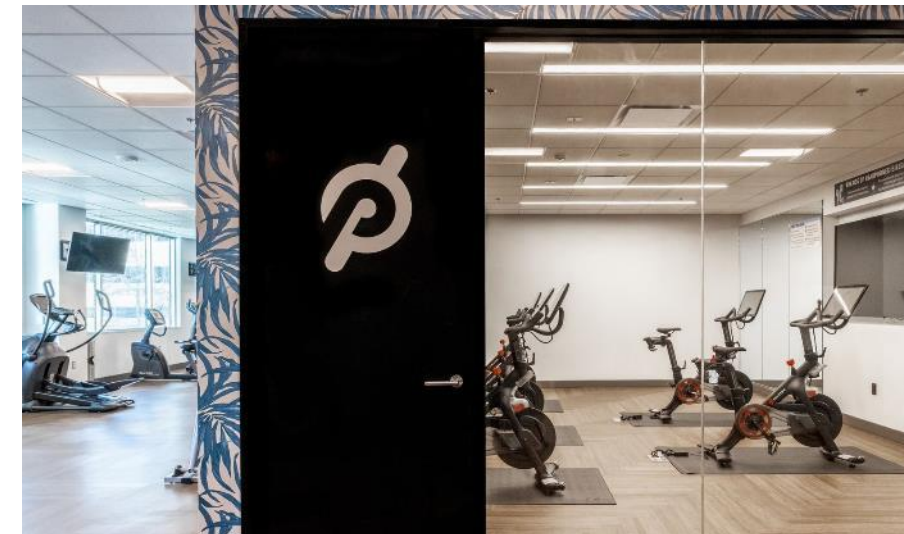
Exterior terrace

DESIGNED FOR THE SMALLER TENANT

- > 100% leased
- > 123,000 SF | 5 Floors
- > Floor Size: ~26,000 SF
- > Average Achieved Rental Rates:
 - Gross = \$30
 - Unimproved = \$26-\$27
- > 10 Months from Delivery to 100% Leased



Interior Lounge



Spin Room | Peloton

CG: Case Study | Visionist

6700 ALEXANDER BELL DRIVE

- > Signed first lease in 2013 for 5,000 SF
 - Expanded their space 8 times, now occupies 44,000 SF
 - Contains two SCIF's
- > Mission:
 - January 2022: Awarded \$190M Prime Contract (5 year)
 - DOD contract to support essential mission requirements in the Computer Network Operations area
 - August 2022: Awarded \$70M Prime Contract (4 year)
 - DOD contract to develop/support a voice-based processing application for both national and tactical intelligence missions
- > Future Growth:
 - Seeking an additional floor at a separate building
 - Existing SCIFs are at capacity
 - New contracts necessitates additional space with SCIF



Overview | Development



Introduction: Agenda

Steve Budorick
CEO



- Overview
- Development

Bill Barroll
SVP



- Portfolio Overview
- Market | Navy Support
- Market | San Antonio

James Lomax
VP



- Market | Redstone Gateway

Ray Midkiff
VP



- Government Services + Operations
- Market | San Antonio, Huntsville, Data Centers, NoVA Secure

George Ruo
SVP



- Government Services + Operations
- Team Overview

Anthony Mifsud
CFO



- Financial Overview

Scott Robuck
SVP



- Capital Markets

Steve Budorick
CEO



- Conclusion



Company Overview: Frequently Asked Questions

GSA EXPOSURE, DEMAND FROM DEFENSE BUDGET, & IMPACT OF SHUTDOWN

> Does COPT Defense have exposure to the GSA?

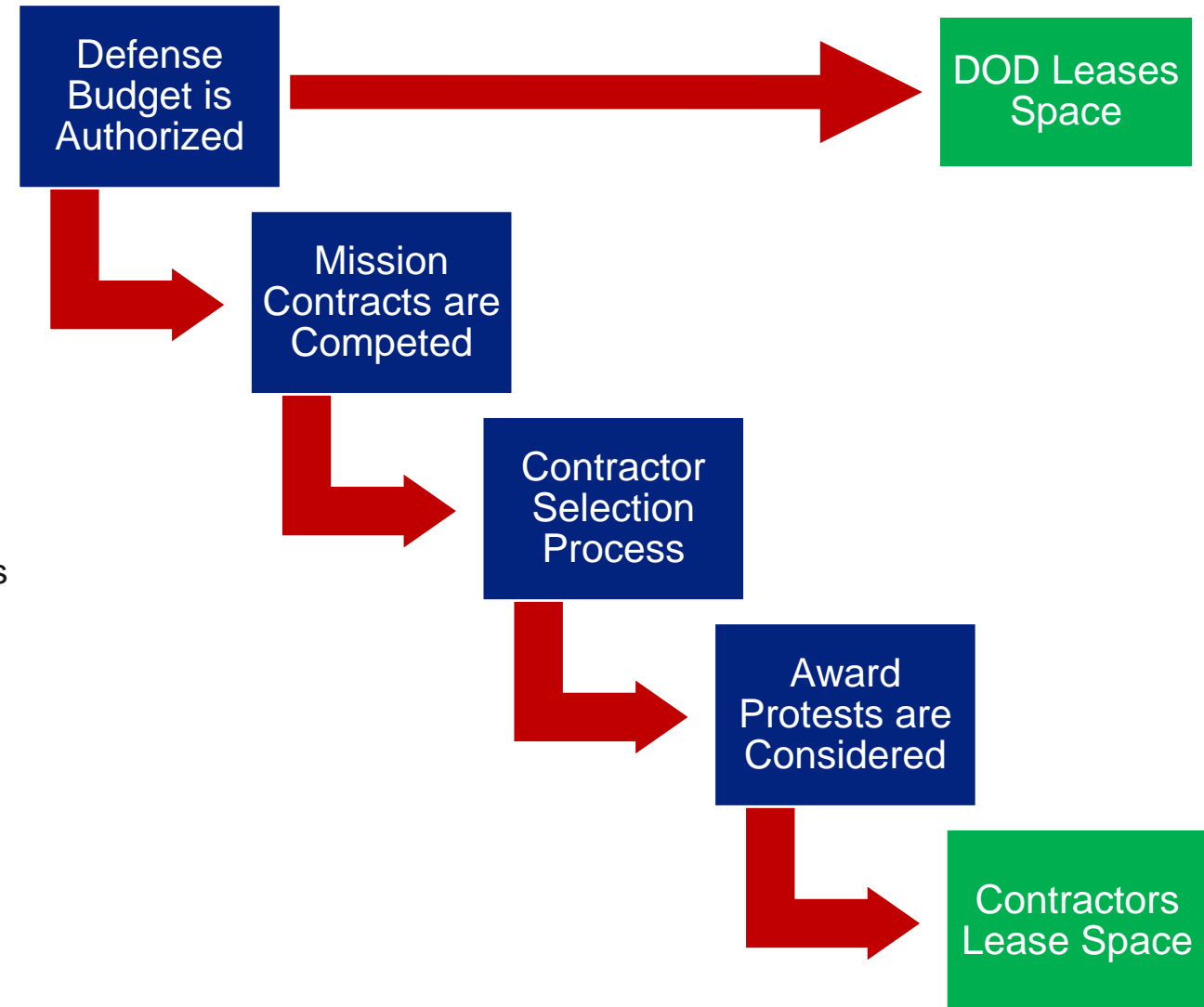
- GSA = Only 0.7% of annualized rental revenue
- 45% of our leases = Triple Net
- High % of remainder = Base year stop

> How does demand relate to Defense Budgets?

- USG demand lags funding by 3 to 12 months
 - Leases are typically awarded during the fiscal year
- Defense Contractor demand lags funding by 12 to 18 months
 - Timing lag due to contractor award process

> What happens if the U.S. Government shuts down?

- Minimal impact
 - Defense & Intelligence = Essential Services
 - Prompt Payment Act = Requires that rent is paid
- Potential delay to timing if contract award activity is delayed
 - Typically, less than one month



Regional Office: Snapshot

5 PROPERTIES | 2.0M SF
10% OF TOTAL COMPANY ARR

- > Location: DC CBD, Baltimore, and Tysons, VA
- > Building Uses: Class A office
- > 74.8% Leased | 75.8% Occupied

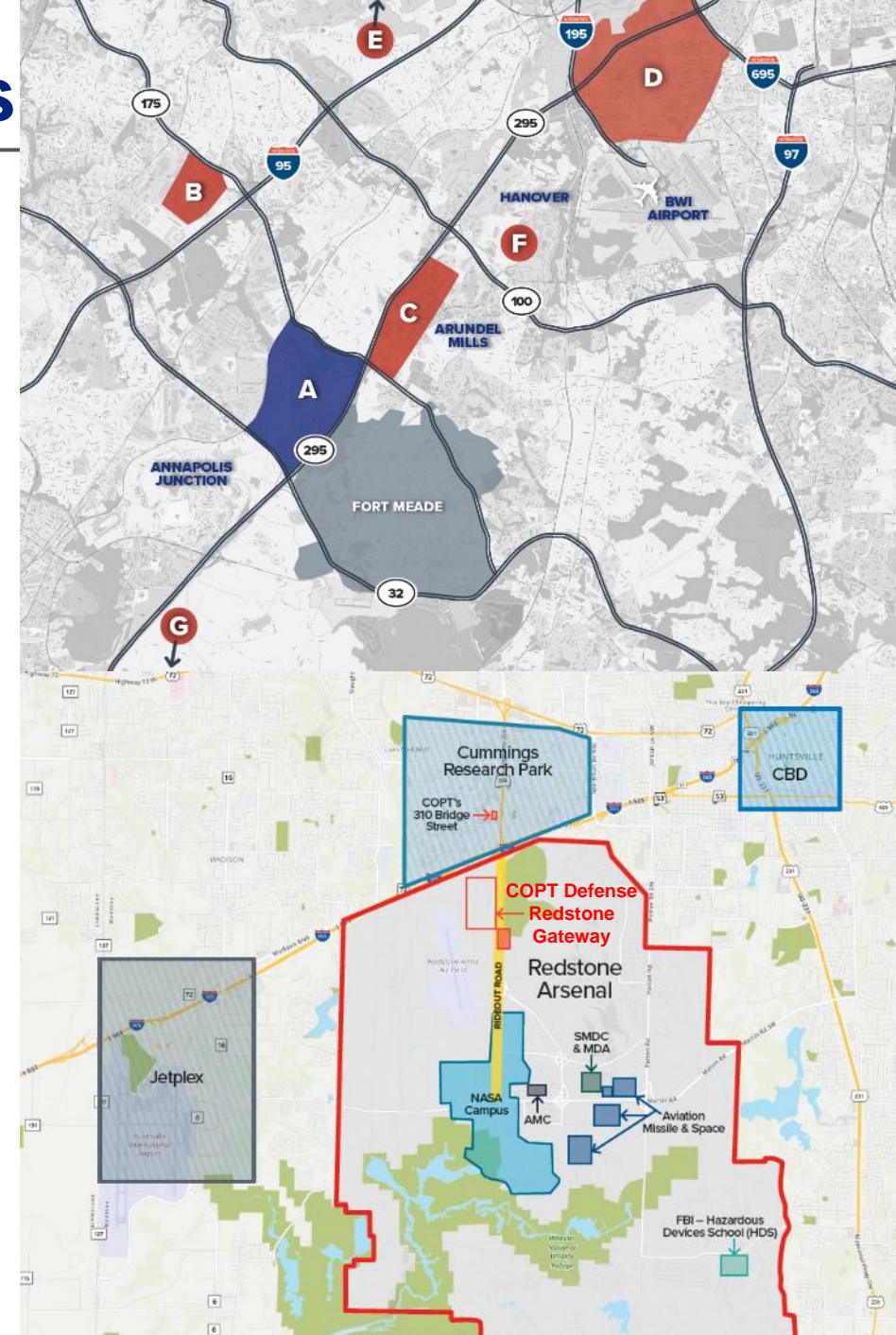
- > High Quality Assets:
 - Challenging operating fundamentals is in sharp contrast to high level of demand in Defense/IT portfolio
 - Invested capital to keep the properties current
 - Great tenant credit profiles
 - Goal is to asset manage our way out of them
- > Dispositions
 - Will seek opportunities to sell the assets either individually or collectively when opportunities allow
 - Goal is to sell 2100 L Street in DC CBD upon stabilization of the property (currently 60% leased)
 - Debt capital markets need to improve prior to marketing the remaining assets for sale
 - Attractive investments in normal times
- > Reclassification
 - Determined this segment is not a long-term hold, as a result of our rebrand
 - This determination will result in a mark to market of these assets on our balance sheet



Company Overview: Key Differentiators

DRIVER OF OUR TENANT DEMAND DIFFERS FROM TRADITIONAL OFFICE

- > Underlying Economy is National Defense
 - Critical missions we support are vital and will receive funding
 - Intelligence, Surveillance, Missile Defense, and Cyber
- > Mission Locations are Well Established and Permanent
 - Knowledge-based defense installations in Maryland, Northern Virginia, DC, Huntsville, and San Antonio
- > COPT Defense land has a protected advantage
 - Adjacent to, or containing, the demand driver
- > National defense requires secured facilities
 - Government contracts require work to be conducted in SCIF
 - Expensive and time consuming to construct
 - 85% of portfolio contains high security operations
 - ATFP, SCIF, and Access Control

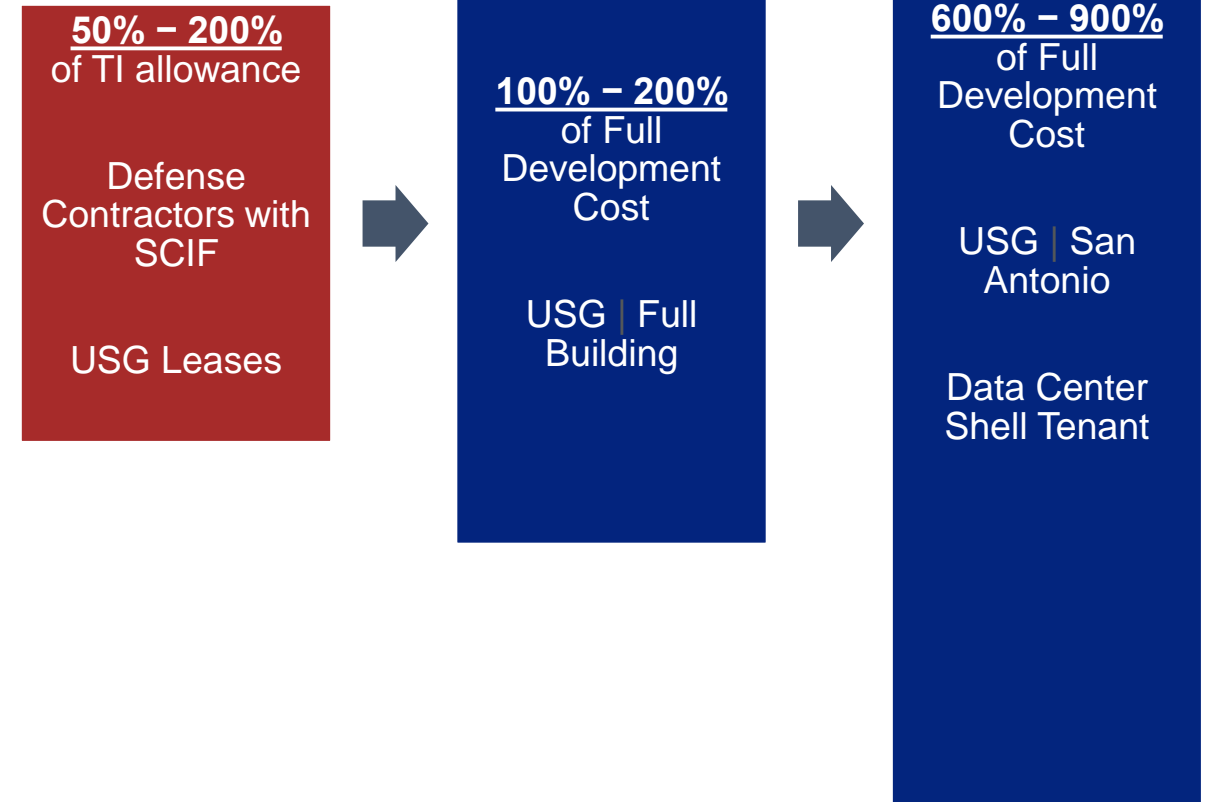


Company Overview: Key Differentiators

HIGH TENANT INVESTMENT = HIGH RETENTION

- > High Level of Tenant Co-Investment
 - Defense Contractors with SCIF and USG leases | Up to 2x Market TI Allowance:
 - USG full building leases: 1x – 2x of Full Cost
 - Data Center Shells | USG in San Antonio: 6x – 9x of Full Cost
- > Industry Leading Tenant Retention Rate
 - 2023 guidance = 80% – 85%
 - 10-year average = 75%
 - Strong outlook for 2024 / 2025 = $\geq 80\%$
- > No Risk from Work from Home
 - WFH = Arrested
- > Superior Tenant Credit
 - Financial distress = Major risk indicator for espionage
- > Defense Spending is a Bipartisan priority

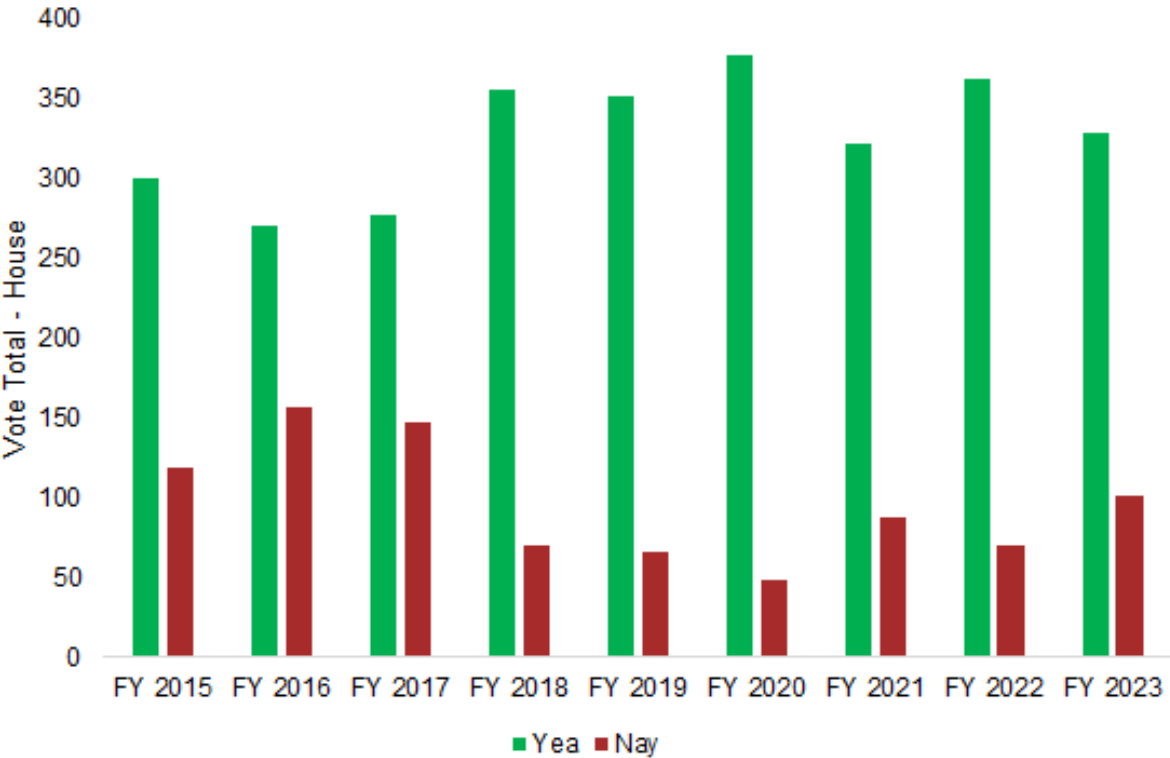
Tenant Investment



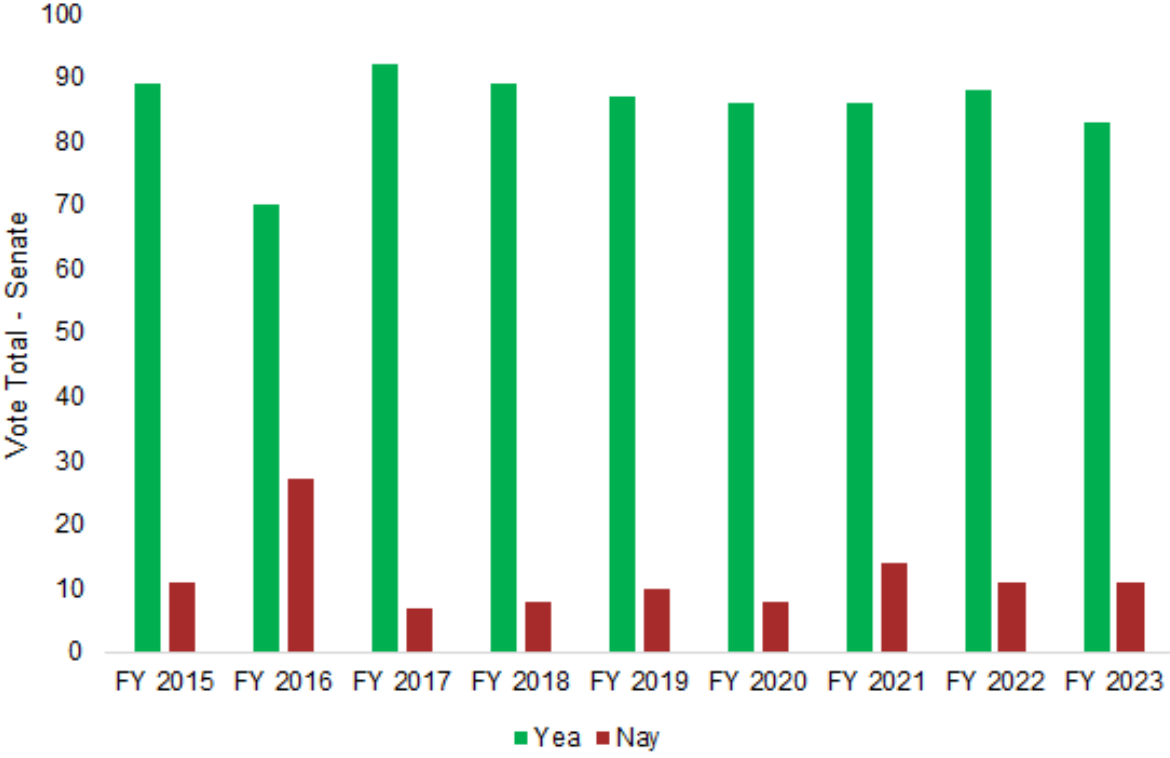
Company Overview: Bipartisan Support for Defense

CONGRESSIONAL VOTE TOTAL FOR NATIONAL DEFENSE AUTHORIZATION ACT (NDAA)

House of Representatives

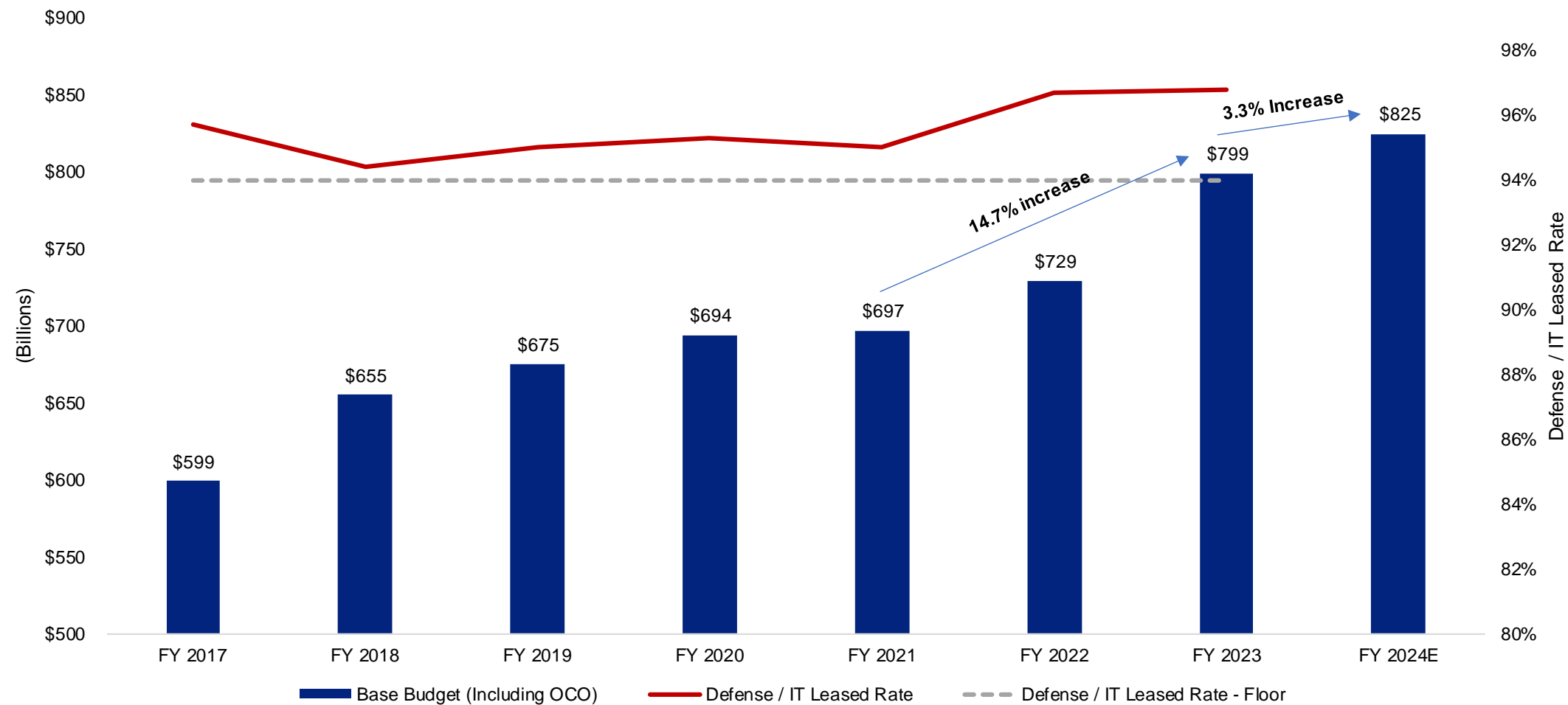


Senate



Company Overview: Department of Defense (DOD) Budget

DOD BASE BUDGET HAS INCREASED EVERY YEAR SINCE 2015



Current dollars, in billions. Sources: Historical data (2017–2023) is pulled from Table 2-1 of the National Defense Budget Estimates for FY 2023 (“Green Book”); 2024 forecast is pulled from the U.S. Dept of Defense FY 2024 Budget Request; Capital Alpha Partners; COPT’s IR Department. DOD base budget (051) numbers from 2017-2020 include funding for overseas contingency operations (“OCO”), but excludes Atomic Energy Defense Activities (053), Other Defense-Related Activities (054), and mandatory spending. The above also excludes MILCON authorizations, which are a separate budget authorization and are influenced by different variables. The OCO funding category was discontinued in 2021, with direct war costs and enduring operations accounted for in the DOD base budget.

Company Overview: Historical Development since 2010

~70% OF PORTFOLIO = BUILT BY COPT DEFENSE

84
Properties

11 Million
SF

\$2.8 Billion
of
Investment



Company Overview: Historical Development since 2010

~70% OF PORTFOLIO = BUILT BY COPT DEFENSE

Redstone Gateway

- \$470M Investment
- 19 Properties
- 1.9M SF

NBP

- \$440M Investment
- 11 Properties
- 1.5M SF

NoVA Campus

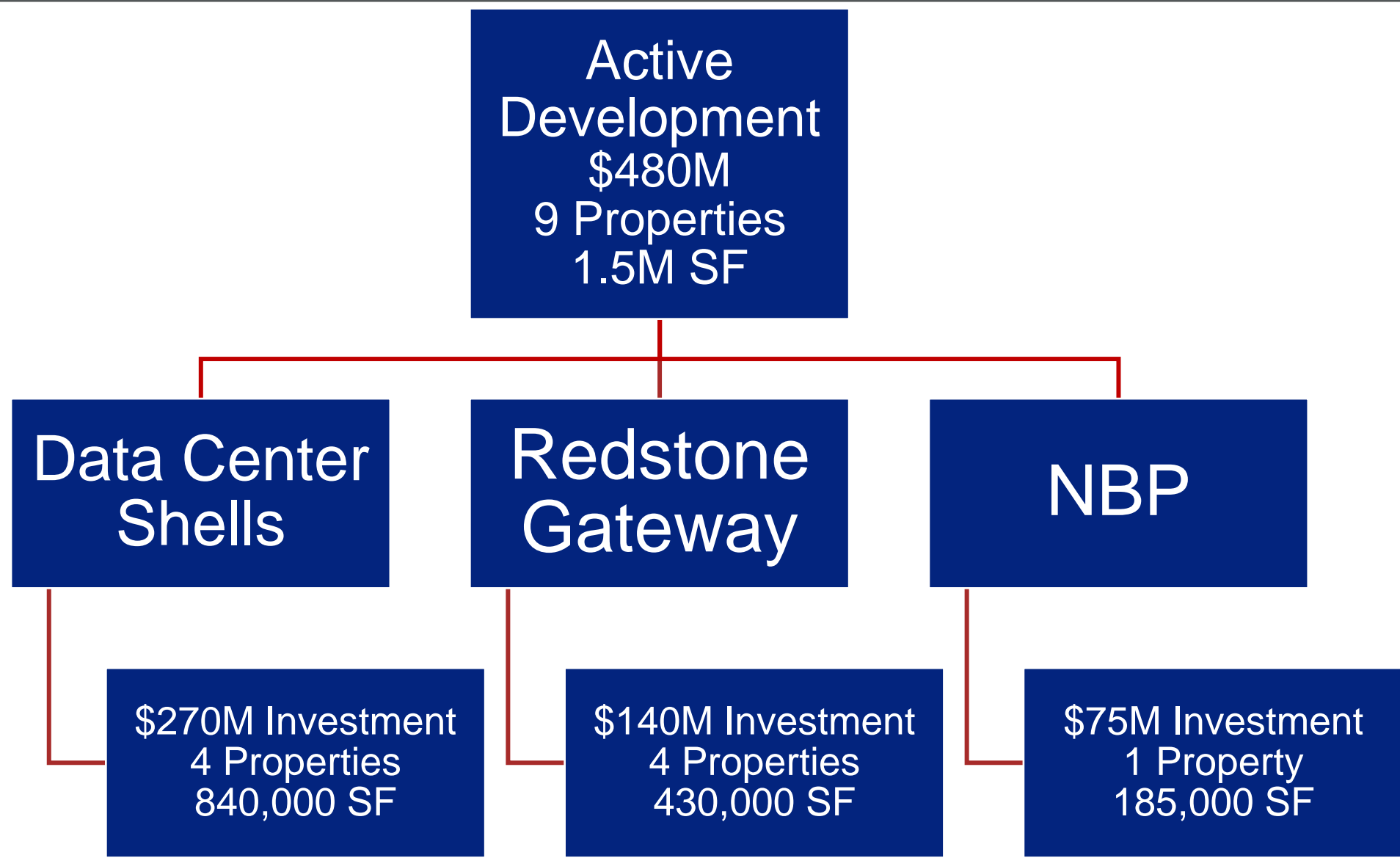
- \$240M Investment
- 4 Properties
- 900,000 SF

Data Center Shells

- \$1B Investment
- 32 Properties
- 5.3M SF



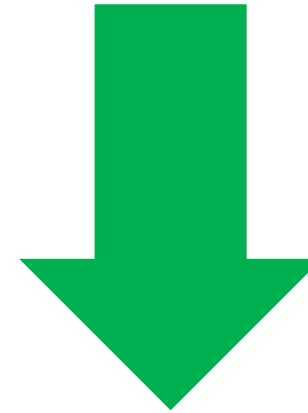
Company Overview: Active Development Projects



Company Overview: Development Excellence

COST SAVINGS ON RECENT DEVELOPMENTS = ACCRETIVE TO YIELD

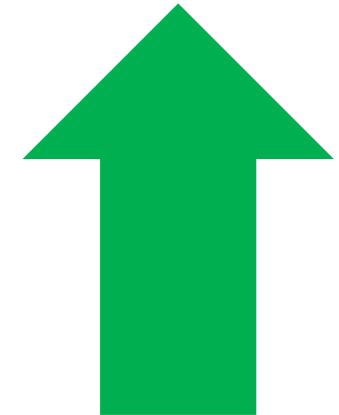
- > Completed over \$800M of non-Data Center Shell developments since 2019
 - ~3.0% below budget
 - 21 projects | 2.7M SF
 - Achieved savings despite cost pressures driven by COVID-19, inflation, and supply chain disruption
- > Development cost savings resulted in increase of ~25 basis points over budgeted initial cash yield



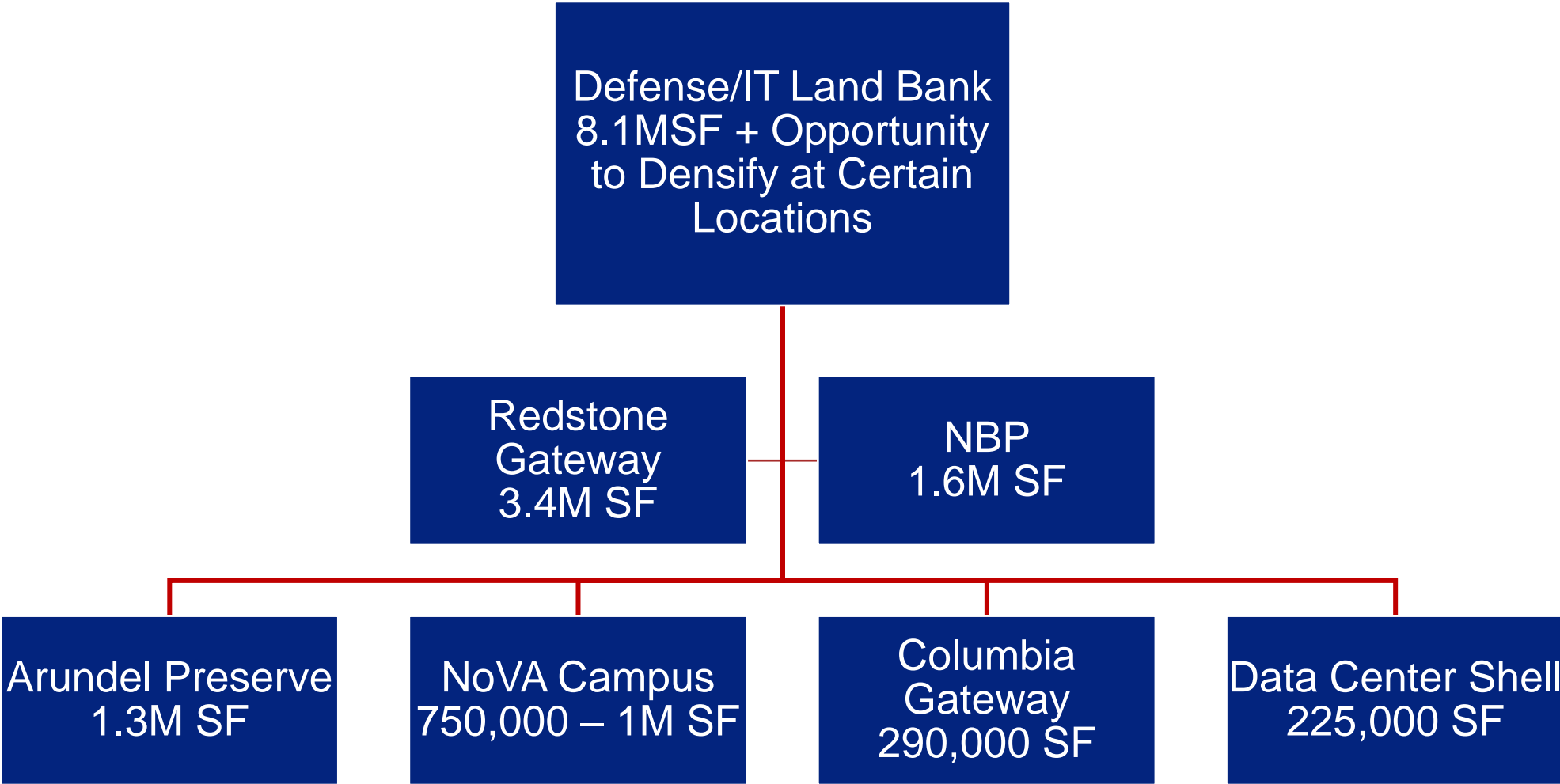
Development
Cost Savings
vs Budget =
~3.0%



Accretive to
Year 1
Stabilized
Yield by ~25
basis points



Company Overview: Defense/IT Land Bank



Represents land owned/controlled as of 6/30/23

This land inventory schedule includes properties under ground lease to us and excludes all properties listed as development as detailed in the Supplement.

The costs associated with the land included on this summary are reported on our consolidated balance sheet in the line entitled "land held."

Redstone Arsenal - This land is controlled under a long-term master lease agreement to LW Redstone Company, LLC, a consolidated JV (see page 33). As this land is developed in the future, the JV will execute site-specific leases under the master lease agreement. Lease payments will commence under the site-specific leases as cash rents under tenant leases commence at the respective properties.



Market Overview



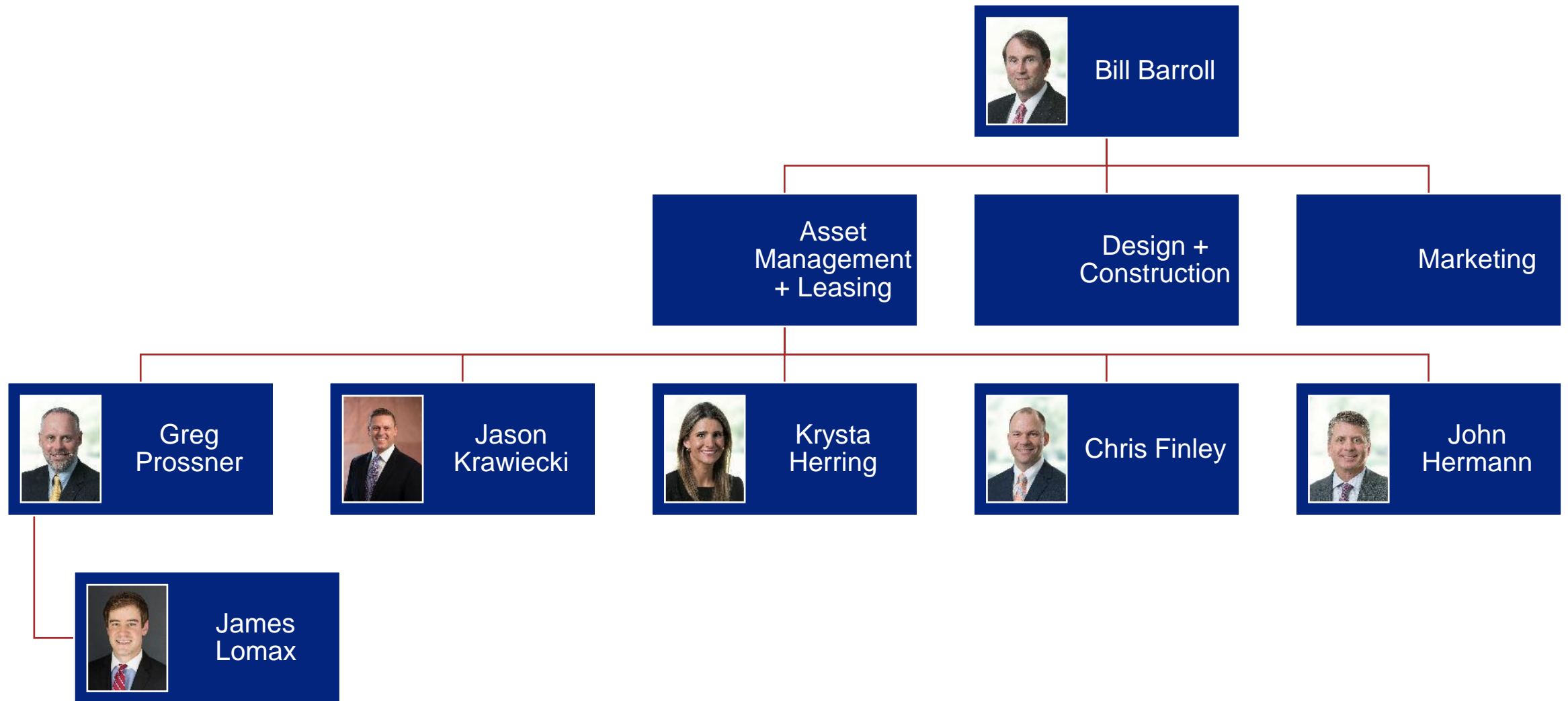
Asset Management: Speaker

BILL BARROLL

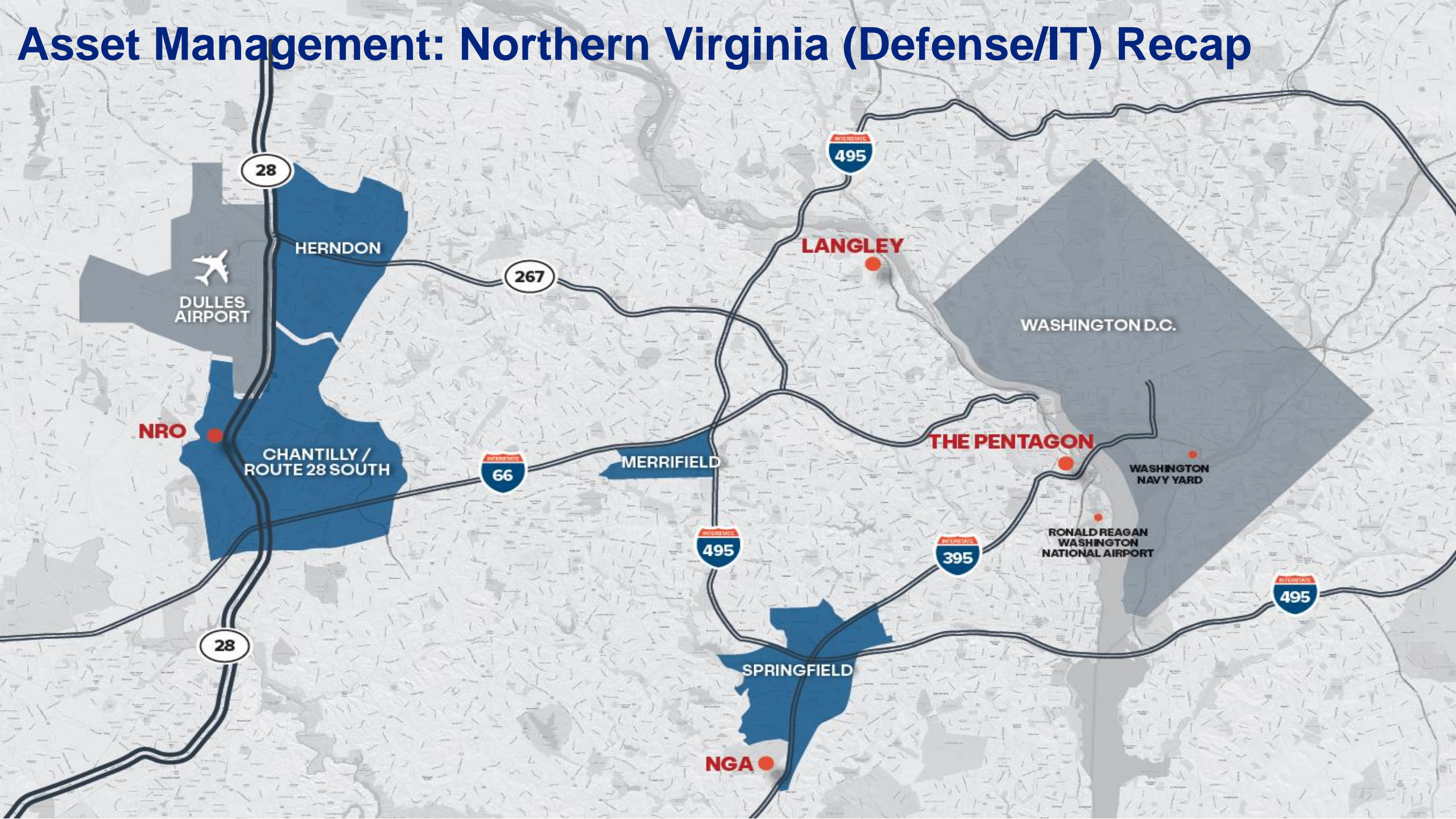


- > Managing SVP, Asset Management + Chief Business Officer

Asset Management: Org Chart



Asset Management: Northern Virginia (Defense/IT) Recap



Asset Management: The National Business Park Recap



Asset Management: Columbia Gateway Recap

TO BALTIMORE
15 MINUTES

TO WASHINGTON, DC
30 MINUTES



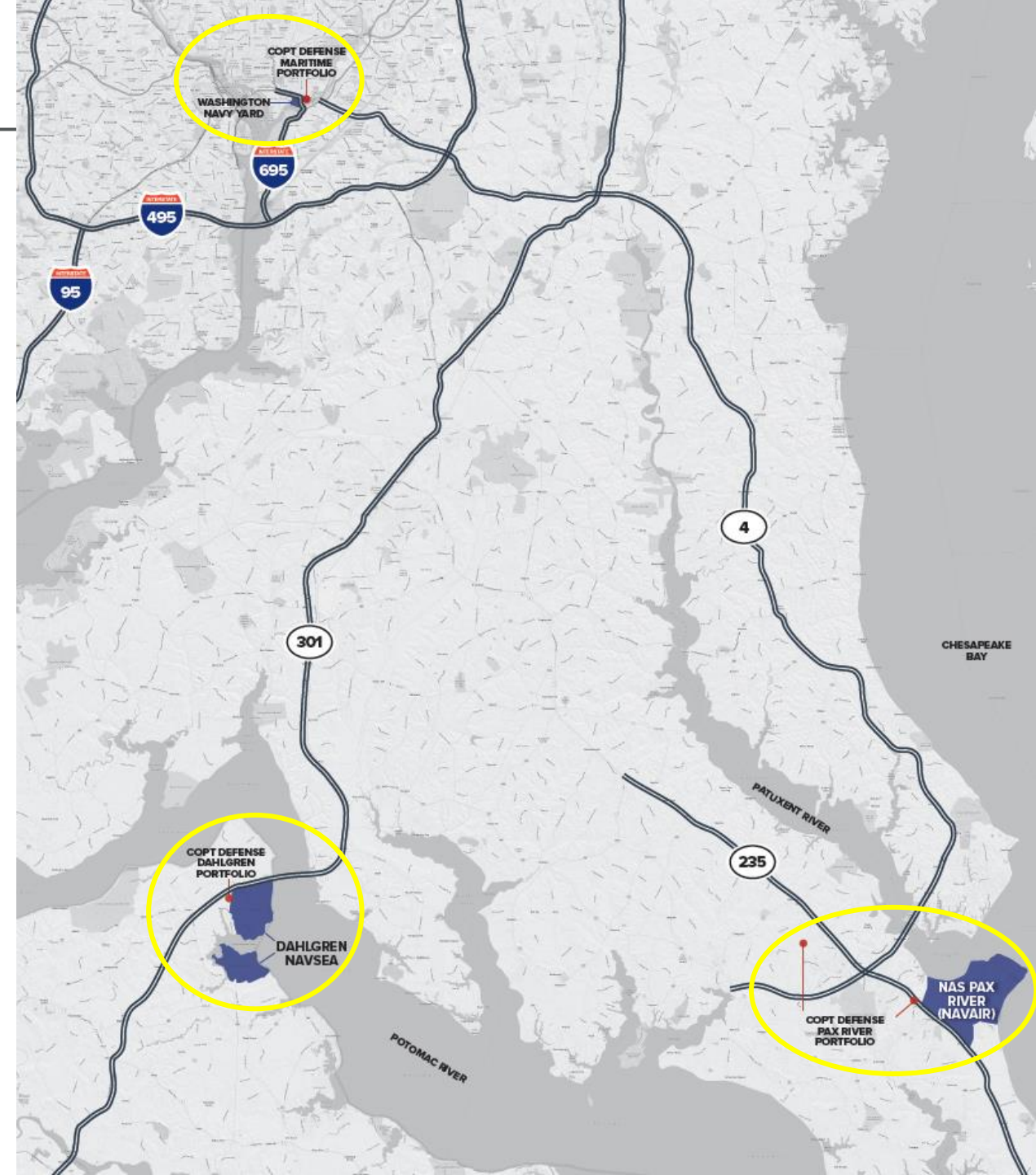
Navy Support



Navy Support: Submarket Map

22 PROPERTIES | 1.3M SF OPERATIONAL
5% OF TOTAL COMPANY ARR

- > Demand for Navy Support assets = Closely correlates to DOD budgets, especially Navy appropriations
- > 86.9% Leased | 87.5% Occupied
 - Unleased space = 158,000 SF
- > Maritime Plaza | Washington DC
 - Demand Driver: Washington Navy Yard
- > Pax River | Patuxent River, MD
 - Demand Driver: NAVAIR & NAVFAC
- > Dahlgren Technology Center | Dahlgren, VA
 - Demand Driver: NAVSEA & NAWCAD



Navy Support: Maritime Plaza Snapshot

**2 PROPERTIES | 360,000 SF
OPERATIONAL**

- Location: SE quadrant of Washington, DC
 - 1995 BRAC consolidated NAVSEA ops to the Navy Yard
- Building Uses: Class A office, and SCIF
- 82.3% Leased | 83.8% Occupied
 - Unleased space = 58,000 SF
- ~35,000 SF = Leased to USG
- ~25,000 SF = Secured space
- Demand Drivers include:
 - Naval Sea Systems Command (NAVSEA)
 - Chief of Naval Operations (CNO)
 - Naval Reactors (NR)



Navy Support: PAX River Snapshot

14 PROPERTIES | 710,000 SF OPERATIONAL

- > Location: 65 miles SE of Washington, DC
 - NAVAIR houses over 45 missions
- > Building Uses: Class A office, and SCIF
- > 90.5% Leased | 91.0% Occupied
 - Unleased space = 64,000 SF
- > ~105,000 SF = Leased to USG
- > ~60,000 SF = Secured space
- > Demand Drivers include:
 - Naval Air Systems Command (NAVAIR)
 - Naval Air Warfare Center Aircraft Division (NAWCAD)
 - Atlantic Test Range



Navy Support: Dahlgren Snapshot

6 PROPERTIES | 200,000 SF OPERATIONAL

- > Location: 50 miles south of Washington, DC
 - Weapons testing division of NAVSEA
- > Building Uses: Class A office, and Classified space
- > 82.0% Leased | 82.0% Occupied
 - Unleased space = 36,000 SF
- > 65,000 SF of future development on land owned
- > ~20,000 SF = Secured space
- > Demand Drivers include:
 - Navy Air and Missile Defense Command (NAMDC)
 - Joint Warfare Analysis Center (JWAC)
 - 20th Space Control Squadron



San Antonio, TX



8 PROPERTIES | 1.1M SF OPERATIONAL 10% OF TOTAL COMPANY ARR

- > Location: Proximate to Lackland Air Force Base
 - Demand Driver: Fort Meade
- > Building Uses: Class A office, SCIF, and ATFP
- > USG signed 20-year lease
 - COPT redeveloped 540,000 SF main building
- > Since 2005, COPT developed 3 more secure buildings
 - Recently extended lease another 5 years

FUTURE DEVELOPMENT OPPORTUNITY

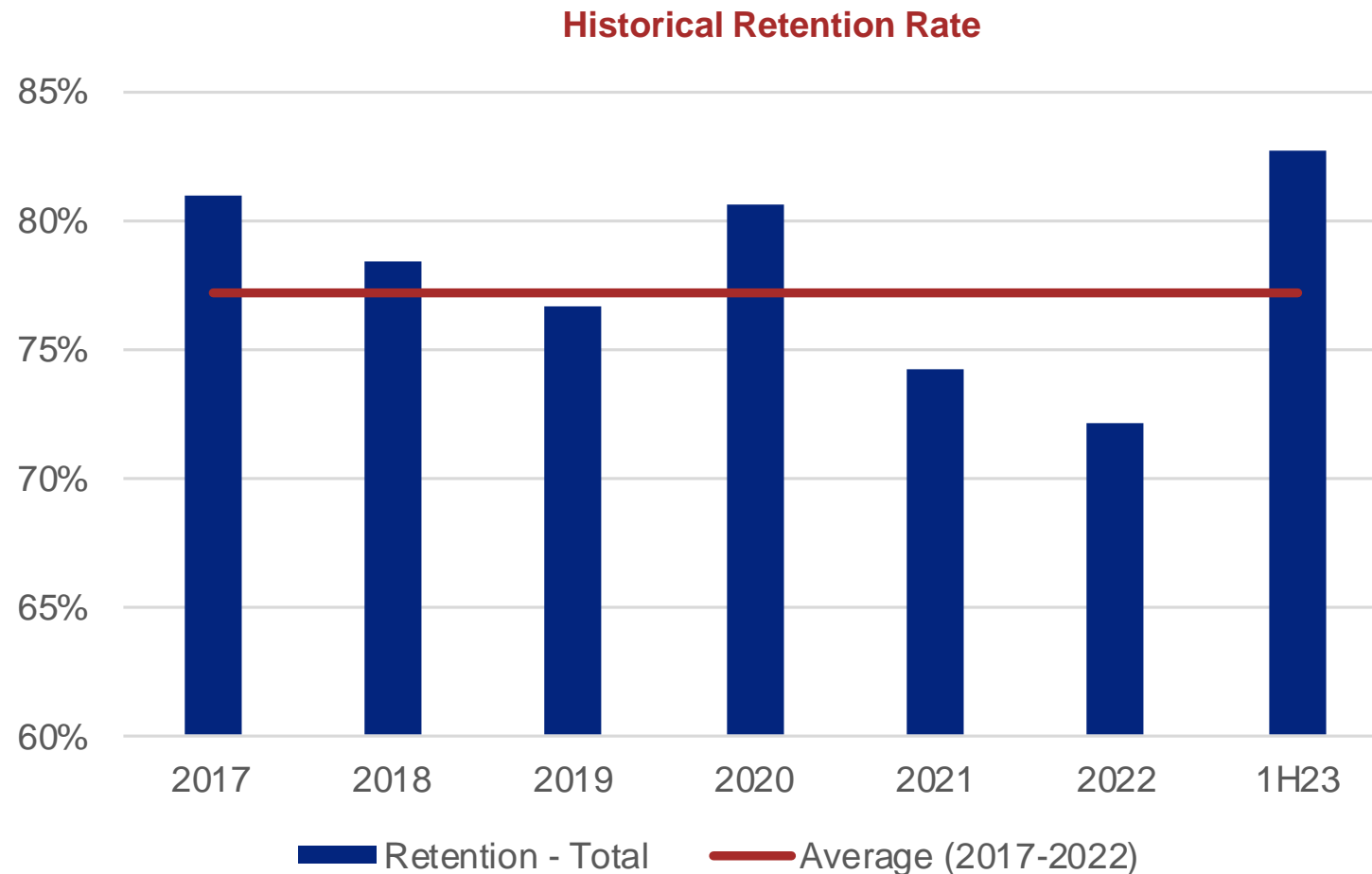
- > 285,000 SF of future development on land owned
 - Office: 275,000 SF
 - Warehouse: 10,000 SF
 - Structured Parking and Surface Parking Lot

- > Expect full renewal on upcoming lease expirations
 - 2025: 703,000 SF
 - Five 100% leased buildings
 - 2026: 250,000 SF
 - Two 100% leased buildings

Asset Management: Historical Retention Rate

TENANT RETENTION HAS AVERAGED 77% SINCE 2017

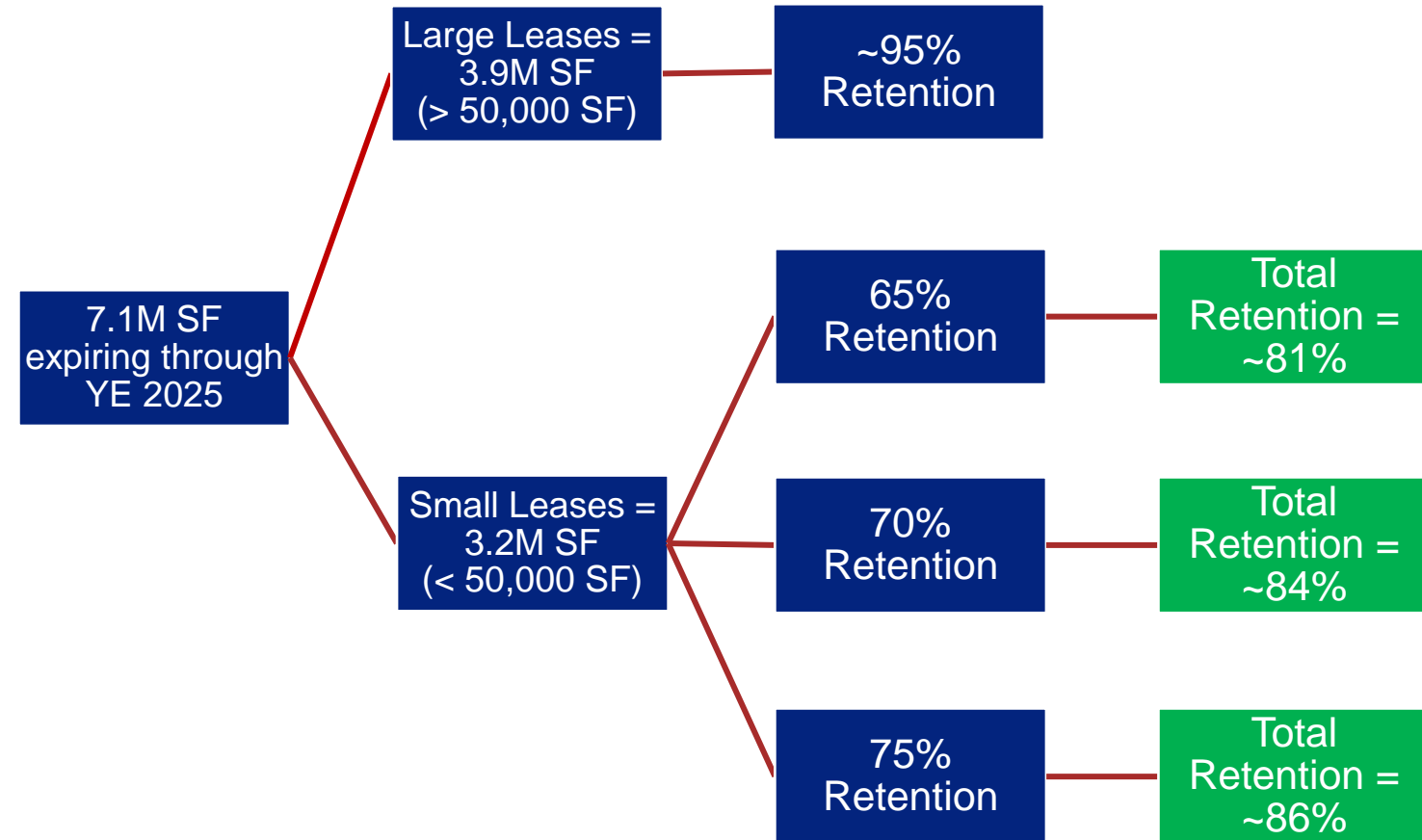
- > Portfolio average = 77% (2017–2022)
 - Defense/IT average = 81%
- > Portfolio average = 74% (2010–2022)
- > 1H23 Portfolio average = 82.7%
 - Defense/IT average = 89.4%



Asset Management: Tenant Retention through YE 2025

HIGH RETENTION EXPECTED THROUGH YEAR END 2025

- > 7.1M SF expiring through YE 2025
 - 33 Large Leases = 55% of Total Expirations
 - > 50,000 SF
- > Expect Retention on Large Leases = ~95%
 - 12 full buildings leased to the USG
 - 5 full buildings leased to Defense Contractors
 - 4 Single-tenant | full building data center leases
- > If Retention on Small Leases = 65%
 - Overall Retention = ~81%
- > If Retention on Small Leases = 70%
 - Overall Retention = ~84%
- > If Retention on Small Leases = 75%
 - Overall Retention = ~86%



Huntsville, AL



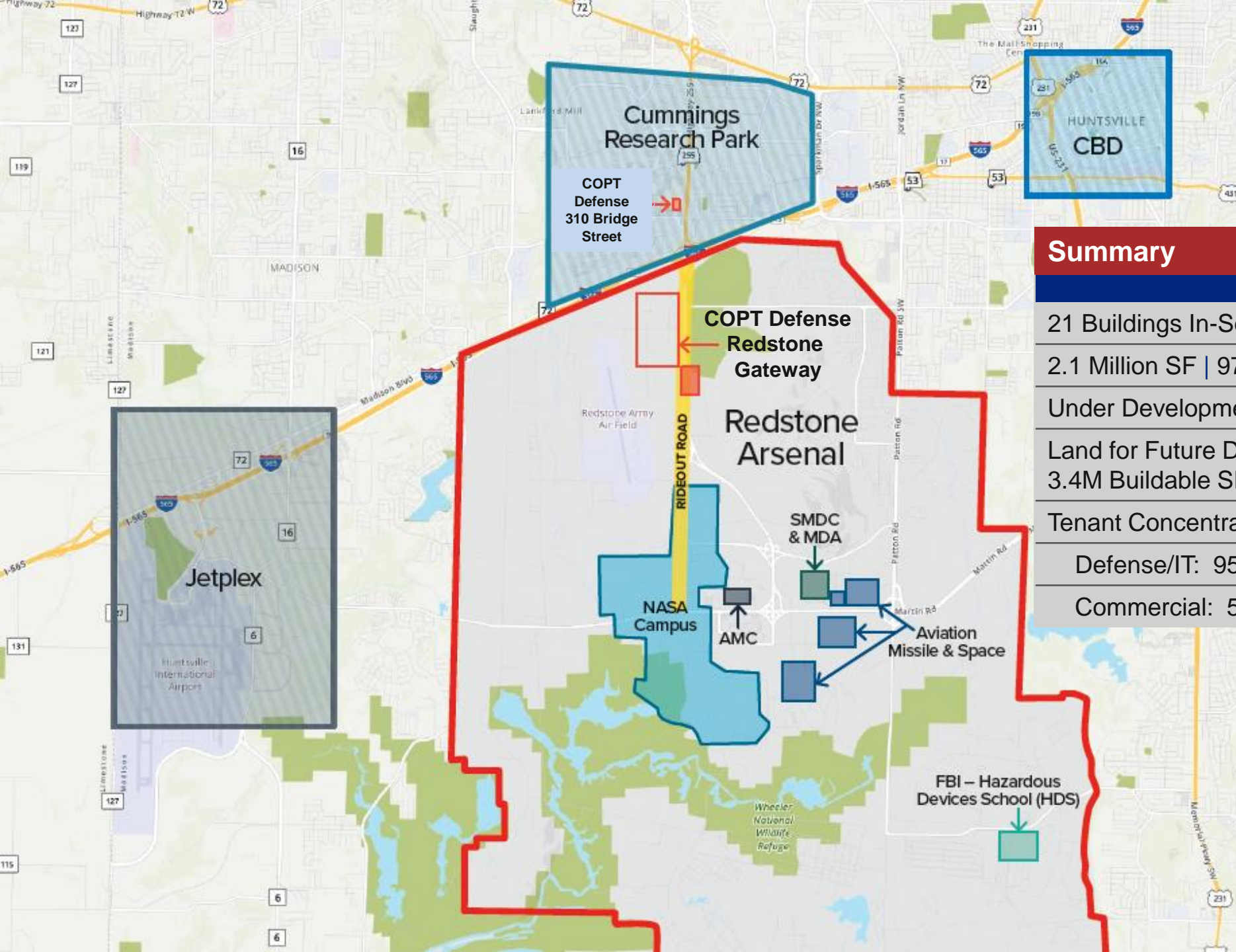
Redstone Gateway (RG): Speaker

JAMES LOMAX



> VP, Asset Management +
Leasing

RG: Submarket Map



Summary

21 Buildings In-Service

2.1 Million SF | 97.3% Leased

Under Development: 4 Projects | 429,000 SF

Land for Future Development: 300 Acres |
3.4M Buildable SF

Tenant Concentrations by SF:

Defense/IT: 95% | USG: 17% | Contractors: 78%

Commercial: 5%

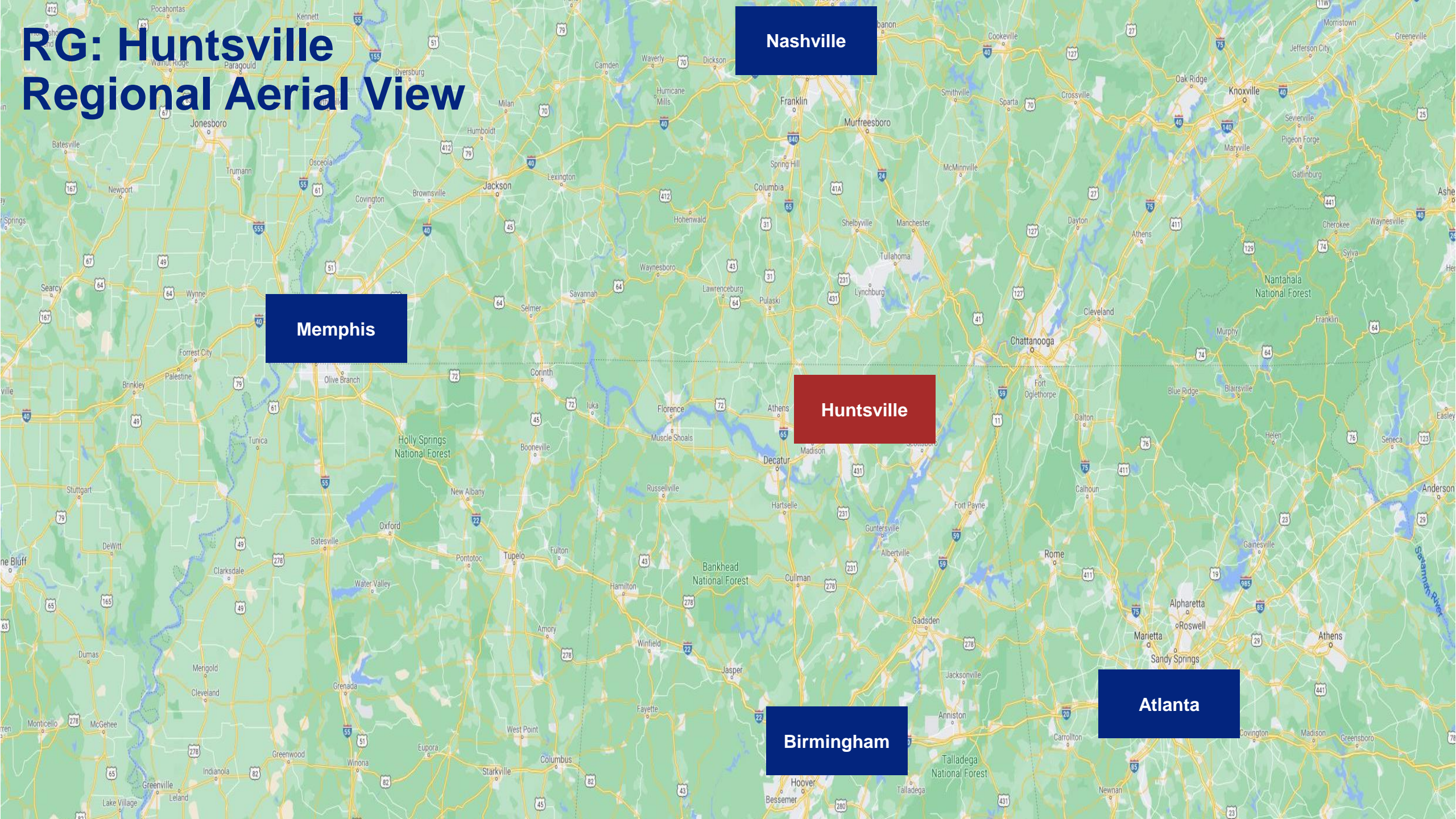
RG: About Huntsville

LARGEST CITY IN ALABAMA

- > Population of 215,000 has grown 20% since 2010
- > Economic Drivers
 - Redstone Arsenal
 - Redstone Gateway
 - Located at Gate 9, main entrance to Redstone Arsenal
 - Cummings Research Park
 - 2nd largest research park in the U.S.
- > Primary industries include:
 - Aerospace, Defense, Information Technology
 - Bioscience, Advanced Manufacturing
- > Voted #1 as Best Places to Live for Families in the U.S.
 - 4th most affordable metro area (of 150 researched)¹



RG: Huntsville Regional Aerial View



Nashville

Memphis

Huntsville

Birmingham

Atlanta

RG: About Redstone Arsenal

NAMED “ROCKET CITY” FOR A REASON

- > Redstone Arsenal is a 38,000 acre federal research, development, testing, and engineering center
 - Located in Huntsville, Alabama
 - Over twice the size of Manhattan
- > 1941: Redstone Arsenal was established by the U.S. Army
 - Chemical manufacturing plant to support World War II
- > 1945: Operation Paperclip
 - German scientists arrived in U.S. following WWII
 - Including Wernher von Braun
 - Received Contracts to work on Army missiles
- > 1950: German scientists relocated to Redstone Arsenal
- > 1960: NASA was formally established
- > 1962: U.S. Army Missile Command was established



RG: About Redstone Arsenal

DOD + FEDERAL CENTER OF EXCELLENCE

- > Redstone Arsenal has the most *diversified funding* of any U.S. military base, receiving funding from:
 - Department of Defense (U.S. Army)
 - NASA
 - Department of Justice
 - FBI
 - ATF (Alcohol, Tobacco, Firearms)
 - Intelligence Community
 - DIA (Defense Intelligence Agency)
 - FBI TEDAC (Terrorist Explosive Device Analytical Center)
- > ~80 tenant organizations (“commands and agencies”) on-post
 - Executing high priority defense and intelligence missions
- > Senior Command for Redstone Arsenal, Army Materiel Command (AMC), alone, has an annual budget of \$50 billion



RG: About Redstone Arsenal

2ND HIGHEST CONCENTRATION OF MILITARY LEADERSHIP IN THE U.S.

- > 15 general officers
 - Including 1 of the new 4-star generals located outside of the National Capital Region
 - Highest concentration is in National Capital Region (DC)
- > Over 70 Senior Executive Service members
- > 50,000 government and civilian workers on-post
 - Up 15% since 2014 (37,000 workers)
 - Projected to increase 14% by 2025 to 50,000 workers
- > Only ~700 active duty soldiers are posted to Redstone Arsenal



RG: Redstone Arsenal (U.S. Army) is the Demand Driver

FUNCTIONAL SYNERGIES AMONG ~80 COMMANDS + AGENCIES

Logistics Services



Space Operations + Missile Defense



Research, Dev, Test + Engineering



Intelligence + Homeland Defense



RG: History of Funding, Jobs + Mission Growth

<p>Wernher von Braun + Aerospace team transfer to Redstone Arsenal</p> <p>Center of Army missilery + rocketry</p>	<p>1988: 1st BRAC transfers Test, Measurement & Diagnostic Equipment Center to Redstone Arsenal</p>	<p>2005: BRAC relocates eight major functions to Redstone Arsenal including:</p> <p>Army Materiel Command</p>	<p>ATF relocates National Center for Explosives Training & Research (NCETR) to Redstone Arsenal</p>	<p>2020: U.S. Army Space & Missile Defense Command expands</p> <p>Serves as the Army service component to U.S. Space Command</p>
1950s-1960s	1980s	2000s	2010s	2020s
<p>1958: Explorer 1</p> <p>1060: NASA/ George C. Marshall Space Flight Center established</p> <p>1969: Saturn V</p>	<p>Sparks new growth</p> <p>Space Shuttle program</p>	<p>Redstone Test Center (RTC)</p> <p>Missile Defense Agency</p> <p>Space & Missile Defense Command (SMDC)</p>	<p>FBI relocates its Terrorist Explosive Device Analytical Center (TEDAC) to Redstone Arsenal</p>	<p>2022: FBI moves 1,450 employees into new \$2.4B campus on Redstone Arsenal</p>

RG: COPT Defense's Competitive Advantages

4 KEY AREAS

1. **Priority Missions** at Redstone Arsenal

- Direct connection to Redstone's hard-wired IT/comm's network for sanctioned functions/contracts

2. **Business Partner** to Redstone Arsenal's Garrison

- We pay ground rent on occupied buildings to the Garrison
- Garrison funds infrastructure projects from proceeds
- Garrison is incentivized to direct business to RG

3. **Advantaged Location** | Proximity and Visibility

- ~470 acres adjacent to Gate 9 under EUL
- Closest to the commands on Redstone Arsenal Gate 9
- High Visibility on Rideout Road (20,000+ cars per day)

4. **New, Modern Product** | Often Build to Suit

- Mission growth and need to consolidate out of obsolete/less efficient facilities drives demand to RG



RG: Snapshot

21 PROPERTIES | 2.1M SF 27% OF TOTAL COMPANY ARR

- > Location: Adjacent to Redstone Arsenal Gate 9
 - ~80 commands and agencies on-post
- > Building Uses: Class A office, SCIF, ATFP, and flex/R&D
- > 97.4% Leased | 92.5% Occupied
 - Unleased space = 54,000 SF
- > 3.4M SF of future development on land owned
 - 4 Properties under development totaling ~\$140M
 - 429,000 SF which is 73% pre-leased
 - Largest development vacancy at 8100 Rideout Road
- > 264,000 SF = Leased to USG
- > 205,000 SF = Secured space



RG: Aerial View



RG: Master Plan



SECURE

FUTURE

RG: Yulista Case Study

7500 | 7600 | 8600 ADVANCED GATEWAY

- > Build to Suit: 100% leased to Yulista
 - Contains SCIF, integration lab, data center, and auditorium
- > Mission:
 - Launch and missile defense development capability
- > Total Cost = \$63M
 - Square Feet = 366,000 SF
 - Construction Cost = ~\$170/SF
- > Delivered in 2Q20 – 4Q20

YULISTA'S REAL ESTATE CHALLENGE

- > Yulista was operating out of multiple, aged facilities
 - Cummings Research Park and the Jetplex market
- > Decided to consolidate their HQ and operations into a new campus at Redstone Gateway to:
 - Support their USG customers on Redstone Arsenal more efficiently
 - Recruit and retain employees

COPT DEFENSE'S SOLUTION

- > Executed a lease for a three-building campus during 1Q19
- > Continue to refine the design to:
 - Accommodate their growth
 - Consolidate personnel from Huntsville, Georgia, and Florida



RG: Yulista Campus



RG: U.S. Government Case Study | Completed Development

100 SECURED GATEWAY

- > 100% leased to USG
 - Contains SCIF and ATRP
- > Behind the fence
- > Mission:
 - PEO Missiles & Space, FBI, US Army Corps of Engineers Finance & Learning Centers
- > Total Cost = \$77M
 - Square Feet = 250,000 SF
 - Construction Cost = ~\$305/SF
- > Delivered in 4Q20

USG'S REAL ESTATE CHALLENGE

- > USG had two operational needs:
 - Move Government employees from Cummings Research Park to Redstone Arsenal
 - Prove a more efficient, newer, and safer building
- > Previous building was not secure enough for the missions being conducted

COPT DEFENSE'S SOLUTION

- > Secure facility = Behind the fence
- > Multi-tenant government building, creating flexibility for users on-post



RG: U.S. Government | 100 Secured Gateway



RG: U.S. Government Case Study | Under Construction

300 SECURED GATEWAY

- > 100% leased to USG
 - Contains SCIF and ATFP
- > Behind the fence
- > Mission:
 - Huntsville Center for U.S. Army Corps of Engineers
 - Engineering, Ordnance and Explosives, and three other directorates
- > Total Cost = \$67M
 - Square Feet = 206,000 SF
 - Construction Cost = ~\$325/SF
- > Delivered in 3Q23

USG'S REAL ESTATE CHALLENGE

- > U.S. Army Corps of Engineers (USACE) was located in a former Verizon Call Center outside of the fence without proper ATFP protections
- > Needed a facility behind the fence but still accessible
 - Did not have a time horizon that made Military Construction funding realistic

COPT DEFENSE'S SOLUTION

- > Secure facility = Behind the fence
 - Located right behind the main Gate to Redstone Arsenal
- > Includes a small integration and advanced warehousing area
 - Creates unique function for USACE



RG: U.S. Government | 300 Secured Gateway





RG: Aerial View | 2013

RG: Aerial View | TODAY.



SECURE

FUTURE

San Antonio + Huntsville: Government Services



Government Services | Operations: Bio

VP, REGIONAL OPERATIONS, SOUTHERN REGION

- > Joined COPT Defense in 2008
- > **26+ years with the U.S. Army**
- > U.S. Army Corps of Engineers, Louisville District
 - 2005 – 2008: District Commander
- > U.S. Forces Korea (USFK) Engineer
 - 2002 – 2004 Chief, Plans and Operations
- > U.S. Army Corps of Engineers, Albuquerque District
 - 2000 – 2002: District Commander
- > U.S. Army, Fort Riley, Kansas
 - 1999 – 2000: Director, Public Works

RAY MIDKIFF



- > VP, Operations, Southern Region



Government Services | Operations: Team Overview

MARKETS COVERED | RESPONSIBILITIES

> Markets Covered

- Lackland Air Force Base: San Antonio, TX
- Redstone Arsenal: Huntsville, AL
- NoVA Office Campus: Chantilly, VA
- Data Center Shells: Northern Virginia

> Team Overview

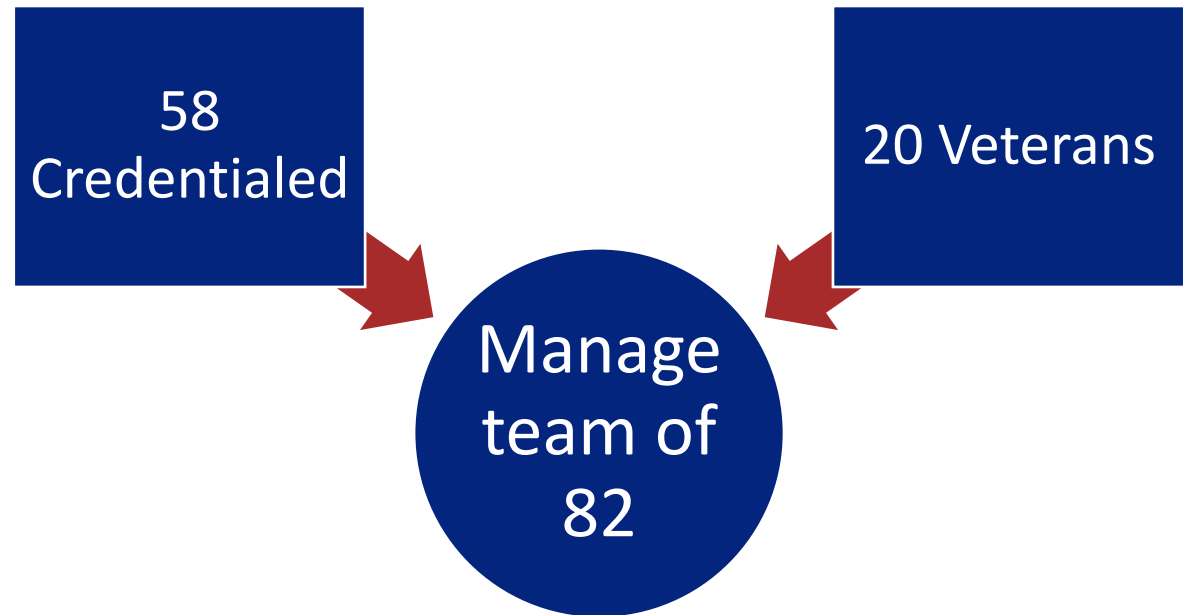
- 82 members | 58 credentialed | 20 veterans

> Our Advantage

- Extensive experience operating in a secure environment
- Not business as usual (operations and construction)

> What's exciting?

- No two days are alike



Government Services | Operations



Government Services | Operations: Bio

MANAGING SVP, GOVERNMENT SERVICES + OPERATIONS

- > Joined COPT Defense in 2019
- > 10 Years with the National Security Agency, Senior Executive Service
 - 2017 – 2019: Deputy Chief, Installations and Logistics
 - 2015 – 2016: Deputy Chief and Chief, Communication Networks
 - 2009 – 2015: Chief, Business Operations
- > 7 years with Trusant Technologies (IC as the primary customer)
 - 2002 – 2009: Director, Engineering Services
- > **27+ Years with the U.S. Army**
 - 1999 – 2002: Division Command Sergeant Major, 3rd Infantry Division HQ
 - 1997 – 1998: Brigade Command Sergeant Major, 3rd Infantry Division
 - 1996 – 1997: Commandant, 25th Infantry Division
 - 1992 – 1995: Battalion Command Sergeant Major, 65th Engineer Battalion

GEORGE RUO, JR.



- > Managing SVP, Government Services + Operations



Government Services | Operations: Team Overview

MARKETS COVERED | RESPONSIBILITIES

> Divisions Managed

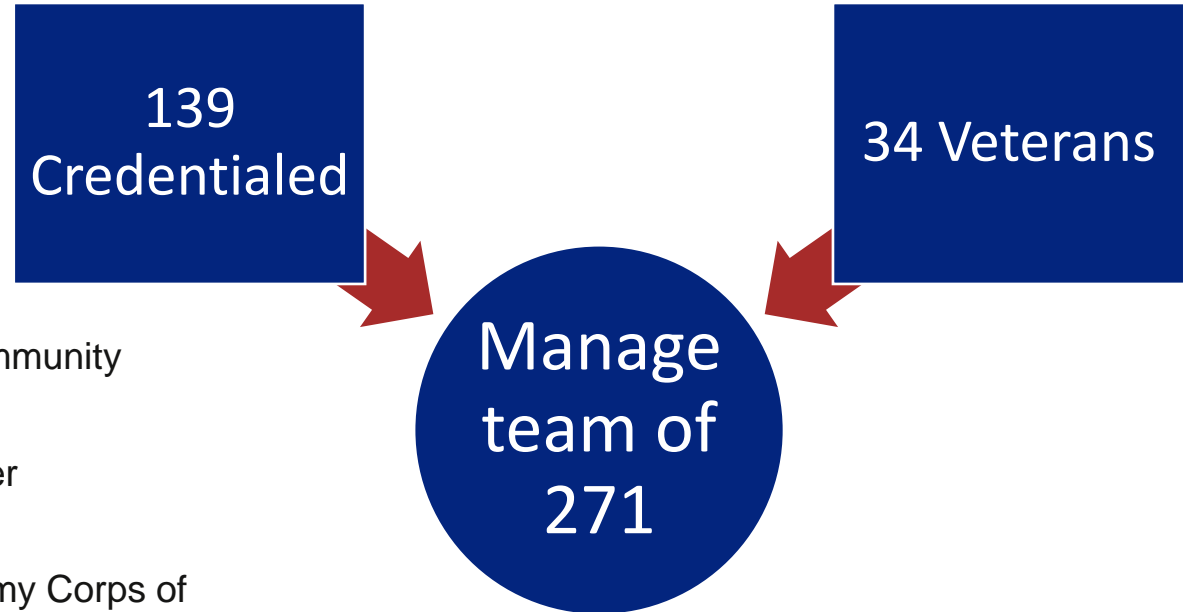
- Development, Construction, Regional Operations, and Risk

> Team Overview

- 271 members | 139 credentialed | 34 veterans

> Our Advantage

- Decades long relationship with members of the Intelligence Community
 - Personal / Professional
- Unique understanding of Customer as I worked for our Customer
 - Budget and approval process, goals and aspirations
- Experienced team with long-standing relationships with U.S. Army Corps of Engineers
- Credentialed personnel is a key differentiator
 - Challenging and time consuming to obtain
 - High retention rate among credentialed personnel



Finance | Capital Markets



Finance | Capital Markets: Speakers

ANTHONY MIFSUD



> EVP + Chief Financial Officer

SCOTT ROBUCK



> SVP, Finance + Treasurer

Finance: Capital Markets Activity

Debt	Date	Debt Issued Amount	Interest Rate	Maturity
Unsecured Bonds	September 2020 – November 2021	\$ 1.8 billion	2.5%	9 years
Line of Credit	October 2022	\$ 725 million	SOFR + 115 bps	4 years
Term Loan			SOFR + 140 bps	5 years
Exchangeable Notes	September 2023	\$ 345 million	5.25%	5 years
Equity	Date	Equity Proceeds Raised	Cap Rates	
Data Center Shell JVs	Various	\$ 900 million	4.75% – 5.5%	



Finance: Sources + Uses of Capital for Development

Development Investment Sources + Uses	2024 – 2026 Forecast
Under Construction/Negotiation	\$ 350,000
Future Development Projects	\$ 400,000
Total	\$ 750,000
Cash from Operations after Dividends	\$ 325,000
Cash on Hand	\$ 155,000
Other Debt Fundings	\$ 270,000
Total	\$ 750,000

Finance: Segment Update

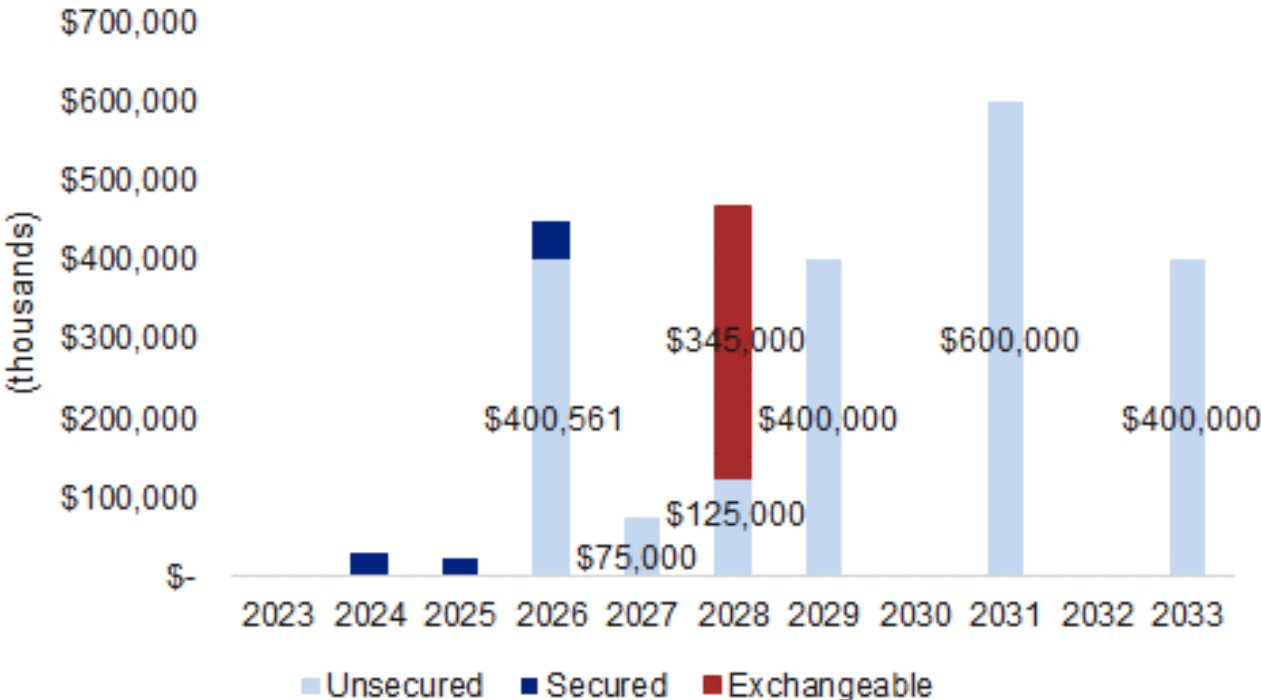
Current Disclosure				CHANGES	Updated Disclosure			
	Number of Properties	Occupied %	Leased %			Number of Properties	Occupied %	Leased %
Defense/IT Locations	186	95.3%	96.8%	<div> <div>Regional Office</div> <div>Core Portfolio</div> </div>	Defense/IT Portfolio	186	95.3%	96.8%
Regional Office	6	74.5%	75.8%		Other	8	74.6%	75.9%
Core Portfolio	192	93.6%	95.0%					
Other	2	76.5%	76.5%	Add Regional Office				
Total Portfolio	194	93.4%	94.9%		Total Portfolio	194	93.4%	94.9%

Finance: Debt Maturity Schedule (Pro Forma)

NO SIGNIFICANT DEBT MATURITY UNTIL 2026

- > \$2.15 billion of Senior Notes are 85% of debt
 - Weighted average remaining term of 6.2 years
- > Well-laddered debt maturities:
 - Weighted Average Term of 6.0 years
- > Significant unencumbered pool of assets
 - Unencumbered portfolio = 96% of total NOI from real estate operations
- > Secured debt accounts for only 4.0% of debt outstanding

Debt Maturity Schedule
(Pro Forma including Exchangeable Senior Notes)



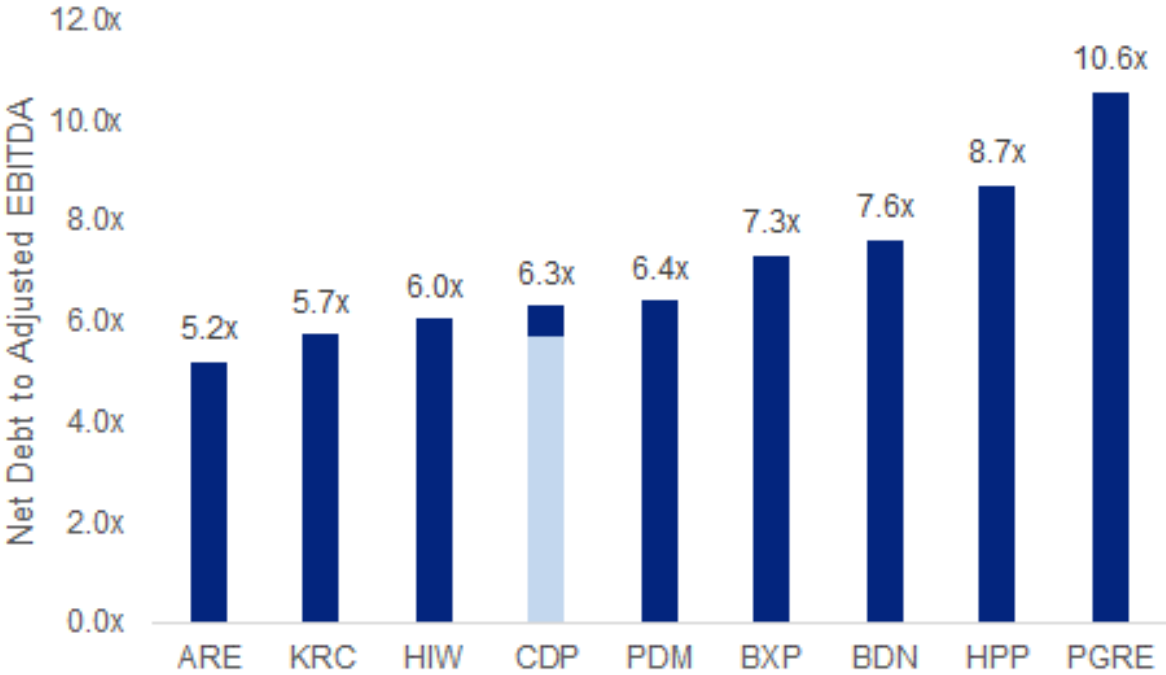
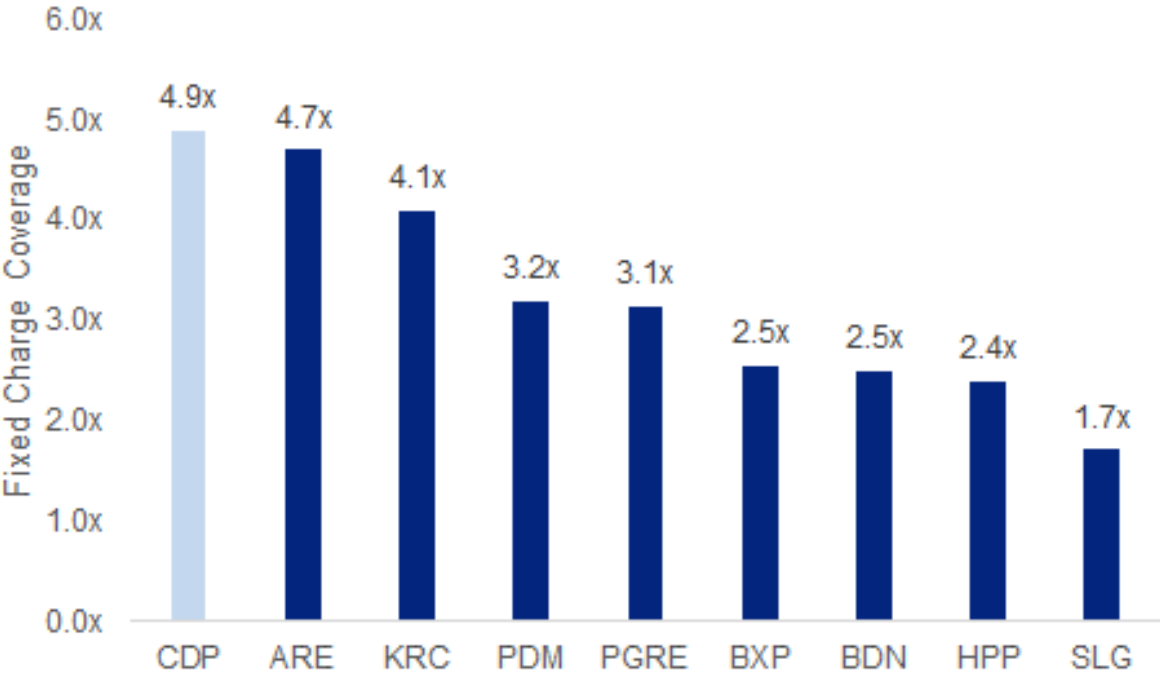
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Equity	Date	Equity Proceeds Raised	Cap Rates	
Data Center Shell JVs	Various	\$ 900 million	4.75% – 5.5%	



Finance: Low Leverage vs REIT Peers

HIGHEST FIXED CHARGE COVERAGE + LOW END OF NET DEBT / EBITDA RATIO



Note: CDP - Net debt adjusted for fully-leased development to in-place adjusted EBITDA is 5.7x



Finance: Data Center Shell | Joint Venture History

RAISED ~\$900M OF EQUITY VIA JOINT VENTURE SALES OF DATA CENTER SHELLS

Date	JV Partner	Transaction	COPT Defense Ownership	JV Partner ownership	# of Properties	Square Feet	Valuation	Proceeds to COPT Defense	Cap Rate
Jun/Dec-19	BREIT	BX-1	10%	90%	9	1,471,360	\$ 345,000	\$ 310,500	
Nov/Dec-20	Blackstone Real Estate	BX-2	10%	90%	8	1,277,961	\$ 293,000	\$ 209,300	*
Jun-21	Blackstone Real Estate	BX-3	10%	90%	2	432,406	\$ 119,000	\$ 107,000	
Dec-22	Blackstone Real Estate	BX-4	10%	90%	2	365,565	\$ 67,000	\$ 60,300	
Jan-23	Blackstone Real Estate	BX-5	10%	90%	3	747,841	\$ 211,300	\$ 190,170	
Total					24	4,295,133	\$ 1,035,300	\$ 877,270	4.75% – 5.50%



Conclusion



Conclusion: Tenant Relationships are Key to our Success

LOCATIONS CREATE A STRONG FOUNDATION + DIVERSITY OF LEASES = LOW RISK

- > Collectively: Multiple leases per tenant in multiple locations, is the Foundation to our success
- > Individually: No single lease has a significant impact on COPT Defense
 - On average, top Defense/IT tenants have 7 leases with us (ex; USG and Data Center Shells)
 - On average, top Defense/IT tenants have leases with us in 3-4 of our markets

Tenant	# of Leases	NBP	Columbia Gateway	Fort Meade / BW Corridor - Other	NoVA Defense/IT	Navy Support	Redstone Gateway (Huntsville, AL)	Lackland AFB (San Antonio, TX)	Data Center Shells
United States Government	90	✓	✓	✓	✓	✓	✓	✓	
Fortune 100 Company	32	✓	✓					✓	✓
General Dynamics Corporation	14	✓	✓	✓	✓	✓	✓		
The Boeing Company	13	✓			✓	✓	✓		
Peraton Corp.	7	✓			✓	✓			
KBR, Inc.	7		✓			✓	✓		
Raytheon Technologies Corporation	7	✓		✓	✓	✓			
Booz Allen Hamilton, Inc.	6	✓			✓	✓	✓		
Mantech International Corp.	6	✓			✓	✓	✓		
Northrop Grumman Corporation	5			✓			✓		
CACI International Inc	5	✓		✓		✓			
AT&T Corporation	5	✓	✓			✓			
Jacobs Engineering Group Inc.	5	✓	✓	✓	✓				
Yulista Holding, LLC	3						✓		
Fortune 100 Company	2	✓						✓	
Defense / IT Tenants	207								



Conclusion: Key Takeaways

Permanence of
Demand Drivers

Irreplaceable
Locations

Strong
Tenant Credit
Quality

Tenant Relationships
built on decades of
trust

Development
Expertise
SCIF / ATFP

Low-Risk Highly-
Leased
Development Platform

1/3 of COPT
Defense Team is
Credentialed

Tenant Co-Investment
results in Highest
Tenant Retention
among Peers

Balance Sheet
can Fund
Development
through 2026

No Near-Term Debt Maturities –
No Need to Access
Capital Markets until
2026

Raised Dividend
by 3.6% in 1Q23

FFO/sh CAGR
of ~4%
(2023–2026)



Q&A



Unless otherwise noted, information in this presentation represents the Company's consolidated portfolio as of or for the quarter ended June 30, 2023.

- > This presentation may contain forward-looking statements within the meaning of the Federal securities laws. 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 we cannot predict with accuracy and some of which we might not even anticipate. Although we believe that the expectations, estimates and projections reflected in such forward-looking statements are based on reasonable assumptions at the time made, we 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 we undertake 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, 2022.



COPT DEFENSE
P R O P E R T I E S