# Supplemental Information
(Unaudited)

December 31, 2008

COPT
CORPORATE OFFICE PROPERTIES TRUST

# Corporate Office Properties Trust
# Index to Supplemental Information (Unaudited)
# December 31, 2008

**To Members of the Investment Community:**

We prepared this supplemental information package to provide you with additional detail on our properties and operations. The information in this package is unaudited, furnished to the Securities and Exchange Commission ("SEC") and should be read in conjunction with our quarterly and annual reports. If you have any questions or comments, please contact Ms. Mary Ellen Fowler, Vice President and Treasurer at (443) 285-5450 or maryellen.fowler@copt.com. Reconciliations between GAAP and non GAAP measurements have been provided. Refer to our Form 8-K for definitions of certain terms used herein.

Corporate Office Properties Trust (COPT) (NYSE: OFC) is a specialty office real estate investment trust (REIT) that focuses on strategic customer relationships and specialized tenant requirements in the U.S. Government, Defense Information Technology and Data sectors. The Company acquires, develops, manages and leases properties which are typically concentrated in large office parks primarily located adjacent to government demand drivers and/or in growth corridors. More information on COPT can be found at www.copt.com.

**Reporting Period Highlights – Year Ended December 31, 2008**

Financial Results

- We reported net income available to common shareholders of $42.6 million, or $0.87 per diluted share, for the year ended December 31, 2008 as compared to $18.7 million, or $0.39 per diluted share, for the year ended December 31, 2007, representing an increase of 123% per share. Included in net income available to common shareholders in 2008 was $10.4 million in gain recognized ($8.9 million net of minority interests) on our repurchase of a $37.5 million aggregate principal amount of 3.5% Exchangeable Senior Notes. Without this gain, our earnings per diluted share for the year ended December 31, 2008 would have been $0.69 per share, representing a 77% increase over the year ended December 31, 2007.
- We reported funds from operations ("FFO") – diluted of $150.4 million, or $2.64 per diluted share, for the year ended December 31, 2008 as compared to $125.3 million, or $2.24 per share, for the year ended December 31, 2007, representing an increase of 18% per share. Included in FFO – diluted in 2008 was $10.4 million in gain recognized on our repurchase of a $37.5 million aggregate principal amount of 3.5% Exchangeable Senior Notes. Without this gain, our FFO per dilutive share for the year ended December 31, 2008 would have been $2.46 per share, representing a 10% increase over the year ended December 31, 2007.
- We reported Adjusted FFO ("AFFO") – diluted of $111.8 million for the year ended December 31, 2008 as compared to $90.8 million for the year ended December 31, 2007, representing an increase of 23%.
- Our diluted FFO payout ratio was 55% for the year ended December 31, 2008 as compared to 57% for the year ended December 31, 2007. Our diluted AFFO payout ratio was 74% for the year ended December 31, 2008 as compared to 79% for the year ended December 31, 2007.

Acquisitions / Dispositions

- We completed the acquisition of three office properties totaling 247,280 square feet for $40.5 million, which included the following:
  - a 124,000 square foot office property located at 3535 Northrop Grumman Point in Colorado Springs, Colorado for $23.2 million on June 10, 2008. The property is 100% leased, long-term, to Northrop Grumman Corporation and is the location of their Colorado Springs headquarters; and
  - two office properties totaling 123,000 square feet, located at 1560 Cable Ranch Road in San Antonio, Texas, that are known collectively as 151 Technology Center for $17.3 million on June 19, 2008. The buildings are 100% leased, long-term, to Sears, Air Force Federal Credit Union and AFNI.
- We sold three operating properties totaling 223,000 square feet for an aggregate of $25.3 million, resulting in a gain before minority interests of $2.6 million.

Development Activities

- We placed into service 524,000 newly-constructed square feet in nine properties during the year ended December 2008. Two of these properties contained an aggregate of 89,000 square feet placed into service during 2007. The space placed in service in these nine properties as of December 31, 2008 was 87.5% leased.
- We executed leases on an aggregate of approximately 642,000 square feet of newly-constructed or to be constructed space.
- We completed the formation of M Square Associates, LLC, a joint venture in which we hold a 45% economic interest, and affiliates of the University of Maryland and Manekin LLC hold a combined 55% economic interest. This joint venture will ground lease, develop and manage office properties, approved for up to approximately 750,000 square feet, located in M Square Research Park in College Park, Maryland, including 222,000 square feet that were under construction at December 31, 2008.

Operations

- During 2008, we renewed 1.9 million square feet, or 78%, of our expiring office leases (based upon square footage), with an average committed cost of $7.12 per square foot. For our renewed space, we realized increases of 16% in total rent, as measured from the GAAP straight-line rent in effect preceding the renewal date, and 6% in total cash rent. For our renewed and retenanted space of 2.3 million square feet, we realized increases of 12% in total rent, as measured from the GAAP straight-line rent in effect preceding the renewal date, and 3% in total cash rent. The average committed cost for our space renewed and retenanted totaled $9.25 per square foot.
- We recognized $481,000 in lease termination fees, net of write-offs of related straight-line rents and previously unamortized deferred market revenue (SFAS 141 revenues) for the year ended December 31, 2008, as compared to $4.1 million for the year ended December 31, 2007, representing a decrease of 88%.
- Our same office property cash NOI, excluding the effect of a $2.3 million reduction in gross lease termination fees, increased for the year ended December 31, 2008 by $8.3 million, or 4%, as compared to the year ended December 31, 2007. Including the effect of lower lease termination fees, our same office property cash NOI increased $5.9 million million, or 3%, as compared to the year ended December 31, 2007. Our same office portfolio for the year consists of 162 properties and represents 80% of the rentable square footage of our consolidated properties as of December 31, 2008.
- During 2008, we completed leases for 375,000 square feet on the Unisys Campus in Blue Bell, Pennsylvania, which included the following:
    - a new lease with Merck, Inc. to continue occupancy of the entire 219,000 square foot property located at 785 Jolly Road; and
    - a renewal of Unisys Corporation for 156,000 square feet in the property located at 760 Jolly Road.

Financing Activity and Capital Transactions

- On May 2, 2008, we closed on a $225.0 million revolving construction loan facility that will be utilized to fund most of the Company’s construction costs over the next several years. The facility has a three-year term with a one-year extension option, and requires interest only payments throughout the term. The interest rate is based on a pricing grid that is dependent on the Company’s leverage, with an initial interest rate on the facility of LIBOR plus 160 basis points. The facility also has an accordion feature that allows for a potential increase to as much as $325.0 million at a future date.
- On July 18, 2008, we borrowed $221.4 million under a mortgage loan requiring interest only payments for the term at a variable rate of LIBOR plus 225 basis points. This loan facility has a four-year term with an option to extend by an additional year.
- The aggregate amount of debt repaid by us during the year ended December 31, 2008 totaled $279.6 million, excluding scheduled principal amortization payments and repayments of our unsecured revolving credit facility and revolving construction facility.
- Our weighted average interest rates decreased to 5.2% for the year ended December 31, 2008 from 5.8% for the year ended December 31, 2007.
- In September 2008, we issued 3.7 million common shares at a public offering price of $39.00 per share for net proceeds of $139.2 million after underwriting discounts but before offering expenses. The net proceeds were used to pay down our Revolving Credit Facility.

- Our Board of Trustees increased our quarterly dividend per Common Share of beneficial interest to $0.3725 per share, representing a 10% increase from the previous per share quarterly dividend of $0.34.

Other Transaction
- On August 26, 2008, we loaned $24.8 million to the owner of a 17-story Class A+ office property containing 471,000 square feet in Baltimore, Maryland. We have a secured interest in the ownership of the entity that owns the property and adjacent land parcels that is subordinate to that of a first mortgage on the property. The loan carries an interest rate of 16.0% and matures on August 26, 2011. The property was 90% leased as of December 31, 2008.

**Reporting Period Highlights – Fourth Quarter 2008**

Financial Results
- We reported net income available to common shareholders of $17.4 million, or $0.34 per diluted share, for the quarter ended December 31, 2008 as compared to $5.9 million, or $0.12 per diluted share, for the quarter ended December 31, 2007, representing an increase of 183% per share. Included in net income available to common shareholders in the quarter ended December 31, 2008 was $10.4 million in gain recognized ($8.9 million net of minority interests) on our repurchase of a $37.5 million aggregate principal amount of 3.5% Exchangeable Senior Notes. Without this gain, our earnings per diluted share for the quarter ended December 31, 2008 would have been $0.16 per share, representing a 33% increase over the year ended December 31, 2007.
- We reported FFO – diluted of $47.6 million, or $0.80 per dilutive share, for the quarter ended December 31, 2008 as compared to $32.8 million, or $0.59 per dilutive share, for the quarter ended December 31, 2007, representing an increase of 36% per share. Included in FFO – diluted for the quarter ended December 31, 2008 was $10.4 million in gain recognized on our repurchase of a $37.5 million aggregate principal amount of 3.5% Exchangeable Senior Notes. Without this gain, our FFO per dilutive share for the quarter ended December 31, 2008 would have been $0.62 per share, representing a 5% increase over the quarter ended December 31, 2007.
- We reported AFFO – diluted of $36.4 million for the quarter ended December 31, 2008 as compared to $23.2 million for the quarter ended December 31, 2007, representing an increase of 57%.
- Our diluted FFO payout ratio was 47% for the quarter ended December 31, 2008 as compared to 57% for the quarter ended December 31, 2007. Our diluted AFFO payout ratio was 61% for the quarter ended December 31, 2008 as compared to 81% for the quarter ended December 31, 2007.

Development Activities
- During the quarter ended December 31, 2008, we placed into service 91,000 square feet in newly-constructed space located at 7700 Potranco Road in San Antonio, Texas. We also placed into service 59,000 square feet in a redeveloped property located at 2900 Towerview Road in Herndon, Virginia.
- We executed leases on an aggregate of approximately 87,000 square feet of newly-constructed or to be constructed space, the largest of which was for 73,000 of the 186,000 square foot property to be located at 300 Sentinel Drive in Annapolis Junction, Maryland with the MITRE Corporation for a ten-year term.

Operations
- Our wholly owned portfolio was 93.2% occupied and 93.7% leased as of December 31, 2008. Our entire portfolio was 93.1% occupied and 93.6% leased as of December 31, 2008.
- The weighted average lease term of our wholly owned portfolio was 4.8 years as of December 31, 2008, with an average contractual rental rate (including tenant reimbursements of operating costs) of $22.40 per square foot.
- Our same office property cash NOI, excluding the effect of a $488,000 reduction in gross lease termination fees, increased for the quarter ended December 31, 2008 by $1.5 million, or 3%, as compared to the quarter ended December 31, 2007. Including the effect of lower lease termination fees, our same office property cash NOI increased $1.0 million, or 2%, as compared to the quarter

ended December 31, 2007. Our same office portfolio for the quarter consists of 220 properties and represents 91% of the rentable square footage of our consolidated properties as of December 31, 2008.
- For the quarter ended December 31, 2008, we renewed 315,000 square feet, or 79%, of our expiring office leases (based upon square footage), with an average committed cost of $10.38 per square foot. For our renewed space during the quarter ended December 31, 2008, we realized an increase of 5% in total rent, as measured from the GAAP straight-line rent in effect preceding the renewal date, and a decrease of 3% in total cash rent. For our renewed and retenanted space of 347,000 square feet during the quarter ended December 31, 2008, we realized an increase of 5% in total rent, as measured from the GAAP straight-line rent in effect preceding the renewal date, and a decrease of 3% in total cash rent. The average committed cost for our space renewed and retenanted during the quarter ended December 31, 2008 totaled $11.08 per square foot.
- We recognized $183,000 in lease termination fees, net of write-offs of related straight-line rents and accretion of intangible assets and liabilities (i.e., SFAS 141 revenues), in the quarter ended December 31, 2008, as compared to $578,000 in the quarter ended December 31, 2007, representing a decrease of 68%.

Financing Activity
- As of December 31, 2008, our ratio of debt to market capitalization was 48%, and our ratio of debt to undepreciated book value of real estate assets was 58%. We achieved an EBITDA to interest coverage ratio of 3.74x and an EBITDA to fixed charge coverage ratio of 3.08x for the quarter ended December 31, 2008.
- In November 2008, we repurchased a $37.5 million aggregate principal amount of our 3.5% Exchangeable Senior Notes for $26.7 million. As discussed above, we recognized a gain of $10.4 million in connection with this repurchase.
- During the quarter ended December 31, 2008, we executed the following interest rate swap agreements:
  - $100.0 million notional amount on October 24, 2008 that fixes the one-month LIBOR base rate at 2.51% effective on November 3, 2008 and expiring on December 31, 2009;
  - $120.0 million notional amount on December 17, 2008 that fixes the one-month LIBOR base rate at 1.76% effective on January 2, 2009 and expiring on May 1, 2012; and
  - $100.0 million notional amount on December 29, 2008 that fixes the one-month LIBOR base rate at 1.975% effective on January 1, 2010 and expiring on May 1, 2012.
- As of December 31, 2008, 74.0% of our debt had fixed interest rates, including the effect of interest rate swaps in effect.

Subsequent Events
- We executed a lease on 54,000 of an 82,000 square foot property to be constructed at North Gate Business Park in Aberdeen, Maryland with the MITRE Corporation for a ten-year term.
- Our property located at 2900 Towerview Road in Herndon, Virginia became 100% leased with the execution of a 67,000 square foot lease with Qwest Corporation for an eight-year term.

**Forward-Looking Statements**

This supplemental information contains “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 our current expectations, estimates and projections about future events and financial trends affecting us. Forward-looking statements can be identified by the use of words such as “may,” “will,” “should,” “expect,” “estimate” 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. Accordingly, 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.

Important factors that may affect these expectations, estimates, and projections include, but are not limited to:

- our ability to borrow on favorable terms;
- general economic and business conditions, which will, among other things, affect office property demand and rents, tenant creditworthiness, interest rates and financing availability;
- adverse changes in the real estate markets including, among other things, increased competition with other companies;
- risk of real estate acquisition and development, 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 our joint venture partners may not fulfill their financial obligations as investors or may take actions that are inconsistent with our objectives;
- our ability to satisfy and operate effectively under federal income tax rules relating to real estate investment trusts and partnerships;
- governmental actions and initiatives; and
- environmental requirements.

We undertake no obligation to update or supplement any forward-looking statements. For further information, please refer to our filings with the Securities and Exchange Commission, particularly the section entitled "Risk Factors" in Item 1 of our Annual Report on Form 10-K for the year ended December 31, 2007.

**Annual Selected Financial Summary Data**
**(Dollars in thousands, except per share amounts)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2008 | 2007 | 2006 |
| Revenues from real estate operations | $ 399,633 | $ 365,914 | $ 291,444 |
| Total revenues | $ 588,018 | $ 407,139 | $ 351,528 |
| Earnings before interest, income taxes, depreciation and amortization ("EBITDA") | 255,633 | 235,271 | 213,389 |
| Net income | 58,668 | 34,784 | 49,227 |
| Preferred shared dividends | (16,102) | (16,068) | (15,404) |
| Issuance costs associated with redeemed preferred shares | - | - | (3,896) |
| Net income available to common shareholders | $ 42,566 | $ 18,716 | $ 29,927 |
| Diluted earnings per share ("EPS") | $ 0.87 | $ 0.39 | $ 0.69 |
| Diluted EPS, as adjusted for gain on early extinguishment of debt and issuance costs associated with redeemed preferred shares | $ 0.69 | $ 0.39 | $ 0.78 |
| Diluted funds from operations ("FFO") | $ 150,401 | $ 125,309 | $ 98,937 |
| Diluted FFO per share | $ 2.64 | $ 2.24 | $ 1.91 |
| Diluted FFO per share, as adjusted for gain on early extinguishment of debt and issuance costs associated with redeemed preferred shares | $ 2.46 | $ 2.24 | $ 1.99 |
| Diluted adjusted funds from operations ("AFFO") | $ 111,833 | $ 90,767 | $ 74,679 |
| Payout ratios: | | | |
| Earnings payout | 166.4% | 327.7% | 166.0% |
| Diluted FFO payout | 54.8% | 57.5% | 60.3% |
| Diluted AFFO payout | 73.6% | 79.3% | 79.9% |
| Total dividends/distributions | $ 99,108 | $ 88,741 | $ 75,730 |

**Annual Consolidated Balance Sheets**
**(dollars in thousands)**

| | December 31, | | |
|---|---|---|---|
| | 2008 | 2007 | 2006 |
| **Assets** | | | |
| Investment in real estate: | | | |
| Land - operational | $ 423,985 | $ 416,711 | $ 343,098 |
| Land - development | 220,863 | 214,696 | 153,436 |
| Construction in progress | 272,220 | 181,316 | 144,991 |
| Buildings and improvements | 2,202,931 | 2,079,963 | 1,689,359 |
| Less: accumulated depreciation | (343,110) | (288,747) | (219,574) |
| **Net investment in real estate** | **2,776,889** | **2,603,939** | **2,111,310** |
| Cash and cash equivalents | 6,775 | 24,638 | 7,923 |
| Restricted cash | 13,745 | 15,121 | 52,856 |
| Accounts receivable, net | 13,684 | 24,831 | 26,367 |
| Deferred rent receivable | 64,131 | 53,631 | 41,643 |
| Intangible assets on real estate acquisitions, net | 91,848 | 108,661 | 43,710 |
| Deferred charges, net | 52,006 | 49,051 | 87,325 |
| Prepaid and other assets | 93,789 | 51,981 | 48,467 |
| **Total assets** | **$ 3,112,867** | **$ 2,931,853** | **$ 2,419,601** |
| **Liabilities and shareholders' equity** | | | |
| Liabilities: | | | |
| Mortgage and other loans payable | $ 1,704,123 | $ 1,625,842 | $ 1,298,537 |
| 3.5% Exchangeable Senior Notes | 162,500 | 200,000 | 200,000 |
| Accounts payable and accrued expenses | 93,625 | 75,535 | 68,190 |
| Rents received in advance and security deposits | 30,464 | 31,234 | 20,237 |
| Dividends/distributions payable | 25,794 | 22,441 | 19,164 |
| Deferred revenue associated with acquired operating leases | 10,816 | 11,530 | 11,120 |
| Distributions in excess of investment in unconsolidated real estate joint ventures | 4,770 | 4,246 | 3,614 |
| Other liabilities | 9,596 | 8,288 | 8,249 |
| **Total liabilities** | **2,041,688** | **1,979,116** | **1,629,111** |
| Minority interests: | | | |
| Common units in the Operating Partnership | 118,810 | 114,127 | 104,934 |
| Preferred units in the Operating Partnership | 8,800 | 8,800 | 8,800 |
| Other consolidated real estate joint ventures | 10,255 | 7,168 | 2,453 |
| **Total minority interests** | **137,865** | **130,095** | **116,187** |
| **Commitments and contingencies** | - | - | - |
| Shareholders' equity: | | | |
| Preferred shares (aggregate liquidation preference of $216,333) | 81 | 81 | 76 |
| Common shares | 518 | 474 | 429 |
| Additional paid-in capital | 1,091,890 | 950,615 | 758,032 |
| Cumulative distributions in excess of net income | (154,426) | (126,156) | (83,541) |
| Accumulated other comprehensive loss | (4,749) | (2,372) | (693) |
| **Total shareholders' equity** | **933,314** | **822,642** | **674,303** |
| **Total shareholders' equity and minority interests** | **1,071,179** | **952,737** | **790,490** |
| **Total liabilities, minority interests and shareholders' equity** | **$ 3,112,867** | **$ 2,931,853** | **$ 2,419,601** |

## Annual Consolidated Statements of Operations
## (in thousands, except per share data)

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2008 | 2007 | 2006 |
| **Revenues** | | | |
| Rental revenue | $ 336,942 | $ 314,696 | $ 253,021 |
| Tenant recoveries and other real estate operations revenue | 62,691 | 51,218 | 38,423 |
| Construction contract revenues | 186,608 | 37,074 | 52,182 |
| Other service operations revenues | 1,777 | 4,151 | 7,902 |
| **Total revenues** | 588,018 | 407,139 | 351,528 |
| **Expenses** | | | |
| Property operating expenses | 141,139 | 123,258 | 93,088 |
| Depreciation and amortization associated with real estate operations | 102,720 | 104,700 | 76,344 |
| Construction contract expenses | 182,111 | 35,723 | 49,961 |
| Other service operations expenses | 2,031 | 4,070 | 7,384 |
| General and administrative expenses | 25,329 | 21,704 | 18,048 |
| **Total operating expenses** | 453,330 | 289,455 | 244,825 |
| Operating income | 134,688 | 117,684 | 106,703 |
| Interest expense | (83,646) | (85,576) | (72,984) |
| Interest and other income | 2,070 | 3,030 | 1,077 |
| Gain on early extinguishment of debt | 10,376 | - | - |
| **Income from continuing operations before equity in loss of unconsolidated entities, income taxes and minority interests** | **63,488** | **35,138** | **34,796** |
| Equity in loss of unconsolidated entities | (147) | (224) | (92) |
| Income tax expense | (201) | (569) | (887) |
| Income from continuing operations before minority interests | 63,140 | 34,345 | 33,817 |
| Minority interest in income from continuing operations | | | |
| Common units in the Operating Partnership | (6,772) | (2,793) | (3,218) |
| Preferred units in the Operating Partnership | (660) | (660) | (660) |
| Other consolidated entities | (56) | 122 | 136 |
| Income from continuing operations | 55,652 | 31,014 | 30,075 |
| Income from discontinued operations, net of income taxes and minority interests | 2,179 | 2,210 | 18,420 |
| Income before gain on sales of real estate | 57,831 | 33,224 | 48,495 |
| Gain on sales of real estate, net of income taxes and minority interests | 837 | 1,560 | 732 |
| **Net income** | **58,668** | **34,784** | **49,227** |
| Preferred share dividends | (16,102) | (16,068) | (15,404) |
| Issuance costs associated with redeemed preferred shares | - | - | (3,896) |
| **Net income available to common shareholders** | **$ 42,566** | **$ 18,716** | **$ 29,927** |
| For diluted EPS computations: | | | |
| Numerator for dilutive EPS | $ 42,566 | $ 18,716 | $ 29,927 |
| Denominator: | | | |
| Weighted average common shares - basic | 48,132 | 46,527 | 41,463 |
| Dilutive effect of share-based compensation awards | 733 | 1,103 | 1,799 |
| Weighted average common shares - diluted | 48,865 | 47,630 | 43,262 |
| **Diluted EPS** | **$ 0.87** | **$ 0.39** | **$ 0.69** |

**Annual Consolidated Reconciliations of FFO, AFFO, EPS**
**and as adjusted amounts**
**(in thousands, except per share data)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2008 | 2007 | 2006 |
| **Net income** | **$ 58,668** | **$ 34,784** | **$ 49,227** |
| Combined real estate related depreciation and other amortization | 102,772 | 106,260 | 78,631 |
| Depreciation and amortization of unconsolidated real estate entities | 648 | 666 | 910 |
| Depreciation and amortization allocable to minority interests in other consol. entities | (270) | (188) | (163) |
| Gain on sale of real estate properties, excluding redevelopment, net of income taxes | (2,630) | (3,827) | (17,644) |
| **FFO** | **$ 159,188** | **$ 137,695** | **$ 110,961** |
| Minority interest - common units, gross | 7,315 | 3,682 | 7,276 |
| Preferred share dividends | (16,102) | (16,068) | (15,404) |
| Issuance costs associated with redeemed preferred shares | - | - | (3,896) |
| **Basic and diluted FFO** | **$ 150,401** | **$ 125,309** | **$ 98,937** |
| Straight line rent adjustments | (10,211) | (11,722) | (9,740) |
| Amortization of deferred market rental revenue | (2,064) | (1,985) | (1,904) |
| Recurring capital expenditures | (26,293) | (20,835) | (16,510) |
| Issuance costs associated with redeemed preferred shares | - | - | 3,896 |
| **Diluted AFFO** | **$ 111,833** | **$ 90,767** | **$ 74,679** |
| Preferred dividends | $ 16,102 | $ 16,068 | $ 15,404 |
| Preferred distributions | 660 | 660 | 660 |
| Common distributions | 11,510 | 10,682 | 9,996 |
| Common dividends | 70,836 | 61,331 | 49,670 |
| **Total dividends/distributions** | **$ 99,108** | **$ 88,741** | **$ 75,730** |
| **Denominator for diluted EPS** | **48,865** | **47,630** | **43,262** |
| Common units | 8,107 | 8,296 | 8,511 |
| **Denominator for diluted FFO per share** | **56,972** | **55,926** | **51,773** |
| **Diluted FFO** | **$ 150,401** | **$ 125,309** | **$ 98,937** |
| Gain on early extinguishment of debt | (10,376) | - | - |
| Issuance costs associated with redeemed preferred shares | - | - | 3,896 |
| **Diluted FFO, as adjusted for gain on early extinguishment of debt and issuance costs associated with redeemed preferred shares** | **$ 140,025** | **$ 125,309** | **$ 102,833** |
| **Diluted FFO per share, as adjusted for gain on early extinguishment of debt and issuance costs associated with redeemed preferred shares** | **$ 2.46** | **$ 2.24** | **$ 1.99** |
| **Numerator for diluted EPS computation** | **$ 42,566** | **$ 18,716** | **$ 29,927** |
| Gain on early extinguishment of debt | (10,376) | - | - |
| Minority interests share of gain on early extinguishment of debt | 1,438 | - | - |
| Issuance costs associated with redeemed preferred shares | - | - | 3,896 |
| **Numerator for diluted EPS computation, as adjusted for gain on early extinguishment of debt and issuance costs associated with redeemed preferred shares** | **$ 33,628** | **$ 18,716** | **$ 33,823** |
| **Diluted EPS, as adjusted for gain on early extinguishment of debt and issuance costs associated with redeemed preferred shares** | **$ 0.69** | **$ 0.39** | **$ 0.78** |

**Annual Consolidated Reconciliation of EBITBA,**
**Discontinued Operations, Gains on Sales of Real Estate**
**and Certain Non-GAAP Measures**
**(Dollars and shares in thousands)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2008 | 2007 | 2006 |
| **Net income** | **$ 58,668** | **$ 34,784** | **$ 49,227** |
| Combined interest expense | 83,697 | 86,958 | 75,401 |
| Combined income tax expense | 779 | 1,684 | 887 |
| Depreciation of furniture, fixtures and equipment | 1,570 | 1,365 | 1,443 |
| Combined real estate related depreciation and other amortization | 102,772 | 106,260 | 78,631 |
| Minority interest - preferred units | 660 | 660 | 660 |
| Minority interest - other consolidated entities | 172 | (122) | (136) |
| Minority interest - common units, gross | 7,315 | 3,682 | 7,276 |
| **EBITDA** | **$ 255,633** | **$ 235,271** | **$ 213,389** |
| | | | |
| **Common dividends for earnings payout ratio** | **$ 70,836** | **$ 61,331** | **$ 49,670** |
| Common distributions | 11,510 | 10,682 | 9,996 |
| **Dividends and distributions for diluted FFO and AFFO payout ratio** | **$ 82,346** | **$ 72,013** | **$ 59,666** |
| | | | |
| **Total tenant improvements and incentives on operating properties** | **$ 20,355** | **$ 21,487** | **$ 20,649** |
| Total capital improvements on operating properties | 11,261 | 11,230 | 11,779 |
| Total leasing costs for operating properties | 4,033 | 7,562 | 8,610 |
| Less: Nonrecurring tenant improvements and incentives on operating properties | (5,692) | (12,192) | (13,862) |
| Less: Nonrecurring capital improvements on operating properties | (3,503) | (4,494) | (5,418) |
| Less: Nonrecurring leasing costs for operating properties | (318) | (2,856) | (6,388) |
| Add: Recurring improvements on operating properties held through joint ventures | 157 | 98 | 1,140 |
| **Recurring capital expenditures** | **$ 26,293** | **$ 20,835** | **$ 16,510** |
| | | | |
| **Discontinued operations** | | | |
| Revenues from real estate operations | $ 358 | $ 3,608 | $ 13,271 |
| Property operating expenses | (210) | (1,871) | (3,277) |
| Depreciation and amortization | (52) | (1,560) | (2,287) |
| Income taxes | - | (44) | - |
| Interest | (51) | (1,382) | (2,417) |
| Gain on sales of depreciated real estate properties | 2,526 | 3,871 | 17,031 |
| Income from discontinued operations | 2,571 | 2,622 | 22,321 |
| Minority interests in discontinued operations | (392) | (412) | (3,901) |
| **Income from discontinued operations, net of minority interests** | **$ 2,179** | **$ 2,210** | **$ 18,420** |
| | | | |
| **Interest expense from continuing operations** | **$ 83,646** | **$ 85,576** | **$ 72,984** |
| Interest expense from discontinued operations | 51 | 1,382 | 2,417 |
| **Combined interest expense** | **$ 83,697** | **$ 86,958** | **$ 75,401** |
| | | | |
| **Depreciation and amortization** | **$ 102,720** | **$ 104,700** | **$ 76,344** |
| Depreciation and amortization from discontinued operations | 52 | 1,560 | 2,287 |
| **Combined real estate related depreciation and other amortization** | **$ 102,772** | **$ 106,260** | **$ 78,631** |
| | | | |
| **Income tax expense from continuing operations** | **$ 201** | **$ 569** | **$ 887** |
| Income tax expense from gain on sales of discontinued operations | - | 44 | - |
| Income tax expense from gain on other sales of real estate | 578 | 1,071 | - |
| **Combined income tax expense** | **$ 779** | **$ 1,684** | **$ 887** |
| | | | |
| **Gain on sales of real estate, net, per statements of operations** | **$ 837** | **$ 1,560** | **$ 732** |
| Add income taxes and minority interest | 845 | 1,548 | 157 |
| Gain on sales of real estate from discontinued operations | 2,526 | 3,871 | 17,031 |
| **Combined gain on sales of real estate** | **4,208** | **6,979** | **17,920** |
| Non-operational property sales and real estate services | (1,682) | (3,108) | (276) |
| **Gain on sales of depreciated real estate properties** | **$ 2,526** | **$ 3,871** | **$ 17,644** |

**Quarterly Selected Financial Summary Data**
**(dollars in thousands, except per share data)**

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| Revenues from real estate operations | $ 103,599 | $ 101,086 | $ 97,946 | $ 97,002 | $ 94,352 |
| Total revenues | $ 168,944 | $ 191,088 | $ 120,370 | $ 107,616 | $ 102,850 |
| Combined net operating income | $ 66,813 | $ 65,223 | $ 64,063 | $ 62,543 | $ 63,519 |
| EBITDA | $ 72,784 | $ 62,372 | $ 60,327 | $ 60,150 | $ 61,255 |
| Net income | $ 21,471 | $ 12,949 | $ 12,853 | $ 11,395 | $ 9,929 |
| Preferred share dividends | (4,026) | (4,025) | (4,026) | (4,025) | (4,025) |
| Net income available to common shareholders | $ 17,445 | $ 8,924 | $ 8,827 | $ 7,370 | $ 5,904 |
| Diluted EPS | $ 0.34 | $ 0.19 | $ 0.18 | $ 0.15 | $ 0.12 |
| Diluted EPS, as adjusted for gain on early extinguishment of debt | $ 0.16 | $ 0.19 | $ 0.18 | $ 0.15 | $ 0.12 |
| Diluted FFO | $ 47,636 | $ 36,187 | $ 34,205 | $ 32,373 | $ 32,832 |
| Diluted FFO per share | $ 0.80 | $ 0.64 | $ 0.61 | $ 0.58 | $ 0.59 |
| Diluted FFO per share, as adjusted for gain on early extinguishment of debt | $ 0.62 | $ 0.64 | $ 0.61 | $ 0.58 | $ 0.59 |
| Diluted AFFO | $ 36,421 | $ 25,774 | $ 25,148 | $ 24,490 | $ 23,232 |
| Payout ratios: | | | | | |
| Earnings payout | 110.5% | 215.0% | 183.5% | 219.4% | 272.6% |
| Diluted FFO payout | 46.7% | 61.4% | 55.5% | 58.5% | 57.5% |
| Diluted AFFO payout | 61.0% | 86.1% | 75.4% | 77.4% | 81.2% |
| Total dividends/distributions | $ 26,420 | $ 26,394 | $ 23,160 | $ 23,134 | $ 23,064 |

**Quarterly Consolidated Balance Sheets**
**(dollars in thousands)**

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Assets** | | | | | |
| Investment in real estate: | | | | | |
| Land - operational | $ 423,985 | $ 421,311 | $ 420,182 | $ 416,632 | $ 416,711 |
| Land - development | 220,863 | 221,066 | 208,742 | 210,449 | 214,696 |
| Construction in progress | 272,220 | 274,809 | 247,422 | 198,514 | 181,316 |
| Buildings and improvements | 2,202,931 | 2,159,530 | 2,145,700 | 2,095,178 | 2,079,963 |
| Less: accumulated depreciation | (343,110) | (339,429) | (320,879) | (303,709) | (288,747) |
| **Net investment in real estate** | **2,776,889** | **2,737,287** | **2,701,167** | **2,617,064** | **2,603,939** |
| Cash and cash equivalents | 6,775 | 21,316 | 12,857 | 37,607 | 24,638 |
| Restricted cash | 13,745 | 15,534 | 23,066 | 16,712 | 15,121 |
| Accounts receivable, net | 13,684 | 13,044 | 23,452 | 19,832 | 24,831 |
| Deferred rent receivable | 64,131 | 62,137 | 59,238 | 56,330 | 53,631 |
| Intangible assets on real estate acquisitions, net | 91,848 | 98,282 | 104,136 | 102,647 | 108,661 |
| Deferred charges, net | 52,006 | 51,680 | 48,620 | 48,231 | 49,051 |
| Prepaid and other assets | 93,789 | 100,448 | 37,934 | 38,321 | 51,981 |
| **Total assets** | **$ 3,112,867** | **$ 3,099,728** | **$ 3,010,470** | **$ 2,936,744** | **$ 2,931,853** |
| **Liabilities and shareholders' equity** | | | | | |
| Liabilities: | | | | | |
| Mortgage and other loans payable | $ 1,704,123 | $ 1,656,280 | $ 1,704,351 | $ 1,645,968 | $ 1,625,842 |
| 3.5% Exchangeable Senior Notes | 162,500 | 200,000 | 200,000 | 200,000 | 200,000 |
| Accounts payable and accrued expenses | 93,625 | 93,676 | 82,526 | 66,210 | 75,535 |
| Rents received in advance and security deposits | 30,464 | 26,372 | 32,569 | 33,169 | 31,234 |
| Dividends and distributions payable | 25,794 | 25,774 | 22,548 | 22,519 | 22,441 |
| Deferred revenue associated with acquired operating leases | 10,816 | 11,832 | 12,762 | 10,665 | 11,530 |
| Distributions in excess of investment in unconsolidated real estate joint ventures | 4,770 | 4,668 | 4,506 | 4,215 | 4,246 |
| Other liabilities | 9,596 | 7,059 | 8,820 | 10,171 | 8,288 |
| **Total liabilities** | **2,041,688** | **2,025,661** | **2,068,082** | **1,992,917** | **1,979,116** |
| Minority interests: | | | | | |
| Common units in the Operating Partnership | 118,810 | 122,557 | 111,033 | 111,904 | 114,127 |
| Preferred units in the Operating Partnership | 8,800 | 8,800 | 8,800 | 8,800 | 8,800 |
| Other consolidated real estate joint ventures | 10,255 | 10,169 | 10,259 | 8,421 | 7,168 |
| **Total minority interests** | **137,865** | **141,526** | **130,092** | **129,125** | **130,095** |
| **Commitments and contingencies** | - | - | - | - | - |
| Shareholders' equity: | | | | | |
| Preferred shares (aggregate liquidation preference of $216,333) | 81 | 81 | 81 | 81 | 81 |
| Common shares | 518 | 515 | 477 | 476 | 474 |
| Additional paid-in capital | 1,091,890 | 1,086,210 | 956,683 | 953,473 | 950,615 |
| Cumulative distributions in excess of net income | (154,426) | (152,589) | (142,330) | (134,960) | (126,156) |
| Accumulated other comprehensive loss | (4,749) | (1,676) | (2,615) | (4,368) | (2,372) |
| **Total shareholders' equity** | **933,314** | **932,541** | **812,296** | **814,702** | **822,642** |
| **Total shareholders' equity and minority interests** | **1,071,179** | **1,074,067** | **942,388** | **943,827** | **952,737** |
| **Total liabilities, minority interests and shareholders' equity** | **$ 3,112,867** | **$ 3,099,728** | **$ 3,010,470** | **$ 2,936,744** | **$ 2,931,853** |

## Quarterly Consolidated Statements of Operations
## (in thousands, except per share data)

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Revenues** | | | | | |
| Rental revenue | $ 87,018 | $ 85,060 | $ 83,154 | $ 81,710 | $ 81,046 |
| Tenant recoveries and other real estate operations revenue | 16,581 | 16,026 | 14,792 | 15,292 | 13,306 |
| Construction contract revenues | 64,920 | 89,653 | 21,899 | 10,136 | 7,716 |
| Other service operations revenues | 425 | 349 | 525 | 478 | 782 |
| **Total revenues** | **168,944** | **191,088** | **120,370** | **107,616** | **102,850** |
| **Expenses** | | | | | |
| Property operating expenses | 36,786 | 35,854 | 33,957 | 34,542 | 31,090 |
| Depreciation and amortization associated with real estate operations | 27,290 | 25,583 | 24,955 | 24,892 | 25,889 |
| Construction contract expenses | 63,623 | 87,111 | 21,472 | 9,905 | 7,597 |
| Other service operations expenses | 429 | 546 | 454 | 602 | 733 |
| General and administrative expenses | 7,257 | 6,103 | 6,036 | 5,933 | 5,758 |
| **Total operating expenses** | **135,385** | **155,197** | **86,874** | **75,874** | **71,067** |
| Operating income | 33,559 | 35,891 | 33,496 | 31,742 | 31,783 |
| Interest expense | (20,512) | (21,675) | (20,347) | (21,112) | (21,689) |
| Interest and other income | 1,146 | 559 | 170 | 195 | 215 |
| Gain on early extinguishment of debt | 10,376 | - | - | - | - |
| **Income from continuing operations before equity in income (loss) of unconsolidated entities, income taxes and minority interests** | **24,569** | **14,775** | **13,319** | **10,825** | **10,309** |
| Equity in income (loss) of unconsolidated entities | 20 | (57) | (56) | (54) | (27) |
| Income tax (expense) benefit | (99) | (97) | 107 | (112) | (89) |
| Income from continuing operations before minority interests | 24,490 | 14,621 | 13,370 | 10,659 | 10,193 |
| Minority interest in income from continuing operations | | | | | |
| Common units in the Operating Partnership | (2,814) | (1,593) | (1,378) | (987) | (916) |
| Preferred units in the Operating Partnership | (165) | (165) | (165) | (165) | (165) |
| Other consolidated entities | (40) | 90 | (120) | 14 | 32 |
| Income from continuing operations | 21,471 | 12,953 | 11,707 | 9,521 | 9,144 |
| (Loss) income from discontinued operations, net of income taxes and minority interests | - | (8) | 1,115 | 1,072 | 424 |
| Income before gain on sales of real estate | 21,471 | 12,945 | 12,822 | 10,593 | 9,568 |
| Gain on sales of real estate, net of income taxes and minority interests | - | 4 | 31 | 802 | 361 |
| **Net income** | **21,471** | **12,949** | **12,853** | **11,395** | **9,929** |
| Preferred share dividends | (4,026) | (4,025) | (4,026) | (4,025) | (4,025) |
| **Net income available to common shareholders** | **$ 17,445** | **$ 8,924** | **$ 8,827** | **$ 7,370** | **$ 5,904** |
| For diluted EPS computations: | | | | | |
| Numerator for diluted EPS | $ 17,445 | $ 8,924 | $ 8,827 | $ 7,370 | $ 5,904 |
| Denominator: | | | | | |
| Weighted average common shares - basic | 51,120 | 47,273 | 47,110 | 47,001 | 46,947 |
| Dilutive effect of share-based compensation awards | 640 | 916 | 888 | 765 | 914 |
| Weighted average common shares - diluted | 51,760 | 48,189 | 47,998 | 47,766 | 47,861 |
| **Diluted EPS** | **$ 0.34** | **$ 0.19** | **$ 0.18** | **$ 0.15** | **$ 0.12** |

**Quarterly Consolidated Reconciliations of FFO, AFFO, EPS**
**and as adjusted amounts**
**(in thousands, except per share data)**

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Net income** | **$ 21,471** | **$ 12,949** | **$ 12,853** | **$ 11,395** | **$ 9,929** |
| Combined real estate related depreciation and other amortization | 27,290 | 25,583 | 24,955 | 24,944 | 26,607 |
| Depreciation and amortization of unconsolidated real estate entities | 159 | 162 | 163 | 164 | 163 |
| Depreciation and amortization allocable to minority interests in other consol. entities | (72) | (74) | (75) | (49) | (51) |
| Gain on sales of real estate properties, excluding development, net of income taxes | - | - | (1,250) | (1,380) | (1,049) |
| **FFO** | **48,848** | **38,620** | **36,646** | **35,074** | **35,599** |
| Minority interest - common units, gross | 2,814 | 1,592 | 1,585 | 1,324 | 1,258 |
| Preferred share dividends | (4,026) | (4,025) | (4,026) | (4,025) | (4,025) |
| **Basic and diluted FFO** | **47,636** | **36,187** | **34,205** | **32,373** | **32,832** |
| Straight line rent adjustments | (1,927) | (2,850) | (2,778) | (2,656) | (2,680) |
| Amortization of deferred market rental revenue | (606) | (555) | (458) | (445) | (416) |
| Recurring capital expenditures | (8,682) | (7,008) | (5,821) | (4,782) | (6,504) |
| **Diluted AFFO** | **$ 36,421** | **$ 25,774** | **$ 25,148** | **$ 24,490** | **$ 23,232** |
| Preferred dividends | $ 4,026 | $ 4,025 | $ 4,026 | $ 4,025 | $ 4,025 |
| Preferred distributions | 165 | 165 | 165 | 165 | 165 |
| Common distributions | 2,946 | 3,021 | 2,772 | 2,771 | 2,777 |
| Common dividends | 19,283 | 19,183 | 16,197 | 16,173 | 16,097 |
| **Total dividends/distributions** | **$ 26,420** | **$ 26,394** | **$ 23,160** | **$ 23,134** | **$ 23,064** |
| **Denominator for diluted EPS** | **51,760** | **48,189** | **47,998** | **47,766** | **47,861** |
| Common units | 7,993 | 8,130 | 8,151 | 8,154 | 8,167 |
| **Denominator for diluted FFO per share** | **59,753** | **56,319** | **56,149** | **55,920** | **56,028** |
| **Diluted FFO** | **$ 47,636** | **$ 36,187** | **$ 34,205** | **$ 32,373** | **$ 32,832** |
| Gain on early extinguishment of debt | (10,376) | - | - | - | - |
| **Diluted FFO, as adjusted for gain on early extinguishment of debt** | **$ 37,260** | **$ 36,187** | **$ 34,205** | **$ 32,373** | **$ 32,832** |
| **Diluted FFO per share, as adjusted for gain on early extinguishment of debt** | **$ 0.62** | **$ 0.64** | **$ 0.61** | **$ 0.58** | **$ 0.59** |
| **Numerator for diluted EPS computation** | **$ 17,445** | **$ 8,924** | **$ 8,827** | **$ 7,370** | **$ 5,904** |
| Gain on early extinguishment of debt | (10,376) | - | - | - | - |
| Minority interests share of gain on early extinguishment of debt | 1,438 | - | - | - | - |
| **Numerator for diluted EPS computation, as adjusted for gain on early extinguishment of debt** | **$ 8,507** | **$ 8,924** | **$ 8,827** | **$ 7,370** | **$ 5,904** |
| **Diluted EPS, as adjusted for gain on early extinguishment of debt** | **$ 0.16** | **$ 0.19** | **$ 0.18** | **$ 0.15** | **$ 0.12** |

**Quarterly Consolidated Reconciliations of EBITDA, Combined NOI, Discontinued Operations, Gains on Sales of Real Estate and Certain Non-GAAP Measures**
**(in thousands)**

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Net income** | **$ 21,471** | **$ 12,949** | **$ 12,853** | **$ 11,395** | **$ 9,929** |
| Combined interest expense | 20,512 | 21,675 | 20,357 | 21,153 | 21,769 |
| Combined income tax expense (benefit) (1) | 99 | 97 | (102) | 685 | 1,201 |
| Depreciation of furniture, fixtures and equipment (FF&E) | 393 | 401 | 392 | 384 | 358 |
| Combined real estate related depreciation and other amortization | 27,290 | 25,583 | 24,955 | 24,944 | 26,607 |
| Minority interest - preferred units | 165 | 165 | 165 | 165 | 165 |
| Minority interest - other consolidated entities | 40 | (90) | 122 | 100 | (32) |
| Minority interest - common units, gross | 2,814 | 1,592 | 1,585 | 1,324 | 1,258 |
| **EBITDA** | **$ 72,784** | **$ 62,372** | **$ 60,327** | **$ 60,150** | **$ 61,255** |
| Add back: | | | | | |
| General and administrative | 7,257 | 6,103 | 6,036 | 5,933 | 5,758 |
| Depreciation of FF&E included in general and administrative expense | (393) | (401) | (392) | (384) | (358) |
| Income from service operations | (1,293) | (2,345) | (498) | (107) | (168) |
| Interest and other income | (1,146) | (559) | (170) | (195) | (215) |
| Gain on sales of depreciated real estate properties | - | - | (1,250) | (1,276) | (1,093) |
| Gain on early extinguishment of debt | (10,376) | - | - | - | - |
| Non-operational property sales and real estate services | - | (4) | (46) | (1,632) | (1,687) |
| Equity in (income) loss of unconsolidated entities | (20) | 57 | 56 | 54 | 27 |
| **Combined net operating income ("NOI")** | **$ 66,813** | **$ 65,223** | **$ 64,063** | **$ 62,543** | **$ 63,519** |
| | | | | | |
| **Discontinued Operations** | | | | | |
| Revenues from real estate operations | $ - | $ 3 | $ 85 | $ 270 | $ 549 |
| Property operating expenses | - | (12) | (11) | (187) | (292) |
| Depreciation and amortization | - | - | - | (52) | (718) |
| Income taxes | - | - | - | - | (44) |
| Interest | - | - | (10) | (41) | (80) |
| Gain on sales of depreciated real estate properties | - | - | 1,250 | 1,276 | 1,093 |
| (Loss) income from discontinued operations | - | (9) | 1,314 | 1,266 | 508 |
| Minority interests in discontinued operations | - | 1 | (199) | (194) | (84) |
| **(Loss) income from discontinued operations, net of minority interests** | **$ -** | **$ (8)** | **$ 1,115** | **$ 1,072** | **$ 424** |
| | | | | | |
| **Gain on sales of real estate, net, per statements of operations** | **$ -** | **$ 4** | **$ 31** | **$ 802** | **$ 361** |
| Add income taxes and minority interest | - | - | 15 | 830 | 1,326 |
| Gain on sales of real estate from discontinued operations | - | - | 1,250 | 1,276 | 1,093 |
| **Combined gain on sales of real estate** | **-** | **4** | **1,296** | **2,908** | **2,780** |
| Non-operational property sales and real estate services | - | (4) | (46) | (1,632) | (1,687) |
| **Gain on sales of depreciated real estate properties** | **$ -** | **$ -** | **$ 1,250** | **$ 1,276** | **$ 1,093** |

(1) Includes income taxes from continuing operations, discontinued operations and gains on other sales of real estate (see components on page 44).

## Quarterly Equity Analysis
## (Dollars and shares in thousands except per share data)

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Common Equity - End of Quarter** | | | | | |
| Common Shares | 51,790 | 51,530 | 47,702 | 47,616 | 47,366 |
| Common Units | 7,908 | 8,111 | 8,151 | 8,151 | 8,167 |
| **Total** | **59,698** | **59,641** | **55,853** | **55,768** | **55,533** |
| End of Quarter Common Share Price | $ 30.70 | $ 40.35 | $ 34.33 | $ 33.61 | $ 31.50 |
| **Market Value of Common Shares/Units** | **$ 1,832,729** | **$ 2,406,514** | **$ 1,917,433** | **$ 1,874,353** | **$ 1,749,290** |
| **Common Shares Trading Volume** | | | | | |
| Average Daily Volume (Shares) | 1,289 | 649 | 438 | 548 | 482 |
| Average Daily Volume | $ 35,680 | $ 24,908 | $ 16,222 | $ 16,981 | $ 17,714 |
| As a Percentage of Weighted Average Common Shares | 2.5% | 1.4% | 0.9% | 1.2% | 1.0% |
| **Common Share Price Range (price per share)** | | | | | |
| Quarterly High | $ 39.84 | $ 43.50 | $ 40.00 | $ 36.16 | $ 45.39 |
| Quarterly Low | $ 20.39 | $ 32.00 | $ 33.65 | $ 25.43 | $ 30.81 |
| Quarterly Average | $ 27.68 | $ 38.37 | $ 37.05 | $ 30.97 | $ 36.75 |
| **Convertible Preferred Equity - End of Quarter** | | | | | |
| Convertible Series I Preferred Units Outstanding | 352 | 352 | 352 | 352 | 352 |
| Conversion Ratio | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 |
| Common Shares Issued Assuming Conversion | 176 | 176 | 176 | 176 | 176 |
| Convertible Series K Preferred Shares Outstanding | 532 | 532 | 532 | 532 | 532 |
| Conversion Ratio | 0.8163 | 0.8163 | 0.8163 | 0.8163 | 0.8163 |
| Common Shares Issued Assuming Conversion | 434 | 434 | 434 | 434 | 434 |
| **Nonconvertible Preferred Equity - End of Quarter** | | | | | |
| Redeemable Series G Shares Outstanding | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 |
| Redeemable Series H Shares Outstanding | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Redeemable Series J Shares Outstanding | 3,390 | 3,390 | 3,390 | 3,390 | 3,390 |
| **Total Nonconvertible Preferred Equity** | **7,590** | **7,590** | **7,590** | **7,590** | **7,590** |
| **Convertible Preferred Equity** | | | | | |
| Convertible Series K Shares Outstanding | **884** | **884** | **884** | **884** | **884** |
| **Total Preferred Equity** | **8,474** | **8,474** | **8,474** | **8,474** | **8,474** |
| **Nonconvertible Preferred Equity ($25 par value)** | | | | | |
| Redeemable Series G Shares | $ 55,000 | $ 55,000 | $ 55,000 | $ 55,000 | $ 55,000 |
| Redeemable Series H Shares | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Redeemable Series J Shares | 84,750 | 84,750 | 84,750 | 84,750 | 84,750 |
| **Total Nonconvertible Preferred Equity** | **$ 189,750** | **$ 189,750** | **$ 189,750** | **$ 189,750** | **$ 189,750** |
| **Convertible Preferred Equity ($25 par value)** | | | | | |
| Convertible Series I Units | $ 8,800 | $ 8,800 | $ 8,800 | $ 8,800 | $ 8,800 |
| **Convertible Preferred Equity ($50 par value)** | | | | | |
| Convertible Series K Shares | 26,583 | 26,583 | 26,583 | 26,583 | 26,583 |
| **Total Convertible Preferred Equity** | **$ 35,383** | **$ 35,383** | **$ 35,383** | **$ 35,383** | **$ 35,383** |
| **Total Recorded Book Value of Preferred Equity** | **$ 225,133** | **$ 225,133** | **$ 225,133** | **$ 225,133** | **$ 225,133** |
| **Weighted Average Shares:** | | | | | |
| Common Shares Outstanding | 51,120 | 47,273 | 47,110 | 47,001 | 46,947 |
| Dilutive effect of share-based compensation awards | 640 | 916 | 888 | 765 | 914 |
| Common Units | 7,993 | 8,130 | 8,151 | 8,154 | 8,167 |
| **Denominator for funds from operations per share - diluted** | **59,753** | **56,319** | **56,149** | **55,920** | **56,028** |
| **Capitalization** | | | | | |
| Recorded Book Value of Preferred Shares/Units | $ 225,133 | $ 225,133 | $ 225,133 | $ 225,133 | $ 225,133 |
| Market Value of Common Shares/Units | 1,832,729 | 2,406,514 | 1,917,433 | 1,874,353 | 1,749,290 |
| **Total Equity Market Capitalization** | **$ 2,057,862** | **$ 2,631,648** | **$ 2,142,567** | **$ 2,099,487** | **$ 1,974,423** |
| **Total Debt** | **$ 1,866,623** | **$ 1,856,280** | **$ 1,904,351** | **$ 1,845,968** | **$ 1,825,842** |
| **Total Market Capitalization** | **$ 3,924,485** | **$ 4,487,928** | **$ 4,046,918** | **$ 3,945,455** | **$ 3,800,265** |
| **Debt to Total Market Capitalization** | **47.6%** | **41.4%** | **47.1%** | **46.8%** | **48.0%** |
| **Debt to Total Assets** | **60.0%** | **59.9%** | **63.3%** | **62.9%** | **62.3%** |
| **Debt to Undepreciated Book Value of Real Estate Assets** | **58.1%** | **58.5%** | **60.9%** | **61.1%** | **60.8%** |

## Quarterly Debt Analysis
## (Dollars in thousands)

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Debt Outstanding** | | | | | |
| Mortgage Loans | $ 1,189,767 | $ 1,193,659 | $ 1,099,830 | $ 1,144,879 | $ 1,160,753 |
| Construction Loans (1) | 121,856 | 82,121 | 139,521 | 104,089 | 104,089 |
| Unsecured Revolving Credit Facility (2) | 392,500 | 380,500 | 465,000 | 397,000 | 361,000 |
| Exchangeable Senior Notes | 162,500 | 200,000 | 200,000 | 200,000 | 200,000 |
| | $ 1,866,623 | $ 1,856,280 | $ 1,904,351 | $ 1,845,968 | $ 1,825,842 |
| **Average Outstanding Balance** | | | | | |
| Mortgage Loans | $ 1,190,698 | $ 1,253,145 | $ 1,107,674 | $ 1,157,866 | $ 1,163,419 |
| Construction Loans | 99,329 | 78,842 | 126,186 | 104,089 | 104,084 |
| Unsecured Revolving Credit Facility | 416,628 | 421,587 | 435,238 | 377,420 | 352,043 |
| Exchangeable Senior Notes | 182,833 | 200,000 | 200,000 | 200,000 | 200,000 |
| | $ 1,889,488 | $ 1,953,574 | $ 1,869,098 | $ 1,839,375 | $ 1,819,546 |
| **Interest Rate Data** | | | | | |
| Fixed-Mortgage Loans | $ 968,367 | $ 972,259 | $ 1,065,330 | $ 1,110,379 | $ 1,126,253 |
| Fixed-Exchangeable Senior Notes | 162,500 | 200,000 | 200,000 | 200,000 | 200,000 |
| Variable | 485,756 | 534,021 | 489,021 | 385,589 | 349,589 |
| Variable Subject to Interest Rate Protection (3) | 250,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| | $ 1,866,623 | $ 1,856,280 | $ 1,904,351 | $ 1,845,968 | $ 1,825,842 |
| % of Fixed Rate Loans (3) | 73.98% | 71.23% | 74.32% | 79.11% | 80.85% |
| % of Variable Rate Loans (3) | 26.02% | 28.77% | 25.68% | 20.89% | 19.15% |
| | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| **Average Contract Interest Rates** | | | | | |
| Mortgage & Construction Loans | 5.44% | 5.50% | 5.60% | 5.81% | 5.96% |
| Unsecured Revolving Credit Facility | 3.89% | 4.25% | 4.24% | 4.93% | 5.79% |
| Exchangeable Senior Notes | 3.50% | 3.50% | 3.50% | 3.50% | 3.50% |
| Total Weighted Average | 5.00% | 5.11% | 5.11% | 5.42% | 5.74% |
| **Coverage Ratios (excluding capitalized interest) -- All coverage computations include the effect of discontinued operations** | | | | | |
| Interest Coverage - Combined NOI | 3.44x | 3.18x | 3.29x | 3.07x | 3.05x |
| Interest Coverage - EBITDA | 3.74x | 3.04x | 3.10x | 2.96x | 2.95x |
| Debt Service Coverage - Combined NOI | 3.00x | 2.73x | 2.78x | 2.59x | 2.50x |
| Debt Service Coverage - EBITDA | 3.26x | 2.61x | 2.62x | 2.49x | 2.41x |
| Fixed Charge Coverage - Combined NOI | 2.83x | 2.64x | 2.71x | 2.55x | 2.54x |
| Fixed Charge Coverage - EBITDA | 3.08x | 2.53x | 2.55x | 2.45x | 2.45x |

(1) Includes $81.3 million due under our Revolving Construction Facility at December 31, 2008. This facility provides for the borrowing of up to $225.0 million to finance construction of the Company's wholly owned buildings.

(2) As of December 31, 2008, our borrowing capacity under the Revolving Credit Facility was $600.0 million, of which $191.3 million was available.

(3) Includes the effect of the following interest rate swaps in effect during certain of the periods set forth above that hedge the risk of changes in interest rates on certain of our one-month LIBOR-based variable rate debt:

| Notional Amount | One-Month Libor Base | Effective Date | Expiration Date |
|---|---|---|---|
| $50,000 | 5.036% | 3/28/06 | 3/30/09 |
| $25,000 | 5.232% | 5/1/06 | 5/1/09 |
| $25,000 | 5.232% | 5/1/06 | 5/1/09 |
| $50,000 | 4.330% | 10/23/07 | 10/23/09 |
| $100,000 | 2.510% | 11/3/08 | 12/31/09 |

**Quarterly Operating Ratios**
**(Dollars in thousands except per share data and ratios)**

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **OPERATING RATIOS -- All computations include the effect of discontinued operations** | | | | | |
| Net Income as a % of Combined Real Estate Revenues | | | | | |
| (Net Income / Combined Real Estate Revenues) | 20.73% | 12.81% | 13.11% | 11.71% | 10.46% |
| Combined NOI as a % of Combined Real Estate Revenues | | | | | |
| (Combined NOI / Combined Real Estate Revenues) | 64.49% | 64.52% | 65.35% | 64.30% | 66.93% |
| EBITDA as a % of Combined Real Estate Revenues | | | | | |
| (EBITDA / Combined Real Estate Revenues) | 70.26% | 61.70% | 61.54% | 61.84% | 64.55% |
| G&A as a % of Net Income | | | | | |
| (G&A / Net Income) | 33.80% | 47.13% | 46.96% | 52.07% | 57.99% |
| G&A as a % of Combined Real Estate Revenues | | | | | |
| (G&A / Combined Real Estate Revenues) | 7.00% | 6.04% | 6.16% | 6.10% | 6.07% |
| G&A as a % of EBITDA | | | | | |
| (G&A / EBITDA) | 9.97% | 9.78% | 10.01% | 9.86% | 9.40% |
| Recurring Capital Expenditures | $ 8,682 | $ 7,008 | $ 5,821 | $ 4,782 | $ 6,504 |
| Recurring Capital Expenditures per average square foot of wholly owned properties | $ 0.47 | $ 0.38 | $ 0.32 | $ 0.27 | $ 0.37 |
| Recurring Capital Expenditures as a % of NOI (Combined NOI) | 12.99% | 10.74% | 9.09% | 7.65% | 10.24% |

## Quarterly Didend Analysis

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Common Share Dividends** | | | | | |
| Dividends per share/unit | $ 0.3725 | $ 0.3725 | $ 0.3400 | $ 0.3400 | $ 0.3400 |
| Increase over prior quarter | 0.0% | 9.6% | 0.0% | 0.0% | 0.0% |
| **Common Dividend Payout Ratios** | | | | | |
| Earnings Payout | 110.5% | 215.0% | 183.5% | 219.4% | 272.6% |
| Diluted FFO Payout | 46.7% | 61.4% | 55.5% | 58.5% | 57.5% |
| Diluted AFFO Payout | 61.0% | 86.1% | 75.4% | 77.4% | 81.2% |
| Dividend Coverage - Diluted FFO | 2.14x | 1.63x | 1.80x | 1.71x | 1.74x |
| Dividend Coverage - Diluted AFFO | 1.64x | 1.16x | 1.33x | 1.29x | 1.23x |
| **Common Dividend Yields** | | | | | |
| Dividend Yield | 4.85% | 3.69% | 3.96% | 4.05% | 4.32% |
| **Series I Preferred Unit Distributions** | | | | | |
| Preferred Unit Distributions Per Unit | $ 0.46875 | $ 0.46875 | $ 0.46875 | $ 0.46875 | $ 0.46875 |
| Preferred Unit Distributions Yield | 7.500% | 7.500% | 7.500% | 7.500% | 7.500% |
| Quarter End Recorded Book Value | $ 25.00 | $ 25.00 | $ 25.00 | $ 25.00 | $ 25.00 |
| **Series G Preferred Share Dividends** | | | | | |
| Preferred Share Dividends Per Share | $ 0.50000 | $ 0.50000 | $ 0.50000 | $ 0.50000 | $ 0.50000 |
| Preferred Share Dividend Yield | 8.000% | 8.000% | 8.000% | 8.000% | 8.000% |
| Quarter End Recorded Book Value | $ 25.00 | $ 25.00 | $ 25.00 | $ 25.00 | $ 25.00 |
| **Series H Preferred Share Dividends** | | | | | |
| Preferred Share Dividends Per Share | $ 0.46875 | $ 0.46875 | $ 0.46875 | $ 0.46875 | $ 0.46875 |
| Preferred Share Dividend Yield | 7.500% | 7.500% | 7.500% | 7.500% | 7.500% |
| Quarter End Recorded Book Value | $ 25.00 | $ 25.00 | $ 25.00 | $ 25.00 | $ 25.00 |
| **Series J Preferred Share Dividends** | | | | | |
| Preferred Share Dividends Per Share | $ 0.47656 | $ 0.47656 | $ 0.47656 | $ 0.47656 | $ 0.47656 |
| Preferred Share Dividend Yield | 7.625% | 7.625% | 7.625% | 7.625% | 7.625% |
| Quarter End Recorded Book Value | $ 25.00 | $ 25.00 | $ 25.00 | $ 25.00 | $ 25.00 |
| **Series K Preferred Share Dividends** | | | | | |
| Preferred Share Dividends Per Share | $ 0.70000 | $ 0.70000 | $ 0.70000 | $ 0.70000 | $ 0.70000 |
| Preferred Share Dividend Yield | 5.600% | 5.600% | 5.600% | 5.600% | 5.600% |
| Quarter End Recorded Book Value | $ 50.00 | $ 50.00 | $ 50.00 | $ 50.00 | $ 50.00 |

## Investor Composition and Analyst Coverage
## (as of December 31, 2008)

| SHAREHOLDER CLASSIFICATION | Common Shares | Common Units | As if Converted Preferred Shares / Units | Total | Diluted Ownership % of Total |
|---|---|---|---|---|---|
| Insiders | 989,364 | 7,032,152 | - | 8,021,516 | 13.30% |
| Non-insiders | 50,801,078 | 875,467 | 610,014 | 52,286,559 | 86.70% |
| | 51,790,442 | 7,907,619 | 610,014 | 60,308,075 | 100.00% |

| RESEARCH COVERAGE | December 31, 2008 | September 30, 2008 | June 30, 2008 | March 31, 2008 | December 31, 2007 |
|---|---|---|---|---|---|
| BMO Capital Markets | x | x | x | x | x |
| Citigroup Global Markets | x | x | x | x | x |
| Ferris, Baker Watts, Incorporated | n/a | n/a | n/a | x | x |
| Friedman Billings Ramsey & Co. | x | x | x | x | x |
| Green Street Advisors | x | x | x | x | x |
| Merrill Lynch | x | x | x | x | x |
| RBC Capital Markets | x | x | x | x | x |
| Raymond James | x | x | x | x | x |
| Robert W. Baird & Co. Incorporated | x | x | x | x | x |
| Stifel, Nicolaus & Company, Incorporated | x | x | x | x | x |
| Wachovia Securities | x | x | x | x | x |

**Debt Maturity Schedule - December 31, 2008**
**(Dollars in thousands)**

| Year of Maturity | | Non-Recourse Debt (1): Annual Amortization of Monthly Payments | Non-Recourse Debt (1): Balloon Payments Due on Maturity | Non-Recourse Debt (1): Weighted Average Interest Rate of Amounts Maturing (2) | Recourse Debt (1): Annual Amortization of Monthly Payments | Recourse Debt (1): Balloon Payments Due on Maturity | Recourse Debt (1): Weighted Average Interest Rate of Amounts Maturing (2) | Revolver (3) | Total Scheduled Payments |
|---|---|---|---|---|---|---|---|---|---|
| January - March | | $ 2,650 | $ 29,635 | 7.00% | $ 197 | $ 750 | 5.95% | $ - | $ 33,232 |
| April - June | | 2,467 | 116 | 8.63% | 195 | 40,589 | 2.86% | - | 43,366 |
| July - September | | 2,259 | 22,477 | 7.18% | 199 | - | 0.00% | - | 24,935 |
| October - December | | 2,245 | - | 0.00% | 205 | - | 0.00% | - | 2,449 |
| Total 2009 | | **$ 9,620** | **$ 52,228** | **7.08%** | **$ 795** | **$ 41,339** | **2.92%** | **$ -** | **$ 103,982** |
| 2010 | (4) | $ 9,103 | $ 52,177 | | $ 272 | $ 12,481 | | $ - | $ 74,033 |
| 2011 | (5) | 7,309 | 102,264 | | 241 | 81,267 | | 392,500 | 583,581 |
| 2012 | | 5,816 | 257,523 | | 260 | - | | - | 263,600 |
| 2013 | | 2,593 | 134,843 | | 282 | - | | - | 137,718 |
| 2014 | (6) | 890 | 8,212 | | 305 | - | | - | 9,407 |
| 2015 | | 552 | 114,558 | | 329 | - | | - | 115,440 |
| 2016 | | 321 | 113,169 | | 356 | - | | - | 113,846 |
| 2017 | | 193 | 300,610 | | 385 | - | | - | 301,188 |
| 2018 | | - | - | | 417 | - | | - | 417 |
| 2019 | | - | - | | 373 | 39 | | - | 412 |
| 2020 | | - | - | | - | - | | - | - |
| | | **$ 36,397** | **$ 1,135,585** | | **$ 4,015** | **$ 135,125** | | **$ 392,500** | **$ 1,703,622** |
| | | | Net premium to adjust to fair value of debt | | | | | | 501 |
| | | | **Mortgage and Other Loans Payable** | | | | | | **$ 1,704,123** |
| | | | **Exchangeable Senior Notes (7)** | | | | | | **$ 162,500** |
| | | | **Total Debt** | | | | | | **$ 1,866,623** |

Notes:

(1) Certain mortgages contain extension options, generally either for a period of six months or one year, subject to certain conditions The maturity dates presented above in the table assume that the extension options have not been exercised

(2) For the variable rate loans expiring in 2009, the interest rate used for this calculation was the rate at December 31, 2008

(3) As of December 31, 2008, our borrowing capacity under the Revolving Credit Facility was $600.0 million, of which $191.3 million was available.

(4) Includes $8.5 million maturing on a non-recourse loan that matures in September 2025 but will be called in October 2010.

(5) Includes $392.5 million due under our Revolving Credit Facility at December 31, 2008 that may be extended by us for a one-year period, subject to certain conditions. Also includes $81.3 million due under our Revolving Construction Facility at December 31, 2008 that may be extended by us for a one-year period, subject to certain conditions; this facility provides for the borrowing of up to $225.0 million to finance construction of the Company's wholly owned buildings.

(6) We have a $4.8 million non-recourse loan maturing in March 2034 that may be prepaid in March 2014, subject to certain conditions The above table includes $4.3 million due on maturity of this loan in 2014.

(7) Exchangeable Senior Notes mature in September 2026 but are subject to a put by the holders in September 2011 and every five years thereafter.

**Property Summary by Region - December 31, 2008**
**Wholly Owned Properties**

| Operating Property Count | | Submarket | Business Park | Year Built or Renovated | S or M | Total Operational Square Feet | Total Square Feet Under Construction / Redevelopment |
|---|---|---|---|---|---|---|---|
| | **Office Properties** | | | | | | |
| | Baltimore /Washington Corridor | | | | | | |
| 1 | 2730 Hercules Road | BWI Airport | NBP | 1990 | M | 240,336 | |
| | 300 Sentinel Drive (300 NBP) | BWI Airport | NBP | | M | | 185,719 |
| 2 | 304 Sentinel Drive (304 NBP) | BWI Airport | NBP | 2005 | M | 162,498 | |
| 3 | 306 Sentinel Drive (306 NBP) | BWI Airport | NBP | 2006 | M | 157,896 | |
| 4 | 2720 Technology Drive (220 NBP) | BWI Airport | NBP | 2004 | M | 156,730 | |
| 5 | 302 Sentinel Drive (302 NBP) | BWI Airport | NBP | 2007 | M | 155,731 | |
| 6 | 2711 Technology Drive (211 NBP) | BWI Airport | NBP | 2002 | M | 152,112 | |
| 7 | 320 Sentinel Way (320 NBP) | BWI Airport | NBP | 2007 | M | 125,681 | |
| 8 | 318 Sentinel Way (318 NBP) | BWI Airport | NBP | 2005 | M | 125,681 | |
| 9 | 322 Sentinel Way (322 NBP) | BWI Airport | NBP | 2006 | M | 125,568 | |
| 10 | 140 National Business Parkway | BWI Airport | NBP | 2003 | M | 119,904 | |
| 11 | 132 National Business Parkway | BWI Airport | NBP | 2000 | M | 118,598 | |
| 12 | 2721 Technology Drive (221 NBP) | BWI Airport | NBP | 2000 | M | 117,447 | |
| 13 | 2701 Technology Drive (201 NBP) | BWI Airport | NBP | 2001 | M | 117,450 | |
| 14 | 2691 Technology Drive (191 NBP) | BWI Airport | NBP | 2005 | M | 103,683 | |
| 15 | 134 National Business Parkway | BWI Airport | NBP | 1999 | M | 93,482 | |
| 16 | 135 National Business Parkway | BWI Airport | NBP | 1998 | M | 87,422 | |
| 17 | 133 National Business Parkway | BWI Airport | NBP | 1997 | M | 87,253 | |
| 18 | 141 National Business Parkway | BWI Airport | NBP | 1990 | M | 87,206 | |
| 19 | 131 National Business Parkway | BWI Airport | NBP | 1990 | M | 69,039 | |
| 20 | 114 National Business Parkway | BWI Airport | NBP | 2002 | S | 9,908 | |
| **21** | 314 Sential Way (314 NBP) | BWI Airport | NBP | 2008 | S | 4,462 | |
| | | | | | | **2,418,087** | **185,719** |
| 1 | 1306 Concourse Drive | BWI Airport | APS | 1990 | M | 114,046 | |
| 2 | 870-880 Elkridge Landing Road | BWI Airport | APS | 1981 | M | 105,151 | |
| 3 | 1304 Concourse Drive | BWI Airport | APS | 2002 | M | 101,753 | |
| 4 | 900 Elkridge Landing Road | BWI Airport | APS | 1982 | M | 97,261 | |
| 5 | 1199 Winterson Road | BWI Airport | APS | 1988 | M | 96,636 | |
| 6 | 920 Elkridge Landing Road | BWI Airport | APS | 1982 | M | 96,566 | |
| 7 | 1302 Concourse Drive | BWI Airport | APS | 1996 | M | 85,117 | |
| 8 | 881 Elkridge Landing Road | BWI Airport | APS | 1986 | M | 73,572 | |
| 9 | 1099 Winterson Road | BWI Airport | APS | 1988 | M | 70,569 | |
| 10 | 1190 Winterson Road | BWI Airport | APS | 1987 | M | 69,127 | |
| 11 | 849 International Drive | BWI Airport | APS | 1988 | M | 68,791 | |
| 12 | 911 Elkridge Landing Road | BWI Airport | APS | 1985 | M | 68,296 | |
| 13 | 1201 Winterson Road | BWI Airport | APS | 1985 | M | 67,903 | |
| 14 | 999 Corporate Boulevard | BWI Airport | APS | 2000 | M | 67,455 | |
| 15 | 891 Elkridge Landing Road | BWI Airport | APS | 1984 | M | 58,454 | |
| 16 | 901 Elkridge Landing Road | BWI Airport | APS | 1984 | M | 57,617 | |
| 17 | 930 International Drive | BWI Airport | APS | 1986 | S | 57,409 | |
| 18 | 800 International Drive | BWI Airport | APS | 1988 | S | 57,379 | |
| 19 | 900 International Drive | BWI Airport | APS | 1986 | S | 57,140 | |
| 20 | 921 Elkridge Landing Road | BWI Airport | APS | 1983 | M | 54,175 | |
| 21 | 939 Elkridge Landing Road | BWI Airport | APS | 1983 | M | 53,218 | |
| **22** | 938 Elkridge Landing Road | BWI Airport | APS | 1984 | M | 52,988 | |
| | | | | | | **1,630,623** | **-** |
| 1 | 7467 Ridge Road | BWI Airport | Comm./Pkwy. | 1990 | M | 74,326 | |
| 2 | 7240 Parkway Drive | BWI Airport | Comm./Pkwy. | 1985 | M | 74,160 | |
| 3 | 7272 Park Circle Drive | BWI Airport | Comm./Pkwy. | 1991/1996 | M | 59,436 | |
| 4 | 7318 Parkway Drive | BWI Airport | Comm./Pkwy. | 1984 | S | 59,204 | |
| 5 | 7320 Parkway Drive | BWI Airport | Comm./Pkwy. | 1983 | S | 58,453 | |
| 6 | 1340 Ashton Road | BWI Airport | Comm./Pkwy. | 1989 | S | 46,400 | |
| 7 | 1362 Mellon Road | BWI Airport | Comm./Pkwy. | 2006 | M | 43,295 | |
| 8 | 1334 Ashton Road | BWI Airport | Comm./Pkwy. | 1989 | S | 37,565 | |
| 9 | 1331 Ashton Road | BWI Airport | Comm./Pkwy. | 1989 | S | 29,153 | |
| 10 | 1350 Dorsey Road | BWI Airport | Comm./Pkwy. | 1989 | S | 19,992 | |
| 11 | 1344 Ashton Road | BWI Airport | Comm./Pkwy. | 1989 | M | 17,062 | |
| 12 | 1341 Ashton Road | BWI Airport | Comm./Pkwy. | 1989 | S | 15,841 | |
| 13 | 1343 Ashton Road | BWI Airport | Comm./Pkwy. | 1989 | S | 9,962 | |
| **14** | 1348 Ashton Road | BWI Airport | Comm./Pkwy. | 1988 | S | 3,108 | |
| | | | | | | **547,957** | **-** |
| **57** | **Subtotal (continued on next page)** | | | | | **4,596,667** | **185,719** |

The S or M notation indicates single story or multi-story, respectively.

## Property Summary by Region - December 31, 2008 (continued)
## Wholly Owned Properties

| Operating Property Count | | Submarket | Business Park | Year Built or Renovated | S or M | Total Operational Square Feet | Total Square Feet Under Construction / Redevelopment |
|---|---|---|---|---|---|---|---|
| **57** | Subtotal (continued from prior page) | | | | | **4,596,667** | **185,719** |
| | 5520 Research Park Drive (UMBC) (1) | BWI Airport | bwtech@UMBC | | M | | 105,964 |
| **1** | 5522 Research Park Drive (UMBC) (1) | BWI Airport | bwtech@UMBC | 2007 | S | 23,500 | |
| | | | | | | **23,500** | **105,964** |
| **1** | 2500 Riva Road | Annapolis | | 2000 | M | **155,000** | |
| **1** | Old Annapolis Road | Howard Co. Perimeter | Oakland Ridge | 1985 | M | **171,436** | |
| 1 | 7125 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 1973/1999 | M | 612,109 | |
| 2 | 7000 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 1999 | M | 145,806 | |
| | 6721 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | | M | | 131,451 |
| 3 | 6731 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 2002 | M | 123,911 | |
| 4 | 6711 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 2006-2007 | M | 123,599 | |
| 5 | 6940 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 1999 | M | 109,003 | |
| 6 | 6950 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 1998 | M | 107,778 | |
| 7 | 7067 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 2001 | M | 86,055 | |
| 8 | 8621 Robert Fulton Drive | Howard Co. Perimeter | Columbia Gateway | 2005-2006 | M | 86,033 | |
| 9 | 6750 Alexander Bell Drive | Howard Co. Perimeter | Columbia Gateway | 2001 | M | 79,135 | |
| 10 | 6700 Alexander Bell Drive | Howard Co. Perimeter | Columbia Gateway | 1988 | M | 74,852 | |
| 11 | 6740 Alexander Bell Drive | Howard Co. Perimeter | Columbia Gateway | 1992 | M | 63,480 | |
| 12 | 7015 Albert Einstein Drive | Howard Co. Perimeter | Columbia Gateway | 1999 | S | 61,203 | |
| 13 | 8671 Robert Fulton Drive | Howard Co. Perimeter | Columbia Gateway | 2002 | S | 56,350 | |
| 14 | 6716 Alexander Bell Drive | Howard Co. Perimeter | Columbia Gateway | 1990 | M | 52,005 | |
| 15 | 8661 Robert Fulton Drive | Howard Co. Perimeter | Columbia Gateway | 2002 | S | 49,307 | |
| 16 | 7142 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 1994 | S | 47,668 | |
| 17 | 7130 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 1989 | S | 46,460 | |
| 18 | 6708 Alexander Bell Drive | Howard Co. Perimeter | Columbia Gateway | 1988 | M | 39,203 | |
| 19 | 7065 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 2000 | S | 38,560 | |
| 20 | 7138 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 1990 | S | 38,225 | |
| 21 | 7063 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 2000 | S | 36,813 | |
| 22 | 6760 Alexander Bell Drive | Howard Co. Perimeter | Columbia Gateway | 1991 | M | 36,440 | |
| 23 | 7150 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 1991 | S | 35,812 | |
| 24 | 7061 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 2000 | M | 29,910 | |
| 25 | 6724 Alexander Bell Drive | Howard Co. Perimeter | Columbia Gateway | 2001 | M | 28,420 | |
| 26 | 7134 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 1990 | S | 21,991 | |
| **27** | 6741 Columbia Gateway Drive | Howard Co. Perimeter | Columbia Gateway | 2008 | S | 4,592 | |
| | | | | | | **2,234,720** | **131,451** |
| 1 | 7200 Riverwood Drive | Howard Co. Perimeter | Rivers Corporate Park | 1986 | S | 160,000 | |
| 2 | 7160 Riverwood Drive | Howard Co. Perimeter | Rivers Corporate Park | 2000 | M | 62,084 | |
| 3 | 9140 Guilford Road | Howard Co. Perimeter | Rivers Corporate Park | 1983 | S | 41,511 | |
| 4 | 7150 Riverwood Drive | Howard Co. Perimeter | Rivers Corporate Park | 2000 | M | 41,382 | |
| 5 | 9160 Guilford Road | Howard Co. Perimeter | Rivers Corporate Park | 1984 | M | 37,034 | |
| 6 | 7170 Riverwood Drive | Howard Co. Perimeter | Rivers Corporate Park | 2000 | M | 29,162 | |
| 7 | 9150 Guilford Road | Howard Co. Perimeter | Rivers Corporate Park | 1984 | S | 18,592 | |
| 8 | 10280 Old Columbia Road | Howard Co. Perimeter | Rivers Corporate Park | 1988/2001 | S | 16,796 | |
| 9 | 10270 Old Columbia Road | Howard Co. Perimeter | Rivers Corporate Park | 1988/2001 | S | 16,686 | |
| 10 | 9130 Guilford Road | Howard Co. Perimeter | Rivers Corporate Park | 1984 | S | 13,700 | |
| **11** | 10290 Old Columbia Road | Howard Co. Perimeter | Rivers Corporate Park | 1988/2001 | S | 10,890 | |
| | | | | | | **447,837** | **-** |
| 1 | 9720 Patuxent Woods Drive | Howard Co. Perimeter | Owen Brown South | 1986/2001 | M | 40,004 | |
| 2 | 9740 Patuxent Woods Drive | Howard Co. Perimeter | Owen Brown South | 1986/2001 | M | 38,292 | |
| 3 | 9700 Patuxent Woods Drive | Howard Co. Perimeter | Owen Brown South | 1986/2001 | M | 31,261 | |
| 4 | 9730 Patuxent Woods Drive | Howard Co. Perimeter | Owen Brown South | 1986/2001 | M | 31,012 | |
| **5** | 9710 Patuxent Woods Drive | Howard Co. Perimeter | Owen Brown South | 1986/2001 | M | 15,229 | |
| | | | | | | **155,798** | **-** |
| **1** | 9020 Mendenhall Court | Howard Co. Perimeter | Sieling Business Park | 1982/2005 | S | **49,217** | |
| **104** | **Total Baltimore/Washington Corridor** | | | | | **7,834,175** | **423,134** |

The S or M notation indicates single story or multi-story building, respectively.

(1) This property is a land-lease property.

**Property Summary by Region - December 31, 2008 (continued)**
**Wholly Owned Properties**

| Operating Property Count | | Submarket | Business Park | Year Built or Renovated | S or M | Total Operational Square Feet | Total Square Feet Under Construction / Redevelopment |
|---|---|---|---|---|---|---|---|
| | St. Mary's & King George Counties | | | | | | |
| 1 | 22309 Exploration Drive | St. Mary's County | Exploration Park | 1984/1997 | M | 98,860 | |
| 2 | 22289 Exploration Drive | St. Mary's County | Exploration Park | 2000 | M | 61,059 | |
| 3 | 22299 Exploration Drive | St. Mary's County | Exploration Park | 1998 | M | 58,231 | |
| **4** | 22300 Exploration Drive | St. Mary's County | Exploration Park | 1997 | M | 44,830 | |
| | | | | | | **262,980** | - |
| 1 | 46579 Expedition Drive | St. Mary's County | Expedition Park | 2002 | M | 61,156 | |
| **2** | 46591 Expedition Drive | St. Mary's County | Expedition Park | 2005-2006 | M | 59,483 | |
| | | | | | | **120,639** | - |
| 1 | 44425 Pecan Court | St. Mary's County | Wildewood Tech Park | 1997 | M | 59,055 | |
| 2 | 44408 Pecan Court | St. Mary's County | Wildewood Tech Park | 1986 | S | 50,532 | |
| 3 | 23535 Cottonwood Parkway | St. Mary's County | Wildewood Tech Park | 1984 | M | 46,656 | |
| 4 | 44417 Pecan Court | St. Mary's County | Wildewood Tech Park | 1989 | S | 29,053 | |
| 5 | 44414 Pecan Court | St. Mary's County | Wildewood Tech Park | 1986 | S | 25,444 | |
| **6** | 44420 Pecan Court | St. Mary's County | Wildewood Tech Park | 1989 | S | 25,200 | |
| | | | | | | **235,940** | - |
| 1 | 16480 Commerce Drive | King George County | Dahlgren Technology Center | 2000 | M | 70,728 | |
| 2 | 16541 Commerce Drive | King George County | Dahlgren Technology Center | 1996 | S | 36,053 | |
| 3 | 16539 Commerce Drive | King George County | Dahlgren Technology Center | 1990 | S | 32,076 | |
| 4 | 16442 Commerce Drive | King George County | Dahlgren Technology Center | 2002 | S | 25,518 | |
| 5 | 16501 Commerce Drive | King George County | Dahlgren Technology Center | 2002 | S | 22,833 | |
| **6** | 16543 Commerce Drive | King George County | Dahlgren Technology Center | 2002 | S | 17,370 | |
| | | | | | | **204,578** | - |
| **18** | **Total St. Mary's & King George Counties** | | | | | **824,137** | - |
| | Northern Virginia | | | | | | |
| 1 | 15000 Conference Center Drive | Dulles South | Westfields Corporate Center | 1989 | M | 470,406 | |
| 2 | 15010 Conference Center Drive | Dulles South | Westfields Corporate Center | 2006 | M | 223,610 | |
| 3 | 15059 Conference Center Drive | Dulles South | Westfields Corporate Center | 2000 | M | 145,224 | |
| 4 | 15049 Conference Center Drive | Dulles South | Westfields Corporate Center | 1997 | M | 145,053 | |
| 5 | 14900 Conference Center Drive | Dulles South | Westfields Corporate Center | 1999 | M | 127,857 | |
| 6 | 14280 Park Meadow Drive | Dulles South | Westfields Corporate Center | 1999 | M | 114,126 | |
| 7 | 4851 Stonecroft Boulevard | Dulles South | Westfields Corporate Center | 2004 | M | 88,094 | |
| 8 | 14850 Conference Center Drive | Dulles South | Westfields Corporate Center | 2000 | M | 69,711 | |
| **9** | 14840 Conference Center Drive | Dulles South | Westfields Corporate Center | 2000 | M | 69,710 | |
| | | | | | | **1,453,791** | - |
| **1** | 13200 Woodland Park Road | Herndon | Woodland Park | 2002 | M | **404,665** | |
| 1 | 13454 Sunrise Valley Road | Herndon | Dulles Tech | 1998 | M | 112,633 | |
| **2** | 13450 Sunrise Valley Road | Herndon | Dulles Tech | 1998 | M | 53,728 | |
| | | | | | | **166,361** | - |
| 1 | 1751 Pinnacle Drive | Tysons Corner | | 1989/1995 | M | 260,469 | |
| **2** | 1753 Pinnacle Drive | Tysons Corner | | 1976/2004 | M | 186,707 | |
| | | | | | | **447,176** | - |
| **1** | 2900 Towerview Road | Route 28 South | Renaissance Park | 1982/2008 | M | **137,037** | |
| **15** | **Total Northern Virginia** | | | | | **2,609,030** | - |
| | Other | | | | | | |
| **1** | 11751 Meadowville Lane | Richmond Southwest | Meadowville Technology Park | 2007 | M | **193,000** | |
| **1** | 201 Technology Park Drive | Southwest Virginia | Russell Regional Business Tech Park | 2007 | S | **102,842** | |
| 1 | 14303 Lake Royer Drive | Fort Ritchie | | 1990/2007 | S | 6,370 | |
| 2 | 304 Castle Drive | Fort Ritchie | | 1993/2008 | S | 3,014 | |
| **3** | 14316 Lake Royer Drive | Fort Ritchie | | 1953 | S | 864 | |
| | | | | | | **10,248** | - |
| **5** | **Total Other** | | | | | **306,090** | - |

The S or M notation indicates single story or multi-story building, respectively.

**Property Summary by Region - December 31, 2008 (continued)**
**Wholly Owned Properties**

| Operating Property Count | | Submarket | Business Park | Year Built or Renovated | S or M | Total Operational Square Feet | Total Square Feet Under Construction / Redevelopment |
|---|---|---|---|---|---|---|---|
| | Greater Philadelphia | | | | | | |
| 1 | 753 Jolly Road | Blue Bell | Unisys campus | 1992 | S | 418,430 | |
| 2 | 785 Jolly Road | Blue Bell | Unisys campus | 1996 | M | 219,065 | |
| 3 | 760 Jolly Road | Blue Bell | Unisys campus | 1994 | M | 208,854 | |
| **4** | 751 Jolly Road | Blue Bell | Unisys campus | 1991 | M | 114,000 | |
| | **Total Greater Philadelphia** | | | | | **960,349** | **-** |
| | Central New Jersey | | | | | | |
| 1 | 431 Ridge Road | Exit 8A -- Cranbury | Princeton Tech Cntr. | 1998 | S | 171,200 | |
| **2** | 437 Ridge Road | Exit 8A -- Cranbury | Princeton Tech Cntr. | 1996 | S | 30,000 | |
| | **Total Central New Jersey** | | | | | **201,200** | **-** |
| | San Antonio, Texas | | | | | | |
| 2 | 7700 Potranco Road | San Antonio Northwest | | 1982/1985 | M | 508,412 | |
| **3** | 7700-1 Potranco Road | San Antonio Northwest | | 2007 | S | 8,674 | |
| | | | | | | **517,086** | **-** |
| 1 | 1560 Cable Ranch Road - Building B | San Antonio Northwest | 151 Technology Center | 1985/2006 | M | 77,040 | |
| **2** | 1560 Cable Ranch Road - Building A | San Antonio Northwest | 151 Technology Center | 1985/2007 | M | 45,935 | |
| | | | | | | **122,975** | **-** |
| **5** | **Total San Antonio, Texas** | | | | | **640,061** | **-** |
| | Colorado Springs, Colorado | | | | | | |
| 1 | 655 Space Center Drive | Colorado Springs East | Patriot Park | 2008 | M | 103,970 | |
| 2 | 985 Space Center Drive | Colorado Springs East | Patriot Park | 1989 | M | 102,821 | |
| | 565 Space Center Drive | Colorado Springs East | Patriot Park | | M | | 89,773 |
| 3 | 745 Space Center Drive | Colorado Springs East | Patriot Park | 2006 | M | 51,500 | |
| 4 | 980 Technology Court | Colorado Springs East | Patriot Park | 1995 | S | 33,190 | |
| **5** | 525 Babcock Road | Colorado Springs East | Patriot Park | 1967 | S | 14,000 | |
| | | | | | | **305,481** | **89,773** |
| **1** | 1055 North Newport Road | Colorado Springs East | Aerotech Commerce Park | 2007-2008 | M | **59,763** | |
| **1** | 3535 Northrop Grumman Point | Colorado Springs East | Colorado Springs Airport | 2008 | M | **124,305** | |
| 1 | 1670 North Newport Road | Colorado Springs East | | 1986-1987 | M | 67,500 | |
| 2 | 1915 Aerotech Drive | Colorado Springs East | | 1985 | S | 37,946 | |
| **3** | 1925 Aerotech Drive | Colorado Springs East | | 1985 | S | 37,946 | |
| | | | | | | **143,392** | **-** |
| | 10807 New Allegiance Drive | I-25 North Corridor | InterQuest Office | | M | | 145,723 |
| 1 | 9965 Federal Drive | I-25 North Corridor | InterQuest Office | 1983/2007 | M | 74,749 | |
| | 9945 Federal Drive | I-25 North Corridor | InterQuest Office | | S | | 73,940 |
| 2 | 9950 Federal Drive | I-25 North Corridor | InterQuest Office | 2001 | S | 66,222 | |
| 3 | 9925 Federal Drive | I-25 North Corridor | InterQuest Office | | S | 43,721 | 10,024 |
| **4** | 9960 Federal Drive | I-25 North Corridor | InterQuest Office | 2001 | S | 46,948 | |
| | | | | | | **231,640** | **229,687** |
| 1 | 5775 Mark Dabling Boulevard | Colorado Springs Northwest | | 1984 | M | 109,678 | |
| 2 | 5725 Mark Dabling Boulevard | Colorado Springs Northwest | | 1984 | M | 108,976 | |
| **3** | 5755 Mark Dabling Boulevard | Colorado Springs Northwest | | 1989 | M | 105,997 | |
| | | | | | | **324,651** | **-** |
| **17** | **Total Colorado Springs, Colorado** | | | | | **1,189,232** | **319,460** |

The S or M notation indicates single story or multi-story building, respectively.

**Property Summary by Region - December 31, 2008 (continued)**
**Wholly Owned Properties**

| Operating Property Count | | Submarket | Business Park | Year Built or Renovated | S or M | Total Operational Square Feet | Total Square Feet Under Construction / Redevelopment |
|---|---|---|---|---|---|---|---|
| | Suburban Maryland | | | | | | |
| **1** | 11800 Tech Road | North Silver Spring | Montgomery Industrial | 1989 | M | **228,179** | |
| **1** | 400 Professional Drive | Gaithersburg | Crown Point | 2000 | M | **129,355** | |
| **1** | 110 Thomas Johnson Drive | Frederick | | 1987/1999 | M | **117,803** | |
| 1 | 45 West Gude Drive | Rockville | | 1987 | M | 108,588 | |
| **2** | 15 West Gude Drive | Rockville | | 1986 | M | 106,694 | |
| | | | | | | **215,282** | **-** |
| **5** | **Total Suburban Maryland** | | | | | **690,619** | **-** |
| | Suburban Baltimore | | | | | | |
| 1 | 11311 McCormick Road | Hunt Valley/Rte 83 Corridor | Hunt Valley Business Comm. | 1984/1994 | M | 215,364 | |
| 2 | 200 International Circle | Hunt Valley/Rte 83 Corridor | Hunt Valley Business Comm. | 1987 | M | 127,196 | |
| 3 | 226 Schilling Circle | Hunt Valley/Rte 83 Corridor | Hunt Valley Business Comm. | 1980 | M | 98,640 | |
| 4 | 201 International Circle | Hunt Valley/Rte 83 Corridor | Hunt Valley Business Comm. | 1982 | M | 78,461 | |
| 5 | 11011 McCormick Road | Hunt Valley/Rte 83 Corridor | Hunt Valley Business Comm. | 1974 | M | 58,412 | |
| 6 | 216 Schilling Circle | Hunt Valley/Rte 83 Corridor | Hunt Valley Business Comm. | 1988/2001 | M | 36,003 | |
| 7 | 222 Schilling Circle | Hunt Valley/Rte 83 Corridor | Hunt Valley Business Comm. | 1978/1997 | M | 28,805 | |
| 8 | 224 Schilling Circle | Hunt Valley/Rte 83 Corridor | Hunt Valley Business Comm. | 1978/1997 | M | 27,372 | |
| **9** | 11101 McCormick Road | Hunt Valley/Rte 83 Corridor | Hunt Valley Business Comm. | 1976 | S | 24,232 | |
| | | | | | | **694,485** | **-** |
| 1 | 10150 York Road | Hunt Valley/Rte 83 Corridor | | 1985 | M | 178,286 | |
| 2 | 9690 Deereco Road | Hunt Valley/Rte 83 Corridor | | 1988 | M | 134,167 | |
| **3** | 375 West Padonia Road | Hunt Valley/Rte 83 Corridor | | 1986 | M | 110,378 | |
| | | | | | | **422,831** | **-** |
| 1 | 7210 Ambassador Road | Baltimore County Westside | Rutherford Business Center | 1972 | S | 83,435 | |
| 2 | 7152 Windsor Boulevard | Baltimore County Westside | Rutherford Business Center | 1986 | S | 57,855 | |
| 3 | 21 Governor's Court | Baltimore County Westside | Rutherford Business Center | 1981/1995 | M | 56,714 | |
| 4 | 7125 Ambassador Road | Baltimore County Westside | Rutherford Business Center | 1985 | M | 50,604 | |
| 5 | 7104 Ambassador Road | Baltimore County Westside | Rutherford Business Center | 1988 | M | 30,257 | |
| 6 | 17 Governor's Court | Baltimore County Westside | Rutherford Business Center | 1981 | S | 14,619 | |
| 7 | 15 Governor's Court | Baltimore County Westside | Rutherford Business Center | 1981 | S | 14,568 | |
| 8 | 7127 Ambassador Road | Baltimore County Westside | Rutherford Business Center | 1985 | S | 11,630 | |
| 9 | 7129 Ambassador Road | Baltimore County Westside | Rutherford Business Center | 1985 | S | 11,075 | |
| 10 | 7108 Ambassador Road | Baltimore County Westside | Rutherford Business Center | 1988 | S | 9,018 | |
| 11 | 7102 Ambassador Road | Baltimore County Westside | Rutherford Business Center | 1988 | S | 8,879 | |
| 12 | 7106 Ambassador Road | Baltimore County Westside | Rutherford Business Center | 1988 | S | 8,858 | |
| **13** | 7131 Ambassador Road | Baltimore County Westside | Rutherford Business Center | 1985 | S | 7,453 | |
| | | | | | | **364,965** | **-** |
| 1 | 502 Washington Avenue | Towson | | 1984 | M | 91,343 | |
| 2 | 102 West Pennsylvania Avenue | Towson | | 1968/2001 | M | 49,091 | |
| 3 | 100 West Pennsylvania Avenue | Towson | | 1952/1989 | M | 18,715 | |
| **4** | 109-111 Allegheny Avenue | Towson | | 1971 | M | 18,431 | |
| | | | | | | **177,580** | **-** |
| **29** | **Subtotal (continued on next page)** | | | | | **1,659,861** | **-** |

The S or M notation indicates single story or multi-story building, respectively.

**Property Summary by Region - December 31, 2008 (continued)**
**Wholly Owned Properties**

| Operating Property Count | | Submarket | Business Park | Year Built or Renovated | S or M | Total Operational Square Feet | Total Square Feet Under Construction / Redevelopment |
|---|---|---|---|---|---|---|---|
| **29** | Subtotal (continued from prior page) | | | | | **1,659,861** | - |
| **1** | 4940 Campbell Boulevard | White Marsh | Campbell Corporate Center | 1990 | M | **49,888** | |
| 1 | 8140 Corporate Drive | White Marsh | Corporate Place | 2003 | M | 76,116 | |
| **2** | 8110 Corporate Drive | White Marsh | Corporate Place | 2001 | M | 75,687 | |
| | | | | | | **151,803** | - |
| 1 | 9910 Franklin Square Drive | White Marsh | Franklin Ridge | 2005 | S | 56,271 | |
| 2 | 9920 Franklin Square Drive | White Marsh | Franklin Ridge | 2006 | S | 43,574 | |
| 3 | 9930 Franklin Square Drive | White Marsh | Franklin Ridge | 2001 | S | 39,750 | |
| 4 | 9900 Franklin Square Drive | White Marsh | Franklin Ridge | 1999 | S | 33,912 | |
| **5** | 9940 Franklin Square Drive | White Marsh | Franklin Ridge | 2000 | S | 32,293 | |
| | | | | | | **205,800** | - |
| 1 | 8020 Corporate Drive | White Marsh | McLean Ridge | 1997 | S | 51,600 | |
| 2 | 8094 Sandpiper Circle | White Marsh | McLean Ridge | 1998 | S | 50,812 | |
| 3 | 8098 Sandpiper Circle | White Marsh | McLean Ridge | 1998 | S | 47,680 | |
| **4** | 8010 Corporate Drive | White Marsh | McLean Ridge | 1998 | S | 39,351 | |
| | | | | | | **189,443** | - |
| **1** | 5325 Nottingham Ridge Road | White Marsh | Nottingham Ridge | 2002 | S | **36,626** | |
| 1 | 7941-7949 Corporate Drive | White Marsh | Tyler Ridge | 1996 | S | 57,600 | |
| 2 | 8007 Corporate Drive | White Marsh | Tyler Ridge | 1995 | S | 43,068 | |
| 3 | 8019 Corporate Drive | White Marsh | Tyler Ridge | 1990 | S | 33,274 | |
| 4 | 8013 Corporate Drive | White Marsh | Tyler Ridge | 1990 | S | 30,003 | |
| 5 | 8003 Corporate Drive | White Marsh | Tyler Ridge | 1999 | S | 18,327 | |
| 6 | 8015 Corporate Drive | White Marsh | Tyler Ridge | 1990 | S | 16,610 | |
| **7** | 8023 Corporate Drive | White Marsh | Tyler Ridge | 1990 | S | 9,486 | |
| | | | | | | **208,368** | - |
| 1 | 5020 Campbell Boulevard | White Marsh | White Marsh Business Center | 1986-1988 | S | 44,362 | |
| 2 | 5024 Campbell Boulevard | White Marsh | White Marsh Business Center | 1986-1988 | S | 33,858 | |
| 3 | 5026 Campbell Boulevard | White Marsh | White Marsh Business Center | 1986-1988 | S | 30,868 | |
| **4** | 5022 Campbell Boulevard | White Marsh | White Marsh Business Center | 1986-1988 | S | 27,358 | |
| | | | | | | **136,446** | - |
| **1** | 10001 Franklin Square Drive | White Marsh | White Marsh Commerce Center | 1997 | S | **216,915** | |
| **1** | 8114 Sandpiper Circle | White Marsh | White Marsh Health Center | 1986 | S | **45,008** | |
| 1 | 4979 Mercantile Road | White Marsh | White Marsh Hi-Tech Center | 1985 | S | 50,498 | |
| **2** | 4969 Mercantile Road | White Marsh | White Marsh Hi-Tech Center | 1983 | S | 47,574 | |
| | | | | | | **98,072** | - |
| 1 | 7939 Honeygo Boulevard | White Marsh | White Marsh Professional Center | 1984 | M | 28,066 | |
| 2 | 8133 Perry Hall Boulevard | White Marsh | White Marsh Professional Center | 1988 | M | 27,860 | |
| **3** | 7923 Honeygo Boulevard | White Marsh | White Marsh Professional Center | 1985 | M | 24,054 | |
| | | | | | | **79,980** | - |
| 1 | 8031 Corporate Drive | White Marsh | | 1988/2004 | S | 66,000 | |
| 2 | 8615 Ridgely's Choice Drive | White Marsh | | 2005 | M | 37,840 | |
| **3** | 8029 Corporate Drive | White Marsh | | 1988/2004 | S | 25,000 | |
| | | | | | | **128,840** | - |
| **63** | **Total Suburban Baltimore** | | | | | **3,207,050** | - |
| **238** | **TOTAL WHOLLY-OWNED PORTFOLIO** | | | | | **18,461,943** | **742,594** |

The S or M notation indicates single story or multi-story building, respectively.

**Property Summary by Region - December 31, 2008**
**Joint Venture Properties**

| Operating Property Count | | Submarket | Business Park | Year Built or Renovated | S or M | Total Operational Square Feet | Total Square Feet Under Construction / Redevelopment |
|---|---|---|---|---|---|---|---|
| | **Unconsolidated Joint Venture Properties** | | | | | | |
| | Greater Harrisburg | | | | | | |
| 1 | 2605 Interstate Drive | East Shore | Commerce Park | 1990 | M | 79,456 | |
| **2** | 2601 Market Place | East Shore | Commerce Park | 1989 | M | 65,411 | |
| | | | | | | **144,867** | - |
| 1 | 6345 Flank Drive | East Shore | Gtwy Corp. Ctr. | 1989 | S | 69,443 | |
| 2 | 6340 Flank Drive | East Shore | Gtwy Corp. Ctr. | 1988 | S | 68,200 | |
| 3 | 6400 Flank Drive | East Shore | Gtwy Corp. Ctr. | 1992 | S | 52,439 | |
| 4 | 6360 Flank Drive | East Shore | Gtwy Corp. Ctr. | 1988 | S | 46,500 | |
| 5 | 6385 Flank Drive | East Shore | Gtwy Corp. Ctr. | 1995 | S | 32,921 | |
| 6 | 6380 Flank Drive | East Shore | Gtwy Corp. Ctr. | 1991 | S | 32,668 | |
| 7 | 6405 Flank Drive | East Shore | Gtwy Corp. Ctr. | 1991 | S | 32,000 | |
| 8 | 95 Shannon Road | East Shore | Gtwy Corp. Ctr. | 1999 | S | 21,976 | |
| 9 | 75 Shannon Road | East Shore | Gtwy Corp. Ctr. | 1999 | S | 20,887 | |
| 10 | 6375 Flank Drive | East Shore | Gtwy Corp. Ctr. | 2000 | S | 19,783 | |
| **11** | 85 Shannon Road | East Shore | Gtwy Corp. Ctr. | 1999 | S | 12,863 | |
| | | | | | | **409,680** | - |
| 1 | 5035 Ritter Road | West Shore | Rossmoyne Bus. Ctr. | 1988 | S | 56,556 | |
| 2 | 5070 Ritter Road - Building A | West Shore | Rossmoyne Bus. Ctr. | 1989 | S | 32,309 | |
| **3** | 5070 Ritter Road - Building B | West Shore | Rossmoyne Bus. Ctr. | 1989 | S | 28,347 | |
| | | | | | | **117,212** | - |
| **16** | **Total Greater Harrisburg** | | | | | **671,759** | - |
| **16** | **Total Unconsolidated Joint Venture Properties** | | | | | **671,759** | - |
| | **Consolidated Joint Venture Properties** | | | | | | |
| | Suburban Maryland | | | | | | |
| **1** | 5825 University Research Court | College Park | M Square Business Park | 2008 | M | 41,500 | 74,583 |
| | 5850 University Research Court | College Park | M Square Business Park | | M | | 123,464 |
| | | | | | | **41,500** | **198,047** |
| **1** | 4230 Forbes Boulevard | Lanham | Forbes 50 | 2003 | S | **55,866** | |
| | **Total Suburban Maryland** | | | | | **97,366** | **198,047** |
| | Baltimore/Washington Corridor | | | | | | |
| | 7468 Candlewood Road | BWI Airport | Baltimore Commons | 1979/1982 | M | | **356,000** |
| | 7740 Milestone Parkway | BWI Airport | Arundel Preserve | | M | | **148,130** |
| | **Total Baltimore/Washington Corridor** | | | | | **-** | **504,130** |
| **2** | **Total Consolidated Joint Venture Properties** | | | | | **97,366** | **702,177** |
| **18** | **TOTAL JOINT VENTURE PORTFOLIO** | | | | | **769,125** | **702,177** |

The S or M notation indicates single story or multi-story building, respectively.

## Property Occupancy Rates by Region by Quarter
## Wholly Owned Properties

| | Baltimore / Washington Corridor | Northern Virginia | Suburban Baltimore | Suburban Maryland | St. Mary's & King George Counties | Colorado Springs | San Antonio | Greater Philadelphia | Central New Jersey | Other | Total Portfolio |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **December 31, 2008** | | | | | | | | | | | |
| Number of Buildings | 104 | 15 | 63 | 5 | 18 | 17 | 5 | 4 | 2 | 5 | 238 |
| Rentable Square Feet | 7,834,175 | 2,609,030 | 3,207,050 | 690,619 | 824,137 | 1,189,232 | 640,061 | 960,349 | 201,200 | 306,090 | 18,461,943 |
| Occupied % | 93.35% | 97.36% | 83.14% | 97.72% | 95.17% | 94.26% | 100.00% | 100.00% | 100.00% | 100.00% | 93.21% |
| Leased % | 93.74% | 97.40% | 85.01% | 97.72% | 96.07% | 94.26% | 100.00% | 100.00% | 100.00% | 100.00% | 93.74% |
| **September 30, 2008** | | | | | | | | | | | |
| Number of Buildings | 103 | 14 | 63 | 5 | 18 | 17 | 5 | 4 | 2 | 4 | 235 |
| Rentable Square Feet | 7,830,380 | 2,471,993 | 3,205,153 | 694,476 | 824,137 | 1,189,023 | 600,643 | 960,349 | 201,200 | 305,226 | 18,282,580 |
| Occupied % | 92.38% | 99.20% | 84.28% | 97.18% | 93.48% | 95.30% | 100.00% | 100.00% | 100.00% | 100.00% | 93.17% |
| Leased % | 93.33% | 99.34% | 87.81% | 97.18% | 95.31% | 95.30% | 100.00% | 100.00% | 100.00% | 100.00% | 94.29% |
| **June 30, 2008** | | | | | | | | | | | |
| Number of Buildings | 103 | 14 | 63 | 5 | 18 | 16 | 5 | 4 | 2 | 4 | 234 |
| Rentable Square Feet | 7,824,771 | 2,466,923 | 3,205,931 | 690,575 | 824,137 | 1,144,724 | 600,643 | 960,349 | 201,200 | 305,226 | 18,224,479 |
| Occupied % | 92.48% | 99.34% | 85.49% | 97.58% | 92.98% | 94.90% | 100.00% | 100.00% | 100.00% | 100.00% | 93.40% |
| Leased % | 93.35% | 99.34% | 87.16% | 97.73% | 95.26% | 95.32% | 100.00% | 100.00% | 100.00% | 100.00% | 94.20% |
| **March 31, 2008** | | | | | | | | | | | |
| Number of Buildings | 101 | 14 | 64 | 5 | 18 | 14 | 3 | 4 | 3 | 4 | 230 |
| Rentable Square Feet | 7,778,724 | 2,466,923 | 3,245,225 | 690,575 | 824,683 | 916,449 | 477,668 | 960,349 | 242,598 | 305,226 | 17,908,420 |
| Occupied % | 91.89% | 99.34% | 83.84% | 97.58% | 93.20% | 96.73% | 100.00% | 100.00% | 100.00% | 100.00% | 92.89% |
| Leased % | 93.39% | 99.34% | 86.57% | 97.58% | 94.09% | 96.73% | 100.00% | 100.00% | 100.00% | 100.00% | 94.07% |
| **December 31, 2007** | | | | | | | | | | | |
| Number of Buildings | 101 | 14 | 64 | 5 | 18 | 13 | 2 | 4 | 4 | 3 | 228 |
| Rentable Square Feet | 7,668,383 | 2,466,149 | 3,243,814 | 690,575 | 824,683 | 822,953 | 468,994 | 960,349 | 384,983 | 300,746 | 17,831,629 |
| Occupied % | 92.59% | 98.60% | 84.77% | 97.80% | 91.55% | 96.66% | 100.00% | 100.00% | 70.82% | 100.00% | 92.59% |
| Leased % | 93.13% | 98.77% | 87.39% | 98.28% | 93.34% | 96.66% | 100.00% | 100.00% | 70.82% | 100.00% | 93.42% |

## Property Occupancy Rates by Region by Quarter
## Joint Venture Properties

| | Unconsolidated | Consolidated | | |
|---|---|---|---|---|
| | Greater Harrisburg | Suburban Maryland | Northern Virginia | Total Portfolio |
| **December 31, 2008** | | | | |
| Number of Buildings | 16 | 2 | - | 18 |
| Rentable Square Feet | 671,759 | 97,366 | - | 769,125 |
| Occupied % | 89.38% | 94.79% | 0.00% | 90.07% |
| Leased % | 89.88% | 94.79% | 0.00% | 90.50% |
| **September 30, 2008** | | | | |
| Number of Buildings | 16 | 2 | 1 | 19 |
| Rentable Square Feet | 671,759 | 97,366 | 78,171 | 847,296 |
| Occupied % | 89.90% | 90.68% | 100.00% | 90.92% |
| Leased % | 90.40% | 94.79% | 100.00% | 91.79% |
| **June 30, 2008** | | | | |
| Number of Buildings | 16 | 2 | 1 | 19 |
| Rentable Square Feet | 671,759 | 97,366 | 78,171 | 847,296 |
| Occupied % | 89.88% | 86.32% | 100.00% | 90.41% |
| Leased % | 89.88% | 86.32% | 100.00% | 90.41% |
| **March 31, 2008** | | | | |
| Number of Buildings | 16 | 1 | 1 | 18 |
| Rentable Square Feet | 671,759 | 55,866 | 78,171 | 805,796 |
| Occupied % | 89.64% | 76.15% | 100.00% | 89.71% |
| Leased % | 89.88% | 76.15% | 100.00% | 89.91% |
| **December 31, 2007** | | | | |
| Number of Buildings | 16 | 1 | 1 | 18 |
| Rentable Square Feet | 671,759 | 55,866 | 78,171 | 805,796 |
| Occupied % | 90.46% | 76.15% | 100.00% | 90.39% |
| Leased % | 90.46% | 76.15% | 100.00% | 90.39% |

## Reconciliation of Wholly Owned Properties to Entire
## Portfolio as of December 31, 2008

| | Count | Square Feet | Occupied % | Leased % |
|---|---|---|---|---|
| Wholly Owned Properties | 238 | 18,461,943 | 93.21% | 93.74% |
| Add: Consolidated Joint Venture Properties | 2 | 97,366 | 94.79% | 94.79% |
| Subtotal | 240 | 18,559,309 | 93.22% | 93.75% |
| Add: Unconsolidated Joint Venture Properties | 16 | 671,759 | 89.38% | 89.88% |
| Entire Portfolio | **256** | **19,231,068** | **93.08%** | **93.61%** |

## Top Twenty Office Tenants of Wholly Owned Properties as of December 31, 2008 (1)
## (Dollars in thousands)

| Tenant | | Number of Leases | Total Occupied Square Feet | Percentage of Total Occupied Square Feet | Total Annualized Rental Revenue (2) (3) | Percentage of Total Annualized Rental Revenue | Weighted Average Remaining Lease Term (4) |
|---|---|---|---|---|---|---|---|
| United States of America | (5) | 67 | 2,584,112 | 15.0% | $66,782 | 17.3% | 6.3 |
| Northrop Grumman Corporation | (6) | 16 | 1,139,591 | 6.6% | 28,375 | 7.4% | 7.7 |
| Booz Allen Hamilton, Inc. | | 8 | 710,692 | 4.1% | 19,985 | 5.2% | 5.6 |
| Computer Sciences Corporation | (6) | 4 | 454,645 | 2.6% | 11,875 | 3.1% | 2.6 |
| L-3 Communications Holdings, Inc. | (6) | 5 | 267,354 | 1.6% | 9,730 | 2.5% | 5.3 |
| Unisys Corporation | (7) | 5 | 760,145 | 4.4% | 9,052 | 2.3% | 4.7 |
| General Dynamics Corporation | (6) | 10 | 293,329 | 1.7% | 7,753 | 2.0% | 1.6 |
| The Aerospace Corporation | | 3 | 245,598 | 1.4% | 7,301 | 1.9% | 6.1 |
| ITT Corporation | (6) | 9 | 290,312 | 1.7% | 6,820 | 1.8% | 5.5 |
| Wachovia Corporation | (6) | 4 | 183,577 | 1.1% | 6,622 | 1.7% | 9.6 |
| Comcast Corporation | (6) | 11 | 342,266 | 2.0% | 6,514 | 1.7% | 3.2 |
| AT&T Corporation | (6) | 8 | 306,988 | 1.8% | 5,692 | 1.5% | 4.5 |
| The Boeing Company | (6) | 4 | 143,480 | 0.8% | 4,241 | 1.1% | 4.7 |
| Ciena Corporation | | 4 | 229,848 | 1.3% | 4,200 | 1.1% | 3.3 |
| BAE Systems PLC | (6) | 7 | 212,339 | 1.2% | 3,171 | 0.8% | 3.9 |
| The Johns Hopkins Institutions | (6) | 4 | 128,827 | 0.7% | 3,011 | 0.8% | 7.7 |
| Science Applications International Corp. | (6) | 9 | 137,142 | 0.8% | 2,957 | 0.8% | 0.8 |
| Merck & Co., Inc. (Unisys) | (6) (7) | 2 | 225,900 | 1.3% | 2,719 | 0.7% | 3.6 |
| Magellan Health Services, Inc. | | 2 | 113,727 | 0.7% | 2,673 | 0.7% | 2.6 |
| AARP | | 1 | 104,695 | 0.6% | 2,571 | 0.7% | 12.9 |
| **Subtotal Top 20 Office Tenants** | | **183** | **8,874,567** | **51.6%** | **212,044** | **55.0%** | **5.7** |
| All remaining tenants | | 778 | 8,333,261 | 48.4% | 173,326 | 45.0% | 3.7 |
| Total/Weighted Average | | 961 | 17,207,828 | 100.0% | $385,370 | 100.0% | 4.8 |

(1) Table excludes owner occupied leasing activity which represents 149,601 square feet with a weighted average remaining lease term of 6.5 years as of December 31, 2008.
(2) Total Annualized Rental Revenue is the monthly contractual base rent as of December 31, 2008, multiplied by 12, plus the estimated annualized expense reimbursements under existing office leases.
(3) Order of tenants is based on Annualized Rent.
(4) The weighting of the lease term was computed using Total Rental Revenue.
(5) Many of our government leases are subject to early termination provisions which are customary to government leases. The weighted average remaining lease term was computed assuming no exercise of such early termination rights.
(6) Includes affiliated organizations or agencies.
(7) Merck & Co., Inc. subleases 219,065 rentable square feet from Unisys' 960,349 leased rentable square feet in our Greater Philadelphia region.

## Combined Real Estate Revenue by Geographic Region by Quarter
## (Dollars in thousands)

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Office Properties:** | | | | | |
| Baltimore/Washington Corridor | $ 48,317 | $ 46,139 | $ 46,426 | $ 45,577 | $ 43,101 |
| Northern Virginia | 19,563 | 19,523 | 18,927 | 19,004 | 18,421 |
| Suburban Baltimore | 13,475 | 13,912 | 13,502 | 13,910 | 14,464 |
| Suburban Maryland | 4,889 | 4,966 | 4,907 | 4,584 | 4,355 |
| Colorado Springs | 5,897 | 5,612 | 4,691 | 4,172 | 3,794 |
| St. Mary's and King George Counties | 3,317 | 3,328 | 3,134 | 3,160 | 3,200 |
| San Antonio | 2,763 | 2,641 | 1,999 | 1,908 | 1,895 |
| Greater Philadelphia | 2,506 | 2,507 | 2,506 | 2,506 | 2,506 |
| Central New Jersey | 638 | 591 | 586 | 752 | 943 |
| Other | 3,099 | 2,775 | 2,257 | 2,577 | 2,749 |
| Subtotal | 104,464 | 101,994 | 98,935 | 98,150 | 95,428 |
| Eliminations / other | (865) | (905) | (904) | (878) | (527) |
| **Combined Real Estate Revenue** | **$ 103,599** | **$ 101,089** | **$ 98,031** | **$ 97,272** | **$ 94,901** |

## Combined Net Operating Income by Geographic Region by Quarter
## (Dollars in thousands)

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Office Properties:** | | | | | |
| Baltimore/Washington Corridor | $ 31,208 | $ 29,676 | $ 30,740 | $ 29,362 | $ 28,822 |
| Northern Virginia | 11,801 | 12,005 | 11,672 | 12,020 | 11,868 |
| Suburban Baltimore | 7,503 | 7,918 | 7,811 | 7,587 | 8,643 |
| Suburban Maryland | 3,036 | 2,968 | 3,320 | 2,920 | 2,743 |
| Colorado Springs | 3,791 | 3,753 | 2,953 | 2,590 | 2,337 |
| St. Mary's and King George Counties | 2,417 | 2,471 | 2,387 | 2,418 | 2,440 |
| San Antonio | 1,909 | 1,945 | 1,556 | 1,475 | 1,438 |
| Greater Philadelphia | 2,451 | 2,464 | 2,466 | 2,442 | 2,477 |
| Central New Jersey | 599 | 533 | 548 | 543 | 653 |
| Other | 2,299 | 2,039 | 1,343 | 1,838 | 2,095 |
| Subtotal | 67,014 | 65,772 | 64,796 | 63,195 | 63,516 |
| Eliminations / other | (201) | (549) | (733) | (652) | 3 |
| **Combined NOI** | **$ 66,813** | **$ 65,223** | **$ 64,063** | **$ 62,543** | **$ 63,519** |

## Same Office Property Cash Net Operating Income by Year
## (Dollars in thousands)

| | Year Ended December 31, | |
|---|---|---|
| | 2008 | 2007 |
| **Office Properties: (1)** | | |
| Baltimore/Washington Corridor | $ 105,976 | $ 105,742 |
| Northern Virginia | 45,068 | 42,557 |
| Suburban Baltimore | 11,765 | 11,352 |
| Suburban Maryland | 10,937 | 9,201 |
| Colorado Springs | 8,529 | 7,950 |
| St. Mary's and King George Counties | 9,440 | 9,518 |
| Greater Philadelphia | 10,817 | 10,670 |
| Central New Jersey | 2,201 | 1,819 |
| **Total Office Properties** | **$ 204,733** | **$ 198,809** |
| Less: Lease termination fees, gross | (554) | (2,891) |
| **Same Office Cash NOI, adjusted for lease termination fees** | **$ 204,179** | **$ 195,918** |

## Same Office Property GAAP Net Operating Income by Year
## (Dollars in thousands)

| | Year Ended December 31, | |
|---|---|---|
| | 2008 | 2007 |
| **Office Properties: (1)** | | |
| Baltimore/Washington Corridor | $ 108,750 | $ 108,829 |
| Northern Virginia | 46,616 | 45,576 |
| Suburban Baltimore | 12,842 | 12,589 |
| Suburban Maryland | 11,754 | 9,991 |
| Colorado Springs | 8,819 | 8,975 |
| St. Mary's and King George Counties | 9,699 | 9,610 |
| Greater Philadelphia | 9,832 | 9,902 |
| Central New Jersey | 2,258 | 2,320 |
| **Total Office Properties** | **$ 210,570** | **$ 207,792** |

| | | |
|---|---|---|
| **GAAP net operating income for same office properties** | **$ 210,570** | **$ 207,792** |
| Less: Straight-line rent adjustments | (4,452) | (7,081) |
| Less: Amortization of deferred market rental revenue | (1,385) | (1,902) |
| **Cash net operating income for same office properties** | **$ 204,733** | **$ 198,809** |
| Less: Lease termination fees, gross | (554) | (2,891) |
| **Cash net operating income for same office properties, adjusted for lease termination fees** | **$ 204,179** | **$ 195,918** |

(1) Same office properties represent buildings owned and 100% operational since January 1, 2007. Amounts reported do not include the effects of eliminations.

## Same Office Property Cash Net Operating Income by Quarter
## (Dollars in thousands)

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Office Properties: (1)** | | | | | |
| Baltimore/Washington Corridor | $ 29,167 | $ 27,781 | $ 28,691 | $ 27,354 | $ 27,456 |
| Northern Virginia | 11,469 | 11,235 | 11,055 | 11,309 | 11,146 |
| Suburban Baltimore | 7,187 | 7,344 | 7,271 | 7,066 | 8,162 |
| Suburban Maryland | 2,652 | 2,852 | 2,754 | 2,679 | 2,529 |
| Colorado Springs | 2,035 | 2,166 | 2,104 | 2,359 | 2,101 |
| St. Mary's and King George Counties | 2,329 | 2,400 | 2,352 | 2,360 | 2,394 |
| Greater Philadelphia | 2,725 | 2,739 | 2,688 | 2,665 | 2,697 |
| Central New Jersey | 595 | 525 | 535 | 547 | 566 |
| Other | 1,140 | 1,254 | 794 | 1,147 | 1,223 |
| **Total Office Properties** | **$ 59,299** | **$ 58,296** | **$ 58,244** | **$ 57,486** | **$ 58,274** |
| Less: Lease termination fees, gross | (200) | (209) | (59) | (99) | (688) |
| **Same Office Cash NOI, adjusted for lease termination fees** | **$ 59,099** | **$ 58,087** | **$ 58,185** | **$ 57,387** | **$ 57,586** |

## Same Office Property GAAP Net Operating Income by Quarter
## (Dollars in thousands)

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Office Properties: (1)** | | | | | |
| Baltimore/Washington Corridor | $ 29,961 | $ 28,482 | $ 29,616 | $ 28,332 | $ 28,442 |
| Northern Virginia | 11,594 | 11,811 | 11,418 | 11,794 | 11,635 |
| Suburban Baltimore | 7,533 | 7,964 | 7,779 | 7,530 | 8,519 |
| Suburban Maryland | 2,835 | 3,037 | 2,963 | 2,920 | 2,742 |
| Colorado Springs | 2,083 | 2,228 | 2,174 | 2,499 | 2,367 |
| St. Mary's and King George Counties | 2,418 | 2,472 | 2,388 | 2,420 | 2,441 |
| Greater Philadelphia | 2,452 | 2,465 | 2,469 | 2,446 | 2,478 |
| Central New Jersey | 601 | 539 | 554 | 565 | 585 |
| Other | 1,315 | 1,479 | 910 | 1,356 | 1,432 |
| **Total Office Properties** | **$ 60,792** | **$ 60,477** | **$ 60,271** | **$ 59,862** | **$ 60,641** |

| | | | | | |
|---|---|---|---|---|---|
| **GAAP net operating income for same office properties** | $ 60,792 | $ 60,477 | $ 60,271 | $ 59,862 | $ 60,641 |
| Less: Straight-line rent adjustments | (1,057) | (1,797) | (1,664) | (2,005) | (2,025) |
| Less: Amortization of deferred market rental revenue | (436) | (384) | (363) | (371) | (342) |
| **Cash net operating income for same office properties** | **$ 59,299** | **$ 58,296** | **$ 58,244** | **$ 57,486** | **$ 58,274** |
| Less: Lease termination fees, gross | (200) | (209) | (59) | (99) | (688) |
| **Cash net operating income for same office properties, properties adjusted for lease termination fees** | **$ 59,099** | **$ 58,087** | **$ 58,185** | **$ 57,387** | **$ 57,586** |

(1) Same office properties represent buildings owned and 100% operational for a minimum of five reporting quarters. Amounts reported do not include the effects of eliminations.

**Average Occupancy Rates by Region for Same Office Properties for Quarter (1)**

| | Baltimore / Washington Corridor | Northern Virginia | Suburban Baltimore | Suburban Maryland | St.Mary's and King George Counties | Colorado Springs | Greater Philadelphia | Central New Jersey | Other | Total Office |
|---|---|---|---|---|---|---|---|---|---|---|
| **4th Quarter 2008 Average** | | | | | | | | | | |
| Number of Buildings | 99 | 14 | 63 | 6 | 18 | 12 | 4 | 2 | 2 | 220 |
| Rentable Square Feet | 7,500,498 | 2,471,993 | 3,206,476 | 746,456 | 824,137 | 782,724 | 960,349 | 201,200 | 199,370 | 16,893,203 |
| Percent Occupied | 94.00% | 99.60% | 82.64% | 97.09% | 94.41% | 92.15% | 100.00% | 100.00% | 100.00% | 93.22% |
| **3rd Quarter 2008 Average** | | | | | | | | | | |
| Number of Buildings | 99 | 14 | 63 | 6 | 18 | 12 | 4 | 2 | 2 | 220 |
| Rentable Square Feet | 7,498,711 | 2,470,303 | 3,206,439 | 747,741 | 824,137 | 782,130 | 960,349 | 201,200 | 199,370 | 16,890,380 |
| Percent Occupied | 93.54% | 99.29% | 84.98% | 96.23% | 93.78% | 92.98% | 100.00% | 100.00% | 100.00% | 93.38% |
| **2nd Quarter 2008 Average** | | | | | | | | | | |
| Number of Buildings | 99 | 14 | 63 | 6 | 18 | 12 | 4 | 2 | 2 | 220 |
| Rentable Square Feet | 7,495,020 | 2,466,923 | 3,213,666 | 746,441 | 824,319 | 781,937 | 960,349 | 201,200 | 199,370 | 16,889,225 |
| Percent Occupied | 93.15% | 99.34% | 84.80% | 95.98% | 92.83% | 92.43% | 100.00% | 100.00% | 100.00% | 93.09% |
| **1st Quarter 2008 Average** | | | | | | | | | | |
| Number of Buildings | 99 | 14 | 63 | 6 | 18 | 12 | 4 | 2 | 2 | 220 |
| Rentable Square Feet | 7,495,168 | 2,466,428 | 3,205,354 | 746,441 | 824,683 | 781,937 | 960,349 | 201,200 | 197,247 | 16,878,807 |
| Percent Occupied | 92.45% | 99.34% | 83.94% | 96.18% | 92.42% | 96.17% | 100.00% | 100.00% | 100.00% | 92.79% |
| **4th Quarter 2007 Average** | | | | | | | | | | |
| Number of Buildings | 99 | 14 | 63 | 6 | 18 | 12 | 4 | 2 | 2 | 220 |
| Rentable Square Feet | 7,494,586 | 2,466,149 | 3,204,853 | 746,441 | 824,683 | 780,833 | 960,349 | 201,200 | 197,904 | 16,876,998 |
| Percent Occupied | 92.94% | 98.88% | 84.39% | 96.18% | 91.81% | 96.27% | 100.00% | 100.00% | 100.00% | 92.99% |

(1) Same office properties represent buildings owned and 100% operational for a minimum of five reporting quarters.

**Office Lease Expiration Analysis by Year for Wholly Owned Properties**
**As of December 31, 2008 (1)**

| Year and Region of Lease Expiration (2) | Number of Leases Expiring | Square Footage of Leases Expiring | Percentage of Annual Occupied Square Feet | Percentage of Total Occupied Square Feet | Total Annualized Rental Revenue of Expiring Leases (3) (000's) | Percentage of Total Annualized Rental Revenue Expiring | Total Annual. Rental Revenue of Expiring Leases per Occupied Square Foot |
|---|---|---|---|---|---|---|---|
| Baltimore/Washington Corridor | 90 | 1,348,463 | 49.5% | 7.8% | $ 26,941 | 7.0% | $ 19.98 |
| Northern Virginia | 21 | 212,447 | 7.8% | 1.2% | 5,589 | 1.5% | 26.31 |
| Suburban Baltimore | 59 | 416,578 | 15.3% | 2.4% | 7,556 | 2.0% | 18.14 |
| Suburban Maryland | 10 | 170,706 | 6.3% | 1.0% | 4,089 | 1.1% | 23.96 |
| St. Mary's and King George Cos. | 12 | 131,954 | 4.8% | 0.8% | 2,123 | 0.6% | 16.09 |
| Greater Philadelphia | 1 | 292,793 | 10.8% | 1.7% | 2,986 | 0.8% | 10.20 |
| Colorado Springs | 10 | 146,767 | 5.4% | 0.9% | 3,026 | 0.8% | 20.62 |
| Other | 2 | 2,330 | 0.1% | 0.0% | 28 | 0.0% | 11.83 |
| **2009** | **205** | **2,722,038** | **100.0%** | **15.8%** | **52,339** | **13.6%** | **19.23** |
| Baltimore/Washington Corridor | 69 | 990,904 | 40.0% | 5.8% | 23,641 | 6.1% | 23.86 |
| Northern Virginia | 20 | 591,942 | 23.9% | 3.4% | 14,742 | 3.8% | 24.90 |
| Suburban Baltimore | 57 | 240,232 | 9.7% | 1.4% | 5,432 | 1.4% | 22.61 |
| Suburban Maryland | 4 | 184,522 | 7.5% | 1.1% | 3,526 | 0.9% | 19.11 |
| St. Mary's and King George Cos. | 12 | 168,042 | 6.8% | 1.0% | 2,702 | 0.7% | 16.08 |
| Greater Philadelphia | 1 | 239,637 | 9.7% | 1.4% | 2,444 | 0.6% | 10.20 |
| Colorado Springs | 6 | 55,350 | 2.2% | 0.3% | 1,133 | 0.3% | 20.48 |
| Other | 1 | 4,904 | 0.2% | 0.0% | 82 | 0.0% | 16.80 |
| **2010** | **170** | **2,475,533** | **100.0%** | **14.4%** | **53,702** | **13.9%** | **21.69** |
| Baltimore/Washington Corridor | 49 | 841,612 | 47.7% | 4.9% | 17,867 | 4.6% | 21.23 |
| Northern Virginia | 10 | 89,964 | 5.1% | 0.5% | 2,712 | 0.7% | 30.14 |
| Suburban Baltimore | 72 | 491,779 | 27.9% | 2.9% | 10,120 | 2.6% | 20.58 |
| Suburban Maryland | 8 | 51,605 | 2.9% | 0.3% | 1,465 | 0.4% | 28.38 |
| St. Mary's and King George Cos. | 7 | 69,622 | 3.9% | 0.4% | 1,134 | 0.3% | 16.29 |
| Colorado Springs | 12 | 219,463 | 12.4% | 1.3% | 3,978 | 1.0% | 18.13 |
| **2011** | **158** | **1,764,045** | **100.0%** | **10.3%** | **37,275** | **9.7%** | **21.13** |
| Baltimore/Washington Corridor | 39 | 1,151,529 | 45.1% | 6.7% | 29,193 | 7.6% | 25.35 |
| Northern Virginia | 11 | 119,789 | 4.7% | 0.7% | 3,565 | 0.9% | 29.76 |
| Suburban Baltimore | 48 | 657,955 | 25.8% | 3.8% | 12,143 | 3.2% | 18.46 |
| Suburban Maryland | 3 | 38,310 | 1.5% | 0.2% | 962 | 0.2% | 25.12 |
| St. Mary's and King George Cos. | 9 | 209,981 | 8.2% | 1.2% | 3,730 | 1.0% | 17.76 |
| Greater Philadelphia | 1 | 219,065 | 8.6% | 1.3% | 2,565 | 0.7% | 11.71 |
| Colorado Springs | 8 | 76,488 | 3.0% | 0.4% | 1,628 | 0.4% | 21.28 |
| San Antonio | 2 | 78,359 | 3.1% | 0.5% | 930 | 0.2% | 11.86 |
| **2012** | **121** | **2,551,476** | **100.0%** | **14.8%** | **54,716** | **14.2%** | **21.44** |
| Baltimore/Washington Corridor | 52 | 1,116,680 | 59.4% | 6.5% | 32,135 | 8.3% | 28.78 |
| Northern Virginia | 8 | 138,753 | 7.4% | 0.8% | 3,949 | 1.0% | 28.46 |
| Suburban Baltimore | 34 | 394,216 | 21.0% | 2.3% | 7,080 | 1.8% | 17.96 |
| Suburban Maryland | 2 | 7,066 | 0.4% | 0.0% | 199 | 0.1% | 28.15 |
| St. Mary's and King George Cos. | 6 | 99,094 | 5.3% | 0.6% | 1,543 | 0.4% | 15.57 |
| Colorado Springs | 5 | 120,982 | 6.4% | 0.7% | 2,453 | 0.6% | 20.28 |
| Other | 1 | 3,014 | 0.2% | 0.0% | - | 0.0% | 0.00 |
| **2013** | **108** | **1,879,805** | **100.0%** | **10.9%** | **47,359** | **12.3%** | **25.19** |
| Baltimore/Washington Corridor | 72 | 1,836,878 | 31.9% | 10.7% | 49,912 | 13.0% | 27.17 |
| Northern Virginia | 25 | 1,383,238 | 24.0% | 8.0% | 41,758 | 10.8% | 30.19 |
| Suburban Baltimore | 49 | 442,915 | 7.7% | 2.6% | 7,848 | 2.0% | 17.72 |
| Suburban Maryland | 9 | 222,696 | 3.9% | 1.3% | 5,149 | 1.3% | 23.12 |
| St. Mary's and King George Cos. | 5 | 102,212 | 1.8% | 0.6% | 1,904 | 0.5% | 18.63 |
| Greater Philadelphia | 2 | 208,854 | 3.6% | 1.2% | 3,129 | 0.8% | 14.98 |
| Colorado Springs | 8 | 501,951 | 8.7% | 2.9% | 9,761 | 2.5% | 19.45 |
| San Antonio | 4 | 561,702 | 9.8% | 3.3% | 8,925 | 2.3% | 15.89 |
| Central New Jersey | 2 | 201,200 | 3.5% | 1.2% | 2,340 | 0.6% | 11.63 |
| Other | 2 | 295,842 | 5.1% | 1.7% | 8,442 | 2.2% | 28.54 |
| **Thereafter** | **178** | **5,757,488** | **100.0%** | **33.5%** | **139,170** | **36.1%** | **24.17** |
| Other (4) | 21 | 57,443 | 100.0% | 0.3% | 810 | 0.2% | 14.10 |
| **Total / Average** | **961** | **17,207,828** | | **100.0%** | **$ 385,371** | **100.0%** | **$ 22.40** |

NOTE: As of December 31, 2008, the weighted average lease term for the wholly owned properties is 4.8 years.

(1) This expiration analysis includes the effect of early renewals completed on existing leases but excludes the effect of new tenant leases on 99,044 square feet yet to commence as of December 31, 2008.

(2) Many of our government leases are subject to certain early termination provisions which are customary to government leases. The year of lease expiration was computed assuming no exercise of such early termination rights.

(3) Total Annualized Rental Revenue is the monthly contractual base rent as of December 31, 2008 multiplied by 12 plus the estimated annualized expense reimbursements under existing office leases.

(4) Other consists primarily of amenities, including cafeterias, concierge offices and property management space. In addition, month-to-month leases and leases which have expired but the tenant remains in holdover are included in this line as the exact expiration date is unknown.

## Annual Office Renewal Analysis

| | Baltimore/ Washington Corridor | Northern Virginia | Suburban Baltimore | Suburban Maryland | St. Mary's & King George Counties | Colorado Springs | Central New Jersey | Greater Philadelphia | **Total Office** |
|---|---|---|---|---|---|---|---|---|---|
| **For Year Ended December 31, 2008:** | | | | | | | | | |
| Expiring Square Feet | 953,574 | 118,406 | 562,908 | 19,609 | 286,414 | 177,146 | - | 375,760 | **2,493,817** |
| Vacated Square Feet | 167,542 | 14,659 | 295,739 | 3,021 | 15,103 | 51,166 | - | - | **547,230** |
| Renewed Square Feet | 786,032 | 103,747 | 267,169 | 16,588 | 271,311 | 125,980 | - | 375,760 | **1,946,587** |
| Retention Rate (% based upon square feet) | 82.43% | 87.62% | 47.46% | 84.59% | 94.73% | 71.12% | 0.00% | 100.00% | **78.06%** |
| *Renewed Space Only:* | | | | | | | | | |
| Change in Total Rent - GAAP | 18.63% | 3.38% | 2.37% | 0.01% | 9.52% | 14.62% | 0.00% | 33.61% | **15.58%** |
| Change in Total Rent - Cash | 10.14% | -5.85% | 0.05% | -3.45% | 5.47% | 9.03% | 0.00% | 3.38% | **6.10%** |
| Average Capital Cost per Square Foot | $ 6.34 | $ 9.88 | $ 2.99 | $ 2.93 | $ 1.76 | $ 2.13 | $ - | $ 16.66 | **$ 7.12** |
| *Renewed & Retenanted Space:* | | | | | | | | | |
| Change in Total Rent - GAAP | 15.02% | 2.63% | 0.68% | 0.86% | 8.81% | 13.79% | 0.00% | 33.61% | **12.43%** |
| Change in Total Rent - Cash | 6.69% | -5.79% | -3.26% | -2.94% | 4.67% | 8.43% | 0.00% | 3.38% | **3.49%** |
| Average Capital Cost per Square Foot | $ 8.94 | $ 11.83 | $ 9.66 | $ 3.60 | $ 2.50 | $ 2.78 | $ - | $ 16.66 | **$ 9.25** |
| **For Year Ended December 31, 2007:** | | | | | | | | | |
| Expiring Square Feet | 1,209,747 | 132,194 | 855,084 | 7,954 | 175,157 | 14,421 | 6,412 | - | **2,400,969** |
| Vacated Square Feet | 353,882 | 83,066 | 273,094 | - | 20,776 | 4,811 | 6,412 | - | **742,041** |
| Renewed Square Feet | 855,865 | 49,128 | 581,990 | 7,954 | 154,381 | 9,610 | - | - | **1,658,928** |
| Retention Rate (% based upon square feet) | 70.75% | 37.16% | 68.06% | 100.00% | 88.14% | 66.64% | 0.00% | 0.00% | **69.09%** |
| *Renewed Space Only:* | | | | | | | | | |
| Change in Total Rent - GAAP | 13.53% | 2.54% | 3.85% | -9.98% | 11.65% | -1.63% | 0.00% | 0.00% | **9.52%** |
| Change in Total Rent - Cash | 5.60% | -7.01% | -1.27% | -19.53% | 5.20% | -7.28% | 0.00% | 0.00% | **2.54%** |
| Average Capital Cost per Square Foot | $ 6.80 | $ 4.65 | $ 4.92 | $ 15.02 | $ 4.97 | $ 3.75 | $ - | $ - | **$ 5.93** |
| *Renewed & Retenanted Space:* | | | | | | | | | |
| Change in Total Rent - GAAP | 11.62% | 4.14% | 1.00% | -9.98% | 10.77% | 0.85% | 0.00% | 0.00% | **7.26%** |
| Change in Total Rent - Cash | 4.62% | -4.79% | -3.85% | -19.35% | 4.25% | -3.65% | 0.00% | 0.00% | **0.88%** |
| Average Capital Cost per Square Foot | $ 9.68 | $ 11.49 | $ 10.03 | $ 15.02 | $ 5.09 | $ 5.70 | $ - | $ - | **$ 9.58** |
| **For Year Ended December 31, 2006:** | | | | | | | | | |
| Expiring Square Feet | 872,387 | 349,322 | 311,800 | 91,307 | 195,834 | 70,196 | 60,004 | - | **1,950,850** |
| Vacated Square Feet (1) | 287,859 | 217,166 | 237,928 | 17,730 | 43,985 | 11,422 | 54,755 | - | **870,845** |
| Renewed Square Feet | 584,528 | 132,156 | 73,872 | 73,577 | 151,849 | 58,774 | 5,249 | - | **1,080,005** |
| Retention Rate (% based upon square feet) | 67.00% | 37.83% | 23.69% | 80.58% | 77.54% | 83.73% | 8.75% | 0.00% | **55.36%** |
| *Renewed Space Only:* | | | | | | | | | |
| Change in Total Rent - GAAP | 16.11% | 6.02% | 4.46% | -1.35% | 2.57% | -7.13% | 1.95% | 0.00% | **9.71%** |
| Change in Total Rent - Cash | 5.87% | -0.95% | -1.14% | -9.64% | -1.58% | -5.21% | 1.18% | 0.00% | **1.79%** |
| Average Capital Cost per Square Foot | $ 2.76 | $ 5.11 | $ 8.96 | $ 2.18 | $ 1.07 | $ 4.27 | $ 0.77 | $ - | **$ 3.27** |
| *Renewed & Retenanted Space:* | | | | | | | | | |
| Change in Total Rent - GAAP | 18.67% | -2.15% | 2.66% | -5.54% | 0.99% | -7.13% | 3.67% | 0.00% | **7.60%** |
| Change in Total Rent - Cash | 9.20% | -7.98% | -4.40% | -11.67% | -3.06% | -5.21% | 2.60% | 0.00% | **0.51%** |
| Average Capital Cost per Square Foot | $ 7.53 | $ 23.34 | $ 17.47 | $ 5.97 | $ 1.81 | $ 4.27 | $ 5.02 | $ - | **$ 11.04** |

Notes: No renewal or retenanting activity transpired in our San Antonio or Other regions.
Activity is exclusive of owner occupied space and leases with less than a one-year term.
Expiring square feet includes early renewals and early terminations.

(1) Our vacated space in our Northern Virginia portfolio for year ended December 31, 2006 includes a lease for 99,121 square feet in our 13200 Woodland Park Road building (known as One Dulles Tower) due to its early termination. This entire space was retenanted for nine years and was included in our retenanting statistics in the third quarter 2006. Excluding the effect of this early termination, our retention rate would have been 58.32% for the year ended December 31, 2006.

## Quarterly Office Renewal Analysis for Wholly Owned Properties as of December 31, 2008

| | Baltimore/ Washington Corridor | Northern Virginia | Suburban Baltimore | Suburban Maryland | St. Mary's and King George Counties | Colorado Springs | Greater Philadelphia | **Total Office** |
|---|---|---|---|---|---|---|---|---|
| **Quarter Ended December 31, 2008:** | | | | | | | | |
| Expiring Square Feet | 122,483 | 54,255 | 87,721 | 11,719 | 45,067 | 35,026 | 42,695 | **398,966** |
| Vacated Square Feet | 8,278 | - | 66,867 | - | 3,708 | 5,083 | - | **83,936** |
| Renewed Square Feet | 114,205 | 54,255 | 20,854 | 11,719 | 41,359 | 29,943 | 42,695 | **315,030** |
| Retention Rate (% based upon square feet) | 93.24% | 100.00% | 23.77% | 100.00% | 91.77% | 85.49% | 100.00% | **78.96%** |
| *Renewed Space Only:* | | | | | | | | |
| Average Committed Cost per Square Foot | $ 3.36 | $ 16.06 | $ 2.23 | $ 0.84 | $ 0.93 | $ 7.10 | $ 40.00 | **$ 10.38** |
| Weighted Average Lease Term in years | 4.2 | 5.0 | 2.4 | 1.0 | 2.4 | 5.0 | 10.0 | **4.7** |
| Change in Total Rent - GAAP | 5.46% | -3.75% | 5.10% | 7.42% | 5.14% | 4.56% | 30.18% | **5.25%** |
| Change in Total Rent - Cash | -3.37% | -12.88% | 2.75% | 3.29% | 4.10% | -4.06% | 15.15% | **-2.97%** |
| *Renewed & Retenanted Space:* | | | | | | | | |
| Average Committed Cost per Square Foot | $ 4.98 | $ 16.06 | $ 7.58 | $ 0.84 | $ 2.76 | $ 7.10 | $ 40.00 | **$ 11.08** |
| Weighted Average Lease Term in years | 4.3 | 5.0 | 4.8 | 1.0 | 2.7 | 5.0 | 10.0 | **4.9** |
| Change in Total Rent - GAAP | 4.51% | -3.75% | 3.68% | 7.42% | 5.13% | 4.56% | 30.18% | **4.70%** |
| Change in Total Rent - Cash | -3.96% | -12.88% | -3.27% | 3.29% | 3.98% | -4.06% | 15.15% | **-3.49%** |

Notes: No renewal or retenanting activity transpired in our San Antonio, Central New Jersey or Other regions.
Activity is exclusive of owner occupied space and leases with less than a one-year term.
Expiring square feet includes early renewals and early terminations.

**Year to Date Wholly Owned Acquisition Summary as of December 31, 2008 (1)**
**(Dollars in thousands)**

| | Submarket | Acquisition Date | Building Count | Square Feet at 12/31/08 | Occupancy Percentage at Acquisition | Contractual Purchase Price | Investment (2) |
|---|---|---|---|---|---|---|---|
| 3535 Northrop Grumman Point | Colorado Springs East | 6/10/2008 | 1 | 124,305 | 100.0% | $ 23,235 | $ 23,240 |
| 1560 Cable Ranch Road (Buildings A and B) | San Antonio Northwest | 6/19/2008 | 2 | 122,975 | 100.0% | 17,300 | 17,317 |
| **Total** | | | **3** | **247,280** | | **$ 40,535** | **$ 40,557** |

(1) Includes operational buildings only.
(2) Initial accounting investment recorded by property.

**Year to Date Wholly Owned Disposition Summary as of December 31, 2008 (1)**
**(Dollars in thousands)**

| | Submarket | Disposition Date | Building Count | Square Feet | Contractual Sales Price |
|---|---|---|---|---|---|
| 429 Ridge Road | Exit 8A -- Cranbury | 1/31/2008 | 1 | 142,385 | $ 17,000 |
| 47 Commerce Drive | Exit 8A -- Cranbury | 4/1/2008 | 1 | 41,398 | 3,150 |
| 7253 Ambassador Road | Baltimore County Westside | 6/2/2008 | 1 | 38,930 | 5,100 |
| **Total** | | | **3** | **222,713** | **$ 25,250** |

(1) Includes operational buildings only.

**Development Summary as of December 31, 2008**
**(Dollars in thousands)**

| Property and Location | | Submarket | Wholly Owned or Joint Venture (JV) | Total Rentable Square Feet | Percentage Leased | Anticipated Total Cost (1) | Cost to date | Outstanding Loan as of 12/31/2008 | Actual or Anticipated Construction Completion Date (2) | Anticipated Operational Date (3) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Under Construction** | | | | | | | | | | |
| 5850 University Research Court<br>College Park, Maryland | | College Park | JV | 123,464 | 100% | $ 24,916 | $ 6,885 | - | 4Q 09 | 1Q 10 |
| **Subtotal Government** | | | | **123,464** | **100%** | **$ 24,916** | **$ 6,885** | **$ -** | | |
| **% of Total Drivers** | | | | **11%** | | | | | | |
| 6721 Columbia Gateway Drive<br>Columbia, Maryland | | Howard Co. Perimeter | Owned | 131,451 | 100% | $ 34,699 | $ 27,848 | $ 20,400 | 4Q 08 | 2Q 09 |
| 10807 New Allegiance Drive (Epic One)<br>Colorado Springs, Colorado | | I-25 North Corridor | Owned | 145,723 | 23% | 30,777 | 20,724 | 14,902 | 2Q 09 | 2Q 10 |
| 300 Sentinel Drive (300 NBP)<br>Annapolis Junction, Maryland | | BWI Airport | Owned | 185,719 | 39% | 49,069 | 28,225 | 13,318 | 2Q 09 | 2Q 10 |
| 565 Space Center Drive (Patriot Park 7)<br>Colorado Springs, Colorado | | Colorado Springs East | Owned | 89,773 | 0% | 17,934 | 10,876 | 7,859 | 2Q 09 | 2Q 10 |
| **Subtotal Defense Information Technology** | | | | **552,666** | **43%** | **$ 132,479** | **$ 87,673** | **$ 56,478** | | |
| **% of Total Drivers** | | | | **47%** | | | | | | |
| 7740 Milestone Parkway<br>Hanover, Maryland | | BWI Airport | JV | 148,130 | 6% | $ 35,938 | $ 27,802 | $ - | 3Q 08 | 3Q 09 |
| 9945 Federal Drive (Hybrid I)<br>Colorado Springs, Colorado | | I-25 North Corridor | Owned | 73,940 | 0% | 12,149 | 8,366 | 5,797 | 3Q 08 | 3Q 09 |
| 9925 Federal Drive (Hybrid II)<br>Colorado Springs, Colorado | (4) | I-25 North Corridor | Owned | 53,745 | 91% | 8,760 | 8,080 | 5,643 | 3Q 08 | 3Q 09 |
| **Subtotal Market Demand** | | | | **275,815** | **21%** | **$ 56,847** | **$ 44,248** | **$ 11,440** | | |
| **% of Total Drivers** | | | | **23%** | | | | | | |
| 5825 University Research Court<br>College Park, Maryland | (5) | College Park | JV | 116,083 | 53% | $ 20,338 | $ 18,309 | $ - | 1Q 08 | 1Q 09 |
| 5520 Research Park Drive (UMBC)<br>Baltimore, Maryland | | BWI Airport | Land Lease | 105,964 | 26% | 21,785 | 16,866 | 13,348 | 3Q 08 | 3Q 09 |
| **Subtotal Research Park** | | | | **222,047** | **40%** | **$ 42,123** | **$ 35,175** | **$ 13,348** | | |
| **% of Total Drivers** | | | | **19%** | | | | | | |
| **Total Under Construction** | | | | **1,173,992** | **43%** | **$ 256,365** | **$ 173,981** | **$ 81,267** | | |

| Regions | % of Total Regions | Total Rentable Square Feet | Percentage Leased |
|---|---|---|---|
| **Baltimore/Washington Corridor** | **49%** | **571,264** | **42%** |
| **Colorado Springs** | **31%** | **363,181** | **23%** |
| **Suburban Maryland** | **20%** | **239,547** | **77%** |
| **Total Under Construction by Region** | **100%** | **1,173,992** | **43%** |

(1) Anticipated Total Cost includes land, construction and leasing costs.
(2) Actual or anticipated construction completion date is the estimated date of completion of the building shell.
(3) Anticipated operational date is the estimated date when leases have commenced on 100% of a property's space or one year from the cessation of major construction activities.
(4) Although classified as "Under Construction," 43,721 square feet are operational.
(5) Although classified as "Under Construction," 41,500 square feet are operational.

**Demand Driver Categories (as classified by COPT management**

Defense Information Technology: Development opportunity created through our current and future relationships with defense information technology contractors and, possibly, minor Government tenancy.
Government: Development opportunity created through our existing and future relationship with various agencies of the government of the United States of America. Excludes Government tenancy included in Defense Information Technology.
Market Demand: Development opportunity created through perceived unfulfilled space requirements within a specific submarket; potential submarket demand exceeds existing supply.
Research Park: Development opportunity created through specific research park relationship.

## Development Summary as of December 31, 2008 (continued)
## (Dollars in thousands)

| Property and Location | Submarket | Wholly Owned or Joint Venture (JV) | Total Rentable Square Feet | Percentage Leased | Anticipated Total Cost (1) | Cost to date | Actual or Anticipated Construction Completion Date (2) | Anticipated Operational Date (3) |
|---|---|---|---|---|---|---|---|---|
| **Redevelopment** | | | | | | | | |
| 7468 Candlewood Road<br>Hanover, Maryland | BWI Airport | JV | 356,000 | 0% | $ 43,554 | $ 27,744 | 3Q 09 | 3Q 10 |
| **Subtotal Baltimore/Washington Corridor** | | | **356,000** | **0%** | **$ 43,554** | **$ 27,744** | | |
| **Total Redevelopment** | | | **356,000** | **0%** | **$ 43,554** | **$ 27,744** | | |
| **Under Development** | | | | | | | | |
| Riverwood I & II<br>Columbia, Maryland | Howard Co. Perimeter | Owned | 70,000 | | $ 15,200 | $ 2,222 | 1Q 11 | 1Q 12 |
| 324 Sentinel Drive (324 NBP)<br>Annapolis Junction, Maryland | BWI Airport | Owned | 121,250 | | 27,700 | 4,178 | 2Q 10 | 4Q 10 |
| 8000 Potranco Road<br>San Antonio, Texas | San Antonio Northwest | Owned | 125,000 | | 24,100 | 2,052 | 2Q 10 | 4Q 10 |
| 8030 Potranco Road<br>San Antonio, Texas | San Antonio Northwest | Owned | 125,000 | | 24,100 | 2,069 | 2Q 10 | 4Q 10 |
| **Subtotal Government** | | | **441,250** | | **$ 91,100** | **$ 10,521** | | |
| **% of Total Drivers** | | | **58%** | | | | | |
| 308 Sentinel Way (308 NBP)<br>Annapolis Junction, Maryland | BWI Airport | Owned | 161,200 | | $ 38,000 | $ 3,216 | 4Q 10 | 4Q 11 |
| Northgate Business Park (Lot A)<br>Aberdeen, Maryland | Harford County | Owned | 82,131 | | 17,900 | 1,968 | 2Q 10 | 2Q 11 |
| Northgate Business Park (Lot C)<br>Aberdeen, Maryland | Harford County | Owned | 82,405 | | 18,000 | 2,014 | 3Q 10 | 3Q 11 |
| **Subtotal Defense Information Technology** | | | **325,736** | | **$ 73,900** | **$ 7,197** | | |
| **% of Total Drivers** | | | **42%** | | | | | |
| **Total Under Development** | | | **766,986** | | **$ 165,000** | **$ 17,718** | | |

| Regions | % of Total Regions | Total Rentable Square Feet |
|---|---|---|
| **Baltimore/Washington Corridor** | **46%** | **352,450** |
| **San Antonio** | **33%** | **250,000** |
| **Suburban Baltimore** | **21%** | **164,536** |
| **Total Under Development by Region** | **100%** | **766,986** |

(1) Anticipated Total Cost includes land, construction and leasing costs
(2) Actual or anticipated construction completion date is the estimated date of completion of the building shell
(3) Anticipated operational date is the estimated date when leases have commenced on 100% of a property's space or one year from the cessation of major construction activities.

**Demand Driver Categories (as classified by COPT management):**
Defense Information Technology: Development opportunity created through our current and future relationships with defense information technology contractors and, possibly, minor Government tenancy.
Government: Development opportunity created through our existing and future relationship with various agencies of the government of the United States of America. Excludes Government tenancy included in Defense Information T
Market Demand: Development opportunity created through perceived unfulfilled space requirements within a specific submarket; potential submarket demand exceeds existing supply.
Research Park: Development opportunity created through a specific research park relationship.

**Total Development Placed into Service as of December 31, 2008**
**(Dollars in thousands)**

| Property and Location | Submarket | Wholly Owned or Joint Venture (JV) | Total Rentable Square Feet | Year 2007 | Year 2008 1st Quarter | Year 2008 2nd Quarter | Year 2008 3rd Quarter | Year 2008 4th Quarter | | Percentage of Development Square Feet Placed Into Service Leased as of 12/31/08 |
|---|---|---|---|---|---|---|---|---|---|---|
| 302 Sentinel Drive (302 NBP) Annapolis Junction, Maryland | BWI Airport | Owned | 155,731 | 48,377 | 107,354 | - | - | - | (1) | 78.9% |
| 9965 Federal Drive Colorado Springs, Colorado | I-25 North Corridor | Owned | 74,749 | 41,120 | 33,629 | - | - | - | (2) | 100.0% |
| 1055 North Newport Road Colorado Springs, Colorado | Colorado Springs East | Owned | 59,763 | - | 59,763 | - | - | - | | 100.0% |
| 1362 Mellon Road Hanover, Maryland | BWI Airport | Owned | 43,295 | - | - | 43,295 | - | - | | 0.0% |
| 5825 University Research Court College Park, Maryland | College Park | JV | 116,083 | - | - | 41,500 | - | - | | 100.0% |
| 655 Space Center Drive (Patriot Park 6) Colorado Springs, Colorado | Colorado Springs East | Owned | 103,970 | - | - | 103,970 | - | - | | 100.0% |
| 9925 Federal Drive Colorado Springs, Colorado | I-25 North Corridor | Owned | 53,745 | - | - | - | 43,721 | - | | 100.0% |
| 7700 Potranco Road, Building C San Antonio, Texas | San Antonio Northwest | Owned | 38,255 | - | - | - | - | 38,255 | | 100.0% |
| 7700 Potranco Road, Building HI San Antonio, Texas | San Antonio Northwest | Owned | 52,352 | - | - | - | - | 52,352 | | 100.0% |
| **Total Development Placed Into Service** | | | **697,943** | **89,497** | **200,746** | **188,765** | **43,721** | **90,607** | | **87.5%** |
| | | | | | | | | | | |
| 2900 Towerview Road Herndon, Virginia | Route 28 South | Owned (3) | 137,037 | - | - | - | - | 58,866 | (4) | 0% |
| **Total Redevelopment Placed Into Service** | | | **137,037** | **-** | **-** | **-** | **-** | **58,866** | | **0%** |

(1) In March 2008, 100% of this building became operational. As of December 31, 2007, 48,377 square feet were placed into service.
(2) In March 2008, 100% of this building became operational. As of December 31, 2007, 41,120 square feet were placed into service.
(3) We owned this property through an entity in which we had a 92.5% interest until December 2008, at which time we became the sole owner.
(4) Although classified as "Redevelopment" during 2008, 78,171 square feet was operational.

# Land Inventory as of December 31, 2008

| | | | Non-Wholly Owned | | Wholly Owned | |
|---|---|---|---|---|---|---|
| **Location** | **Submarket** | **Status** | **Acres** | **Developable Square Feet** | **Acres** | **Developable Square Feet** |
| Westfields Corporate Center | Dulles South | owned | - | - | 23 | 400,460 |
| Westfields - Park Center | Dulles South | owned | - | - | 33 | 674,163 |
| Woodland Park | Herndon | owned | - | - | 5 | 225,000 |
| **Total Northern Virginia** | | | **-** | **-** | **61** | **1,299,623** |
| National Business Park (Phase II) | BWI Airport | owned | - | - | 26 | 565,000 |
| National Business Park (Phase III) | BWI Airport | owned | - | - | 194 | 1,475,000 |
| 1243 Winterson Road (AS 22) | BWI Airport | owned | - | - | 2 | 30,000 |
| 940 Elkridge Landing Road (AS 7) | BWI Airport | owned | - | - | 3 | 53,941 |
| Arundel Preserve | BWI Airport | under contract/JV | 56 | up to 1,651,870 | - | - |
| 1460 Dorsey Road | BWI Airport | owned | - | - | 6 | 60,000 |
| Columbia Gateway Parcel T-11 | Howard Co. Perimeter | owned | - | - | 14 | 220,000 |
| 7125 Columbia Gateway Drive | Howard Co. Perimeter | owned | - | - | 5 | 120,000 |
| **Total Baltimore / Washington Corridor** | | | **56** | **1,651,870** | **251** | **2,523,941** |
| White Marsh | White Marsh | owned | - | - | 152 | 1,692,000 |
| 37 Allegheny Avenue | Towson | owned | - | - | 0.3 | 40,000 |
| Northgate Business Park | Harford County | owned | - | - | 45 | 600,464 |
| **Total Suburban Baltimore** | | | **-** | **-** | **197** | **2,332,464** |
| 110 Thomas Johnson Drive | Frederick | owned | - | - | 6 | 170,000 |
| Route 15 / Biggs Ford Road | Frederick | owned | - | - | 107 | 1,000,000 |
| Rockville Corporate Center | Rockville | owned | - | - | 10 | 220,000 |
| M Square Research Park | College Park | JV - 45% ownership | 49 | 510,453 | - | - |
| **Total Suburban Maryland** | | | **49** | **510,453** | **123** | **1,390,000** |
| Unisys Campus | Blue Bell | owned | - | - | 45 | 600,000 |
| **Total Greater Philadelphia** | | | **-** | **-** | **45** | **600,000** |
| Princeton Technology Center | Exit 8A - Cranbury | owned | - | - | 19 | 250,000 |
| **Total Central New Jersey** | | | **-** | **-** | **19** | **250,000** |
| Dahlgren Technology Center | King George County | owned | - | - | 39 | 122,000 |
| Expedition Park | St. Mary's County | owned | - | - | 6 | 60,000 |
| **Total St. Mary's & King George Counties** | | | **-** | **-** | **46** | **182,000** |
| InterQuest | I-25 North Corridor | owned | - | - | 113 | 1,626,592 |
| 9965 Federal Drive | I-25 North Corridor | owned | - | - | 4 | 30,000 |
| Patriot Park | Colorado Springs East | owned | - | - | 71 | 756,257 |
| Aerotech Commerce | Colorado Springs East | owned | - | - | 6 | 90,000 |
| **Total Colorado Springs** | | | **-** | **-** | **194** | **2,502,849** |
| San Antonio | San Antonio Northwest | owned | - | - | 9 | 125,000 |
| San Antonio | San Antonio Northwest | owned | - | - | 31 | 375,000 |
| San Antonio | San Antonio Northwest | owned | | | 31 | 500,000 |
| Westpointe Business Center | San Antonio Northwest | owned | - | - | 15 | 250,000 |
| **Total San Antonio** | | | **-** | **-** | **86** | **1,250,000** |
| Indian Head | Charles County, MD | JV- 75% ownership | 169 | 827,250 | - | - |
| Fort Ritchie (1) | Fort Ritchie | owned | - | - | 591 | 1,700,000 |
| **Total Other** | | | **169** | **827,250** | **591** | **1,700,000** |
| **TOTAL** | | | **274** | **2,989,573** | **1,611** | **14,030,877** |

This land inventory schedule excludes all properties listed as under construction, redevelopment or under development as detailed on pages 40 and 41.

(1) The Fort Ritchie acquisition includes 283,565 square feet of existing office space targeted for future redevelopment and 110 existing usable residential units.

## Joint Venture Summary as of December 31, 2008
## (Dollars in thousands)

### Consolidated Properties

| Property and Location | Joint Venture Interest Held By COPT | Status | Square Feet | Acreage | Total Assets (1) | Consolidated Debt as of 12/31/08 | Recourse to COPT | Option to Acquire Partner's Interest |
|---|---|---|---|---|---|---|---|---|
| 4230 Forbes Boulevard<br>Lanham, Maryland | 50.0% | Operating | 55,866 | 5 acres | $ 4,530 | $ - | N/A | Yes |
| 7468 Candlewood Road (2)<br>Hanover, Maryland | 92.5% | Redevelopment | 356,000 | 19 acres | 27,893 | - | N/A | Yes |
| Indian Head Technology Center Business Park<br>Indian Head, Maryland | 75.0% | Land Inventory | 827,250 | 169 acres | 5,243 | - | N/A | No |
| 7740-7744 Milestone Parkway (3)<br>Hanover, Maryland | 50.0% | Construction/<br>Land Inventory | 451,730 | 23 acres | 27,820 | - | N/A | No |
| 5825 University Research Court<br>College Park, Maryland | 45.0% | Construction | 116,083 | 8 acres | 20,985 | - | N/A | No |
| 5850 University Research Court<br>College Park, Maryland | 45.0% | Construction | 123,464 | 8 acres | 8,129 | - | N/A | No |
| M Square Research Park<br>College Park, Maryland | 45.0% | Land Inventory | 510,453 | 49 acres | 2,412 | - | N/A | No |
| **TOTAL** | | | | | **$ 97,012** | **$ -** | | |

### Unconsolidated Properties

| Property and Location | Joint Venture Interest Held By COPT | Status | Square Feet | COPT Investment | Off-Balance Sheet Debt as of 12/31/08 | Recourse to COPT | Option to Acquire Partner's Interest |
|---|---|---|---|---|---|---|---|
| Greater Harrisburg Portfolio<br>Harrisburg and Mechanicsburg, Pennsylvania | 20.0% | Operating | 671,759 | $ (4,770) | $ 66,600 | No | No |

(1) Total assets includes any outside investment basis related to the applicable joint venture plus the total assets recorded on the books of the consolidated joint venture.
(2) The 7468 Candlewood Road project is currently being redeveloped into approximately 356,000 rentable square feet of warehouse/flex space.
(3) In this joint venture entity, one building totaling 151,800 square feet is currently under construction.

## Reconciliations of Non GAAP Measurements
## (Dollars in thousands)

| | 2008 | | | | 2007 |
|---|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 | December 31 |
| **Total Assets or Denominator for Debt to Total Assets** | **$ 3,112,867** | **$ 3,099,728** | **$ 3,010,470** | **$ 2,936,744** | **$ 2,931,853** |
| Accumulated depreciation | 343,110 | 339,429 | 320,879 | 303,709 | 288,747 |
| Intangible assets on real estate acquisitions, net | 91,848 | 98,282 | 104,136 | 102,647 | 108,661 |
| Assets other than assets included in investment in real estate | (335,978) | (362,441) | (309,303) | (319,680) | (327,914) |
| **Denominator for Debt to Undepreciated Book Value of Real Estate Assets** | **$ 3,211,847** | **$ 3,174,998** | **$ 3,126,182** | **$ 3,023,420** | **$ 3,001,347** |
| | | | | | |
| **GAAP revenues from real estate operations** | **$ 103,599** | **$ 101,086** | **$ 97,946** | **$ 97,002** | **$ 94,352** |
| Revenues from discontinued operations | - | 3 | 85 | 270 | 549 |
| **Combined real estate revenues** | **$ 103,599** | **$ 101,089** | **$ 98,031** | **$ 97,272** | **$ 94,901** |
| | | | | | |
| **GAAP revenues from real estate operations** | **$ 103,599** | **$ 101,086** | **$ 97,946** | **$ 97,002** | **$ 94,352** |
| Property operating expenses | (36,786) | (35,854) | (33,957) | (34,542) | (31,090) |
| Revenues from discontinued operations | - | 3 | 85 | 270 | 549 |
| Property operating expenses from discontinued operations | - | (12) | (11) | (187) | (292) |
| **Combined net operating income** | **$ 66,813** | **$ 65,223** | **$ 64,063** | **$ 62,543** | **$ 63,519** |
| | | | | | |
| **Depreciation and amortization** | **$ 27,290** | **$ 25,583** | **$ 24,955** | **$ 24,892** | **$ 25,889** |
| Depreciation and amortization from discontinued operations | - | - | - | 52 | 718 |
| **Combined real estate related depreciation and other amortization** | **$ 27,290** | **$ 25,583** | **$ 24,955** | **$ 24,944** | **$ 26,607** |
| | | | | | |
| **Total tenant improvements and incentives on operating properties** | **$ 5,472** | **$ 6,305** | **$ 4,731** | **$ 3,847** | **$ 2,692** |
| Total capital improvements on operating properties | 4,434 | 3,179 | 2,631 | 1,017 | 4,748 |
| Total leasing costs for operating properties | 1,269 | 999 | 520 | 1,245 | 1,850 |
| Less: Nonrecurring tenant improvements and incentives on operating properties | (1,615) | (1,995) | (1,287) | (795) | (811) |
| Less: Nonrecurring capital improvements on operating properties | (836) | (1,299) | (866) | (502) | (1,442) |
| Less: Nonrecurring leasing costs for operating properties | (49) | (217) | (22) | (30) | (575) |
| Add: Recurring improvements on operating properties held through joint ventures | 7 | 36 | 114 | - | 42 |
| **Recurring capital expenditures** | **$ 8,682** | **$ 7,008** | **$ 5,821** | **$ 4,782** | **$ 6,504** |
| | | | | | |
| **Interest expense from continuing operations** | **$ 20,512** | **$ 21,675** | **$ 20,347** | **$ 21,112** | **$ 21,689** |
| Interest expense from discontinued operations | - | - | 10 | 41 | 80 |
| **Combined interest expense** | **$ 20,512** | **$ 21,675** | **$ 20,357** | **$ 21,153** | **$ 21,769** |
| Less: Amortization of deferred financing costs | (1,073) | (1,169) | (910) | (803) | (970) |
| **Denominator for interest coverage** | **$ 19,439** | **$ 20,506** | **$ 19,447** | **$ 20,350** | **$ 20,799** |
| Scheduled principal amortization | 2,858 | 3,424 | 3,566 | 3,820 | 4,611 |
| **Denominator for Debt Service Coverage** | **$ 22,297** | **$ 23,930** | **$ 23,013** | **$ 24,170** | **$ 25,410** |
| Scheduled principal amortization | (2,858) | (3,424) | (3,566) | (3,820) | (4,611) |
| Preferred dividends - redeemable non-convertible | 4,026 | 4,025 | 4,026 | 4,025 | 4,025 |
| Preferred distributions | 165 | 165 | 165 | 165 | 165 |
| **Denominator for Fixed Charge Coverage** | **$ 23,630** | **$ 24,696** | **$ 23,638** | **$ 24,540** | **$ 24,989** |
| | | | | | |
| **Common dividends for Earnings Payout Ratio** | **$ 19,283** | **$ 19,183** | **$ 16,197** | **$ 16,173** | **$ 16,097** |
| Common distributions | 2,946 | 3,021 | 2,772 | 2,771 | 2,777 |
| **Dividends and distributions for FFO and AFFO Payout Ratio** | **$ 22,229** | **$ 22,204** | **$ 18,969** | **$ 18,944** | **$ 18,874** |
| | | | | | |
| **Income tax expense from continuing operations** | **$ 99** | **$ 97** | **$ (107)** | **$ 112** | **$ 89** |
| Income tax expense from gain on sales of discontinued operations | - | - | - | - | 44 |
| Income tax expense from gain on other sales of real estate | - | - | 5 | 573 | 1,068 |
| **Combined income tax expense** | **$ 99** | **$ 97** | **$ (102)** | **$ 685** | **$ 1,201** |