February 7, 2014

COPT Reports 2013 Results; Affirms 2014 Guidance

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust (“COPT” or the “Company”) (NYSE: OFC) announced financial and operating results for the fourth quarter and full year ended December 31, 2013.

“Fourth quarter and full year results were in line with our expectations. Importantly, we have completed the portfolio repositioning and balance sheet improvements that diluted results in recent years,” stated Roger A. Waesche, Jr., COPT’s President & Chief Executive Officer. “We expect 2014 to be the inflection year for FFO, resulting from increases in same office occupancy and significant increases in future NOI from our well-leased development projects,” he added.

Results:

For the fourth quarter ended December 31, 2013 – Diluted earnings per share (“EPS”) was $0.94 for the quarter ended December 31, 2013 as compared to $0.16 for the fourth quarter of 2012. Diluted funds from operations per share (“FFOPS”), as adjusted for comparability, was $0.48 for the quarter ended December 31, 2013 as compared to $0.51 for the fourth quarter of 2012. Adjustments for comparability encompass items such as acquisition costs, impairment losses and gains on non-operating properties (net of related tax adjustments), gains (losses) on early extinguishment of debt, derivative losses and write-offs of original issuance costs for redeemed preferred stock. Please refer to the reconciliation tables that appear later in this press release. Per NAREIT’s definition, FFOPS for the fourth quarter of 2013 was $1.21 versus $0.49 for the fourth quarter of 2012.

For the year ended December 31, 2013 – EPS was $0.83 for the year ended December 31, 2013 as compared to an EPS loss of ($0.03) for 2012. FFOPS for the full year 2013, as adjusted for comparability, was $1.97 as compared to $2.11 reported for 2012. Per NAREIT’s definition, FFOPS for 2013 was $2.40 as compared to $2.13 for 2012.

Operating Performance:

Portfolio Summary – At December 31, 2013, the Company’s consolidated portfolio of 183 operating office properties totaled 17.4 million square feet. The Company’s consolidated portfolio was 90.3% leased and 89.1% occupied as of December 31, 2013.

Same Office Performance – For the year ended December 31, 2013, COPT’s same office portfolio represents 84% of the rentable square feet of the portfolio and consists of 165 properties. For the quarter ended December 31, 2013, the Company’s same office property cash NOI, excluding gross lease termination fees, was flat as compared to the quarter ended December 31, 2012. For the full year, same office property cash NOI, excluding gross lease termination fees, increased 2.3%. The Company’s same office portfolio was 91.2% leased and 89.8% occupied as of December 31, 2013.

Leasing – COPT completed a total of 1.1 million and 3.8 million square feet of leasing, respectively, for the quarter and year ended December 31, 2013. During these same periods, the Company's respective renewal rates were 74% and 70%. In the fourth quarter, lease terms on renewals averaged 5.9 years and for development and other new leases averaged 9.8 years. Average lease terms on renewals during the full year were 4.3 years and on development and other new leases were 8.3 years. For the quarter and year ended December 31, 2013, total rent on renewed space increased 4.6% as measured on a GAAP basis; on a cash basis, renewal rates decreased 3.4% in the fourth quarter of 2013 and for the year versus the comparable 2012 periods.

Investment Activity for the year ended December 31, 2013:

Construction – At December 31, 2013, the Company had seven properties totaling 1.0 million square feet under construction for a total projected cost of $215.5 million, of which $124.2 million had been incurred which were 78% leased. As of the same date, COPT had 376,000 square feet in three properties under redevelopment for a total projected cost of $71.0 million, of which $37.0 million has been incurred which were 71% leased.

Dispositions – In 2013, the Company disposed of 31 buildings aggregating 2.3 million square feet and land for $296.8 million. With the completion of these transactions, the Company completed the operating property portion of its Strategic Reallocation Plan and exited from Colorado Springs.

Balance Sheet and Capital Transactions:

As of December 31, 2013, the Company's debt to adjusted book ratio was 43.6% and, for the three months ended December 31, 2013, its adjusted EBITDA fixed charge coverage ratio was 2.8x. Also, the Company's weighted average interest rate was 4.5% for the quarter ended December 31, 2013 and, including the effect of interest rate swaps, 89% of the Company's debt was subject to fixed interest rates.

In 2013, the Company repurchased $239.4 million of principal amount of Exchangeable Senior Notes for $255.1 million and recognized a loss on early extinguishment of $25.9 million, including unamortized loan issuance costs. Also in 2013, the Company completed a public offering of 4,485,000 common shares, generating net proceeds of approximately $117.9 million. The Company also redeemed all of its 3,390,000 outstanding 7.625% Series J Cumulative Redeemable Preferred Shares, at a price of $25 per share.

In April, the Company announced that it received investment grade ratings with stable outlooks from each of the three major U.S. ratings agencies. COPT received a BBB- rating from Fitch Ratings, a Baa3 rating from Moody's Investors Service and a BBB- rating from Standard & Poor's Ratings Services. In May, the Company issued $350 million of 3.600% senior unsecured notes due May 15, 2023 at a price equal to 99.816% of the principal amount, and in September, the Company issued $250 million of 5.250% senior unsecured notes due February 15, 2024 at a price equal to 98.783% of the principal amount.

In early July, the Company issued 1.5 million shares of common stock through its at-the-market ("ATM") stock offering program. The average price per share was $26.05 and the net proceeds were $38.5 million. The Company also amended the terms of its $800 million line of credit to extend the maturity date from September 1, 2014, to July 14, 2017 plus a oneyear extension option; and lowered the interest rate spread over 30-day LIBOR to 130 basis points. In addition, the Company amended the terms of its $300 million and $250 million term loan agreements to grant additional extension options and lower the interest spread over LIBOR.

2014 FFO Guidance:

Management is affirming its previously issued guidance for 2014 FFOPS, as adjusted for comparability, of $1.84–$1.92 and providing its first quarter 2014 FFOPS guidance of $0.45–$0.47. A reconciliation of projected diluted EPS to projected FFOPS for the quarter ending March 31, 2014 and the year ending December 31, 2014 is provided, as follows:

	Quarter Ending March 31, 2014		Year Ending December 31, 2014	
	Low	High	Low	High
EPS	$ 0.13	$ 0.15	$ 1.10	$ 1.18
Real estate depreciation and amortization	0.32	0.32	1.30	1.30
FFOPS, NAREIT definition	0.45	0.47	2.40	2.48
Net operating income from properties to be conveyed (a)	-	-	(0.02)	(0.02)
Interest expense on loan secured by properties to be conveyed (a)	-	-	0.14	0.14
Net gains on early extinguishment of debt (b)	-	-	(0.68)	(0.68)
FFOPS, as adjusted for comparability	$ 0.45	$ 0.47	$ 1.84	$ 1.92

a. The Company expects to transfer two operating properties in satisfaction of non-recourse secured indebtedness. These amounts represent the Company's forecast of net operating income generated by these assets and interest expense (accrued at the default rate) from April 1st through year-end, and assuming a transfer date of December 31, 2014.

b. Represents debt and accrued interest in excess of the book value of the assets to be conveyed.

Conference Call Information:

Management will discuss fourth quarter and full year 2013 earnings results, as well as its 2014 guidance, on its conference call today at 12:00 p.m. Eastern Time, details of which are listed below:

Conference Call Date:	Friday, February 7, 2014
Time:	12:00 p.m. Eastern Time
Telephone Number: (within the U.S.)	888-679-8018
Telephone Number: (outside the U.S.)	617-213-4845
Passcode:	33175148

Please use the following link to pre-register and view important information about this conference call. Pre-registering is not mandatory but is recommended as it will provide you immediate entry into the call and will facilitate the timely start of the conference. Pre-registration only takes a few moments and you may pre-register at anytime, including up to and after the call start time. To pre-register, please click on the below link:
https://www.theconferencingservice.com/prereg/key.process?key=PYUVAPM97

You may also pre-register in the Investor Relations section of the Company's website at www.copt.com. Alternatively, you may be placed into the call by an operator by calling the number provided above at least 5 to 10 minutes before the start of the call.

A replay of this call will be available beginning Friday, February 7 at 4:00 p.m. Eastern Time through Friday, February 21 at midnight Eastern Time. To access the replay within the United States, please call 888-286-8010 and use passcode 66260281. To access the replay outside the United States, please call 617-801-6888 and use passcode 66260281.

The conference call will also be available via live webcast in the Investor Relations section of the Company's website at www.copt.com. A replay of the conference calls will be immediately available via webcast in the Investor Relations section of the Company's website.

Definitions:

For definitions of certain terms used in this press release, please refer to the information furnished in our Supplemental Information Package filed as a Form 8-K which can be found on our website (www.copt.com). Reconciliations of non-GAAP measures to the most directly comparable GAAP measures are included in the attached tables.

Company Information

COPT is an office REIT that focuses primarily on serving the specialized requirements of U.S. Government agencies and defense contractors, most of which are engaged in defense information technology and national security-related activities. As of December 31, 2013, COPT derived 70% of its annualized revenue from its strategic tenant niche properties and 23% from its regional office properties. The Company generally acquires, develops, manages and leases office and data center properties concentrated in large office parks primarily located near knowledge-based government demand drivers and/or in targeted markets or submarkets in the Greater Washington, DC/Baltimore region. As of December 31, 2013, the Company's consolidated portfolio consisted of 183 office properties totaling 17.4 million rentable square feet. COPT is an S&P MidCap 400 company.

Forward-Looking Information

This press release may contain "forward-looking" statements, as defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, that are based on the Company's current expectations, estimates and projections about future events and financial trends affecting the Company. Forward-looking statements can be identified by the use of words such as "may," "will," "should," "could," "believe," "anticipate," "expect," "estimate," "plan" or other comparable terminology. Forward-looking statements are inherently subject to risks and uncertainties, many of which the Company cannot predict with accuracy and some of which the Company might not even anticipate. Accordingly, the Company can give no assurance that these expectations, estimates and projections will be achieved. Future events and actual results may differ materially from those discussed in the forward-looking statements.

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

- *general economic and business conditions, which will, among other things, affect office property and data center demand and rents, tenant creditworthiness, interest rates, financing availability and property values;*
- *adverse changes in the real estate markets including, among other things, increased competition with other companies;*
- *governmental actions and initiatives, including risks associated with the impact of a government shutdown or budgetary reductions or impasses, such as a reduction in rental revenues, non-renewal of leases, and/or a curtailment of demand for additional space by the Company's strategic customers;*
- *the Company's ability to borrow on favorable terms;*
- *risks of real estate acquisition and development activities, including, among other things, risks that development projects may not be completed on schedule, that tenants may not take occupancy or pay rent or that development or operating costs may be greater than anticipated;*
- *the Company's ability to sell properties included in its Strategic Reallocation Plan;*
- *risks of investing through joint venture structures, including risks that the Company's joint venture partners may not fulfill their financial obligations as investors or may take actions that are inconsistent with the Company's objectives;*
- *changes in the Company's plans for properties or views of market economic conditions or failure to obtain development rights, either of which could result in recognition of significant impairment losses;*
- *the Company's ability to satisfy and operate effectively under Federal income tax rules relating to real estate investment trusts and partnerships;*
- *the Company's ability to achieve projected results;*
- *the dilutive effects of issuing additional common shares; and*
- *environmental requirements.*

The Company undertakes no obligation to update or supplement any forward-looking statements. For further information, please refer to the Company's filings with the Securities and Exchange Commission, particularly the section entitled "Risk Factors" in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2012.

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

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2013	2012	2013	2012
Revenues				
Real estate revenues	$ 118,487	$ 112,611	$460,997	$434,299
Construction contract and other service revenues	10,315	20,024	62,363	73,836
Total revenues	128,802	132,635	523,360	508,135
Expenses				
Property operating expenses	44,117	42,684	167,199	159,206
Depreciation and amortization associated with real estate operations	30,326	27,225	113,214	107,998
Construction contract and other service expenses	9,710	19,274	58,875	70,576
Impairment losses	—	1,954	5,857	43,678
General and administrative expenses	6,523	5,740	23,736	26,271
Leasing expenses	1,916	1,363	7,133	5,629
Business development expenses and land carry costs	1,367	1,205	5,436	5,711
Total operating expenses	93,959	99,445	381,450	419,069
Operating income	34,843	33,190	141,910	89,066
Interest expense	(21,276)	(20,631)	(82,010)	(86,401)
Interest and other income	885	4,020	3,834	7,172
Loss on early extinguishment of debt	(2)	(6)	(27,030)	(943)
Income from continuing operations before equity in income (loss) of unconsolidated entities and income taxes	14,450	16,573	36,704	8,894
Equity in income (loss) of unconsolidated entities	1,899	(24)	2,110	(546)
Income tax expense	(1,917)	(54)	(1,978)	(381)
Income from continuing operations	14,432	16,495	36,836	7,967
Discontinued operations	71,907	2,515	55,692	12,353
Income before gain on sales of real estate	86,339	19,010	92,528	20,320
Gain on sales of real estate, net of income taxes	6,333	—	9,016	21
Net income	92,672	19,010	101,544	20,341
Net (income) loss attributable to noncontrolling interests				
Common units in the Operating Partnership	(3,757)	(651)	(3,283)	87
Preferred units in the Operating Partnership	(165)	(165)	(660)	(660)
Other consolidated entities	(1,734)	345	(3,894)	1,209
Net income attributable to COPT	87,016	18,539	93,707	20,977
Preferred share dividends	(4,490)	(6,106)	(19,971)	(20,844)
Issuance costs associated with redeemed preferred shares	—	—	(2,904)	(1,827)
Net income (loss) attributable to COPT common shareholders	$ 82,526	$ 12,433	$ 70,832	$ (1,694)
Earnings per share ("EPS") computation:				
Numerator for diluted EPS:				
Net income (loss) attributable to common shareholders	$ 82,526	$ 12,433	$ 70,832	$ (1,694)
Amount allocable to restricted shares	(348)	(112)	(414)	(469)
Numerator for diluted EPS	$ 82,178	$ 12,321	$ 70,418	$ (2,163)
Denominator:				
Weighted average common shares - basic	87,010	79,004	85,167	73,454
Dilutive effect of share-based compensation awards	42	67	57	—
Weighted average common shares - diluted	87,052	79,071	85,224	73,454
Diluted EPS	$ 0.94	$ 0.16	$ 0.83	$ (0.03)

Corporate Office Properties Trust
Summary Financial Data

(unaudited)
(in thousands, except per share data)

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2013	2012	2013	2012
Net income	$ 92,672	$ 19,010	$101,544	$ 20,341
Real estate-related depreciation and amortization	31,322	28,560	117,719	121,937
Impairment losses on previously depreciated operating properties	921	247	32,047	70,263
(Gain) loss on sales of previously depreciated operating properties	(9,004)	8	(9,004)	(20,928)
Depreciation and amortization on unconsolidated real estate entities	—	—	—	346
Funds from operations (“FFO”)	115,911	47,825	242,306	191,959
Noncontrolling interests - preferred units in the Operating Partnership	(165)	(165)	(660)	(660)
FFO allocable to other noncontrolling interests	(880)	(738)	(3,710)	(1,989)
Preferred share dividends	(4,490)	(6,106)	(19,971)	(20,844)
Issuance costs associated with redeemed preferred shares	—	—	(2,904)	(1,827)
Basic and diluted FFO allocable to restricted shares	(462)	(191)	(912)	(919)
Basic and diluted FFO available to common share and common unit holders (“Basic and diluted FFO”)	109,914	40,625	214,149	165,720
Operating property acquisition costs	—	—	—	229
Gain on sales of non-operating properties, net of income taxes	—	—	(2,683)	(33)
Impairment losses (recoveries) on non-operating properties	—	1,893	—	(3,353)
Valuation allowance on tax asset associated with FFO comparability adjustments	1,855	—	1,855	—
Income tax expense on impairment recoveries on non-operating properties	—	—	—	673
(Gain) loss on early extinguishment of debt	(67,808)	6	(40,780)	(793)
Issuance costs associated with redeemed preferred shares	—	—	2,904	1,827
Diluted FFO comparability adjustments allocable to restricted shares	168	—	168	—
Diluted FFO available to common share and common unit holders, as adjusted for comparability	44,129	42,524	175,613	164,270
Straight line rent adjustments	3,157	(3,385)	(3,667)	(10,016)
Amortization of intangibles included in net operating income	224	221	803	880
Share-based compensation, net of amounts capitalized	1,661	1,720	6,530	9,982
Amortization of deferred financing costs	1,159	1,547	5,451	6,243
Amortization of net debt discounts, net of amounts capitalized	(48)	693	1,015	2,721
Amortization of settled debt hedges	15	16	61	62
Recurring capital expenditures	(21,935)	(27,476)	(43,633)	(43,943)
Diluted adjusted funds from operations available to common share and common unit holders (“Diluted AFFO”)	$ 28,362	$ 15,860	$142,173	$130,199
Diluted FFO per share	$ 1.21	$ 0.49	$ 2.40	$ 2.13
Diluted FFO per share, as adjusted for comparability	$ 0.48	$ 0.51	$ 1.97	$ 2.11
Dividends/distributions per common share/unit	$ 0.275	$ 0.275	$ 1.100	$ 1.100

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

	December 31, 2013	December 31, 2012
Balance Sheet Data		
Properties, net of accumulated depreciation	$3,214,301	$ 3,163,044
Total assets	3,629,952	3,653,759
Debt, net	1,927,703	2,019,168
Total liabilities	2,114,945	2,206,962
Redeemable noncontrolling interest	19,448	10,298
Equity	1,495,559	1,436,499
Debt to adjusted book	43.6%	45.8%
Debt to total market capitalization	44.3%	45.0%
Consolidated Property Data (as of period end)		
Number of operating properties	183	208
Total net rentable square feet owned (in thousands)	17,370	18,831
Occupancy %	89.1%	87.8%
Leased %	90.3%	89.2%

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2013	2012	2013	2012
Payout ratios				
Diluted FFO	22.9%	57.5%	46.5%	52.1%
Diluted FFO, as adjusted for comparability	56.9%	55.0%	56.7%	52.6%
Diluted AFFO	88.6%	147.4%	70.0%	66.3%
Adjusted EBITDA interest coverage ratio	3.3x	3.4x	3.5x	3.2x
Adjusted EBITDA fixed charge coverage ratio	2.8x	2.6x	2.8x	2.6x
Adjusted debt to in-place adjusted EBITDA ratio (1)	6.8x	7.2x	N/A	N/A
Reconciliation of denominators for diluted EPS and diluted FFO per share				
Denominator for diluted EPS	87,052	79,071	85,224	73,454
Weighted average common units	3,978	4,171	3,869	4,235
Anti-dilutive EPS effect of share-based compensation awards	—	—	—	53
Denominator for diluted FFO per share	91,030	83,242	89,093	77,742
Reconciliation of FFO to FFO, as adjusted for comparability				
FFO, per NAREIT	$115,911	$ 47,825	$242,306	$191,959
Gain on sales of non-operating properties	—	—	(2,683)	(33)
Impairment losses (recoveries) on non-operating properties, net of associated tax	—	1,893	—	(2,680)
Valuation allowance on tax asset associated with FFO comparability adjustments	1,855	—	1,855	—
Operating property acquisition costs	—	—	—	229
(Gain) loss on early extinguishment of debt, continuing and discontinued operations	(67,808)	6	(40,780)	(793)
Issuance costs associated with redeemed preferred shares	—	—	2,904	1,827
FFO, as adjusted for comparability	$ 49,958	$ 49,724	$203,602	$190,509

(1) Represents debt as of period end divided by in-place adjusted EBITDA for the period, as annualized (i.e. three month periods are multiplied by four).

Corporate Office Properties Trust
Summary Financial Data
(unaudited)

(Dollars in thousands)

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2013	2012	2013	2012
Reconciliation of common share dividends to dividends and distributions for payout ratios				
Common share dividends	$24,026	$22,255	$ 95,246	$ 81,720
Common unit distributions	1,094	1,119	4,280	4,617
Dividends and distributions for payout ratios	$25,120	$23,374	$ 99,526	$ 86,337
Reconciliation of GAAP net income to adjusted earnings before interest, income taxes, depreciation and amortization ("Adjusted EBITDA") and in-place adjusted EBITDA				
Net income	$92,672	$19,010	$101,544	$ 20,341
Interest expense on continuing operations	21,276	20,631	82,010	86,401
Interest expense on discontinued operations	1,905	2,151	8,221	10,397
Income tax expense	1,917	54	1,978	381
Real estate-related depreciation and amortization	31,322	28,560	117,719	121,937
Depreciation of furniture, fixtures and equipment	495	610	2,054	2,481
Impairment losses	921	2,140	32,047	66,910
(Gain) loss on early extinguishment of debt on continuing and discontinued operations	(67,808)	6	(40,780)	(793)
(Gain) loss on sales of operating properties	(9,004)	8	(9,004)	(20,928)
Gain on sales of non-operational properties	—	—	(2,683)	(33)
Net loss (gain) on investments in unconsolidated entities included in interest and other income	221	(2,992)	206	(3,589)
Operating property acquisition costs	—	—	—	229
Adjusted EBITDA	$73,917	$70,178	$293,312	$283,734
Less: Net operating income from properties in quarter of disposition	(5,107)	—		
In-place adjusted EBITDA	$68,810	$70,178		
Reconciliation of interest expense from continuing operations to the denominators for interest coverage-Adjusted EBITDA and fixed charge coverage-Adjusted EBITDA				
Interest expense from continuing operations	$21,276	$20,631	$ 82,010	$ 86,401
Interest expense from discontinued operations	1,905	2,151	8,221	10,397
Less: Amortization of deferred financing costs	(1,159)	(1,547)	(5,451)	(6,243)
Less: Amortization of net debt discount, net of amounts capitalized	48	(693)	(1,015)	(2,721)
Denominator for interest coverage-Adjusted EBITDA	22,070	20,542	83,765	87,834
Preferred share dividends	4,490	6,106	19,971	20,844
Preferred unit distributions	165	165	660	660
Denominator for fixed charge coverage-Adjusted EBITDA	$26,725	$26,813	$104,396	$109,338
Reconciliations of tenant improvements and incentives, capital improvements and leasing costs for operating properties to recurring capital expenditures				
Tenant improvements and incentives on operating properties	$ 6,430	$10,713	$ 17,413	$ 21,816
Building improvements on operating properties	12,898	18,049	21,893	24,862
Leasing costs for operating properties	4,286	1,381	9,400	6,490
Less: Nonrecurring tenant improvements and incentives on operating properties	—	(283)	(238)	(4,793)
Less: Nonrecurring building improvements on operating properties	(1,381)	(2,226)	(4,494)	(4,145)
Less: Nonrecurring leasing costs for operating properties	(275)	—	(311)	(209)
Add: Recurring capital expenditures on operating properties held through joint ventures	(23)	(158)	(30)	(78)
Recurring capital expenditures	$21,935	$27,476	$ 43,633	$ 43,943

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

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2013	2012	2013	2012
Reconciliation of same office property net operating income to same office property cash net operating income and same office property cash net operating income, excluding gross lease termination fees				
Same office property net operating income	$62,726	$62,676	$256,050	$252,438
Less: Straight-line rent adjustments	(755)	(1,417)	(3,904)	(6,409)
Less: Amortization of deferred market rental revenue	—	(39)	(43)	(134)
Add: Amortization of above-market cost arrangements	319	371	1,277	1,466
Same office property cash net operating income	62,290	61,591	253,380	247,361
Less: Lease termination fees, gross	(1,249)	(524)	(2,529)	(2,031)
Same office property cash net operating income, excluding gross lease termination fees	$61,041	$61,067	$250,851	$245,330

	December 31, 2013	December 31, 2012
Reconciliation of total assets to denominator for debt to adjusted book		
Total assets	$ 3,629,952	$ 3,653,759
Accumulated depreciation	597,649	555,975
Accumulated depreciation included in assets held for sale	—	12,201
Accumulated amortization of real estate intangibles and deferred leasing costs	193,142	181,834
Accumulated amortization of real estate intangibles and deferred leasing costs included in assets held for sale	—	9,199
Denominator for debt to adjusted book	$ 4,420,743	$ 4,412,968
Reconciliation of debt to numerator for adjusted debt to in-place adjusted EBITDA ratio		
Debt, net	$ 1,927,703	$ 2,019,168
Less: Cash and cash equivalents	(54,373)	(10,594)
Numerator for adjusted debt to in-place adjusted EBITDA ratio	$ 1,873,330	$ 2,008,574

Corporate Office Properties Trust
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Source: Corporate Office Properties Trust