

NEWS RELEASE

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COPT Defense Acquires 202,000 Square Foot Building in Columbia, MD

COLUMBIA, MD (BUSINESS WIRE) April 25, 2024 – COPT Defense Properties (NYSE: CDP) (“COPT Defense” or the “Company”) announced the acquisition of a 202,000 square foot Class A building, located in Columbia Gateway at 6841 Benjamin Franklin Drive in Columbia, Maryland, for \$15 million. The 7-story LEED Gold Certified building was constructed in 2008 and is 56% leased to a leading defense contractor.

Stephen E. Budorick, COPT Defense’s President & Chief Executive Officer, commented “This acquisition solidifies our position as the dominant owner in Columbia Gateway, enhances our relationship with a top 10 U.S. defense contractor, adds 202,000 square feet of modern, well-amenitized space to our 2.3 million square foot Columbia Gateway campus, and was purchased at a significant discount to replacement cost for comparable new product. Our Fort Meade/BW Corridor segment was 96.5% leased at quarter-end and this acquisition is an excellent opportunity to acquire high quality inventory, and leverage our Defense/IT franchise and strong demand from Defense Contractors, to create significant shareholder value.

With this acquisition, we now control approximately 45% of the square footage in Columbia Gateway, and 80% of the square footage leased to defense/cyber companies and the U.S. Government in Columbia Gateway. Our scale provides a unique competitive advantage to encapsulate demand, especially among the small to mid-size defense contractors, which is a crucial and growing segment of the Department of Defense contractor ecosystem.”

About COPT Defense

COPT Defense, an S&P MidCap 400 Company, is a self-managed REIT focused on owning, operating and developing properties in locations proximate to, or sometimes containing, key U.S. Government (“USG”) defense installations and missions (referred to as its Defense/IT Portfolio). The Company’s tenants include the USG and their defense contractors, who are primarily engaged in priority national security activities, and who generally require mission-critical and high security property enhancements. As of March 31, 2024, the Company’s Defense/IT Portfolio of 193 properties, including 24 owned through unconsolidated joint ventures, encompassed 22.0 million square feet and was 96.8% leased.

Forward-Looking Information

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

The areas of risk that may affect these expectations, estimates and projections include, but are not limited to, those risks described in Item 1A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2023.

Source: COPT Defense Properties