

COPT Sells DC-6 for \$222.5 Million

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust ("COPT" or the "Company") (NYSE: OFC) has sold 100% of COPT DC-6 ("DC-6"), the only asset in the Company's Wholesale Data Center reporting segment, to an investment vehicle managed by Cloud Capital, an affiliate company of CloudHQ, for \$222.5 million. There was no debt on the asset and the Company will recycle the proceeds into funding its 1.8 million square feet of development projects that, on September 30, 2021, were 94% leased.

Stephen E. Budorick, COPT's President & Chief Executive Officer, commented, "We are pleased to transfer DC-6 to the Cloud Capital team, whose extreme professionalism supported a smooth underwriting process and imbues us with confidence that our tenants will be well-served." He continued, "Furthermore, this sale provides our Company with cost-effective equity capital to fund our highly successful and value accretive development pipeline, simplifies our corporate profile by removing the only multi-tenant data center from our portfolio, and further concentrates our capital allocation to Defense/IT Locations."

Hossein Fateh, CEO and Founder of Cloud Capital, commented, "We are pleased to have worked with the COPT team on this transaction and are excited to add the DC-6 facility to the Cloud Capital portfolio. Northern Virginia is the largest data center market in the world and continues to see high levels of tenant demand. Our highly skilled team, with a proven track record of successfully managing data center investments, will be looking to add value through various asset management initiatives in the short and medium term. In addition, we are actively looking at several interesting acquisition opportunities in the U.S. and internationally which we are excited about."

About COPT

COPT is a REIT that owns, manages, leases, develops, and selectively acquires office and data center properties. The majority of its portfolio is in locations that support the United States Government and its contractors, most of whom are engaged in national security, defense and information technology ("IT") related activities servicing what the Company believes are growing, durable, priority missions (such properties, "Defense/IT Locations"). The Company also owns a portfolio of office properties located in select urban/urban-like submarkets in the Greater Washington, DC/Baltimore region with durable Class-A office fundamentals and characteristics ("Regional Office Properties"). As of September 30, 2021, the Company derived 88% of its core portfolio annualized rental revenue from Defense/IT Locations and 12% from its Regional Office Properties. As of the same date and including 19 properties owned through unconsolidated joint ventures, COPT's core portfolio of 184 office and data center shell properties encompassed 21.5 million square feet and was 94.8% leased; the Company also owned one wholesale data center with a capacity of 19.25 megawatts that was 86.7% leased.

About Cloud Capital

Cloud Capital is a global investment management firm founded in 2020 by Hossein Fateh,

the Founder and CEO of CloudHQ and Co-founder and former CEO of DuPont Fabros Technology (DFT). The firm was established to identify and capitalize on acquisitions of high-quality data centers across the globe. Led by a team of highly experienced investment professionals and supported by CloudHQ, Cloud Capital will acquire, manage, develop and operate data centers to become the long-term owner and operator of choice for leading data center customers globally.

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, 2020.

Source: Corporate Office Properties Trust

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IR Contacts:

Stephanie Krewson-Kelly

443-285-5453

stephanie.kelly@copt.com

Michelle Layne

443-285-5452

michelle.layne@copt.com

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