

CORPORATE OFFICE PROPERTIES TRUST
Form S-3ASR
March 26, 2015
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As filed with the Securities and Exchange Commission on March 26, 2015

Registration Statement No. 333-

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-3

REGISTRATION STATEMENT

UNDER THE SECURITIES ACT OF 1933

CORPORATE OFFICE PROPERTIES TRUST

(Exact name of Registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

23-2947217
(I.R.S. Employer
Identification Number)

6711 Columbia Gateway Drive

Suite 300

Columbia, Maryland 21046

(443) 285-5400

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(Address, including zip code, and telephone number, including area code,

of registrant's principal executive offices)

Roger A. Waesche, Jr.

President and Chief Executive Officer

Corporate Office Properties Trust

6711 Columbia Gateway Drive

Suite 300

Columbia, MD 21046

(443) 285-5400

(Name, address, including zip code, and telephone number, including area code,

of agent for service)

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Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box:

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering:

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering:

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box:

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box:

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

Smaller reporting company

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities to be Registered | Amount to be Registered(1) | Proposed Maximum Offering Price Per Unit(2) | Proposed Maximum Aggregate Offering Price(2) | Amount of Registration Fee |
|---|----------------------------|---|--|----------------------------|
| Common Shares of Beneficial Interest, par value \$.01 per share | 798,488 | 30.71(2) | 24,521,566.48(2) \$ | 790.43(2) |

- (1) Pursuant to Rule 416 under the Securities Act, such number of common shares registered hereby shall include an indeterminable number of common shares that may be issued in connection with a stock split, stock dividend, recapitalization or similar event.
- (2) The proposed maximum offering price per unit with respect to 221,501 common shares being registered pursuant to this Registration Statement is \$30.71, with a proposed maximum offering price of \$6,802,295.71 estimated solely for the purpose of computing the registration fee, pursuant to Rule 457(a) under the Securities Act, and, in accordance with Rule 457(c) under the Securities Act, based on the average of the high and low reported sale prices of the common shares on the New York Stock Exchange on March 23, 2015. The fee for those shares is \$790.43. No filing fee is being paid with respect to the remaining 576,987 common shares being registered pursuant to this Registration Statement, which consist of unsold common shares previously registered by the Registrant on its Registration Statement on Form S-3 filed on March 29, 2012 (Commission File No. 333-180447) as to which the Registrant is deemed to have paid the requisite filing fee (see Note below). In addition, the prospectus that forms a part of this Registration Statement, as such prospectus may be amended or supplemented from time to time, is deemed, in accordance with Rule 429 under the Securities Act, to relate to an additional 3,057,063 common shares previously registered by the Registrant on the registration statements on Form S-3 with the following Commission File Nos. and initial filing dates (together, the Prior Shelf Registration Statements): No. 333-36740 May 10, 2000 49,441 common shares; and No. 333-60379 July 31, 1998 3,007,622 common shares. See the notes below.

Note: Pursuant to Rule 415(a)(6) under the Securities Act, 576,987 common shares being registered pursuant to this Registration Statement are unsold common shares previously registered by the Registrant on the Prior ASR Registration Statement. In connection with the registration of such unsold common shares on the Prior ASR Registration Statement, the Registrant was deemed to have paid registration fees in the total amount of \$1,881. These fees will continue to be applied to such unsold common shares. Pursuant to Rule 415(a)(6), the offering of the unsold common shares registered under the Prior ASR Registration Statement will be deemed terminated as of the date of effectiveness of this Registration Statement.

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Note: Pursuant to Rule 429 under the Securities Act, the prospectus that forms a part of this Registration Statement also relates to the 3,057,063 common shares of the Registrant registered pursuant to the Prior Shelf Registration Statements.

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PROSPECTUS

CORPORATE OFFICE PROPERTIES TRUST

3,855,551 COMMON SHARES OF BENEFICIAL INTEREST

This is an offering of common shares of Corporate Office Properties Trust. This prospectus covers 3,855,551 common shares that may be sold by the selling shareholders identified herein. The selling shareholders may acquire such common shares by redeeming limited partnership interests that they own in our operating partnership, Corporate Office Properties, L.P. (the Operating Partnership), in exchange for common shares. You may find information pertaining to these shareholders and their beneficial ownership of common shares of COPT, and their ownership of units of limited partnership interest in our Operating Partnership, under the heading Selling Shareholders in this prospectus.

Our common shares are listed on the New York Stock Exchange under the symbol OFC. To ensure that we maintain our qualification as a real estate investment trust, ownership by any person is limited to 9.8% of the lesser of the number or value of outstanding common shares, with certain exceptions.

We are registering these shares as required under the terms of an agreement between the selling shareholders and us. Registration of these common shares does not necessarily mean that any of the shares will be offered or sold by the selling shareholders. We will receive no proceeds of any sales of these common shares, but will incur expenses in connection with the offering.

The selling shareholders from time to time may offer and sell the shares held by them directly or through agents or broker-dealers on terms to be determined at the time of sale, as described in more detail in this prospectus.

You should carefully read and consider the risk factors included in our periodic reports and other information that we file with the Securities and Exchange Commission before you invest in the securities described in this

prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is March 26, 2015.

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The terms COPT, Company, we, our and us refer to Corporate Office Properties Trust, individually or together with its subsidiaries, including Corporate Office Properties, L.P., which we refer to as our operating partnership, and our predecessors, unless the context suggests otherwise. The term you refers to a prospective investor.

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FORWARD-LOOKING STATEMENTS

This section contains forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995, that are based on our current expectations, estimates and projections about future events and financial trends affecting the financial condition and operations of our business. Forward-looking statements can be identified by the use of words such as may, will, should, could, believe, anticipate, expect, estimate, plan or other comparable terminology. Forward-looking statements are inherently subject to risks and uncertainties, many of which we cannot predict with accuracy and some of which we might not even anticipate. Although we believe that the expectations, estimates and projections reflected in such forward-looking statements are based on reasonable assumptions at the time made, we can give no assurance that these expectations, estimates and projections will be achieved. Future events and actual results may differ materially from those discussed in the forward-looking statements. 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 prolonged government shutdown and 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 our strategic customers;
- our 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 and 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;
- changes in our 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;
- our ability to satisfy and operate effectively under Federal income tax rules relating to real estate investment trusts and partnerships;
- the dilutive effects of issuing additional common shares;
- our ability to achieve projected results; and
- environmental requirements.

We undertake no obligation to update or supplement forward-looking statements. For further information on factors that could affect the Company and the statements contained herein, you should refer to the Risk Factors section in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, as it may be updated by information included in our Quarterly Reports on Form 10-Q filed with

the Securities and Exchange Commission.

SUMMARY

This prospectus summary calls your attention to selected information in this document, but it does not contain all the information that is important to you. To understand us and the securities that may be offered through this prospectus, you should read this entire prospectus carefully, including the Risk Factors and other information included in the documents to which we refer you in the section called Where You Can Find More Information in this prospectus.

OUR COMPANY

General. We are an office real estate investment trust, or REIT, that focuses primarily on serving the specialized requirements of United States Government agencies and defense contractors, most of whom are engaged in defense information technology and national security related activities. We generally acquire, develop, manage and lease office and data center properties concentrated in large office parks 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, 2014, our investments in real estate included the following:

- 173 operating office properties totaling 16.8 million square feet that were 91% occupied;
- 13 office properties under, or contractually committed for, construction or redevelopment that we estimate will total approximately 1.6 million square feet upon completion;
- 1,464 acres of land we control that we believe are potentially developable into approximately 18.3 million square feet; and
- a partially operational, wholesale data center which upon completion and stabilization is expected to have a critical load of 19.25 megawatts.

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We conduct almost all of our operations through our operating partnership, Corporate Office Properties, L.P., a Delaware limited partnership, of which we are the managing general partner. The Operating Partnership owns real estate both directly and through subsidiary partnerships and limited liability companies. The Operating Partnership also owns 100% of a number of entities that provide real estate services such as property management and construction and development services primarily for our properties, but also for third parties.

Equity interests in our Operating Partnership are in the form of common and preferred units. As of December 31, 2014, we owned 96.0% of the outstanding common units and 95.5% of the outstanding preferred units in our Operating Partnership. The remaining common and preferred units in our Operating Partnership were owned by third parties.

We believe that we are organized and have operated in a manner that permits us to satisfy the requirements for taxation as a REIT under the Internal Revenue Code of 1986, as amended, and we intend to continue to operate in such a manner. Provided we continue to qualify for taxation as a REIT, we generally will not be subject to Federal income tax on our taxable income that is distributed to our shareholders. A REIT is subject to a number of organizational and operational requirements, including a requirement that it distribute to its shareholders at least 90% of its annual taxable income.

Our executive offices are located at 6711 Columbia Gateway Drive, Suite 300, Columbia, Maryland 21046 and our telephone number is (443) 285-5400.

SELLING SHAREHOLDERS

The following table sets forth the beneficial ownership of common shares by the selling shareholders as of March 13, 2015, the maximum number of common shares being offered by the selling shareholders under this prospectus and the beneficial ownership of common shares by the selling shareholders on March 13, 2015 as adjusted to give effect to the sale of the common shares offered by the prospectus. The SEC has defined beneficial ownership of a security to mean the possession, directly or indirectly, of voting power and/or investment power. A shareholder is also deemed to be, as of any date, the beneficial owner of all securities which such shareholder has the right to acquire within 60 days after that date (a) through the exercise of any option, warrant or right, (b) through the conversion of a security, (c) through the power to revoke a trust, discretionary account or similar arrangement, or (d) through the automatic termination of a trust, discretionary account or similar arrangement. Shares may also be sold by donees, pledgees or other transferees or successors in interest of the selling shareholders.

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| | Number of Common Shares Beneficially Owned (1) | Maximum Number of Common Shares Being Offered | Percent of All Common Shares Beneficially Owned Before Resale (2) | Beneficial Ownership After Resale of Shares Number of Shares | Percent (2) |
|--|---|--|--|---|--------------------|
| Jay H. Shidler (3) | 1,822,246 | 1,785,856 | 1.9% | 36,390 | |
| Clay W. Hamlin, III (4) | 727,809 | 727,809 | * | | |
| Robert L. Denton (5) (8) | 331,597 | 308,500 | * | 23,097 | |
| David D. Jenkins | 262,165 | 262,165 | * | | |
| Kirk Property Limited Partnership | 221,501 | 221,501 | * | | |
| TRC Associates Limited Partnership (6) | 176,000 | 176,000 | * | | |
| The Lovejoy Trust | 59,528 | 59,528 | * | | |
| The Century Trust | 59,528 | 59,528 | * | | |
| James K. Davis | 51,589 | 51,589 | * | | |
| Estate of John Parsinen (7) | 229,465 | 49,434 | * | 180,031 | |
| Richard Alter | 43,817 | 43,817 | * | | |
| Donald Manekin | 23,336 | 23,336 | * | | |
| William Winstead | 14,019 | 14,019 | * | | |
| Lawrence J. Taff | 13,733 | 13,733 | * | | |
| Richard Manekin | 8,988 | 8,988 | * | | |
| Robert Manekin | 8,988 | 8,988 | * | | |
| Wilson Survivor s Trust | 5,908 | 5,908 | * | | |