Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations may continue.

See Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL						
OMB Number:	3235-0287					
Expires:	January 31, 2008					
Estimated average b	ourden hours					
per response	0.5					

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)																	
Name and Address of Reporting CARACI PHILIP D	ng Person *	2. Issuer Name and Ticker or Trading Symbol SAUL CENTERS INC [BFS]						5. Relationship of Reporting Person(s) to Issuer (Check all applicable)									
7501 Wisconsin Avenue, 15	(First) (Middle 5th Floor	3. Date of Earliest Transaction (Month/Day/Year) 01/03/2006							X_ Director 10% Owner Officer (give title below) Other (specify below)								
Bethesda, MD 20814	(Street)	4. If Amendment, Date of Original Filed (Month/Day/Year)							6. Individual or Joint/Group Filing (Check Applicable Line) _X_Form filed by One Reporting Person _Form filed by More than One Reporting Person								
	(State) (Zip)		Table I - Non-Deriva						ative Securities Acquired, Disposed of, or Beneficially Owned								
(Instr. 3)		Dat	Transaction 2A. Deemed Execution Date, if any (Month/Day/Year)		Code	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	Form: Direct (D)	7. Nature of Indirect Beneficial Ownership						
					Code	V	Amount	(A) or (D)			or Indirect (I) (Instr. 4)	(Instr. 4)					
Common Shares										35,918.691 ⁽⁷⁾	I ⁽¹⁾	Self- Trust					
Common Shares										53,140.448 ⁽⁸⁾	I	Wifes- Trust					
Common Shares										2,803.42 ⁽⁹⁾	I	Wifes IRA					
Common Shares										47,846 ⁽¹⁰⁾	D ⁽²⁾						
Reminder: Report on a separate li	ine for each class of securitie	es benefic	ially owned dire	ectly or indirectly.		no	t require	ed to	resp	collection of information contained in this	s SEC	1474 (9-02)					

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

(e.g., puts, calls, warrants, options, convertible securities)

1	 Title of Derivative 	2.	3. Transaction	3A. Deemed	4.	5. Number of	6. Date Exercis	sable and	7. Title and	Amount of	8. Price of	9. Number of	10.	11. Nature
5	Security	Conversion	Date	Execution Date, if	Transaction	Derivative	Expiration Dat	e	Underlying	Securities	Derivative	Derivative	Ownership	of Indirect
	(Instr. 3)	or Exercise	(Month/Day/Year)	any	Code	Securities	(Month/Day/Y	ear)	(Instr. 3 and	4)	Security	Securities	Form of	Beneficial
		Price of		(Month/Day/Year)	(Instr. 8)	Acquired (A)					(Instr. 5)	Beneficially	Derivative	Ownership
		Derivative		•		or Disposed								(Instr. 4)
Ш		Security				of (D)						Following	Direct (D)	
Ш						(Instr. 3, 4,						Reported	or Indirect	
						and 5)						Transaction	(I)	
												(s)	(Instr. 4)	
ı					I I	l l	l l		l l		l l			ı l

			Code	v	(A)	l	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		(Instr. 4)		
Stock Option	\$25.78						04/26/2004	04/26/2014	Common Stock	2,500		2,500	D	
Stock Option	\$33.22						05/06/2005	05/06/2015	Common Stock	2,500		2,500	D	
Phantom Stock (5)	(3)	01/03/2006	A		163.632		(4)	(4)	Common Stock	163.632	\$37.89	14,038.589	D	

Reporting Owners

D	Relationships								
Reporting Owner Name / Address	Director	10% Owner	Officer	Other					
CARACI PHILIP D 7501 Wisconsin Avenue 15th Floor Bethesda, MD 20814	X								

Signatures

Scott V. Schneider, by Power of Attorney	01/05/2006
**Signature of Reporting Person	Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Self-Trust. Reporting person is a Trustee.
- (2) Self-IRA
- (3) 1 for 1
- (4) Under the terms of the reporting person's Deferred Fee Agreement, payment of shares of the issuer's common stock commences at such time as the reporting person ceases to be a director of the issuer. Payment will be a lump sum upon termination of directorship.
- Pursuant to the issuer's Deferred Compensation Plan under its 2004 Stock Plan and the Deferred Fee Agreement executed by the reporting person, the reporting person has elected to defer receipt of his director's fees, and receive phantom stock, the amount of which is calculated as the quotient of the dollar value of fees deferred, divided by the fair market value of the issuer's shares on the date the phantom stock is received.
- (6) Includes 169.551 shares(\$33.9500/share) awarded October 31, 2005 as dividend reinvestments on shares of phantom stock held by the reporting person pursuant to the issuer's Deferred Compensation Plan under its 2004 Stock Plan and shares of phantom stock issued under the issuer's Deferred Compensation and Stock Plan for Directors.
- (7) Balance increased by October 31, 2005 Dividend Reinvestment Plan award of 12.302 shares.
- (8) Balance increased by October 31, 2005 Dividend Reinvestment Plan award of 649.374 shares.
- (9) Balance increased by October 31, 2005 Dividend Reinvestment Plan award of 34.250 shares.
- (10) Balance increased by October 31, 2005 Dividend Reinvestment Plan award of 561.620 shares.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.