

Saul Centers, Inc.

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Saul Centers Acquires Shopping Center in Montgomery County, Maryland

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For Immediate Release

BETHESDA, MARYLAND - Saul Centers, Inc. (NYSE: BFS), an equity real estate investment trust (REIT), has acquired a 109,625 square foot neighborhood retail center located within the Kentlands development in Gaithersburg, Maryland. The property, constructed in 1993, is anchored by a 102,250 square foot Lowe's home improvement store and is part of Kentlands Square, a shopping center exceeding 350,000 square feet of retail space.

The Kentlands Square acquisition is fully leased and includes an additional 6,000 square feet of retail development potential. The property was acquired for \$14.3 million, subject to the assumption of a \$7.8 million mortgage.

The Kentlands Square shopping center is contained within the 352 acre Kentlands development, home to approximately 5,000 residents living in 1,500 units. The Kentlands community features a mix of upscale and colonial design townhouses, apartments, cottages and larger single family residences set along pedestrian friendly tree lined streets. Kentlands' neighborhoods include amenities such as green spaces, lakes and recreational, community and civic buildings.

Saul Centers is a self-managed, self-administered equity real estate investment trust headquartered in Bethesda, Maryland. Saul Centers currently operates and manages a real estate portfolio of 35 community and neighborhood shopping center and office properties totaling approximately 6.5 million square feet of leasable area. Over 80% of the Company's cash flow is generated from properties in the metropolitan Washington, DC/Baltimore area.

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