

Saul Centers, Inc.

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Saul Centers Secures Permanent Financing for Washington Square And Acquires a Land Parcel in Northern Virginia

For Immediate Release

BETHESDA, MARYLAND-Saul Centers, Inc. (NYSE: BFS), an equity real estate investment trust (REIT), has closed a new \$42.5 million secured permanent financing of its Washington Square at Old Town Alexandria, Virginia development. Proceeds from the new loan were used to repay the project's construction financing. The new loan matures in 15 years and requires monthly principal and interest payments calculated using a 6.01% interest rate and a 27.5 year principal amortization schedule.

With this new financing, Saul Centers' loans payable total \$382,000,000, with 88% of this debt being fixed rate with a weighted average 10 year life and weighted average 7.65% interest rate. The Company's outstanding balance of \$46 million under its \$125 million revolving credit facility represents the remaining 12% of Saul Centers' loans payable.

The Company recently purchased approximately 19 acres of undeveloped land located within the Lansdowne community in Loudoun County, Virginia. The land is zoned to accommodate approximately 150,000 square feet of neighborhood and community retail development. This expands the Company's Loudoun County investment, where it is also the owner and developer of the nearby 210,000 square foot Ashburn Village neighborhood shopping center and the 125,000 square foot Broadlands Village neighborhood shopping center, presently under construction.

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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