

SAUL CENTERS INC  
Form 4  
March 30, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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)

1. Name and Address of Reporting Person \*  
MILLSPAUGH M LAURENCE III

(Last) (First) (Middle)

7501 WISCONSIN AVENUE, 15TH FLOOR

(Street)

BETHESDA, MD 20814

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
SAUL CENTERS INC [BFS]

3. Date of Earliest Transaction (Month/Day/Year)  
03/28/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
\_\_X\_\_ Officer (give title below) \_\_\_ Other (specify below)  
Vice President-Acquis. & Dev.

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_X\_\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 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) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
|                                 |                                      |                                                    | Code                           | V Amount (D) Price                                                |                                                                                               |                                                          |                                                       |
| Common Shares                   |                                      |                                                    |                                |                                                                   | 326.382                                                                                       | I                                                        | Child-Martin                                          |
| Common Shares                   | 03/28/2006                           |                                                    | M                              | 4,000 D \$ 24.91                                                  | 4,000                                                                                         | D                                                        |                                                       |
| Common Shares                   | 03/28/2006                           |                                                    | S                              | 4,000 D \$ 42.52                                                  | 0                                                                                             | D                                                        |                                                       |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

number.

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|----------------------------|
| Employee Common Stock                      | \$ 25.78                                               |                                      |                                                    |                                |                                                                                         | 04/26/2005 <sup>(1)</sup> 04/26/2014                     | Common Stock                                                  | 15,000                     |
| Employee Common Stock                      | \$ 24.91                                               | 03/28/2006                           |                                                    | M                              | 4,000                                                                                   | 05/23/2004 <sup>(1)</sup> 05/23/2013                     | Common Stock                                                  | 4,000                      |
| Employee Common Stock                      | \$ 33.22                                               |                                      |                                                    |                                |                                                                                         | 05/06/2006 05/06/2015                                    | Common Stock                                                  | 15,000                     |

## Reporting Owners

| Reporting Owner Name / Address                                                         | Relationships |           |                               |       |
|----------------------------------------------------------------------------------------|---------------|-----------|-------------------------------|-------|
|                                                                                        | Director      | 10% Owner | Officer                       | Other |
| MILLSPAUGH M LAURENCE III<br>7501 WISCONSIN AVENUE<br>15TH FLOOR<br>BETHESDA, MD 20814 |               |           | Vice President-Acquis. & Dev. |       |

## Signatures

Scott V. Schneider, by Power of Attorney  
Date: 03/30/2006

\*\*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) The option will vest 25% per year over four years from the date of the grant.

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

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