SAUL B FRANCIS II

Form 4 June 23, 2006

FORM 4

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005 Estimated average

OMB APPROVAL

Form 4 or Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

burden hours per response... 0.5

may continue. See Instruction

30(h) of the Investment Company Act of 1940

1(b).

Form 5

(Print or Type Responses)

1. Name and Address of Reporting Person * SAUL B FRANCIS II			2. Issuer Name and Ticker or Trading Symbol SAUL CENTERS INC [BFS]	5. Relationship of Reporting Person(s) to Issuer		
(Last) (First) (Middle)		(Middle)	3. Date of Earliest Transaction	(Check all applicable)		
7501 WISCON FLOOR	NSIN AVE	ENUE, 15TH	(Month/Day/Year) 06/21/2006	_X_ Director _X_ 10% Owner _X_ Officer (give title Other (specify below) Chief Executive Officer		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
BETHESDA,	MD 20814		Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

(City) (State) (Zip) Table I. Non-Derivative Securities Acquired Disposed of or Beneficially Ov

(City)	(State)	Tab	Table 1 - 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. Securi or(A) or Do (Instr. 3,	isposed 4 and 5 (A) or	of (D)	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)	
Common Shares							1,303.824	D		
Common Shares							7,620.625	I (1)	See footnote (1)	
Common Shares							4,072.379	I (2)	See footnote (2)	
Common Shares							8,320.625	I (3)	See footnote (3)	

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Common Shares						67,023.333	I (4)	See footnote (4)
Common Shares						1,398,747.772	I (5)	See footnote (5)
Common Shares						244,630.847	I (6)	See footnote (6)
Common Shares						332,171.451	I (7)	See footnote (7)
Common Shares						7,249.76	I (8)	See footnote (8)
Common Shares						215,070.826	I (9)	See footnote (9)
Common Shares						130.459	I (13)	See footnote (13)
Common Shares						390,199.682	I (14)	See footnote (14)
Common Shares	06/21/2006	P	1,900	A	\$ 37.43	4,212,271.83	I (15)	See footnote (15)
Common Shares	06/22/2006	P	2,300	A	\$ 37.68	4,214,571.83	I (15)	See footnote (15)
Common Shares	06/23/2006	P	3,200	A	\$ 37.46	4,217,771.83	I (15)	See footnote (15)
Reminder: Re	port on a separate line for each class of secu	urities ben	Pers	ons v	who resp	indirectly.		EC 1474 (9-02)

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

 2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	4. Transacti Code	5. onNumber of	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)]

8. I Der Sec

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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8		Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)						(Ii
			Code V	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Option	\$ 25.78						04/26/2004	04/26/2014	Common Stock	2,500	
Stock Option	\$ 33.22						05/06/2005	05/06/2015	Common Stock	2,500	
Phantom Stock (12)	<u>(10)</u>						<u>(11)</u>	(11)	Common Stock	146.399	
Stock Option	\$ 40.35						05/01/2006	05/01/2016	Common Stock	2,500	

Reporting Owners

Reporting Owner Name / Address	Relationships								
	Director	10% Owner	Officer	Other					
SAUL B FRANCIS II 7501 WISCONSIN AVENUE 15TH FLOOR BETHESDA, MD 20814	X	X	Chief Executive Officer						
Signatures									
C++ V C-1									

Scott V. Schneider, by Power of Attorney

**Signature of Reporting Person

Date

06/23/2006

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).
- Owned by the Elizabeth Willoughby Saul Trust, of which the reporting person is sole beneficiary. Ms. Saul is the daughter of the **(1)** reporting person. The reporting person disclaims beneficial ownership of these shares.
- Owned by The Sharon Elizabeth Saul Trust, of which the reporting person is sole beneficiary. Ms. Saul is the daughter of the reporting **(2)** person. The reporting person disclaims beneficial ownership of these shares.
- Owned by the Patricia English Saul Trust, of which the reporting person is sole beneficiary. Ms. Saul is the daughter of the reporting **(3)** person. The reporting person disclaims beneficial ownership of these shares.
- **(4)** Owned by Patricia E. Saul, the reporting person's spouse.
- Owned by The B.F. Saul Company Employees' Profit Sharing Reinvestment Trust (the "Pension Trust", a profit sharing retirement plan for the benefit of the employees of B.F. Saul Company and other participating employers. The Pension Trust is administered by four **(5)** trustees, one of which is the reporting person. The reporting person disclaims benefical ownership of the securities in the Pension Trust that exceed his pecuniary interest in the Pension Trust.

Reporting Owners 3

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- Owned by B.F. Saul Property Company, which is a wholly-owned subsidiary of B.F. Saul Company, of which the reporting person is Chairman of the Board and Chief Executive Officer.
- Owned by Dearborn, L.L.C., the sole member of which is B.F. Saul Real Estate Investment Trust, of which the reporting person is Chairman of the Board and the majority owner.
- (8) Owned by Van Ness Square Corporation, of which the reporting person is Chairman of the Board and Chief Executive Officer.
- (9) Owned by B.F. Saul Company, of which the reporting person is Chairman of the Board and Chief Executive Officer.
- (10) 1 for 1
- (11) 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.
- Owned by Avenel Executive Park, PH II L.L.C., the sole member of which is B.F. Saul Real Estate Investment Trust, of which the reporting person is Chairman of the Board and the majority owner.
- (14) Owned by Westminster Investing Corporation, of which the reporting person is Chairman of the Board and Chief Executive Officer.
- (15) Owned by B.F. Saul Real Estate Investment Trust, of which the reporting person is Chairman of the Board and the majority owner.

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.