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LEXINGTON CORPORATE PROPERTIES TRUST

Form 8-K/A

August 15, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

Amendment No.2
to
FORM 8-K/A

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) April 13, 2005

Lexington Corporate Properties Trust

(Exact Name of Registrant as Specified in Its Charter)

Maryland

(State or Other Jurisdiction of Incorporation)

1-12386

13-3717318

(Commission File Number)

(IRS Employer Identification No.)

One Penn Plaza, Suite 4015
New York, New York

10119-4015

(Address of Principal Executive Offices)

(Zip Code)

(212) 692-7200

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the

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Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events.

As previously reported on Lexington Corporate Properties Trust's (the "Trust") Current Report on Form 8-K dated April 13, 2005 (the "April 13th 8-K"), the Trust, through its subsidiaries and joint venture programs, completed the acquisition of twenty-seven properties from affiliates of Wells Real Estate Investment Trust, Inc. Twenty-one properties were directly acquired by the Trust and six were indirectly acquired by the Trust through various joint venture programs in which the Trust has ownership interests of 25% and 30%.

This Amendment No. 2 to the April 13th 8-K is being filed to amend and restate certain pro forma financial information related to this acquisition.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

- (1) Audited Statement of Revenues and Certain Operating Expenses for the Year Ended December 31, 2004 for the Non-Net Leased Properties (previously filed on Amendment No. 1 to the April 13th 8-K)
- (2) Unaudited Pro Forma financial information for the Trust is presented as follows:
 - o Introduction to Unaudited Pro Forma Condensed Consolidated Financial Statements;
 - o Unaudited Pro Forma Condensed Consolidated Balance Sheet as of December 31, 2004;
 - o Unaudited Pro Forma Condensed Consolidated Statement of Operations for the year ended December 31, 2004;
 - o Notes to Pro Forma Condensed Consolidated Financial Statements (unaudited);
- (3) Estimated Twelve Month Pro Forma Statement of Taxable Operating Results for the Non-Net Leased Properties (previously filed on Amendment No. 1 to the April 13th 8-K).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

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Lexington Corporate Properties Trust

Date: August 15, 2006

By:/s/ Patrick Carroll

Patrick Carroll
Chief Financial Officer

Lexington Corporate Properties Trust

Introduction to Unaudited Pro Forma Condensed Consolidated Financial Statements

The following unaudited pro forma condensed consolidated balance sheet as of December 31, 2004, reflects the financial position of Lexington Corporate Properties Trust (the "Trust") as if the acquisition of the twenty-seven properties (the "Properties") had occurred on December 31, 2004 (rather than April 13, 2005). The unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2004, present the results of operations of the Trust as if the acquisition of the Properties, excluding one property that is included in discontinued operations since it is held for sale, had occurred on January 1, 2004 (rather than April 13, 2005).

These unaudited pro forma condensed consolidated financial statements should be read in connection with the financial statements of the Trust for the year ended December 31, 2004, included in the Trust's Annual Report on Form 10-K and the financial statements included in Item 9.01 (a) of the Trust's Amendment No.1 to Form 8-K/A (date of earliest reported event: April 13, 2005).

These unaudited pro forma financial statements are not necessarily indicative of the expected results of operations of the Trust for any future period. Differences could result from, among other considerations, future changes in the Trust's portfolio of investments, changes in interest rates, changes in the capital structure of the Trust, changes in property level operating expenses, and changes in property level revenues including rents expected to be received on leases in place or signed during and after 2004.

Lexington Corporate Properties Trust

Unaudited Pro Forma Condensed Consolidated Balance Sheet December 31, 2004 (amounts in thousands, except share and per share data)

	Historical (A)	Pr
	-----	-----
Assets		
Real estate, at cost	\$ 1,407,872	
Less: accumulated depreciation	180,610	
	-----	-----
Properties held for sale - discontinued operations	1,227,262	
	13,216	

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Intangible assets	54,736
Investment in and advances to non-consolidated entities	132,738
Cash and cash equivalents	146,957
Deferred expenses	7,860
Rent receivable, current and deferred	28,046
Notes receivable from affiliate	45,800
Other assets, net	40,471

	\$ 1,697,086
	=====

Liabilities and Shareholders' Equity

Liabilities:

Mortgages and notes payable	\$ 765,144
Liabilities - discontinued operations	1,688
Accounts payable and other liabilities	12,406
Accrued interest payable	5,808
Prepaid rent	3,818
Deferred revenue	4,173

	793,037
--	---------

Minority interest

	56,759
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	849,796
	=====

Shareholders' Equity

Preferred shares, par value \$0.0001 per share, authorized 10,000,000 shares:	-
Series B Cumulative Redeemable Preferred, liquidation preference \$79,000, 3,160,000 shares issued and outstanding	76,315
Series C Cumulative Convertible Preferred, liquidation preference \$135,000, 2,700,000 shares issued and outstanding	131,126
Common shares, par value \$0.0001 per share, authorized 80,000,000 shares, 48,621,273 shares issued and outstanding	5
Additional paid-in-capital	766,882
Deferred compensation, net	(8,692)
Accumulated distribution in excess of net income	(118,346)

Total shareholders' equity	847,290
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	\$ 1,697,086
	=====

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

Lexington Corporate Properties Trust

Unaudited Pro Forma Condensed Consolidated Statement of Operations

December 31, 2004

(amounts in thousands, except share and per share data)

Pro Forma
Adjustments of the

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	Historical (AA)	Properties
	-----	-----
Revenues:		
Rental	\$ 140,003	\$ 42,27
Advisory fees	4,885	2,22
Tenant reimbursement	6,337	6,16
	-----	-----
Total gross revenues	151,225	50,65
Expenses applicable to revenues:		
Depreciation and amortization	(38,930)	(27,09
Property operating	(10,451)	(8,45
General and administrative	(13,939)	
Write-off - tenant bankruptcy	(2,884)	
Non-operating income	3,276	
Interest and amortization expense	(46,437)	(18,58
	-----	-----
Income (loss) before provision for income taxes, minority interests, equity in earnings of non-consolidated entities and discontinued operations	41,860	(3,48
Provision for income taxes	(1,181)	
Minority interests	(4,196)	
Equity in earnings of non-consolidated entities	7,194	(1,34
	-----	-----
Income (loss) from continuing operations	\$ 43,677	\$ (4,82
	=====	=====
Basic - Income from continuing operations	\$ 0.79	
	=====	
Diluted - Income from continuing operations	\$ 0.79	
	=====	
Basic weighted average shares outstanding	46,551,328	
Diluted weighted average shares outstanding	52,048,909	

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

Lexington Corporate Properties Trust

Notes to Pro Forma Condensed Consolidated Financial Statements (unaudited)

Adjustments to Pro Forma Condensed Consolidated Balance Sheet

The adjustments to the pro forma condensed consolidated balance sheet as of December 31, 2004 are as follows:

(A) Reflects the Trust's historical condensed consolidated balance sheet as of December 31, 2004.

(B) Reflects the pro forma acquisition of the Properties as follows:

Assets purchased:	
Building	\$ 352,665
Land	43,430

Total real estate, at cost	396,095

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Properties held for sale - discontinued operations	23,682
Intangible assets	75,541
Investment in non-consolidated entities	28,928
Deferred expenses	2,089
Less liabilities:	
Mortgages and notes payable	366,214
Liabilities - discontinued operations	15,951
Deferred revenue - below-market leases	1,596

Cash paid	\$ 142,574
	=====

Adjustments to Pro Forma Condensed Consolidated Statement of Operations

The adjustments to the pro forma condensed consolidated statement of operations for the year ended December 31, 2004 are as follows:

(AA) Reflects the Trust's historical condensed consolidated statement of operations for the year ended December 31, 2004.

(BB) Reflects the pro forma acquisition of the Properties as follows:

Increase in rental revenues reflects (i) the recalculation of straight-line rents as of January 1, 2004 and (ii) the amortization of above and below-market leases on a straight-line basis over the remaining term of in-place leases.

Increase in advisory fees reflects acquisition, financing and asset management fees for the twelve months ended December 31, 2004 related to Properties purchased by non-consolidated entities.

Increase in property operating expenses and tenant reimbursement income reflects operating activities of the Properties during the twelve months ended December 31, 2004.

(CC) Depreciation has been adjusted to reflect the Properties total acquisition cost depreciated on a straight line basis over the estimated economic useful life of the real estate. Amortization includes the pro forma effect of amortization of intangibles on a straight-line basis over the remaining term of the respective leases.

(DD) The pro forma adjustment to interest expense reflects additional interest expense as a result of new mortgages obtained (at a weighted average rate of 5.20%) and an assumed borrowing draw on the Company's unsecured revolving credit facility (at a rate of 3.96%) to fund the acquisitions. The pro forma adjustment to amortization expense reflects the pro forma adjustment of deferred mortgage costs which are amortized over the term of the related mortgages.

(EE) The pro forma adjustment to equity in earnings of non-consolidated entities reflects the net income statement impact of the six Properties purchased by non-consolidated entities.