OFFICE PROPERTIES
INCOME TRUST

Chicago, IL

INVESTOR PRESENTATION

AUGUST 2020

WARNING REGARDING FORWARD LOOKING STATEMENTS, DISCLAIMERS AND NON-GAAP FINANCIAL MEASURES

This presentation contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. Also, whenever we use words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “estimate”, “will”, “may” and negatives or derivatives of these or similar expressions, we are making forward-looking statements. These forward-looking statements are based upon our present intent, beliefs or expectations, but forward-looking statements are not guaranteed to occur and may not occur. Forward-looking statements in this presentation relate to various aspects of our business, including our 2020 outlook and goals, the duration and severity of the economic impact resulting from the COVID-19 pandemic and its impact on us and our tenants, the likelihood and extent to which our tenants will be negatively impacted by the COVID-19 pandemic and its aftermath and be able and willing to pay us rent, our expectations about the financial strength of our tenants, our expectations that the diversity and other characteristics of our property portfolio and our financial resources will result in our ability to successfully withstand the current economic conditions, our sales and acquisitions of properties, our ability to compete for acquisitions and tenancies effectively, the likelihood that our tenants will pay rent or be negatively affected by cyclical economic conditions or government budget constraints, the likelihood that our tenants will renew or extend their leases and not exercise early termination options pursuant to their leases or that we will obtain replacement tenants on terms as favorable to us as our prior leases, the likelihood that our rents will increase when we renew or extend our leases or enter new leases, the expectation that, as a result of the COVID-19 pandemic, new leasing activity may continue to slow, but overall tenant retention levels may increase, our belief that we are in a position to opportunistically recycle and deploy capital during 2020, our ability to pay distributions to our shareholders and to increase the amount of such distributions, our expectations regarding our future financial performance including funds from operations, or FFO, normalized funds from operations, or Normalized FFO, property net operating income, or NOI, and cash basis NOI, our policies and plans regarding investments, financings and dispositions, our expectations regarding occupancy at our properties, the future availability of borrowings under our revolving credit facility, our expectation that there will be opportunities for us to acquire, and that we will acquire, additional properties primarily leased to single tenants and tenants with high credit quality characteristics like government entities, our expectations regarding demand for leased space, our expectations regarding capital expenditures, our ability to raise debt or equity capital, our ability to pay interest on and principal of our debt, our ability to appropriately balance our use of debt and equity capital, our ability to successfully execute our capital recycling program, our ability to maintain sufficient liquidity during the duration of the COVID-19 pandemic and resulting economic downturn, our credit ratings, our expectation that we benefit from our relationships with The RMR Group Inc. (RMR Inc.), The RMR Group LLC (RMR LLC) and others, the credit qualities of our tenants; our qualification for taxation as a real estate investment trust (REIT), changes in federal or state tax laws, and other matters.

Our actual results may differ materially from those contained in or implied by our forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, such as the impact of conditions in the economy, including the COVID-19 pandemic and its aftermath, and the capital markets on us and our tenants, competition within the real estate industry, particularly in those markets in which our properties are located, the impact of changes in the real estate needs and financial conditions of our tenants, compliance with, and changes to, federal, state and local laws and regulations, accounting rules, tax laws and similar matters, the impact of any U.S. government shutdown on our ability to collect rents or pay our operating expenses, debt obligations and distributions to shareholders on a timely basis, actual and potential conflicts of interest with our related parties, including our Managing Trustees, RMR LLC, RMR Inc. and others affiliated with them, limitations imposed on our business and our ability to satisfy complex rules in order for us to maintain our qualification for taxation as a REIT for U.S. federal income tax purposes, and acts of terrorism, outbreaks of pandemics, including the COVID-19 pandemic, or other manmade or natural disasters beyond our control. For example: (a) we may be unable to pay our debt obligations or to maintain our current rate of distributions on our common shares and future distributions may be reduced or eliminated; (b) we may be unable to identify properties that we want to acquire, and we may fail to reach agreement with the sellers and complete the purchases of any properties we want to acquire; accordingly, we may be unable to accretively grow our property portfolio; (c) our Board of Trustees sets and resets our distribution rate from time to time after considering many factors, including cash available for distribution; accordingly, future distribution rates may be increased or decreased and there is no assurance as to the rate at which future distributions will be paid; (d) we plan to selectively sell certain properties from time to time to fund future acquisitions and to strategically update, rebalance and reposition our investment portfolio, which we refer to as our capital recycling program. We cannot be sure that we will sell any of these properties or what the terms of any sales may be, nor that we will acquire replacement properties that improve our asset quality or our ability to increase our distributions to shareholders; (e) we may not succeed in maintaining our leverage consistent with our current investment grade ratings or levels that the market or credit rating agencies believe are appropriate; (f) some of our tenants may not renew expiring leases, and we may be unable to obtain new tenants to maintain or increase the historical occupancy rates of, or rents from, our properties; (g) some government tenants may exercise their rights to vacate their space before the stated expirations of their leases, and we may be unable to obtain new tenants to maintain the historical occupancy rates of, or rents from, our properties; (h) rents that we can charge at our properties may decline upon renewals or expirations because of changing market conditions or otherwise; (i) leasing for some of our properties depends on a single tenant and we may be adversely affected by the bankruptcy, insolvency, a downturn of business or a lease termination of a single tenant; (j) our belief that there is a likelihood that tenants may renew or extend our leases prior to their expirations whenever they have made significant investments in the leased properties, or because those properties may be of strategic importance to them, may not be realized; (k) our belief that our overall tenant retention levels may increase as a result of the COVID-19 pandemic may not be realized; (l) our belief that we are well positioned to opportunistically recycle and deploy capital during 2020 may not be realized;

Continued on next page.

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(m) our belief that the reduction in government tenant space utilization and the consolidation of government tenants into government owned real estate is substantially complete may prove misplaced if these prior trends continue or do not moderate to the extent we expect, including in response to the COVID-19 pandemic and its aftermath; (n) our perception that recent activity suggests that the government has begun to shift its leasing strategy to include longer term leases and that the government is actively exploring 10 to 20 year lease terms at renewal, in some instances, may mistakenly imply that these activities are indicative of a trend or broader change in government leasing strategy or practices and, even if they may be indicative of such a trend or change, that trend or change may not be sustained by the government, including in response to the COVID-19 pandemic and its aftermath; (o) contingencies in our acquisition and sale agreements may not be satisfied and any expected acquisitions and sales and any related lease arrangements we expect to enter may not occur, may be delayed or the terms of such transactions or arrangements may change; (p) continued availability of borrowings under our revolving credit facility is subject to our satisfying certain financial covenants and other credit facility conditions that we may be unable to satisfy; (q) the competitive advantages we believe we may have may not in fact exist or provide us with the advantages we expect; (r) actual costs under our revolving credit facility will be higher than LIBOR plus a premium because of fees and expenses associated with such debt; (s) our option to extend the maturity date of our revolving credit facility is subject to our payment of a fee and meeting other conditions that may not be met; (t) development projects and unspent leasing related obligations may cost more or less and may take longer to complete than we currently expect, and we may incur increasing amounts for these and similar purposes in the future; (u) we may incur significant costs to prepare a property for a tenant, particularly for single tenant properties; (v) we may spend more for capital expenditures than we currently expect; (w) we may fail to obtain development rights or entitlements that we may seek for development and other projects we may wish to conduct at our properties; (x) our existing joint venture arrangements and any other joint venture arrangements that we may enter may not be successful; (y) our belief that we are well positioned to weather the present disruptions of the COVID-19 pandemic facing the real estate industry and the economy generally may not be realized; (z) the near term impact of the COVID-19 pandemic to us may be worse than we expect despite the strength of our tenant base; and (aa) the rent assistance granted by us may not be sufficient to ensure that tenants will be able to meet their rent payment obligations under their leases with us, which may result in an increase in tenant defaults and terminations.

Our Annual Report on Form 10-K for the year ended December 31, 2019, our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, and our other filings with the Securities and Exchange Commission (SEC), including under the caption “Risk Factors”, identify other important factors that could cause differences from our forward-looking statements. Our filings with the SEC are available on the SEC’s website at www.sec.gov. You should not place undue reliance upon our forward-looking statements. Except as required by law, we do not intend to update or change any forward-looking statements as a result of new information, future events or otherwise.

Notes Regarding Certain Information in this Presentation

This presentation contains industry and statistical data that we obtained from various third party sources. Nothing in the data used or derived from third party sources should be construed as investment advice. Some data and other information presented are also based on our good faith estimates and beliefs, which are derived from our review of internal surveys and independent sources and our experience. We believe that these external sources and estimates are reliable, but we have not independently verified them. Although we are not aware of any misstatements regarding the data presented herein, these estimates and beliefs involve inherent risks and uncertainties and are based on assumptions that are subject to change.

Unless otherwise expressly stated or the context indicates otherwise, (1) all data in this presentation are as of or for the three months ended **June 30, 2020**, (2) references in this presentation to “weighted average” mean a weighted average by annualized rental revenues unless otherwise stated and (3) references in this presentation to “annualized rental revenues” mean the annualized contractual rents, as of June 30, 2020, including straight line rent adjustments and excluding lease value amortization, adjusted for tenant concessions, including free rent and amounts reimbursed to tenants, plus estimated recurring expense reimbursements from tenants(annualized rental revenues may differ from actual historical rental revenues calculated pursuant to generally accepted accounting principles).

Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures including FFO, Normalized FFO, Cash Available for Distribution, EBITDA, EBITDAre, Adjusted EBITDAre, Property NOI and Property Cash Basis NOI. Calculations of, and reconciliations for these metrics to the closest U.S. Generally Accepted Accounting Principles (GAAP) metrics, are included in an Appendix hereto.

Please refer to Non-GAAP Financial Measures and Certain Definitions in the Appendix for terms used throughout this presentation.

OPI IS A NATIONAL OFFICE REIT

Office Properties Income Trust (Nasdaq: OPI) is a real estate investment trust (REIT) focused on owning, operating and leasing office properties primarily leased to single tenants and those with high credit quality characteristics like government entities.

$4.4 billion
INVESTMENT PORTFOLIO[1]

184
PROPERTIES IN PORTFOLIO[2]

24.9
MILLION SQUARE FEET

34
STATES & WASHINGTON, D.C.

91.7%
OCCUPANCY

62.8%
REVENUE FROM INVESTMENT GRADE TENANTS

1. Total gross assets.
2. Excludes three properties owned by two unconsolidated joint ventures.

WHY INVEST IN OPI?[1]

While it is difficult to determine the duration and implications of the COVID-19 pandemic, OPI's business was largely unaffected during the first half of 2020. The strength of OPI's portfolio and balance sheet should position the company to perform well as the current economic challenges continue.

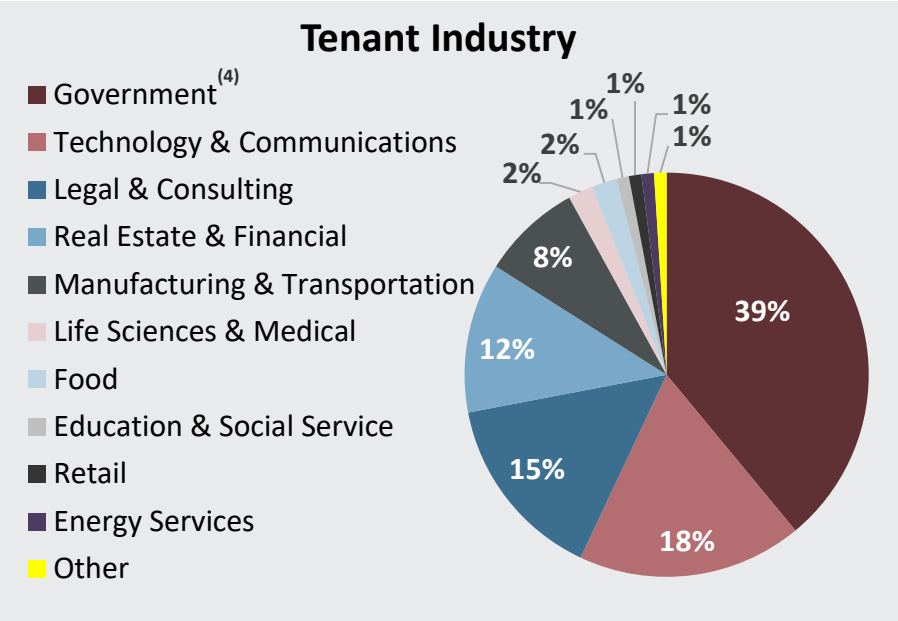
• OPI has minimal lease expirations for the remainder of the year, equal to only 3.0% of annualized revenue.	• OPI's leverage is low on a net debt / EBITDA basis at only 5.9x, below the targeted range of 6.0 - 6.5x for the third consecutive quarter.
• OPI has minimal near term debt maturities with only $40 million of debt maturing until 2022.[2]	• OPI has adequate liquidity with $570 million of availability under its $750 million unsecured revolving credit facility. Investment grade ratings were recently affirmed at BBB-/Baa3 with stable outlooks.
• OPI has one of the highest percentages of rents paid by investment grade rated tenants in the office sector at 63% of annualized revenue, including 39% paid by government tenants.	• OPI has granted minimal rent assistance to tenants for the months of April through September, equal to only approximately 88 basis points of contractual cash rent over that period.
• OPI's portfolio is well-diversified, both geographically with limited exposure to coastal gateway markets that have been hardest hit by the pandemic, and by tenant industry with approximately 78% of annualized revenue paid by tenants operating in industries deemed essential following NY State guidelines.	• OPI's second quarter CAD payout ratio was 57.9%, which is low for the office sector and below the targeted payout ratio of 75%. Considering annual capital spending will likely be below expectations, the full year payout ratio is also expected to be below target.

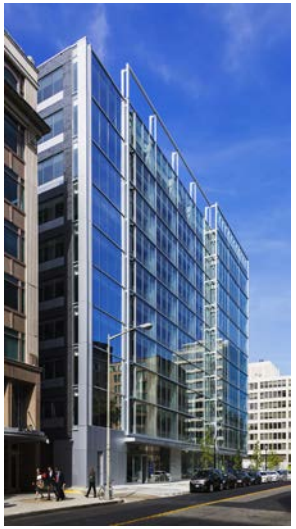
1. As of July 27, 2020.
2. $39.7M mortgage was repaid on August 3, 2020.

DIVERSIFIED PORTFOLIO BY GEOGRAPHY, INDUSTRY AND TENANTS WITH A FOCUS ON STRONG, GROWING MARKETS[1]

OPI's Top 10 Market Areas	No. of Buildings	Sq. Ft. (000s)	% of Total Annualized Rental Income	WALT (Years)
1) Washington, D.C. Metro	31	4,288	24.2 %	5.5
District of Columbia	*7*	*1,310*	*10.9 %*	*5.0*
*Northern Virginia **	*18*	*2,096*	*9.1 %*	*5.2*
Maryland[2]	*6*	*882*	*4.2 %*	*7.3*
2) Atlanta, GA *	10	1,667	5.4 %	6.4
3) Chicago, IL	4	1,127	5.0 %	4.4
4) Silicon Valley, CA *	11	827	4.6 %	4.4
5) Dallas / Ft. Worth, TX *	8	1,491	4.3 %	5.5
6) Sacramento, CA	7	881	4.3 %	4.7
7) Kansas City, MO	3	780	4.0 %	12.5
8) Richmond, VA	7	852	3.3 %	4.4
9) Boston, MA *	8	854	3.3 %	3.1
10) Denver, CO *	6	688	3.0 %	2.5
	95	13,455	61.4 %	

*** In the top 20 "Markets to Watch" in 2020 by ULI and PwC.[3]**

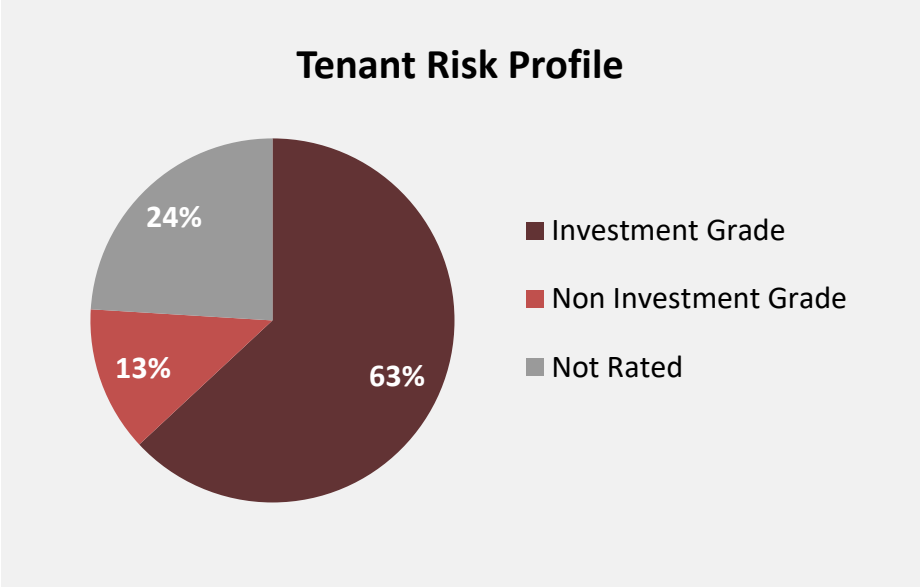


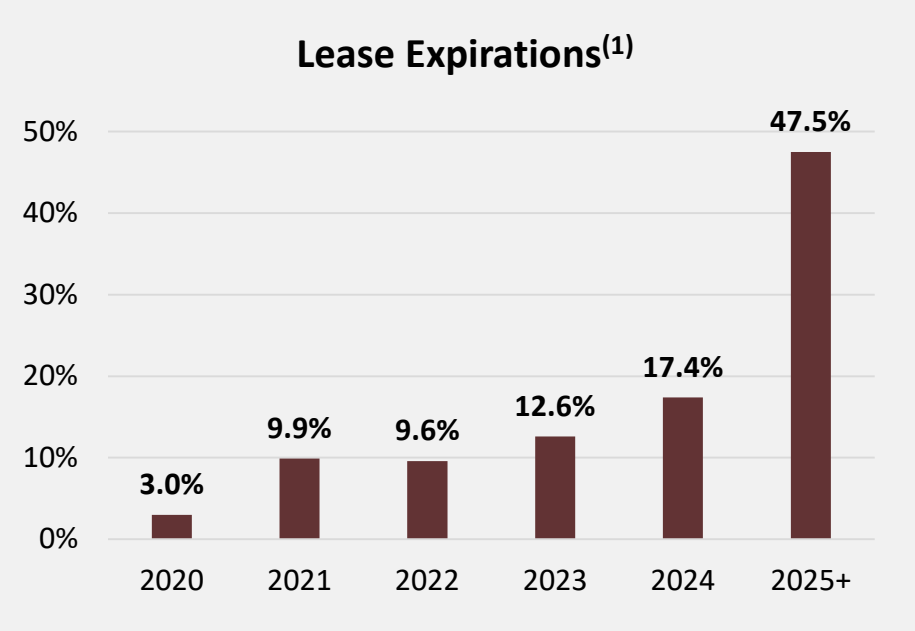


1. Based on annualized rental income.
2. Excludes Baltimore.
3. Source: Emerging Trends in Real Estate 2020 published by Urban Land Institute (ULI) and PricewaterhouseCoopers (PwC).
4. Includes the U.S. Government, state governments, municipalities and government contractors.

SECURE AND STABLE INCOME SUPPORTED BY 63% OF REVENUES FROM INVESTMENT GRADE TENANTS[1]

Tenants Representing 1% or More of Total Annualized Rental Income	Credit Rating	Annualized Rental Income (000s)	% of Total Annualized Rental Income
U.S. Government	Investment Grade	$ 146,308	25.2 %
Shook, Hardy & Bacon L.L.P.	Not Rated	19,199	3.3 %
State of California	Investment Grade	19,144	3.3 %
Bank of America Corporation	Investment Grade	16,520	2.8 %
WestRock Company	Investment Grade	12,864	2.2 %
F5 Networks, Inc.	Not Rated	12,777	2.2 %
CareFirst Inc.	Non Investment Grade	11,684	2.0 %
Northrop Grumman Corporation	Investment Grade	11,320	2.0 %
Tyson Foods, Inc.	Investment Grade	11,011	1.9 %
Commonwealth of Massachusetts	Investment Grade	9,769	1.7 %
Micro Focus International plc	Non Investment Grade	8,710	1.5 %
CommScope Holding Company Inc	Non Investment Grade	8,097	1.4 %
Technicolor SA	Non Investment Grade	7,856	1.4 %
State of Georgia	Investment Grade	7,173	1.2 %
PNC Bank	Investment Grade	6,902	1.2 %
ServiceNow, Inc.	Not Rated	6,481	1.1 %
Allstate Insurance Co.	Investment Grade	6,473	1.1 %
Compass Group plc	Investment Grade	6,399	1.1 %
Automatic Data Processing, Inc.	Investment Grade	6,047	1.0 %
Church & Dwight Co., Inc.	Investment Grade	6,019	1.0 %
Tailored Brands, Inc.	Non Investment Grade	5,898	1.0 %
		$ 346,651	59.6 %





1. Based on annualized rental income.

2019 Accomplishments

Asset Sales to Reduce Leverage
- $848.9 million of property sales completed in FY 2019.
- $104.7 million of RMR common stock sold, with a 261% net ROI.

Improved Balance Sheet
- Reduced leverage to 5.9x net debt / EBITDA, below our target range.[1]
- No significant debt maturities until 2022.

Managing Capex
- Eliminated more than $130 million of capital costs over the next five years through property sales.

Strong Leasing Activity
- Entered into more than 2.9 million sq. ft. of new and renewal leases with a weighted average roll up in rent of 4.2% and a weighted average lease term of 8.6 years.

Well Covered Dividend
- Low 40% FFO payout versus peer average of 67%.
- Cash available for distribution (CAD) payout of 56%, below target of 75%.

Market Leading Sustainability Initiatives
- Named 2019 ENERGY STAR® Partner of the Year as well as a Silver-level 2019 Green Lease Leader.
- New technologies resulted in energy reduction of 6.5 million kilowatt hours and expense savings of $880,000.

2020 YTD Accomplishments, Outlook and Goals

Transition to Strategic Capital Recycling
- $85.4 million of property sales completed in 1H20.
- In July, entered agreements to sell a four property business park in Fairfax, VA for $25.4 million, and to acquire a single tenant property in Denver, CO for $38.1 million.
- Principal focus is to enhance portfolio metrics and grow CAD through the acquisition of core properties that generate higher cash flow after capital costs than the properties sold.
- Evaluating additional properties for possible sale with the expectation of significant annual capital recycling once markets stabilize.

Maintain Leverage Consistent With Our Current Investment Grade Ratings

Leasing to Drive Internal Growth
- In 1H20, completed more than 1.2 million sq. ft. of new and renewal leasing with a weighted average roll up in rent of 4% and a weighted average lease term of 5.4 years.
- Active leasing pipeline of 2.1 million sq. ft. of space.
- Continued focus on tenant retention and improving same property performance.

Value Creation Through Select Repositioning / Development

Reduce Energy Consumption
- Named 2020 ENERGY STAR® Partner of the Year for the third consecutive year.
- Opportunity to expand beyond the 25% of OPI's portfolio that currently uses real time energy monitoring and data analysis to drive operating efficiency.

1. Based on net debt to annualized Adjusted EBITDA*re* ratio.

ACQUISITIONS FUNDED BY STRATEGIC ASSET SALES

As a result of achieving our target leverage during 2019, we have transitioned our principal focus to acquiring core properties with proceeds from asset sales, which is our strategic **capital recycling program**.

Acquisition Criteria

Focused on acquiring office properties in markets that have strong economic fundamentals to support rent growth.

1. **Properties primarily leased to single tenants.**
   - Strategic to the tenant, which may include: built-to-suit properties, corporate headquarters and properties where tenants have invested meaningful capital.
   - Minimum remaining lease term of seven years.
   - Effective age of 10 years or less.
2. **Properties leased to government tenants.**
   - Single tenant and multi-tenant.
   - Focus on agencies that have high security needs or a mission strategic to the properties' location.
3. **Primarily first generation properties where we believe there is a reasonably high probability of renewing the tenant in place and where ongoing capital needs are expected to be modest.**

Expected Benefits

- ✓ Reducing the average age of our property portfolio.
- ✓ Lengthening the weighted average term of our leases.
- ✓ Increasing the likelihood of retaining our tenants.
- ✓ Reshaping the tenant and geographic diversification of our property portfolio.
- ✓ Managing ongoing capital requirements of our properties.

BENEFITS OF GOVERNMENT AND SINGLE TENANT LEASING

Government

- Superior credit, stable cash flow.
  - The U.S. Government and State governments offer the best credit quality in the office sector.
- Long lease terms with high tenant retention.
  - GSA is focused on lease terms of 10 to 20 years, and on average, occupies the same space for 21.6 years.[1]
- GSA downsizing efforts are stabilizing.
- Creating value.
  - After years of doing short term renewals, GSA is now focused on leases of 10 years or longer to obtain more capital.

Single Tenant

- OPI's best-in-class single tenant office properties tend to be strategic to tenants, such as built-to-suit properties, corporate headquarters and properties where the tenant has invested capital.
  - We believe buildings with these characteristics create a high probability of lease renewal.
- Long term leases with no or low vacancy.
- Leases are generally net with tenant bearing operating expense risk and much of building capital requirements, plus contractual rent increases of 2-3% per year.
- Tenants are typically high credit quality or have corporate guarantees.
- Less exposure to capital and maintenance costs.

Representative Government Tenants

Representative Single Tenants

Leveraging RMR's shared services platform, more than 30 offices across the U.S. and more than 20 years of leasing experience, OPI drives value for shareholders with:

- ✓ Local market expertise nationwide.
- ✓ Deep relationships with brokers, tenants and the GSA.
- ✓ Greater visibility and understanding of tenant and government agency needs, funding and long term plans.

1. Source: *The Benefits of Longer Firm-Term Leases* (June 25, 2018) – www.gsa.gov.

RECENT COMPANY RECOGNITION

- In April 2020, OPI received the **2020 ENERGY STAR® Partner of the Year Award** from the U.S. Environmental Protection Agency and the U.S. Department of Energy for its outstanding efforts in energy management, for the third consecutive year.
    - RMR also received the 2020 ENERGY STAR® Partner of the Year Award for its outstanding efforts as a Service and Product Provider, for the second year in a row.
- In February 2020, OPI ranked 17th on the **Boston Business Journal 2020 Middle Market Leaders** list of the fastest growing middle market companies in Massachusetts.
    - **RMR ranked 1st**.
- In September 2019, RMR received the **Real Estate Management Excellence (REME) Award for Employee & Leadership Development** from the Institute of Real Estate Management (IREM) at its 2019 Global Summit.
- In June 2019, OPI was recognized as a **Silver-level 2019 Green Lease Leader** by the Institute for Market Transformation and the U.S. Department of Energy's Better Buildings Alliance at the 2019 Building Owners and Managers Association (BOMA) International Annual Conference.

Property Awards Received by OPI in 2019:

Property Name	City	State	Building Award
15451 North 28th Avenue	Phoenix	AZ	BOMA 360 Designation
7850 Southwest 6th Court	Plantation	FL	BOMA 360 Designation
251 Causeway Street	Boston	MA	LEED Silver Certification
75 Pleasant Street	Malden	MA	BOMA 360 Designation
One Montvale Avenue	Stoneham	MA	LEED Silver Recertification
11411 E. Jefferson Avenue	Detroit	MI	BOMA 360 Designation
One Coliseum Centre	Charlotte	NC	BOMA 360 Designation
5000 Corporate Court	Holtsville	NY	LEED Silver Recertification
3600 Wiseman Boulevard	San Antonio	TX	BOMA 360 Designation
65 Bowdoin Street	South Burlington	VT	LEED Silver Certification

OPI's total portfolio:

- 40 properties are ENERGY STAR certified
- 28 properties are LEED certified
- 32 properties are designated as 360 Performance Buildings by BOMA

OPI IS MANAGED BY THE RMR GROUP, AN ALTERNATIVE ASSET MANAGER

$32.0 Billion in AUM

Over 600 CRE Professionals

More than 30 Offices Throughout the U.S.

Combined RMR Managed Companies

$12 Billion in Annual Revenues

Over 2,100 Properties

Nearly 45,000 Employees

RMR's Operations Include:

Financial Services:	Real Estate Services:	Business Services:
Accounting	Acquisitions / Dispositions	Administration
Capital Markets	Asset Management	Human Resources
Compliance / Audit	Construction / Development	Information Technology (IT)
Finance / Planning	Engineering	Investor Relations
Treasury	Leasing	Marketing
Tax	Property Management	Legal / Risk Management

National Multi-Sector Investment Platform

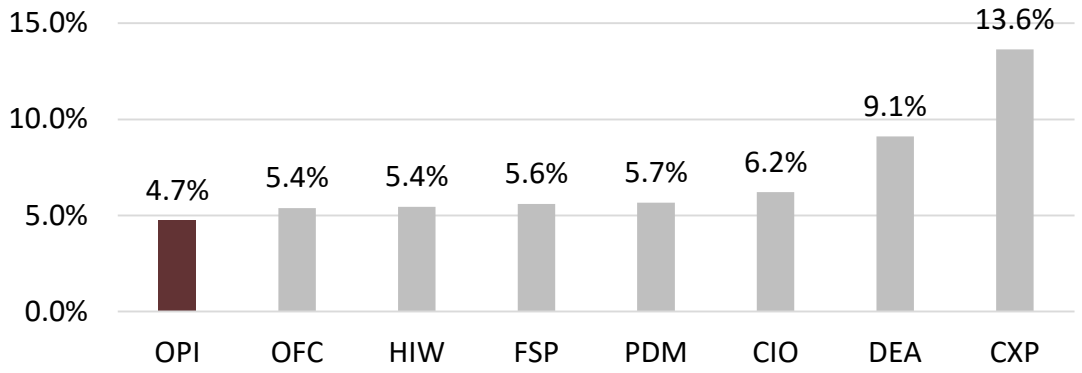
Office | Industrial | Government | Medical Office | Life Science | Senior Living | Hotels | Retail

OPI BENEFITS FROM ITS RELATIONSHIP WITH RMR

Provides OPI with scale and efficiencies.

- OPI has no employees; RMR provides all the employees.
- RMR's acquisitions team sees a substantial number of properties marketed for sale in every market across the United States.
- RMR can attract very strong real estate professionals (acquisitions, asset management, property management, finance, accounting, etc.) because of the size of the portfolios for which they will be responsible.
- RMR provides job growth opportunities for employees which is a benefit when hiring in a tight job market.
- RMR property management employees focus only on assets managed by RMR, with no conflicting responsibilities for other owners.
- OPI benefits from the scale of a $32.0 billion platform. Examples:
  - Centralized procurement.
  - Centralized services.
  - Banking and capital markets.

OPI's G&A as a percent of total revenue compares favorably to its peer group:[1]



GSA leasing presents a high barrier to entry for many investors. <u>For OPI, it is an opportunity.</u>

- OPI's and RMR's highly qualified team has more than 20 years of experience – We believe that we understand GSA leasing as well or better than anyone out there.
- Our deep relationships with GSA, tenant agencies and the brokerage community (capital markets and leasing) drive value for our shareholders, with:
  - Better visibility and understanding of agency needs, funding and long term plans, which allows us to acquire properties with knowledge of a high probability of renewal.
  - Significant knowledge and experience with the GSA's process.
  - RMR employees serve alongside the GSA on strategic committees focused on improving the Lessor/Lessee relationship and leasing process. Representatives of RMR have a seat at the table to promote a mutually beneficial environment.
- RMR's development platform can drive value for GSA growth and retention.
  - We have the ability to provide strategic solutions for agencies that need more space or a new building.

1. Source: SNL Financial. Data is for the twelve months ended June 30, 2020.

FEES THAT OPI PAYS TO RMR ARE PRIMARILY PERFORMANCE BASED WHICH ALIGNS INTERESTS WITH SHAREHOLDERS

RMR base management fee tied to OPI share price performance.

- Consists of an annual fee equal to generally 50 bps multiplied by the lower of: (1) OPI's historical cost of real estate, or (2) OPI's total market capitalization.
- There is no incentive for RMR to complete any transaction that could reduce share price.

RMR incentive fee contingent on total shareholder return outperformance.

- Equal to 12% of value generated by OPI in excess of the benchmark index total returns (SNL U.S. REIT Office Index) per share over a three year period, subject to a cap (1.5% of equity market cap).
- Outperformance must be positive.
- Shareholders keep 100% of benchmark returns and at least 88% of returns in excess of the benchmark.

Other fees.

- Property management fee: consists of an annual fee based on 3.0% of rents collected at OPI's managed properties.
- Construction management fee based on 5.0% of project costs.

Alignment of Interests
If OPI's stock price goes up and its total market cap exceeds its historical cost of real estate; RMR base management fee is capped at 50 bps of historical cost of real estate.
If OPI's stock price goes down and its historical cost of real estate exceeds its total market cap; RMR gets less base management fee (50 bps on equity market cap plus debt).
Incentive fee structure keeps RMR focused on increasing total shareholder return.
Members of RMR senior management are holders of OPI stock, some subject to long term lock up agreements.
OPI shareholders have visibility into RMR, a publicly traded company.
OPI benefits from RMR's national footprint and economies of scale of $32.0 billion platform.

EXECUTIVES AND BOARD OF TRUSTEES

DAVID BLACKMAN
President and
Chief Executive Officer

Mr. Blackman is our President and Chief Executive Officer and has been a member of Senior Management since OPI's formation in 2009. Mr. Blackman has been a Managing Trustee of OPI since 2019 and is also Executive Vice President of The RMR Group LLC. Prior to joining RMR in 2009, Mr. Blackman was a real estate investment banker at Wachovia Corporation and its predecessors for over 20 years.

MATT BROWN
Chief Financial Officer
and Treasurer

Mr. Brown has been our Chief Financial Officer and Treasurer since 2019. Mr. Brown is also Senior Vice President of The RMR Group LLC and is responsible for the day to day oversight of the accounting and finance support functions of RMR and its various affiliates. Prior to joining RMR in 2007, Mr. Brown worked in the audit practice of Wolf & Company, a public accounting firm headquartered in Boston, MA.

CHRIS BILOTTO
Vice President and
Chief Operating Officer

Mr. Bilotto has been our Chief Operating Officer since 2020 and Vice President since 2019. Mr. Bilotto is also Vice President of The RMR Group LLC and is responsible for asset management oversight for all office and industrial properties managed by RMR as well as development and redevelopment across the United States. Prior to joining RMR in 2011, Mr. Bilotto worked at General Growth Properties (NYSE: GGP) in various management roles.

Board of Trustees

ELENA POPTODOROVA Lead Independent Trustee	**DONNA FRAICHE** Independent Trustee	**BARBARA GILMORE** Independent Trustee	**JOHN HARRINGTON** Independent Trustee
WILLIAM LAMKIN Independent Trustee	**JEFFREY SOMERS** Independent Trustee	**ADAM PORTNOY** Managing Trustee	**DAVID BLACKMAN** Managing Trustee


Provo, UT


Kansas City, MO


Washington, D.C.

APPENDIX


Centennial, CO


Norfolk, VA

REPRESENTATIVE PROPERTIES

Walk Score	Transit Score	Bike Score
86	97	86

440 First Street NW, Washington D.C.

Square Feet: 141,576

Occupancy: 97.1% (6/30/2020)

Sustainability: LEED Platinum

WALT: 7.3 years

Amenities: Rooftop terrace, fitness center and conference center

Tenant(s): Multi-tenant building: Acumen LLC, Associated Builders, Alliance Defending Freedom, Lewis Burke Associates

Property Overview:

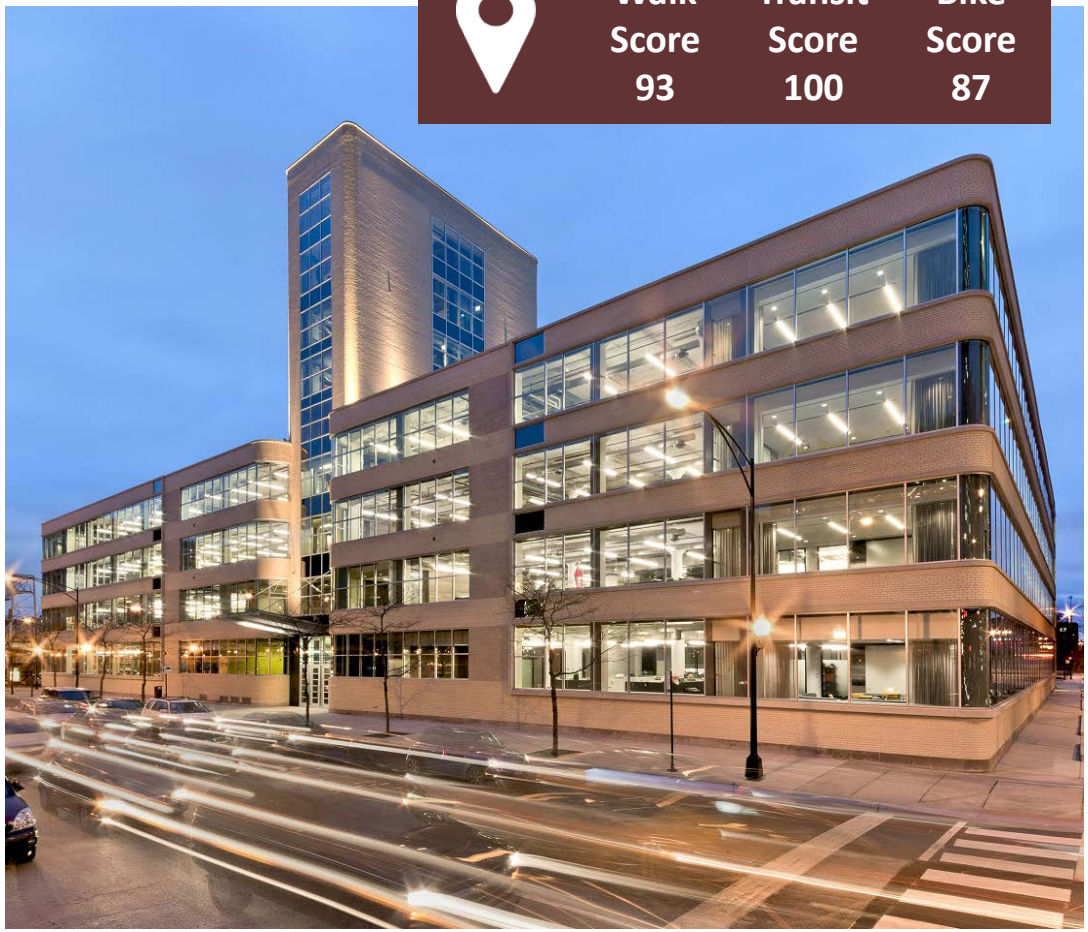
In 2013, 440 First Street was fully renovated to include the addition of two floors, façade replacement, new HVAC system, new elevator, rooftop terrace, fitness center and conference center. This trophy Class A freestanding building provides a phenomenal window to office ratio of one per 400 sq. ft. and is located just blocks from the U.S. Capitol, the Union Station transportation hub and Judiciary Square Metro Stations. The building's best-in-class amenity offering and central location have driven leasing and led to the building's above market occupancy rate.

REPRESENTATIVE PROPERTIES

Walk Score	Transit Score	Bike Score
93	100	87

400 South Jefferson Street, Chicago, IL

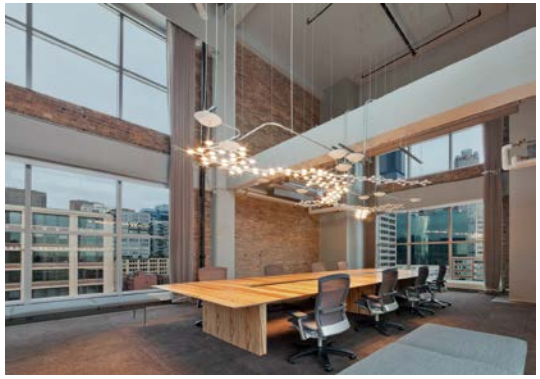
Square Feet:	247,716
Occupancy:	100% (6/30/2020)
Sustainability:	ENERGY STAR Certified, LEED Gold, BOMA 360 Designation and 2017 Chicago and Regional TOBY Corporate Facility Award Winner
WALT:	7.6 years
Amenities:	Auditorium, roof deck
Tenant(s):	Tyson Foods, Inc. (Baa2)



Property Overview:

400 South Jefferson underwent major renovations in 2012 to customize the space for Tyson Foods. The building's modern design and ability to cater to a large office user will generate interest on par with the West Loop submarket's best performing real estate. Walgreens, Uber, McDonalds and Google are some of the major tenants that have contributed to the area's explosive growth.

The West Loop is home to the French Market, Chicago Riverwalk, Kent Law and some of the city's most popular restaurants. Whether taking the Metra from Chicago's affluent North Shore or riding the Red Line from the city's eccentric neighborhoods to Union Station, 400 South Jefferson will continue to benefit from its proximity to the city's largest bus and train terminal.



REPRESENTATIVE PROPERTIES

2555 Grand Boulevard, Kansas City, MO

Square Feet: 595,607

Occupancy: 100% (6/30/2020)

WALT: 13.7 years

Amenities: Connected via skyway to the 85-acre Crown Center mixed-use development offering numerous restaurants, retail stores and a 724-key Westin hotel

Tenant(s): Shook, Hardy & Bacon (Am Law 200)

Property Overview:

The building is a 24-story Class A office tower located in the prominent Crown Center mixed-used development and adjacent to the up-and-coming Crossroads Art District. Constructed in 2003 as a build-to-suit for Shook, Hardy & Bacon, the property is located 1 mile from the heart of downtown Kansas City, with convenient access via the Kansas City streetcar. Crown Center and the Crossroad Art District are also home to Union Station, Hallmark Cards corporate headquarters, the Kansas City Federal Reserve and a 1 million sq. ft. IRS campus.

KEY FINANCIAL DATA

(dollars in thousands)	As of and for the Three Months Ended				
	6/30/2020	3/31/2020	12/31/2019	9/30/2019	6/30/2019
Selected Balance Sheet Data:					
Total gross assets	4,400,379	4,431,934	4,580,792	4,735,814	5,198,382
Total assets	3,977,663	4,028,705	4,193,136	4,360,249	4,804,322
Total liabilities	2,311,233	2,338,331	2,487,382	2,693,636	3,107,836
Total shareholders' equity	1,666,430	1,690,374	1,705,754	1,666,613	1,696,486
Selected Income Statement Data:					
Rental income	145,603	149,885	160,184	167,411	176,032
Net income (loss)	1,299	10,840	65,029	(3,939)	(64,774)
Property NOI	98,834	100,186	103,158	108,693	120,723
Adjusted EBITDA*re*	92,883	94,213	96,513	102,886	114,897
FFO	66,640	64,268	66,443	69,455	79,081
Normalized FFO	67,197	67,550	66,443	69,739	79,250
CAD	45,543	47,366	39,744	38,624	56,719
Rolling four quarter CAD [1]	171,277	182,453	188,606	N/A	N/A
Per Common Share Data (basic and diluted):					
Net income (loss)	0.03	0.23	1.35	(0.08)	(1.35)
FFO	1.39	1.34	1.38	1.44	1.65
Normalized FFO	1.40	1.40	1.38	1.45	1.65
CAD	0.95	0.98	0.83	0.80	1.18
Rolling four quarter CAD [1]	3.56	3.79	3.92	N/A	N/A
Dividends:					
Annualized dividends paid per share during the period	2.20	2.20	2.20	2.20	2.20
Annualized dividend yield (at end of period)	8.5 %	8.1 %	6.8 %	7.2 %	8.4 %
Normalized FFO payout ratio	39.3 %	39.3 %	39.9 %	37.9 %	33.3 %
CAD payout ratio	57.9 %	56.1 %	66.3 %	68.8 %	46.6 %
Rolling four quarter CAD payout ratio [1]	61.8 %	58.0 %	56.1 %	N/A	N/A

1. Rolling four quarter CAD data prior to December 31, 2019 does not include a full four quarters of operations of the properties acquired as part of our acquisition of Select Income REIT on December 31, 2018 and therefore is not comparable.

DEBT SUMMARY[1]

(dollars in thousands)	Coupon Rate [2]	Interest Rate [3]	Principal Balance	Maturity Date	Due at Maturity	Years to Maturity
Unsecured Floating Rate Debt:						
$750,000 unsecured revolving credit facility [4] [5]	1.209 %	1.209 %	$ 200,000	1/31/2023	$ 200,000	2.6
Unsecured Fixed Rate Debt:						
Senior unsecured notes due 2022	4.150 %	4.196 %	300,000	2/1/2022	300,000	1.6
Senior unsecured notes due 2022	4.000 %	4.000 %	300,000	7/15/2022	300,000	2.0
Senior unsecured notes due 2024	4.250 %	4.404 %	350,000	5/15/2024	350,000	3.9
Senior unsecured notes due 2025	4.500 %	4.770 %	400,000	2/1/2025	400,000	4.6
Senior unsecured notes due 2046	5.875 %	5.875 %	310,000	5/1/2046	310,000	25.9
Senior unsecured notes due 2050 [6]	6.375 %	6.375 %	150,000	6/23/2050	150,000	30.0
Subtotal / weighted average	4.702 %	4.799 %	1,810,000		1,810,000	9.3
Secured Fixed Rate Debt:						
Mortgage debt - One property in Philadelphia, PA	2.173 %	4.220 %	39,698	8/3/2020	39,635	0.1
Mortgage debt - One property in Lakewood, CO	8.150 %	6.150 %	1,030	3/1/2021	118	0.7
Mortgage debt - One property in Washington, DC	4.220 %	4.190 %	26,167	7/1/2022	24,668	2.0
Mortgage debt - Three properties in Seattle, WA	3.550 %	4.210 %	71,000	5/1/2023	71,000	2.8
Mortgage debt - One property in Chicago, IL	3.700 %	4.210 %	50,000	6/1/2023	50,000	2.9
Mortgage debt - One property in Washington, DC	4.800 %	4.190 %	23,901	6/1/2023	22,584	2.9
Subtotal / weighted average	3.573 %	4.217 %	211,796		208,005	2.2
Total / weighted average	4.280 %	4.420 %	$ 2,221,796		$ 2,218,005	8.0

1. Excludes two mortgage notes with an aggregate principal balance of $82,000 which are secured by three properties owned by two unconsolidated joint ventures in which we own 51% and 50% interests.
2. Reflects the interest rate stated in, or determined pursuant to, the contract terms.
3. Includes the effect of mark to market accounting for certain mortgages and discounts on senior unsecured notes. Excludes the effect of debt issuance costs amortization.
4. We are required to pay interest on borrowings under our revolving credit facility at a rate of LIBOR plus a premium of 110 basis points per annum. We also pay a facility fee of 25 basis points per annum on the total amount of lending commitments under our revolving credit facility. Both the interest rate premium and facility fee are subject to adjustment based upon changes to our credit ratings. The interest rate listed is as of June 30, 2020 and excludes the 25 basis point facility fee. Subject to the payment of an extension fee and meeting certain other conditions, we may extend the maturity date of our revolving credit facility for two additional six month periods.
5. The maximum aggregate borrowing availability under the credit agreement governing our revolving credit facility may be increased to up to $1,950,000 in certain circumstances.
6. In July 2020, we issued an additional $12,000 of these senior unsecured notes in connection with the underwriters' partial exercise of their option to purchase additional notes.

CALCULATION OF PROPERTY NOI AND PROPERTY CASH BASIS NOI[1]

(dollars in thousands)	For the Three Months Ended					For the Six Months Ended	
	6/30/2020	3/31/2020	12/31/2019	9/30/2019	6/30/2019	6/30/2020	6/30/2019
Calculation of Property NOI and Property Cash Basis NOI:							
Rental income	$ 145,603	$ 149,885	$ 160,184	$ 167,411	$ 176,032	$ 295,488	$ 350,809
Property operating expenses	(46,769)	(49,699)	(57,026)	(58,718)	(55,309)	(96,468)	(113,218)
Property NOI	98,834	100,186	103,158	108,693	120,723	199,020	237,591
Non-cash straight line rent adjustments included in rental income	(3,468)	(5,583)	(8,142)	(6,904)	(5,667)	(9,051)	(12,461)
Lease value amortization included in rental income	1,405	1,432	82	35	1,446	2,837	2,593
Lease termination fees included in rental income	(3)	(3)	(2)	(22)	(8,867)	(6)	(9161)
Non-cash amortization included in property operating expenses [2]	(121)	(121)	(121)	(121)	(121)	(242)	(242)
Property Cash Basis NOI	$ 96,647	$ 95,911	$ 94,975	$ 101,681	$ 107,514	$ 192,558	$ 218,320
Reconciliation of Net Income (Loss) to Property NOI and Property Cash Basis NOI:							
Net income (loss)	$ 1,299	$ 10,840	$ 65,029	$ (3,939)	$ (64,774)	$ 12,139	$ (30,755)
Equity in net losses of investees	260	276	686	196	142	536	377
Income tax expense (benefit)	235	39	269	156	(130)	274	353
Income before income tax expense and equity in net losses of investees	1,794	11,155	65,984	(3,587)	(64,762)	12,949	(30,025)
Loss on early extinguishment of debt	557	3,282	—	284	71	3,839	485
Interest expense	25,205	27,159	30,032	32,367	35,348	52,364	72,481
Interest and other income	(30)	(706)	(198)	(358)	(241)	(736)	(489)
Loss on equity securities	—	—	—	—	66,135	—	44,007
Dividend income	—	—	—	—	(980)	—	(1,960)
(Gain) loss on sale of real estate	(66)	(10,756)	(71,593)	(11,463)	17	(10,822)	(22,075)
General and administrative	7,204	7,109	7,271	7,990	8,744	14,313	17,467
Acquisition and transaction related costs	—	—	—	—	98	—	682
Loss on impairment of real estate	—	—	8,150	8,521	2,380	—	5,584
Depreciation and amortization	64,170	62,943	63,512	74,939	73,913	127,113	151,434
Property NOI	98,834	100,186	103,158	108,693	120,723	199,020	237,591
Non-cash amortization included in property operating expenses [2]	(121)	(121)	(121)	(121)	(121)	(242)	(242)
Lease termination fees included in rental income	(3)	(3)	(2)	(22)	(8,867)	(6)	(9,161)
Lease value amortization included in rental income	1,405	1,432	82	35	1,446	2,837	2,593
Non-cash straight line rent adjustments included in rental income	(3,468)	(5,583)	(8,142)	(6,904)	(5,667)	(9,051)	(12,461)
Property Cash Basis NOI	$ 96,647	$ 95,911	$ 94,975	$ 101,681	$ 107,514	$ 192,558	$ 218,320

1. Excludes three properties owned by two unconsolidated joint ventures in which we own 51% and 50% interests.
2. We recorded a liability for the amount by which the estimated fair value for accounting purposes exceeded the price we paid for our former investment in RMR Inc. common stock in June 2015. A portion of this liability is being amortized on a straight line basis through December 31, 2035 as a reduction to property management fees expense, which are included in property operating expenses.

CALCULATION OF EBITDA, EBITDA*re* AND ADJUSTED EBITDA*re*

(dollars in thousands)	For the Three Months Ended					For the Six Months Ended	
	6/30/2020	3/31/2020	12/31/2019	9/30/2019	6/30/2019	6/30/2020	6/30/2019
Net income (loss)	$ 1,299	$ 10,840	$ 65,029	$ (3,939)	$ (64,774)	$ 12,139	$ (30,755)
Add (less): Interest expense	25,205	27,159	30,032	32,367	35,348	52,364	72,481
Income tax (benefit) expense	235	39	269	156	(130)	274	353
Depreciation and amortization	64,170	62,943	63,512	74,939	73,913	127,113	151,434
EBITDA	90,909	100,981	158,842	103,523	44,357	191,890	193,513
Add (less): Loss on impairment of real estate	—	—	8,150	8,521	2,380	—	5,584
(Gain) loss on sale of real estate	(66)	(10,756)	(71,593)	(11,463)	17	(10,822)	(22,075)
Distributions received from unconsolidated joint ventures	102	51	397	852	600	153	1,121
Equity in losses of unconsolidated joint ventures	260	276	350	280	272	536	911
EBITDA*re*	91,205	90,552	96,146	101,713	47,626	181,757	179,054
Add (less): Acquisition and transaction related costs [1]	—	—	—	—	98	—	682
General and administrative expense paid in common shares [2]	1,121	379	367	889	967	1,500	1,831
Loss on early extinguishment of debt	557	3,282	—	284	71	3,839	485
Loss on equity securities [3]	—	—	—	—	66,135	—	44,007
Adjusted EBITDA*re*	$ 92,883	$ 94,213	$ 96,513	$102,886	$114,897	$ 187,096	$226,059

1. Acquisition and transaction related costs represent post-merger activity costs incurred in connection with the acquisition of Select Income REIT on December 31, 2018 by merger transaction, or the Merger, and other related transactions.
2. Amounts represent equity based compensation to our Trustees, our officers and certain other employees of RMR LLC.
3. Loss on equity securities represents the adjustment required to adjust the carrying value of our former investment in RMR Inc. common stock to its fair value as of the end of the period. On July 1, 2019, we sold our investment in RMR Inc. common stock.

CALCULATION OF FFO, NORMALIZED FFO AND CAD

(dollars in thousands)	For the Three Months Ended					For the Six Months Ended	
	6/30/2020	3/31/2020	12/31/2019	9/30/2019	6/30/2019	6/30/2020	6/30/2019
Net income (loss)	$ 1,299	$ 10,840	$ 65,029	$ (3,939)	$ (64,774)	$ 12,139	$ (30,755)
Add (less): Depreciation and amortization:							
Consolidated properties	64,170	62,943	63,512	74,939	73,913	127,113	151,434
Unconsolidated joint venture properties	1,237	1,241	1,345	1,397	1,410	2,478	3,161
(Gain) loss on sale of real estate	(66)	(10,756)	(71,593)	(11,463)	17	(10,822)	(22,075)
Loss on equity securities [1]	—	—	—	—	66,135	—	44,007
FFO	66,640	64,268	66,443	69,455	79,081	130,908	151,356
Add (less): Acquisition and transaction related costs [2]	—	—	—	—	98	—	682
Loss on early extinguishment of debt	557	3,282	—	284	71	3,839	485
Normalized FFO	67,197	67,550	66,443	69,739	79,250	134,747	152,523
Add (less): Non-cash expenses [3]	808	79	76	611	695	887	1,287
Distributions from unconsolidated joint ventures	102	51	397	852	600	153	1,121
Depreciation and amortization - unconsolidated joint ventures	(1,237)	(1,241)	(1,345)	(1,397)	(1,410)	(2,478)	(3,161)
Equity in net losses of investees	260	276	686	196	142	536	377
Loss on early extinguishment of debt settled in cash	—	(1,138)	—	—	—	(1,138)	—
Non-cash straight line rent adjustments included in rental income	(3,468)	(5,583)	(8,142)	(6,904)	(5,667)	(9,051)	(12,461)
Lease value amortization included in rental income	1,405	1,432	82	35	1,446	2,837	2,593
Net amortization of debt premiums, discounts and issuance costs	2,402	2,283	2,476	2,560	2,863	4,685	5,704
Recurring capital expenditures	(21,926)	(16,343)	(20,929)	(27,068)	(21,200)	(38,269)	(37,745)
CAD	$ 45,543	$ 47,366	$ 39,744	$ 38,624	$ 56,719	$ 92,909	$ 110,238
Weighted average common shares outstanding (basic and diluted)	48,106	48,095	48,094	48,073	48,049	48,101	48,040
Per common share amounts (basic and diluted):							
Net income (loss)	$ 0.03	$ 0.23	$ 1.35	$ (0.08)	$ (1.35)	$ 0.25	$ (0.64)
FFO	$ 1.39	$ 1.34	$ 1.38	$ 1.44	$ 1.65	$ 2.72	$ 3.15
Normalized FFO	$ 1.40	$ 1.40	$ 1.38	$ 1.45	$ 1.65	$ 2.80	$ 3.17
CAD	$ 0.95	$ 0.98	$ 0.83	$ 0.80	$ 1.18	$ 1.93	$ 2.29

1. Loss on equity securities represents the adjustment required to adjust the carrying value of our former investment in RMR Inc. common stock to its fair value as of the end of the period. On July 1, 2019, we sold our investment in RMR Inc. common stock.
2. Acquisition and transaction related costs represent post-merger activity costs incurred in connection with the Merger and other related transactions.
3. Non-cash expenses include equity based compensation, adjustments recorded to capitalize interest expense and amortization of the liability for the amount by which the estimated fair value for accounting purposes exceeded the price we paid for our former investment in RMR Inc. common stock in June 2015. This liability is being amortized on a straight line basis through December 31, 2035 as an allocated reduction to business management fee expense and property management fee expense, which are included in general and administrative and other operating expenses, respectively.

NON-GAAP FINANCIAL MEASURES AND CERTAIN DEFINITIONS

Non-GAAP Financial Measures

We present certain "non-GAAP financial measures" within the meaning of applicable rules of the SEC, including Property NOI, Property Cash Basis NOI, EBITDA, EBITDA*re*, Adjusted EBITDA*re*, FFO, Normalized FFO and CAD. These measures do not represent cash generated by operating activities in accordance with GAAP and should not be considered alternatives to net income (loss) as indicators of our operating performance or as measures of our liquidity. These measures should be considered in conjunction with net income (loss) as presented in our condensed consolidated statements of income. We consider these non-GAAP measures to be appropriate supplemental measures of operating performance for a REIT, along with net income (loss). We believe these measures provide useful information to investors because by excluding the effects of certain historical amounts, such as depreciation and amortization expense, they may facilitate a comparison of our operating performance between periods and with other REITs and, in the case of Property NOI, Property Cash Basis NOI reflecting only those income and expense items that are generated and incurred at the property level may help both investors and management to understand the operations of our properties.

Property NOI and Property Cash Basis NOI

The calculations of Property net operating income, or NOI, and Property Cash Basis NOI exclude certain components of net income in order to provide results that are more closely related to our property level results of operations. We calculate Property NOI and Property Cash Basis NOI as shown on page 22. We define Property NOI as income from our rental of real estate less our property operating expenses. Property NOI excludes amortization of capitalized tenant improvement costs and leasing commissions that we record as depreciation and amortization expense. We define Property Cash Basis NOI as Property NOI excluding non-cash straight line rent adjustments, lease value amortization, lease termination fees, if any, and non-cash amortization included in other operating expenses. We use Property NOI and Property Cash Basis NOI to evaluate individual and company-wide property level performance. Other real estate companies and REITs may calculate Property NOI and Property Cash Basis NOI differently than we do.

EBITDA, EBITDA*re* and Adjusted EBITDA*re*

We calculate earnings before interest, taxes, depreciation and amortization, or EBITDA, EBITDA for real estate, or EBITDA*re*, and Adjusted EBITDA*re* as shown on page 23. EBITDA*re* is calculated on the basis defined by The National Association of Real Estate Investment Trusts, or Nareit, which is EBITDA, excluding gains and losses on the sale of real estate, loss on impairment of real estate assets and adjustments to reflect our share of EBITDA*re* of our unconsolidated joint ventures. In calculating Adjusted EBITDA*re*, we adjust for the items shown on page 23 and include business management incentive fees, if any, only in the fourth quarter versus the quarter when they are recognized as expense in accordance with GAAP due to their quarterly volatility not necessarily being indicative of our core operating performance and the uncertainty as to whether any such business management incentive fees will be payable when all contingencies for determining such fees are known at the end of the calendar year. Other real estate companies and REITs may calculate EBITDA, EBITDA*re* and Adjusted EBITDA*re* differently than we do.

FFO and Normalized FFO

We calculate funds from operations, or FFO, and Normalized FFO as shown on page 24. FFO is calculated on the basis defined by Nareit, which is net income, calculated in accordance with GAAP, plus real estate depreciation and amortization of consolidated properties and our proportionate share of the real estate depreciation and amortization of unconsolidated joint venture properties, but excluding impairment charges on real estate assets, any gain or loss on sale of real estate and equity securities, as well as certain other adjustments currently not applicable to us. In calculating Normalized FFO, we adjust for the other items shown on page 24 and include business management incentive fees, if any, only in the fourth quarter versus the quarter when they are recognized as an expense in accordance with GAAP due to their quarterly volatility not necessarily being indicative of our core operating performance and the uncertainty as to whether any such business management incentive fees will be payable when all contingencies for determining such fees are known at the end of the calendar year. FFO and Normalized FFO are among the factors considered by our Board of Trustees when determining the amount of distributions to our shareholders. Other factors include, but are not limited to, requirements to maintain our qualification for taxation as a REIT, limitations in our credit agreement and public debt covenants, the availability to us of debt and equity capital, our expectation of our future capital requirements and operating performance and our expected needs for and availability of cash to pay our obligations. Other real estate companies and REITs may calculate FFO and Normalized FFO differently than we do.

Cash Available for Distribution (CAD)

We calculate cash available for distribution, or CAD, as shown on page 24. We define CAD as Normalized FFO minus recurring real estate related capital expenditures and other non-cash and non-recurring items. CAD is among the factors considered by our Board of Trustees when determining the amount of distributions to our shareholders. Other real estate companies and REITs may calculate CAD differently than we do.

NON-GAAP FINANCIAL MEASURES AND CERTAIN DEFINITIONS

Annualized dividend yield is the annualized dividend per share paid during the period divided by the closing price of our common shares at the end of the period.

Annualized rental income is calculated using the annualized contractual base rents from our tenants pursuant to our lease agreements as of June 30, 2020, plus straight line rent adjustments and estimated recurring expense reimbursements to be paid to us, and excluding lease value amortization.

GAAP is U.S. generally accepted accounting principles.

Gross book value of real estate assets is real estate properties at cost, plus certain acquisition costs, if any, before depreciation and purchase price allocations, less impairment writedowns, if any.

Gross sales price is equal to the gross contract price, includes purchase price adjustments, if any, and excludes closing costs.

Investment grade tenants include (i) investment grade rated tenants; (ii) tenants with investment grade rated parent entities that guarantee the tenant's lease obligations; and/or (iii) tenants with investment grade rated parent entities that do not guarantee the tenant's lease obligations.

Leased square feet is pursuant to leases existing as of June 30, 2020, and includes (i) space being fitted out for tenant occupancy pursuant to our lease agreements, if any, and (ii) space which is leased, but is not occupied or is being offered for sublease by tenants, if any. Square footage measurements are subject to changes when space is remeasured or reconfigured for new tenants.

Net debt is total debt less cash.

Percent leased includes (i) space being fitted out for occupancy pursuant to our lease agreements, if any, and (ii) space which is leased, but is not occupied or is being offered for sublease by tenants, if any, as of the measurement date.

Total gross assets is total assets plus accumulated depreciation.

OFFICE PROPERTIES

INCOME TRUST

Two Newton Place

255 Washington Street, Suite 300

Newton, Massachusetts 02458

OPIREIT.COM