

HRPT PROPERTIES TRUST
Form PRE 14A
March 16, 2009

[QuickLinks](#) -- Click here to rapidly navigate through this document

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

SCHEDULE 14A
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

HRPT PROPERTIES TRUST

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

(5) Total fee paid:

- o Fee paid previously with preliminary materials.
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

PRELIMINARY PROXY MATERIAL SUBJECT TO COMPLETION

HRPT PROPERTIES TRUST
400 Centre Street
Newton, Massachusetts 02458

**NOTICE OF ANNUAL MEETING OF
SHAREHOLDERS
TO BE HELD ON MAY 13, 2009**

To the Shareholders of HRPT Properties Trust:

Notice is hereby given that the annual meeting of shareholders of HRPT Properties Trust, a Maryland real estate investment trust, will be held at 9:30 a.m., local time, on Wednesday, May 13, 2009, at 400 Centre Street, Newton, Massachusetts, 02458 for the following purposes:

1. To elect one Independent Trustee in Group II to our Board.
2. To elect one Managing Trustee in Group II to our Board.
3. To approve an amendment to our declaration of trust that would authorize our Board to effect reverse splits of our common shares of beneficial interest.
4. To consider and vote upon such other matters as may properly come before the meeting and at any adjournments or postponements thereof.

OUR BOARD OF TRUSTEES UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE NOMINEES FOR TRUSTEE IN ITEMS 1 AND 2 AND "FOR" THE PROPOSAL IN ITEM 3.

We encourage you to contact the firm assisting us in the solicitation of proxies, Innisfree M&A Incorporated, or Innisfree, if you have any questions or need assistance in voting your shares. Banks and brokers may call Innisfree, collect, at (212) 750-5833. Shareholders may call Innisfree, toll free, at (877) 825-8971.

Shareholders of record at the close of business on March 17, 2009 are entitled to notice of and to vote at the meeting and at any adjournments or postponements thereof.

Securities and Exchange Commission rules allow us to furnish proxy materials to our shareholders on the internet. You can now access proxy materials and vote at www.proxyvote.com. You may also vote via internet or telephone by following the instructions on that website. In order to vote on the internet or by telephone you must have a shareholder identification number which is being mailed to you on a Notice Regarding the Availability of Proxy Materials. If your shares are held in the name of a brokerage firm, bank, nominee or other institution, you should provide instructions to your broker, bank, nominee or other institution on how to vote your shares.

By Order of the Board,

JENNIFER B. CLARK, *Secretary*

Newton, Massachusetts
March [], 2009

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE READ THE PROXY STATEMENT AND COMPLETE A PROXY FOR YOUR SHARES AS SOON AS POSSIBLE. YOU MAY VOTE YOUR SHARES OVER THE INTERNET OR BY TELEPHONE BY FOLLOWING THE INSTRUCTIONS ON THE WEBSITE INDICATED IN THE NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS THAT YOU RECEIVED IN THE MAIL. IF YOUR SHARES ARE HELD IN THE NAME OF A BROKERAGE FIRM, BANK, NOMINEE OR OTHER INSTITUTION, YOU SHOULD PROVIDE INSTRUCTIONS TO YOUR BROKER, BANK, NOMINEE OR OTHER INSTITUTION ON HOW TO VOTE YOUR SHARES. YOU MAY ALSO REQUEST A PAPER PROXY CARD TO SUBMIT YOUR VOTE BY MAIL. IF YOU ATTEND THE MEETING AND VOTE IN

PERSON, THAT VOTE WILL REVOKE ANY PROXY YOU PREVIOUSLY SUBMITTED. IF YOU HOLD SHARES IN THE NAME OF A BROKERAGE FIRM, BANK, NOMINEE OR OTHER INSTITUTION, YOU MUST PROVIDE A LEGAL PROXY FROM THAT INSTITUTION IN ORDER TO VOTE YOUR SHARES AT THE MEETING. YOUR VOTE IS IMPORTANT, NO MATTER HOW MANY OR HOW FEW SHARES YOU OWN.

PRELIMINARY PROXY MATERIAL SUBJECT TO COMPLETION

**HRPT PROPERTIES TRUST
400 Centre Street
Newton, Massachusetts 02458**

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

To Be Held on Wednesday, May 13, 2009

INTRODUCTION

A notice of the annual meeting of shareholders of HRPT Properties Trust, a Maryland real estate investment trust, or the company, is on the preceding page and a form of proxy solicited by our Board of Trustees, or our Board, accompanies this proxy statement. This proxy statement and a form of proxy, together with our annual report to shareholders for the year ended December 31, 2008, including our audited financial statements, are first being made available, and a Notice Regarding the Availability of Proxy Materials, or the Notice of Internet Availability, is first being mailed, to shareholders on or about [], 2009.

The annual meeting record date is March 17, 2009. Only shareholders of record as of the close of business on March 17, 2009, are entitled to notice of, and to vote at, the meeting and at any postponement or adjournment thereof. We had [] common shares of beneficial interest, \$.01 par value per share, or common shares, outstanding on the record date and entitled to vote at the meeting. The holders of our outstanding common shares are entitled to one vote per common share.

A quorum of shareholders is required to take action at the meeting. The presence, in person or by proxy, of holders of common shares entitled to vote at the meeting representing a majority of the total number of common shares entitled to vote on a question will constitute a quorum for such question. Common shares represented by valid proxies will count for the purpose of determining the presence of a quorum for the meeting. Abstentions and "broker non-votes" will be treated as present for purposes of determining the presence of a quorum for the meeting. Failure of a quorum to be present at the meeting will necessitate adjournment of that meeting and will subject us to additional expense.

The affirmative vote of a majority of our common shares entitled to vote at the meeting is required for the election of the nominees for Trustee described in Items 1 and 2 and for the approval of the proposal described in Item 3.

The individuals named as proxies on a properly completed proxy will vote in accordance with your directions as indicated thereon. If you properly complete your proxy and give no voting instructions, your shares will be voted "FOR" the nominees for Trustee in Items 1 and 2 and "FOR" the proposal in Item 3.

Shareholders of record may vote their shares over the internet or by telephone in the manner provided on the website indicated in the Notice of Internet Availability they received in the mail, or, if they requested and received paper or email copies of proxy materials by completing and returning the proxy card, or by attending the meeting and voting in person. Votes provided by mail, over the internet or by telephone must be received by 11:59 p.m. eastern daylight time on May 12, 2009.

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

If your shares are held in the name of a brokerage firm, bank, nominee or other institution (referred to as "in street name"), you will receive instructions from the street name holder that you must follow in order for you to specify how your shares will be voted. If you do not specify how you would like your shares to be voted, your shares held in street name may still be voted. Certain street name holders have the authority under rules of the New York Stock Exchange, or NYSE, to vote shares for which their customers do not provide voting instructions on certain routine, uncontested items. In the case of non-routine or contested items, the institution holding street name shares cannot vote the shares if it has not received voting instructions. These are considered to be "broker non-votes."

Under the NYSE rules, Items 1 and 2 (election of trustees) are considered routine items for which street name shares may be voted without specific instructions. If your street name holder completes and returns a proxy on your behalf, but does not indicate how the common shares should be voted, the common shares represented on the proxy will be voted "FOR" the nominees for Trustee in Items 1 and 2. Under the NYSE rules, Item 3 is considered a non-routine item for which street name holders may not vote shares without specific instructions. As a result, if a shareholder does not instruct his or her street name holder as to how such shareholder's common shares should be voted with respect to Item 3, a "broker non-vote" will occur.

Shares represented by proxies marked "WITHHOLD" with regard to the election of trustees will be counted for purposes of determining whether there is a quorum and will have the same effect as votes "against" the nominees for trustees in Items 1 and 2. Abstentions and "broker non-votes" will be counted for purposes of determining whether there is a quorum and will have the same effect as votes "against" the proposal in Item 3.

If we adjourn the annual meeting, we will announce the time and place of the adjourned meeting at the original meeting, but we do not intend to deliver another notice of the meeting. At any subsequent reconvening of the annual meeting, all proxies will be voted in the same manner as they would have been at the original convening of the meeting (except for any proxies which have been effectively revoked or withdrawn).

IMPORTANT: If your shares are held in the name of a brokerage firm, bank, nominee or other institution, you should provide instructions to your broker, bank, nominee or other institution on how to vote your shares. Please contact the person responsible for your account and give instructions for a proxy to be completed for your shares. If you have any questions or need assistance in voting your shares, please call the firm assisting us in the solicitation of proxies:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022
Banks and Brokers Call Collect at (212) 750-5833
Shareholders Call Toll Free at (877) 825-8971

A shareholder of record who has given a proxy may revoke it any time prior to its exercise by delivering to our secretary a written revocation or a duly executed proxy bearing a later date, by voting over the internet or by telephone at a later time in the manner provided on the website indicated in the Notice of Internet Availability, or by attending the meeting and voting his or her common shares in person. If a shareholder of record wants to receive a paper or email copy of the proxy card, he or she may request one. Votes provided by mail, over the internet or by telephone must be received by

11:59 p.m. eastern daylight time on May 12, 2009. If your shares are held in the name of a brokerage firm, bank, nominee or other institution, and you have instructed your brokerage firm, bank, nominee or other institution to vote your shares, you must follow the instructions received from your brokerage firm, bank, nominee or other institution to change those instructions.

Our website address is included several times in this proxy statement as a textual reference only, and the information in the website is not incorporated by reference into this proxy statement.

Notice Regarding the Availability of Proxy Materials

In accordance with rules and regulations adopted by the Securities and Exchange Commission, or the SEC, instead of mailing a printed copy of our proxy materials to each shareholder of record, we may furnish proxy materials via the internet. Accordingly, all of our shareholders will receive a Notice of Internet Availability, which will be mailed on or about [], 2009.

On the date of mailing of the Notice of Internet Availability, shareholders will be able to access all of the proxy materials on the internet at www.proxyvote.com. The proxy materials will be available free of charge. The Notice of Internet Availability will instruct you as to how you may access and review all of the important information contained in the proxy materials (including our annual report to shareholders) over the internet or through other methods specified at the website designated in the Notice of Internet Availability. The website designated contains instructions as to how to vote by internet or over the telephone. The Notice of Internet Availability also instructs you as to how you may request a paper or email copy of the proxy card. If you received a Notice of Internet Availability and would like to receive printed copies of the proxy materials, you should follow the instructions for requesting such materials included in the Notice of Internet Availability.

ELECTION OF TRUSTEES

The number of our Trustees is currently fixed at five, and our Board is currently divided into three groups, with two Trustees in Group I, two Trustees in Group II and one Trustee in Group III. Trustees in each group are elected for three year terms and serve until their successors are elected and qualified.

Our current Trustees are William A. Lamkin and Adam D. Portnoy in Group II with a term of office expiring at the meeting to which this proxy statement relates, Patrick F. Donelan in Group III with a term of office expiring at our 2010 annual meeting of shareholders and Barry M. Portnoy and Frederick N. Zeytoonjian in Group I with a term of office expiring at our 2011 annual meeting of shareholders. The term of the Group II Trustees elected at the meeting will expire at our 2012 annual meeting of shareholders.

Our Trustees are also categorized as Independent Trustees or Managing Trustees. Our Independent Trustees are not employees, or affiliates of, Reit Management & Research LLC, or RMR, our manager, do not have a material business or professional relationship with RMR or any other person or entity that holds in excess of 9.8% of our issued and outstanding shares of beneficial interest, are not involved in our day to day activities and are persons who qualify as independent under our declaration of trust, bylaws and applicable rules of the NYSE and the SEC. Our Managing Trustees have been employees of RMR or involved in our day to day activities for at least one year. Our Board of Trustees is currently composed of three Independent Trustees and two Managing Trustees. Messrs. Donelan, Lamkin and Zeytoonjian are our Independent Trustees, and Messrs. Adam Portnoy and Barry Portnoy are our Managing Trustees. Biographical information relating to our Trustees and other information relating to our Board appears below in this proxy statement.

Item 1: Election of One Independent Trustee

Our Board has nominated Mr. Lamkin for election as an Independent Trustee in Group II, whose nomination was recommended to our Board by our Nominating and Governance Committee. The term of the Independent Trustee in Group II elected at the meeting will expire at our 2012 annual meeting of shareholders. The persons named in the accompanying proxy intend to exercise properly executed and delivered proxies "FOR" the election of Mr. Lamkin, except to the extent that properly completed proxies indicate that the votes should be withheld for the nominee.

Mr. Lamkin has agreed to serve as an Independent Trustee in Group II if elected. However, if Mr. Lamkin becomes unable or unwilling to accept election to our Board, the proxies will be voted for a substitute nominee designated by our Board. Our Board has no reason to believe that Mr. Lamkin will be unable to serve.

Our Board recommends a vote "FOR" the election of Mr. Lamkin as an Independent Trustee in Group II.

Item 2: Election of One Managing Trustee

Our Board has nominated Mr. Adam Portnoy for election as a Managing Trustee in Group II, whose nomination was recommended to our Board by our Nominating and Governance Committee. The term of the Managing Trustee in Group II elected at the meeting will expire at our 2012 annual meeting of shareholders. The persons named in the accompanying proxy intend to exercise properly executed and delivered proxies "FOR" the election of Mr. Adam Portnoy, except to the extent that properly completed proxies indicate that the votes should be withheld for the nominee.

Mr. Adam Portnoy has agreed to serve as a Managing Trustee in Group II if elected. However, if Mr. Adam Portnoy becomes unable or unwilling to accept election to our Board, the proxies will be voted for a substitute nominee designated by our Board. Our Board has no reason to believe that Mr. Adam Portnoy will be unable to serve.

Our Board recommends a vote "FOR" the election of Mr. Adam Portnoy as a Managing Trustee in Group II.

Item 3: An amendment to our declaration of trust that would authorize our Board to effect reverse splits of our common shares of beneficial interest

General

Our Board is seeking shareholder approval for an amendment to our declaration of trust that would authorize our Board to effect reverse splits of our common shares of beneficial interest in order to meet listing requirements of the NYSE or other principal securities exchange on which our common shares are listed for trading or for any other purpose our Board by unanimous vote determines to be in our best interest. If approved, our Board would be authorized to accomplish reverse splits of our common shares from time to time by any lawful means. The proposed amendment to our declaration of trust and any subsequent reverse split of our common shares would affect all of our common shareholders uniformly and would not affect any of those shareholders' percentage ownership interest in us, except to the extent shareholders receive cash in lieu of fractional shares as a result of the reverse split. However, our Board does not currently intend to pay cash in lieu of fractional shares. A copy of the proposed amendment is attached as Appendix A to this proxy statement.

Reasons for a Reverse Split of our Common Shares

There are five primary reasons why we determined to ask shareholders to grant our Board the authority to implement a reverse split at this time:

First, during the past year the trading prices of our common shares, like the trading prices of many other shares of public companies have materially declined. On occasion, our shares' trading prices have dropped to between \$1.00 to \$2.00/share. Our common shares are listed for trading on the NYSE. Applicable NYSE rules require that shares trade at a minimum of at least \$1.00/share. This rule has been temporarily suspended by the NYSE, but is expected to become effective again in the future. We believe that, if our shares were de-listed from trading on the NYSE because of low trading prices, the liquidity of the market for our shares and the abilities of investors to buy and sell our shares would be adversely affected. If our Board has the authority to implement a reverse split of our shares, it may be able to prevent a de-listing of our shares in the event the trading prices of our common shares decline to below the NYSE listing requirements.

Second, we believe that low priced shares often cause investors to experience high percentage volatility in share price movements. For example, a trading price movement of \$0.25/share for a share that trades at about \$3.00/share represents a price movement of about 8.33%; but a \$0.25/share price movement for a share that trades at about \$6.00/share represents a price movement of only about 4.17%. We believe that some investors may purchase our shares to earn the dividends that we have historically paid. We believe that yield investors who purchase our shares to earn dividends may be reluctant to purchase low priced shares because small trading price movements may wipe out dividend earnings. We believe that a reverse split may increase the trading prices of our common shares and make the percentage movements of the market prices of our common shares less volatile and more attractive to certain yield investors.

Third, we understand that, for various reasons, investors may have difficulty borrowing money to purchase shares which trade at lower trading prices (referred to commonly as buying on margin). We believe many investors are reluctant to purchase shares which may not be eligible for such so called "margin" borrowing. We believe that a reverse split of our shares may increase the trading prices of the shares which remain outstanding to an amount which may make purchasing our shares more attractive to investors who want to purchase our shares and have the opportunity to borrow on margin using our shares as collateral for such purchases.

Fourth, brokerage commissions on low priced shares generally represent a higher percentage of shares' purchase prices than brokerage commissions on higher priced shares. We believe a reverse split may increase the trading prices of our shares and may reduce the percentage transaction costs of investing in our shares for many investors.

Fifth, we believe that some institutional investors are unwilling to invest in lower priced shares, and certain institutional investors have policies which prohibit their doing so. We believe that a reverse split may increase the trading prices of our shares and may make our shares more attractive to institutional investors who will not, or cannot, consider investing in low priced shares.

These reasons why we determined to seek authority for our Board to implement reverse splits of our shares depend upon the trading prices of our common shares increasing as a result of a reverse

split. A reverse split sometimes does not result in any increase in the trading prices of the remaining common shares. We believe that the dividends which we have historically paid to shareholders may support an increase in the trading prices of our shares after a reverse split, provided our dividend rate is adjusted pro-rata for the reverse split; however, there can be no assurance that we will be able to continue to pay our historical dividends or a pro-rata adjusted dividend rate after a reverse split, and there can be any assurance that a reverse split will result in trading prices for our remaining shares after a reverse split which are higher than the historical trading prices of our shares before a reverse split.

If approved by shareholders, our Board will consider those market or business factors that it deems relevant in determining whether, when and at what ratio to implement a reverse split of our common shares. These factors, including the stock market conditions and the trading price of our common shares, are dynamic and subject to fluctuation. If shareholders approve the proposed amendment to our declaration of trust, our Board currently anticipates that it may implement a reverse split of our common shares soon after the effective date of the amendment at a ratio of at least 1 for 2. However, our Board may decide not to effect a reverse split of our common shares or it may decide to effect a reverse split of our common shares at a different ratio.

Although in certain instances, a reverse stock split could have anti-takeover effects for a company, we do not believe the proposed amendment or a subsequent reverse split of our common shares would have that effect for us. For some companies, the increased proportion of unissued authorized shares to issued shares (assuming the number of authorized shares are not proportionally reduced after the reverse stock split), may allow the company greater latitude to issue shares for defensive purposes than it otherwise might be able where the laws of the company's jurisdiction or governing documents do not permit the company to increase its number of authorized shares without amending its charter and seeking shareholder approval for that amendment. As permitted by Maryland law, our declaration of trust permits our Board, without shareholder approval, to amend our declaration of trust at any time to increase or decrease the aggregate number of shares or the number of shares of any class that we have authority to issue. Our declaration of trust further authorizes our Board to cause us to issue our authorized shares and to reclassify any unissued preferred shares into other classes or series. As a result, the increased proportion of unissued authorized shares to issued shares would not be a unique result for us if a reverse split of our common shares was implemented as our Board is free to cause a similar result in other ways without shareholder approval. In any event, the proposed amendment is not being proposed in response to any effort of which we are aware to accumulate our common shares or obtain control of us.

Effect on Existing Common Shares

The proposed amendment to our declaration of trust and any subsequent reverse split of our common shares would affect all of our common shareholders uniformly and would not affect any of those shareholders' percentage ownership interest in us, except to the extent that shareholders receive cash in lieu of fractional shares as a result of the reverse split. However, our Board does not currently intend to pay cash in lieu of fractional shares. Proportionate voting rights and other rights and preferences of the holders of our common shares would not be affected by a reverse split (other than as a result of any payment of cash in lieu of fractional shares).

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

To illustrate, if the proposed amendment to our declaration of trust is approved by shareholders and our Board implements a 1 for 2 reverse split of our common shares, such reverse split would have the following effects on the number of our outstanding common shares:

each two of our common shares owned by a shareholder immediately prior to the reverse split would become one common share immediately after the reverse split;

the number of our common shares issued and outstanding would be reduced from the approximately [] shares that were outstanding on the record date for the meeting to approximately [], assuming the reverse split was effective as of that record date;

the number of common shares reserved for issuance under our Incentive Share Award Plan would be reduced by one half;

the number of our common shares represented by each outstanding unvested restricted share award granted under our Incentive Share Aware Plan would be reduced by one half; and

proportional adjustments may also be made to other securities of ours then outstanding which are exercisable for or exchangeable or convertible into our common shares, such as for example our Series D Cumulative Convertible Preferred Shares, in accordance with the terms of those securities.

It is our Board's intention that any shares which are redeemed as a result of a reverse split will be cancelled and the number of our authorized and outstanding shares will be reduced by the number of shares so cancelled. However, you should be aware that, under applicable provisions of Maryland law and our declaration of trust and bylaws, our Board has the authority to authorize and issue an unlimited number of new shares of any class at any time and without shareholder approval.

Effect on Registration and Share Trading

Our common shares are currently registered under Section 12(b) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and we are subject to the periodic reporting and other requirements of the Exchange Act. The proposed amendment to our declaration of trust and any subsequent reverse split of our common shares would not affect the registration of our common shares under the Exchange Act.

If the proposed amendment to our declaration of trust is approved by our shareholders and our Board implements a reverse split of our common shares, our common shares will continue to be listed on the NYSE under the symbol "HRP".

Effective Date

If approved by our shareholders, the proposed amendment to our declaration of trust would become effective upon the filing of articles of amendment containing the amendment with the State Department of Assessments and Taxation of Maryland.

If our Board decides to implement a reverse split of our common shares, we intend to file a Current Report on Form 8-K with the SEC and issue a press release containing additional information regarding the reverse split.

Fractional Shares

Whether fractional shares would be issued in connection with a reverse split will be determined by our Board as part of the terms of any reverse split of our common shares it may decide to implement, including with respect to any outstanding unvested restricted share awards granted under our Incentive Share Award Plan (or successor or other plan under which any such awards may have been made by us). Our Board does not currently intend to pay cash in lieu of fractional shares. If our Board decides to implement a reverse split of our common shares, we intend to file a Current Report on Form 8-K with the SEC and issue a press release which we expect would include a description of the treatment of fractional shares resulting from a reverse split.

Certain Accounting Matters

Assuming the par value per common share would not change as a result of, and no consideration is paid in connection with, the reverse split of our common shares, the total shareholders' equity on our balance sheet would not be affected by the reverse split. However, the components that make up the total shareholders' equity on our balance sheet would change by offsetting amounts as a result of such a reverse split. For example, assuming such a reverse split was at a 1 for 2 ratio, the stated capital for our common shares would be reduced to an amount one half of its then present amount, and the additional paid-in capital would be increased by the amount by which the stated capital was reduced. If, instead, the par value per common share was to be proportionally adjusted as a result of such a reverse split, neither the total shareholders' equity, nor the components that make up the total shareholders' equity, on our balance sheet would be changed as a result of the reverse split.

Our net income or loss and net book value per common share would be increased as a result of the reverse split of our common shares because there would be fewer of our common shares outstanding. Prior periods' share amounts would be restated to reflect the reverse split. We do not anticipate that any other accounting consequences of significance would arise as a result of any reverse split.

No Appraisal Rights

Under Maryland state law, our shareholders are not entitled to appraisal rights with respect to any reverse split of our common shares.

Certain United States Federal Income Tax Consequences

If our Board decides to implement a reverse split of our common shares, we intend to file a Current Report on Form 8-K with the SEC and issue a press release which we expect would include a description of certain U.S. federal income tax consequences that would generally result to certain U.S. shareholders upon the reverse split. At this time, we intend that any reverse split of our common shares would be implemented so that qualifying U.S. shareholders would generally not realize any taxable gain or loss for U.S. federal income tax purposes as a result of a reverse split of our common shares.

Certain Risks Associated with a Reverse Split of our Common Shares

Our total market capitalization after a reverse split of our common shares may be lower than before the reverse split.

There are numerous factors and contingencies that could affect our common share price following a reverse split of our common shares, such as our reported results of operations in future periods, and general economic, market and industry conditions. Also, reverse splits are sometimes perceived by investors to imply that an issuer is having financial difficulties and, as a result, reverse splits sometimes cause the trading price of the resulting security to be lower than the pre-split share price or not to increase to or maintain its share price on a post-reverse split adjusted basis. Accordingly, the market price of our common shares may not be sustainable at the direct arithmetic result of the reverse split. For example, based on the closing price of our common shares on the NYSE on the record date for the meeting of \$[] per share, the direct arithmetic result of the reverse split would be a post-split market price for our common shares of \$[] per share pursuant to a 1 for 2 reverse split. If the market price of our common shares declines after a reverse split, our total market capitalization (the aggregate value of all of our outstanding common shares at the then existing market price) after the split will be lower than before the split. We can provide no assurance that a reverse split will increase our share price.

If a reverse split of our common shares is implemented, the resulting per share price may not attract investors and may not satisfy the investing guidelines of investors, and consequently, the trading liquidity of our common shares may not improve.

While we believe that a higher share price may result from a reverse split and this higher trading price may help generate investor interest in our common shares, a reverse split of our common shares may not result in a share price that will attract investors. The market price of our common shares is also based on our performance and market factors, which are unrelated to the number of our common shares outstanding.

A reverse split of our common shares may result in some shareholders owning "odd lots" or fractional shares that may be more difficult to sell or require greater transaction costs per share to sell.

A reverse split may result in some shareholders owning "odd lots" of less than 100 shares or fractional shares of our common shares on a post-split basis. Odd lots or fractional shares may be more difficult to sell, or require greater transaction costs per share to sell, than shares in "board lots" of even multiples of 100 shares.

A reverse split of our common shares may reduce the liquidity of our common shares.

Following a reverse split of our common shares, our outstanding common shares would be reduced proportionally, which may lead to reduced trading for our common shares. This result is directly opposite of what we intend to accomplish with a reverse split, but it may occur.

Board Recommendation

Our Board recommends a vote "FOR" the approval of the proposed amendment to our declaration of trust.

SOLICITATION OF PROXIES

We are paying the cost of this solicitation, including the preparation, printing, mailing and website hosting of proxy materials. We will request banks, brokers and other custodians, nominees and fiduciaries to forward proxy materials to the beneficial owners of our common shares and to obtain their voting instructions. We will reimburse those firms for their expenses. In addition, we have retained Innisfree M&A Incorporated, or Innisfree, to assist in the solicitation of proxies for a fee of \$15,000 plus reimbursement for out of pocket expenses. We have agreed to indemnify Innisfree against certain liabilities arising out of our agreement with Innisfree.

TRUSTEES AND EXECUTIVE OFFICERS

The following are the ages and recent principal occupations, as of March 1, 2009, of our Trustees and our executive officers:

Trustee Nominees for a Term Expiring In 2012

WILLIAM A. LAMKIN, Age: 49

Mr. Lamkin has been one of our Independent Trustees since 2006. Mr. Lamkin has been a partner in Ackrell Capital LLC, a San Francisco based investment bank, since November 2003, and a partner in Ackrell & Company LLC, a San Francisco based investment advisory firm, since October 2002. Previously, he was employed as a financial consultant and as an investment banker, including as a Senior Vice President in the investment banking division of ABN AMRO, Incorporated. Mr. Lamkin has also served as an Independent Trustee of Hospitality Properties Trust, or HPT, since January 2007. Mr. Lamkin is an Independent Trustee in Group II and, if elected at the meeting, he will serve until our 2012 annual meeting of shareholders.

ADAM D. PORTNOY, Age: 38

Mr. Portnoy has been one of our Managing Trustees since 2006. Mr. Portnoy has been a Managing Trustee of HPT and Senior Housing Properties Trust, or SNH, since 2007. He was our Executive Vice President from 2003 through 2006. Mr. Portnoy has been an executive officer of RMR since September 2003 and currently is the President, Chief Executive Officer and a director of RMR. Additionally, Mr. Portnoy is the minority owner of RMR and of RMR Advisors, Inc., or RMR Advisors, an SEC registered investment advisor. Mr. Portnoy has been President of RMR Advisors since 2007 and was a Vice President prior to that time since 2003. He has also been President and portfolio manager of RMR Real Estate Fund, RMR Hospitality and Real Estate Fund, RMR F.I.R.E. Fund, RMR Preferred Dividend Fund, RMR Dividend Capture Fund and RMR Funds Series Trust (which ceased to exist in 2009) and President of RMR Asia Pacific Real Estate Fund and RMR Asia Real Estate Fund since 2007. (Hereinafter, RMR Real Estate Fund, RMR Hospitality and Real Estate Fund, RMR F.I.R.E. Fund, RMR Preferred Dividend Fund, RMR Dividend Capture Fund, RMR Funds Series Trust, RMR Asia Pacific Real Estate Fund and RMR Asia Real Estate Fund are collectively referred to as the "RMR Funds".) Prior to becoming President in 2007, Mr. Portnoy served as Vice-President of certain of the RMR Funds beginning in 2004. Mr. Adam Portnoy is the son of Barry Portnoy, our other Managing Trustee. Mr. Adam Portnoy is a Managing Trustee in Group II and, if elected at the meeting, he will serve until our 2012 annual meeting of shareholders.

Continuing Trustees

PATRICK F. DONELAN, Age: 66

Mr. Donelan has been one of our Independent Trustees since 1998. Mr. Donelan has been principally employed as a private investor since December 2003. Mr. Donelan was the Non-Executive Chairman and member of the advisory board from December 2002 until December 2003, and was Chairman and Chief Executive Officer from July 2001 through December 2002, of eSecLending (Europe) Ltd, a London based privately owned company in the business of managing securities lending programs for institutional owners of publicly owned securities. Prior to its acquisition by Dresdner Bank in 1995, Mr. Donelan was Chairman of Kleinwort Benson (North America) Inc., the U.S. based subsidiary of Kleinwort Benson Limited, a United Kingdom based bank. At the time of his retirement in 2001, he was a Managing Director at Dresdner Kleinwort Wasserstein, the U.K. subsidiary of Dresdner Bank of Germany. Mr. Donelan has also been an independent director of TravelCenters of America LLC, or TA, since January 2007. Mr. Donelan is an Independent Trustee in Group III and will serve until our 2010 annual meeting of shareholders.

BARRY M. PORTNOY, Age: 63

Mr. Portnoy has been one of our Managing Trustees since 1986. Mr. Portnoy has been a Managing Trustee of HPT and of SNH since 1995 and 1999, respectively. He has been a Managing Director of Five Star Quality Care, Inc., or Five Star, and of TA since 2001 and 2006, respectively. Mr. Portnoy is the majority owner of RMR and of RMR Advisors. Mr. Portnoy has been the Chairman of RMR since 1986, and a director and Vice President of RMR Advisors since 2002. Mr. Portnoy has been a Managing Trustee of each of the RMR Funds and a portfolio manager of each of the RMR Funds, except for RMR Asia Pacific Real Estate Fund and RMR Asia Real Estate Fund, since their respective formations beginning in 2002. Mr. Portnoy is a Managing Trustee in Group I and will serve until our 2011 annual meeting of shareholders.

FREDERICK N. ZEYTOONJIAN, Age: 73

Mr. Zeytoonjian has been one of our Independent Trustees since 1999. Mr. Zeytoonjian is the founder and has been Chairman and Chief Executive Officer of Turf Products, LLC, one of the largest distributors of lawn care equipment in the United States, for over five years. Mr. Zeytoonjian also has been a Trustee of SNH since 2003. Mr. Zeytoonjian is an Independent Trustee in Group I and will serve until our 2011 annual meeting of shareholders.

Executive Officers

JOHN A. MANNIX, Age: 53

Mr. Mannix has been our President since 1999 and our Chief Investment Officer since October 2008. From 1999 to October 2008, he served as our Chief Operating Officer. Mr. Mannix has also been a Senior Vice President of RMR since 2006, and was Vice President prior to that time, and has served in various capacities with RMR and its affiliates for over five years. Mr. Mannix is a member of the Urban Land Institute and the Greater Boston Real Estate Board's Real Estate Finance Association.

JOHN C. POPEO, Age: 48

Mr. Popeo has been our Treasurer and Chief Financial Officer since 1999 and Assistant Secretary since 2008, and served as Secretary prior to that time. Mr. Popeo has also been Treasurer and an Executive Vice President of RMR since 1999 and 2008, respectively, and previously served as a Vice President of RMR from 1999 to 2006 and as a Senior Vice President from 2006 to 2008. Mr. Popeo has served as Vice President of RMR Advisors since 2004 and as Vice President of each of the RMR Funds since their respective formations beginning in 2002. Mr. Popeo is a certified public accountant.

DAVID M. LEPORE, Age: 48

Mr. Lepore has been our Chief Operating Officer since October 2008 and one of our Senior Vice Presidents since 1998 and is primarily responsible for the operations of our properties. Mr. Lepore has also been a Senior Vice President of RMR since 2006, was a Vice President prior to that time, and has served in various capacities with RMR and its affiliates for over five years. Mr. Lepore is a member of the Building Owners and Managers Association, the National Association of Industrial and Office Properties and is a certified real property administrator.

Except as noted with regard to Mr. Barry Portnoy and Mr. Adam Portnoy, there are no family relationships among any of our Trustees or executive officers. Our executive officers serve at the discretion of our Board.

HPT, SNH, Five Star, TA, RMR, RMR Advisors and each of the RMR Funds may be considered to be affiliates of us.

BOARD OF TRUSTEES

Our business is conducted under the general direction of our Board as provided by our declaration of trust, our bylaws and the laws of the State of Maryland, the state in which we were organized on October 9, 1986.

Three of our Trustees, Patrick F. Donelan, William A. Lamkin and Frederick N. Zeytoonjian, are our Independent Trustees within the meaning of our declaration of trust and bylaws and two of our Trustees, Adam and Barry Portnoy are our Managing Trustees.

In determining the status of those Trustees who qualify as Independent Trustees, each year our Board affirmatively determines whether Trustees have a direct or indirect material relationship with us, including our subsidiaries, other than serving as our Trustees. When assessing a Trustee's relationship with us, our Board considers all relevant facts and circumstances, not merely from the Trustee's standpoint, but from that of the persons or organizations with which the Trustee has an affiliation. Material relationships can include commercial, banking, consulting, legal, accounting, charitable and familial relationships.

Our Board has determined that Messrs. Donelan, Lamkin and Zeytoonjian currently qualify as Independent Trustees under our declaration of trust, bylaws and applicable NYSE and SEC rules. In making that determination with respect to Mr. Donelan, our Board considered Mr. Donelan's past employment with Dresdner Kleinwort Wasserstein, an affiliate of which was the agent and a lender under our previous revolving bank credit facility. Such former relationship ended over five years ago and was with a large bank at which we did not account for a material amount of revenues. Our Board also considered each of these three Trustees' service in other enterprises and on the boards of other

publicly traded companies managed or advised by RMR and its affiliates. Our Board has concluded that none of these Trustees possessed or currently possesses any relationship that could impair his judgment in connection with his duties and responsibilities as a Trustee or that could otherwise be a direct or indirect material relationship under our declaration of trust, bylaws and applicable NYSE and SEC rules.

During 2008, our Board held ten meetings, our Audit Committee held eight meetings, our Compensation Committee held six meetings, and our Nominating and Governance Committee held two meetings. During 2008, each Trustee attended 75% or more of the total number of meetings of our Board and any committee of which he was a member during the time in which he served on our Board or such committee. All of our Trustees attended last year's annual meeting of shareholders.

Pursuant to our Governance Guidelines, our Independent Trustees meet at least once each year without management. The presiding Trustee at these meetings is the Chair of our Audit Committee, unless the Independent Trustees in attendance select another Independent Trustee to preside.

BOARD COMMITTEES

We have a standing Audit Committee, Compensation Committee and Nominating and Governance Committee, each of which has a written charter. Each of the above committees is currently comprised of Messrs. Donelan, Lamkin and Zeytoonjian, who are independent under our declaration of trust, our bylaws and applicable rules of the NYSE and the SEC and each committee's respective charter.

The primary function of our Audit Committee is to select our independent registered public accounting firm and to assist our Board in fulfilling its responsibilities for oversight of: (1) the integrity of our financial statements; (2) our compliance with legal and regulatory requirements; (3) the independent registered public accounting firm's qualifications and independence; and (4) the performance of our internal audit function and independent registered public accounting firm. Our Board has determined that Mr. Lamkin is our Audit Committee financial expert and is "independent" as defined by the rules of the SEC and the NYSE. Our Board's determination that Mr. Lamkin is a financial expert was based upon: (i) his current position as partner of Ackrell Capital LLC, an investment advisory firm; and (ii) his prior experience (a) as a financial consultant, (b) as a Senior Vice President in the investment banking division of ABN AMRO, Incorporated and (c) in various investment banking positions with Donaldson, Lufkin & Jenrette, PaineWebber and Kidder, Peabody, where he worked with the Real Estate Investment Banking Group and the Project Lease Finance Group.

Our Compensation Committee's primary responsibilities include: (1) reviewing, at least annually, the performance of RMR under its contract with us and making determinations regarding continuance of the contract; (2) evaluating the performance of our President; (3) reviewing the performance of our Director of Internal Audit and determining the compensation payable to him and the costs of our internal audit function generally; and (4) evaluating, approving and administering all our equity compensation plans. The Compensation Committee is delegated the powers of our Board necessary to carry out these responsibilities.

The responsibilities of our Nominating and Governance Committee include: (1) identification of individuals qualified to become members of our Board and recommending to our Board the Trustee nominees for each annual meeting of shareholders or when vacancies occur; (2) development, and

recommendation to our Board, of governance guidelines; and (3) evaluation of the performance of our Board.

The charter of each of our standing committees provides that the committee may form and delegate authority to subcommittees of one or more members when appropriate. Subcommittees are subject to the provisions of the applicable committee's charter.

Our policy with respect to Board members' attendance at our annual meetings of shareholders can be found in our Governance Guidelines, the full text of which appears at our website at www.hrpreit.com. In addition to our Governance Guidelines, copies of the charters of our Audit, Compensation and Nominating and Governance Committees, as well as our Code of Business Conduct and Ethics, may be obtained free of charge by writing to our Secretary, HRPT Properties Trust, 400 Centre Street, Newton, MA 02458 or at our website, www.hrpreit.com.

COMMUNICATIONS WITH TRUSTEES

Any shareholder or other interested person who desires to communicate with our Independent Trustees or any Trustees, individually or as a group, may do so by filling out a report at our website (www.hrpreit.com), by calling our toll-free confidential message system at (866) 511-5038, or by writing to the party for whom the communication is intended, care of our Director of Internal Audit, HRPT Properties Trust, 400 Centre Street, Newton, MA 02458. Our Director of Internal Audit will then deliver any communication to the appropriate party or parties.

SELECTION OF CANDIDATES FOR TRUSTEES; SHAREHOLDER RECOMMENDATIONS, NOMINATIONS AND OTHER PROPOSALS

Our Board has established Governance Guidelines which, among other matters, and together with our declaration of trust and bylaws, set forth the qualifications for service on our Board. These guidelines may be changed from time to time by our Board upon the recommendation of our Nominating and Governance Committee. Our Board makes nominations of persons to be elected by shareholders as Trustees. Our Board also elects Trustees to fill Board vacancies which may occur from time to time. In both these circumstances, our Board will act upon recommendations made by our Nominating and Governance Committee.

In considering candidates to serve as Trustees, our Nominating and Governance Committee seeks individuals who have qualities which the Committee believes may be effective in serving our long term best interests. Among the characteristics which the Committee considers are the following: the quality of the candidate's past services to us, if any; the business and personal experiences of the candidate and their relevance to our business; the reputation of the candidate for integrity; the reputation of the candidate for intelligence, sound judgment, the ability to understand complex financial issues and to make meaningful inquiries; the willingness and ability of the candidate to devote sufficient time to Board business; the familiarity of the candidate with the responsibilities of service on the board of a publicly owned company; the qualification of the candidate to be either an Independent Trustee or a Managing Trustee, as applicable; and other matters that the Nominating and Governance Committee deems appropriate. In seeking candidates for Trustees who have not previously served as our Trustees, the Nominating and Governance Committee may use the business, professional and personal contacts of its members, it may accept recommendations from other Board members, and, if it considers it appropriate, the Nominating and Governance Committee may engage a professional search firm.

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

In 2008, we did not pay any third party to identify or to assist in the evaluation of any candidate for election to our Board. We did not receive any shareholder recommendations or nominations for our Board for the 2009 annual meeting, except the nominations made by our Board and recommendations by our Nominating and Governance Committee, each of which includes Board members who are shareholders of record.

Shareholder recommendations for nominees. A responsibility of our Nominating and Governance Committee is to consider candidates for election as Trustees who are properly recommended by shareholders. To be considered by our Nominating and Governance Committee, a shareholder recommendation for a nominee must be made: (i) by a shareholder who is entitled under our bylaws and applicable state and federal laws to nominate the nominee at the meeting and (ii) by written notice to the Chair of our Nominating and Governance Committee at our principal executive offices within the 30 day period ending on the last date on which shareholders may give a timely notice of nomination for such meeting under our bylaws and applicable state and federal laws, which notice must be accompanied by the information and documents with respect to the recommended nominee which the recommending shareholder would have been required to provide in order to nominate such nominee for election at the shareholders meeting in accordance with our bylaws, including those described below, and applicable state and federal laws. Any such notice must be accompanied by the same information, copies of share certificates and other documents as described below. Our Nominating and Governance Committee may request additional information about the shareholder nominee or about a recommending shareholder. Shareholder recommendations which meet the requirements set forth above will be considered using the same criteria as other candidates considered by our Nominating and Governance Committee.

The preceding paragraph applies only to shareholder recommendations for nominees. A shareholder nomination must be made in accordance with the provisions of our bylaws, including the procedures discussed below.

Shareholder nominations and other proposals at annual meetings. Our bylaws require compliance with certain procedures for a shareholder to properly propose a nomination for election to our Board or other business. If a shareholder who is entitled to do so under our bylaws wishes to propose a person for election to our Board or other business, that shareholder must provide a written notice to our Secretary. The shareholder giving notice must (i) have continuously held at least \$2,000 in market value (as determined under our bylaws), or 1%, of our shares entitled to vote at the meeting on the election or the proposal of other business, as the case may be, for at least one year from the date the shareholder gives its advance notice (this requirement will not apply until April 1, 2010 with respect to a shareholder who continuously holds from and after April 1, 2009 shares entitled to vote at the meeting on such election or proposal of other business, as the case may be), (ii) be a shareholder of record at the time of giving notice through and including the time of the meeting, (iii) be present at the meeting to answer questions about the nomination or other business and (iv) have complied in all respects with the advance notice provisions for shareholder nominations and proposals of other business set forth in our bylaws.

The notice must set forth detailed specified information about the nominee and the nominee's affiliates and associates, the shareholder making the nomination and affiliates and associates of that shareholder, and provide to the extent known by the shareholder giving the notice, the name and address of any other shareholder supporting the shareholder's nomination or proposal. With respect to nominations, the notice must state whether the nominee is proposed for nomination as an Independent

Trustee or a Managing Trustee. In addition, at the same time as or prior to the submission of a shareholder nomination or proposal for consideration at a meeting of our shareholders that, if approved and implemented by us, would cause us to be in breach of any covenant in or in default under any debt instrument or agreement or other material agreement of ours or any subsidiary of ours, the shareholder must submit to our Secretary (i) evidence satisfactory to our Board of the lender's or contracting party's willingness to waive the breach of covenant or default, or (ii) a detailed plan for repayment of the applicable indebtedness or curing the contractual breach or default and satisfying any resulting damage, specifically identifying the actions to be taken or the source of funds, which plan must be satisfactory to our Board in its discretion, and evidence of the availability to us of substitute credit or contractual arrangements similar to the credit or contractual arrangements which are implicated by the shareholder nomination or other proposal that are at least as favorable to us, as determined by our Board in its discretion. Additionally, if (i) the submission of a shareholder nomination or proposal of other business to be considered at a shareholders meeting could not be considered or, if approved, implemented by us without our or any subsidiary of ours, or the proponent shareholder, the nominee, the holder of proxies or their respective affiliates or associates filing with or otherwise notifying or obtaining the consent, approval or other action of any governmental or regulatory body, or a governmental action, or (ii) such shareholder's ownership of our shares or any solicitation of proxies or votes or holding or exercising proxies by such shareholder, the nominee or their respective affiliates or associates would require governmental action, then, at the same time as the submission of the shareholder nomination or proposal of other business, the proponent shareholder shall submit to us (x) evidence satisfactory to our Board that any and all governmental action has been given or obtained, including, without limitation, such evidence as our Board may require so that any nominee may be determined to satisfy any suitability or other requirements or (y) if such evidence was not obtainable from a governmental or regulatory body by such time despite the shareholder's diligent and best efforts, a detailed plan for making or obtaining the governmental action prior to the election of the nominee or the implementation of the proposal for other business, which plan must be satisfactory to our Board in its discretion.

Under our bylaws, in order for a shareholder's notice of nominations for trustee or other business to be properly brought before an annual meeting of shareholders, the shareholder must deliver the notice to our Secretary at our principal executive offices not later than the close of business on the 120th day, and not earlier than the close of business on the 150th day, prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting. If the date of proxy statement for the annual meeting is more than 30 days earlier than the first anniversary of the date of the proxy statement for the preceding year's annual meeting, other time requirements may be applicable to shareholder notices, as specified in our bylaws. In addition, no shareholder may give a notice to nominate or propose other business unless the shareholder holds a certificate for all our shares of beneficial interest owned by such shareholder during all times described in the first paragraph of this section *Shareholder nominations and other proposals at annual meetings*, and a copy of each certificate held by the shareholder must accompany the shareholder's notice. Also, we may request that any shareholder proposing a nominee for election to our Board or other business at a meeting of our shareholders provide us, within three business days of such request, with written verification of the information submitted by the shareholder as well as other information.

The foregoing description of the procedures for a shareholder to propose a nomination for election to our Board or other business for consideration at an annual meeting is only a summary and is not complete. Copies of our bylaws, including the provisions which concern the requirements for

shareholder nominations and other proposals, may be obtained by writing to our Secretary at HRPT Properties Trust, 400 Centre Street, Newton, Massachusetts 02458. Any shareholder considering making a nomination or other proposals should carefully review and comply with those provisions. Under our declaration of trust and bylaws, a shareholder is obligated to indemnify us for costs and expenses we incur arising from the shareholder's violation of our declaration of trust or bylaws, to the fullest extent permitted by law.

2010 Annual Meeting Deadlines. Shareholder proposals intended to be presented pursuant to Rule 14a-8 under the Exchange Act at our 2010 annual meeting of shareholders must be received at our principal executive offices on or before [], 2009 in order to be considered for inclusion in our proxy statement for our 2010 annual meeting of shareholders. Our bylaws currently require that shareholder nominations and proposals made outside of Rule 14a-8 under the Exchange Act must be submitted, in accordance with the requirements of our bylaws, not later than [], 2009 (which is also the date, after which, shareholder nominations and proposals made outside of Rule 14a-8 under the Exchange Act would be considered "untimely" within the meaning of Rule 14a-4(c) under the Exchange Act) and not earlier than [], 2009.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Overview

We do not have any employees. None of our executive officers has an employment agreement with us or any agreement that becomes effective upon his termination or a change in control of us. Our manager, RMR, provides services that otherwise would be provided by employees. RMR conducts our day to day operations on our behalf and compensates our named executive officers (Messrs. Mannix and Popeo) directly and in its sole discretion in connection with their services rendered to RMR and to us. We do not pay our executive officers salaries or bonuses or provide other compensatory benefits except for the grants of shares under our Incentive Share Award Plan discussed below. Although our Compensation Committee reviews and approves our business management agreement with RMR, it is not involved in compensation decisions made by RMR for its employees other than the employee serving as our Director of Internal Audit. Our payments to RMR are described in *Related Person Transactions and Company Review of Such Transactions*.

Annually, typically in September, the Chair of our Compensation Committee meets with our Managing Trustees and the chairs of the compensation committees of the other public companies for which RMR provides management services. The purpose of this meeting is, among other things, to discuss compensation philosophy and factors which may affect compensation decisions, to provide a comparative understanding of potential share grants by us and the other affected companies and to hear and consider recommendations from our Managing Trustees concerning potential share grants. Subsequent to this meeting, the members of the Compensation Committee hold a meeting at which the Chair provides a report of the information discussed with the Managing Trustees and others and makes recommendations for share grants to executive officers. Our Compensation Committee then discusses these recommendations and other factors and determines the amount of the share awards. Our executive officers have not participated in these meetings and have not been involved in determining or recommending the amount or form of executive compensation. Our Compensation Committee has not engaged compensation consultants to participate in the determination or recommendation of the amount or form of executive compensation.

Analysis of Grants under Our Incentive Share Award Plan

Although we do not pay any cash compensation directly to our officers and have no employees, we have adopted an Incentive Share Award Plan to reward our executive officers and other RMR employees who provide services to us and to foster a continuing identity of interest between them and our shareholders. We award shares under our Incentive Share Award Plan to recognize our executive officers' scope of responsibilities, reward demonstrated performance and leadership, motivate future superior performance, align the interests of our executives with those of our other shareholders and motivate the executives to remain employees of our manager and to continue to provide services to us through the term of the awards.

Under its charter, our Compensation Committee evaluates, approves and administers our equity compensation plans, which concurrently consist solely of our Incentive Share Award Plan providing for the grants of our common shares. The Compensation Committee has historically determined to use grants of restricted common shares rather than stock options as equity compensation. Because the value of our common shares may be determined in part by reference to its dividend yield relative to market interest rates rather than by its potential for capital appreciation, we believe a conventional stock option plan might not provide appropriate incentives for management for a business like ours, but a share grant plan may create a better identity of interests between management and other shareholders. The Compensation Committee does not consider the share grants to be the primary element of compensation of the recipients; we believe the cash compensation that RMR pays these individuals is substantially more than the value of the shares granted to these individuals.

As discussed above, it is the Compensation Committee's current policy to consider share grants to executive officers annually in September. Prior to its consideration of share grants, the Chair of our Compensation Committee meets with our Managing Trustees and the chairs of the compensation committees of the other public real estate investment trusts, or REITs, the RMR Funds, and the operating companies for which RMR provides management services. RMR provides management services to HPT, a publicly traded REIT that primarily owns hotels and travel centers, SNH, a publicly traded REIT that primarily owns senior living properties and medical office buildings, Five Star, a publicly traded real estate based operating company in the healthcare and senior living services business, and TA, a publicly traded real estate based operating company in the travel center business. The purpose of this meeting is, among other things, to provide a comparative understanding of potential share grants by us and the other REITs and other businesses managed by RMR and to hear and consider recommendations from our Managing Trustees concerning potential share grants. The share grants made by the other REITs managed by RMR are considered to be closely comparable because of the similarities between our businesses and the responsibilities in operating these other REITs. At a later meeting of our Compensation Committee, the Chair then provides a report of the matters discussed at the meeting to our full Compensation Committee.

In setting incentive share awards under our plan, our Compensation Committee's starting premise each year is to award each named executive officer the same number of incentive shares as he was awarded in the prior year in an effort to meet management expectations. The Compensation Committee then considers multiple factors in determining whether to increase or decrease the amounts of the prior year's grants, including the following primary factors: (1) the scope of responsibility of each individual, (2) the amount of shares previously granted to each recipient, (3) the amount of shares previously granted to persons performing similar services for us as are currently performed by each recipient, (4) the amount of time spent, the complexity of the duties, and the value of services

performed, by the particular recipient, (5) the fair market value of the common shares granted, and (6) the recommendations of our Managing Trustees.

Our Compensation Committee uses comparative information about other REITs managed by RMR as additional data to help it review whether it is awarding share amounts that it deems reasonable based on the characteristics of those REITs and their respective officers. The Compensation Committee also considers the size and structure of the other REITs and other RMR managed businesses, and the experience, length of service and scope of duties and responsibilities of the officers at these other companies to assess the value of the share awards proposed for our officers in light of the proposed awards for officers with comparable roles at the other companies. In 2008, our Managing Trustees recommended an increase in the number of shares to be awarded to our named executive officers to a similar extent as the increases in the number of shares recommended to be awarded to the named executive officers of the other REITs managed by RMR. Our Compensation Committee considered this factor and reviewed the data regarding the other REITs and their officers on a general basis to help it gauge the reasonableness of the 2008 awards together with the other factors discussed above, but the Compensation Committee did not undertake a detailed comparison of the named executive officers across the REITs or other companies managed by RMR or assign weight to any particular characteristic of these other companies or their officers.

In 2008, the Compensation Committee considered the foregoing factors and decided to increase the number of shares awarded due primarily to the significant decrease in the aggregate fair market value of our shares which reflected the overall decline in the market and the economy. In making this decision, the Compensation Committee recognized that awarding the same number of shares in 2008 as in 2007 would have resulted in such a significant decline in the value of such awards that the awards would not have achieved our goals of encouraging our named executive officers to continue and to improve the services provided to us. In addition, the Compensation Committee determined to grant the same amounts to each named executive officer in 2008 because it considered the overall contributions of each officer to us to be approximately equal and therefore deemed it appropriate to grant them the same amount of shares.

We determine the fair market value of the shares granted based on the closing price of our common shares on the date of grant. The Compensation Committee has imposed, and may impose, vesting and other conditions on the granted common shares because it believes that time based vesting encourages recipients of share awards to remain employed by RMR and continue to provide services to us. The Compensation Committee currently uses a vesting schedule under which one fifth of the shares vest immediately and the remaining shares vest in four equal, consecutive annual installments commencing on the first anniversary of the date of grant. The Compensation Committee utilizes a four year time based vesting schedule to provide an incentive to provide services for a long term and in consideration of the tax treatment of the share grants to us and to the recipients. In the event a recipient granted an incentive share award ceases to perform duties for us or ceases to be an officer or an employee of RMR or any company which RMR manages during the vesting period, we may repurchase for nominal consideration the common shares that have not yet vested. As with other issued common shares, vested and unvested shares awarded under our Incentive Share Award Plan are entitled to receive distributions we make on our common shares.

Because the schedule for consideration of share awards by our Compensation Committee and our Board is determined several months in advance, the proximity of any grants to earnings announcements or other market events is coincidental.

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

We believe that our compensation philosophy and programs are designed to foster a business culture that aligns the interests of our executive officers with those of our shareholders. We believe that the equity compensation of our executive officers is appropriate to the goal of providing shareholders dependable, long term returns.

COMPENSATION COMMITTEE REPORT

The undersigned members of the Compensation Committee have reviewed and discussed the Compensation Discussion and Analysis with our management. Based upon this review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2008.

COMPENSATION COMMITTEE

Frederick N. Zeytoonjian, Chairman
Patrick F. Donelan
William A. Lamkin

20

COMPENSATION TABLES

The following tables provide (1) summary 2008, 2007 and 2006 compensation information relating to our executive officers, (2) information with respect to incentive share awards made to, or held by, our named executive officers during the periods or at the dates specified below and (3) compensation information relating to our Trustees for 2008. Our named executive officers consist of two individuals, our President and Chief Investment Officer and our Treasurer and Chief Financial Officer, the compensation of whom is required to be reported herein under the rules of the SEC. The compensation of our other executive officers is below the level at which compensation would be required by such rules to be reported in this proxy statement.

SUMMARY COMPENSATION TABLE FOR 2008, 2007 AND 2006

Name and Principal Position	Year	Stock Awards (\$)(1)	All Other Compensation (\$)(2)	Total (\$)
John A. Mannix	2008	\$ 50,556	\$ 10,584	\$ 61,140
President and Chief Investment Officer	2007	\$ 52,070	\$ 7,224	\$ 59,294
	2006	\$ 50,558	\$ 4,145	\$ 54,703
John C. Popeo	2008	\$ 50,556	\$ 10,584	\$ 61,140
Treasurer and Chief Financial Officer	2007	\$ 52,070	\$ 7,224	\$ 59,294
	2006	\$ 50,558	\$ 4,145	\$ 54,703

- (1) Represents the value based upon the closing price on the date of grant in 2008, 2007 and 2006 of shares vesting in 2008, 2007 or 2006, as applicable. This is also the compensation cost recognized by us in the applicable year for purposes of Statement of Financial Accounting Standards No. 123(R), "Share-Based Payment", or FAS 123R. No assumptions are used in this calculation.
- (2) Consists of distributions during 2008, 2007 or 2006, as applicable, on unvested shares.

GRANTS OF PLAN BASED AWARDS FOR 2008

(Shares granted in 2008, including vested and unvested grants)