

HRPT PROPERTIES TRUST
Form PRE 14A
January 26, 2010

[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 [], 2010**

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 [], 2010, at 400 Centre Street, Newton, Massachusetts 02458 for the following purposes:

1. To elect the nominee named in our proxy statement to our Board of Trustees as the Independent Trustee in Group III ("proposal 1").
2. To approve an amendment to our declaration of trust to change the vote required to elect Trustees in uncontested elections to the affirmative vote of a majority of the votes cast ("proposal 2").
3. To approve an amendment to our declaration of trust to delete certain restrictions upon the timing of our communications with shareholders ("proposal 3").
4. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010 ("proposal 4").
5. 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 NOMINEE FOR INDEPENDENT TRUSTEE IN PROPOSAL 1 AND "FOR" PROPOSALS 2, 3 AND 4.

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 [], 2010 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 over the internet or by telephone by following the instructions on that website. In order to vote over the internet or by telephone you must have a shareholder identification number which is set forth in the Notice Regarding the Availability of Proxy Materials being mailed to you. 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 of Trustees,

JENNIFER B. CLARK, Secretary

Newton, Massachusetts
[], 2010

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
FOR THE
ANNUAL MEETING OF SHAREHOLDERS**

*To be held at 9:30 a.m. on [], 2010
at
400 Centre Street
Newton, Massachusetts 02458*

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, 2009, 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 [], 2010.

The annual meeting record date is [], 2010. Only shareholders of record as of the close of business on [], 2010, 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. Our common shares are listed on the New York Stock Exchange, or NYSE. The holders of our outstanding common shares are entitled to one vote per common share.

A quorum of shareholders is required for shareholders 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, if any, will be treated as shares present for purposes of determining whether a quorum is present. Failure of a quorum to be present at the meeting will necessitate adjournment of the meeting and will subject us to additional expense. Under our bylaws, the chairperson of the meeting may adjourn the meeting if less than a quorum is present at the meeting.

The affirmative vote of a majority of our outstanding common shares will be necessary to approve proposals 2 and 3. The affirmative vote of a majority of the votes cast at the meeting will be necessary for the approval of proposal 4. If the proposed amendment to our declaration of trust described in proposal 2, or the Proposal 2 Amendment, is approved by our shareholders at the meeting, we may make that amendment effective before voting on proposal 1 is concluded by filing the amendment with the State Department of Assessments and Taxation of Maryland, in which case, the affirmative vote of a majority of the votes cast at the meeting will be necessary to elect the nominee for Independent Trustee described in proposal 1. If the Proposal 2 Amendment is not effective before voting on proposal 1 is concluded, the affirmative vote of a majority of our outstanding common shares will be necessary to elect the nominee for Independent Trustee described in proposal 1.

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

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 nominee for Independent Trustee in proposal 1 and "FOR" proposals 2, 3 and 4.

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 [], 2010.

Broker non-votes are shares held in street name for which the broker indicates that voting instructions for a particular matter have not been received from the beneficial owners or other persons entitled to vote those shares and the broker does not have discretionary voting authority to vote those shares on that particular matter. Abstentions and broker non-votes will have the effect of a vote against proposals 2 and 3 and will have no effect on the outcome of proposal 4. If the Proposal 2 Amendment is effective prior to the voting on proposal 1 being concluded, abstentions and broker non-votes will have no effect on the outcome of proposal 1. If the Proposal 2 Amendment is not so effective, abstentions and broker non-votes will have the effect of a vote against the nominee for Independent Trustee in proposal 1. A proxy marked "WITHHOLD" will have the same effect as an abstention.

The record date for the meeting will apply to any adjournment or postponement of the meeting unless our Board fixes a new record date for the adjourned or postponed meeting. 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
Brokers and Banks 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 date 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 [], 2010. If your shares are held in the name of a brokerage firm, bank, nominee or other institution and you wish to change a prior instruction you gave to your brokerage firm, bank, nominee or other institution to vote your shares, you must follow the brokerage

firm's, bank's, nominee's or other institution's instructions for changing your prior voting instructions. In addition, 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.

Our principal executive offices are located at 400 Centre Street, Newton, Massachusetts 02458.

Our website address is included 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

From the date of mailing of the Notice of Internet Availability through the conclusion of the meeting, 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 over the internet or by 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.

PROPOSAL 1 ELECTION OF ONE INDEPENDENT TRUSTEE

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 Patrick F. Donelan in Group III with a term of office expiring at the meeting to which this proxy statement relates, Barry M. Portnoy and Frederick N. Zeytoonjian in Group I with a term of office expiring at our 2011 annual meeting of shareholders, and William A. Lamkin and Adam D. Portnoy in Group II with a term of office expiring at our 2012 annual meeting of shareholders. The term of the Group III Trustee elected at the meeting will expire at our 2013 annual meeting of shareholders.

Our Trustees are categorized as Independent Trustees or Managing Trustees. Our Independent Trustees are not employees or affiliates, as such term is defined in our declaration of trust, 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 Securities and Exchange Commission, or 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 elsewhere in this proxy statement.

Our Board has nominated Mr. Donelan for election as the Independent Trustee in Group III, whose nomination was recommended to our Board by our Nominating and Governance Committee. The term of the Independent Trustee in Group III elected at the meeting will expire at our 2013 annual meeting of shareholders. The persons named in the accompanying proxy intend to exercise properly executed and delivered proxies "FOR" the election of Mr. Donelan, except to the extent that properly completed proxies indicate that the votes should be cast against Mr. Donelan's election or withheld for Mr. Donelan.

Mr. Donelan has agreed to serve as the Independent Trustee in Group III if elected. However, if Mr. Donelan 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. Donelan will be unable to serve.

If the Proposal 2 Amendment is approved by our shareholders at the meeting, we may make that amendment effective before voting on proposal 1 is concluded by filing the amendment with the State Department of Assessments and Taxation of Maryland, in which case, the affirmative vote of a majority of the votes cast at the meeting will be necessary to elect Mr. Donelan as the Independent Trustee in Group III. If the Proposal 2 Amendment is not effective before voting on proposal 1 is concluded, the affirmative vote of a majority of our outstanding common shares entitled to vote on the matter will be necessary to elect Mr. Donelan as the Independent Trustee in Group III.

Our Board requests you vote "FOR" the election of Mr. Donelan as the Independent Trustee in Group III.

PROPOSAL 2
PROPOSAL TO AMEND OUR DECLARATION OF TRUST TO CHANGE THE VOTE
REQUIRED TO ELECT TRUSTEES IN UNCONTESTED ELECTIONS

Our Board proposes to amend our declaration of trust by adding the following at the end of the third paragraph of Section 6.9:

"; provided, however, the election of a Managing Trustee or an Independent Trustee in an uncontested election, which is an election in which the number of nominees for election equals (or is less than) the number to be elected at the meeting, shall be by the affirmative vote of Shares representing a majority of the total number of Share votes cast at the meeting (provided a quorum is present in person or by proxy)."

Recent NYSE rules changes prohibit brokers from voting for the election of trustees unless they receive specific directions from the beneficial owners of shares held in "street name". Historically, in uncontested elections, many shareholders have not bothered to vote or to instruct their brokers how to vote. This proposed amendment to our declaration of trust will allow uncontested elections for Trustees to be decided by the majority of shares actually voted, provided a quorum is present at the shareholders meeting. Our Nominating and Governance Committee (composed entirely of Independent Trustees) and our entire Board both unanimously determined that this proposed amendment likely will save us additional expenses of soliciting shareholders or of adjourning annual meetings in order to obtain required votes to elect Trustees in uncontested elections.

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

This proposed amendment will not change the vote required to elect Trustees in contested elections. This proposed amendment also will not change your right to vote against, or to withhold your vote from, a nominee for election to our Board in either contested or uncontested elections.

The share votes required to approve this amendment are the votes of a majority of outstanding shares entitled to vote on this matter. If this amendment to our declaration of trust is adopted, it will be effective for Trustee elections after the filing of articles of amendment containing the amendment to our declaration of trust with the State Department of Assessments and Taxation of Maryland.

Our Board requests you vote "FOR" proposal 2.

PROPOSAL 3

PROPOSAL TO AMEND OUR DECLARATION OF TRUST TO DELETE RESTRICTIONS UPON THE TIMING OF OUR COMMUNICATIONS WITH SHAREHOLDERS

Our Board proposes to amend our declaration of trust to delete the following sentence from Section 6.12:

"The record date so fixed shall be not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting or event for the purposes of which it is fixed."

The purpose of this proposed amendment is to give our Board greater flexibility to determine record dates for purposes of scheduling dividend payments, annual meetings and other communications with shareholders. Our Nominating and Governance Committee (composed entirely of Independent Trustees) and our entire Board unanimously determined that the limitations imposed in the sentence to be deleted have become obsolete because of modern means of communications.

If this amendment is adopted, we will remain subject to various time restrictions imposed upon communications with and dividend payments to shareholders by applicable law, SEC rules and rules of the NYSE; however, we will not have the additional restrictions imposed by the sentence to be deleted from our declaration of trust.

The share votes required to approve this amendment are the votes of a majority of outstanding shares entitled to vote on this matter. If this amendment to our declaration of trust is adopted, it will be effective upon the filing of articles of amendment containing the amendment to our declaration of trust with the State Department of Assessments and Taxation of Maryland.

Our Board requests you vote "FOR" proposal 3.

PROPOSAL 4

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

On January 21, 2010, our Audit Committee voted to appoint Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010 (our fiscal year being a calendar year). Ernst & Young LLP acted as our independent registered public accounting firm for 2008 and 2009. A representative of Ernst & Young LLP is expected to be present at the meeting, with the opportunity to make a statement if he or she desires to do so. This representative will be available to respond to appropriate questions from shareholders who are present at the meeting.

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

Proposal 4 is non-binding. If the appointment is not ratified, our Audit Committee will consider whether it is appropriate to appoint another independent registered public accounting firm. If the appointment is ratified, our Audit Committee in its discretion may appoint a different independent registered public accounting firm at any time if it determines that such a change would be advisable.

The fees for services provided by Ernst & Young LLP to us for the last two fiscal years were as follows:

	2008	2009
Audit Fees	\$ 724,767	\$ 847,500
Audit Related Fees	33,500	35,122
Tax Fees	14,800	19,700
Subtotal	773,067	902,322
All Other Fees		
Ernst & Young LLP Total Fees	\$ 773,067	\$ 902,322

Our Audit Committee has established policies and procedures which are intended to control the services provided by our independent registered public accounting firm and to monitor their continuing independence. Under these policies, no services may be undertaken by our independent registered public accounting firm unless the engagement is specifically approved by our Audit Committee or the services are included within a category which has been pre-approved by our Audit Committee. The maximum charge for services is established by our Audit Committee when the specific engagement or the category of services is approved or pre-approved. In certain circumstances, our management is required to notify our Audit Committee when pre-approved services are undertaken and the Committee or its Chair may approve amendments or modifications to the engagement or the maximum fees. Our Director of Internal Audit is responsible to report to our Audit Committee regarding compliance with these policies and procedures.

Our Audit Committee will not approve engagements of our independent registered public accounting firm to perform non-audit services for us if doing so will cause our independent registered public accounting firm to cease to be independent within the meaning of applicable SEC or NYSE rules. In other circumstances, our Audit Committee considers, among other things, whether our independent registered public accounting firm is able to provide the required services in a more or less effective and efficient manner than other available service providers and whether the services are consistent with the Public Company Accounting Oversight Board Rules.

All services for which we engaged our independent registered public accounting firm in 2008 and 2009 were approved by our Audit Committee. The total fees for audit and non-audit services provided by Ernst & Young LLP in 2008 and 2009 are set forth above. Audit related fees in 2008 and 2009 related to services provided with respect to our leases. The tax fees in 2008 and 2009 were for services involved in reviewing our tax reporting. Our Audit Committee approved the engagement of Ernst & Young LLP to provide these non-audit services because it determined that Ernst & Young LLP's providing these services would not compromise its independence and that its familiarity with our record keeping and accounting systems would permit it to provide these services with equal or higher quality, more quickly and at a lower cost than we could obtain these services from other providers.

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

The affirmative vote of a majority of the votes cast at the meeting will be necessary for the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010.

Our Board requests you vote "FOR" the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010.

SOLICITATION OF PROXIES

Proxies may be solicited, without additional compensation, by our Trustees, officers and employees and by RMR and its directors, officers and employees by mail, telephone or other electronic means or in person. We are paying the costs 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 [], 2010, of our nominees, Trustees and executive officers. Unless otherwise specified, the business address of our nominees, Trustees and executive officers is c/o HRPT Properties Trust, 400 Centre Street, Newton, Massachusetts 02458.

Independent Trustee Nominee for a Term Expiring in 2013

PATRICK F. DONELAN, Age: 67

Mr. Donelan has been one of our Independent Trustees since 1998. Mr. Donelan has been principally 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, a 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, if elected at the meeting, his term expires at our 2013 annual meeting of shareholders.

Managing Trustees Continuing in Office

ADAM D. PORTNOY, Age: 39

Mr. Portnoy has been one of our Managing Trustees since 2006. Mr. Portnoy has been a Managing Trustee of Hospitality Properties Trust, or HPT, Senior Housing Properties Trust, or SNH, and

Government Properties Income Trust, or GOV, since 2007, 2007 and 2009, respectively. Mr. Portnoy was a Managing Trustee of RMR Real Estate Fund, RMR Hospitality and Real Estate Fund, RMR F.I.R.E. Fund, RMR Preferred Dividend Fund and RMR Dividend Capture Fund beginning in February 2009 until they were merged into RMR Real Estate Income Fund in June 2009, of which he currently serves as a Managing Trustee. Mr. Portnoy was also a Managing Trustee of Old RMR Asia Pacific Real Estate Fund (formerly named RMR Asia Pacific Real Estate Fund) and RMR Asia Real Estate Fund beginning in February 2009 until they were merged into RMR Asia Pacific Real Estate Fund in June 2009, of which he currently serves as a Managing Trustee.¹ He has been the President of GOV since its inception in 2009 and 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 and Director of RMR Advisors since 2007 and was a Vice President prior to that time since 2003. He has also been President of the RMR Funds and portfolio manager of all of the RMR Funds, except for Old RMR Asia Pacific Real Estate Fund, RMR Asia Real Estate Fund and RMR Asia Pacific Real Estate Fund, since 2007. 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 his term expires at our 2012 annual meeting of shareholders.

BARRY M. PORTNOY, Age: 64

Mr. Portnoy has been one of our Managing Trustees since 1986. Mr. Portnoy has been a Managing Trustee of HPT, SNH and GOV since 1995, 1999 and 2009, 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 Old RMR Asia Pacific Real Estate Fund, RMR Asia Real Estate Fund and RMR Asia Pacific Real Estate Fund, since their respective formations beginning in 2002. Mr. Portnoy is a Managing Trustee in Group I and his term expires at our 2011 annual meeting of shareholders.

Independent Trustees Continuing in Office

WILLIAM A. LAMKIN, Age: 50

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 HPT since January 2007. Mr. Lamkin is an Independent Trustee in Group II and his term expires at our 2012 annual meeting of shareholders.

1

RMR Real Estate Fund, RMR Hospitality and Real Estate Fund, RMR F.I.R.E. Fund, RMR Preferred Dividend Fund, RMR Dividend Capture Fund, Old RMR Asia Pacific Real Estate Fund, RMR Asia Real Estate Fund, RMR Funds Series Trust (which dissolved in 2009), RMR Real Estate Income Fund and RMR Asia Pacific Real Estate Fund are collectively referred to herein as the "RMR Funds".

FREDERICK N. ZEYTOONJIAN, Age: 74

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 an Independent Trustee of SNH since 2003. Mr. Zeytoonjian is an Independent Trustee in Group I and his term expires at 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, the Greater Boston Real Estate Board's Real Estate Finance Association and the National Association of Industrial and Office Properties.

JOHN C. POPEO, Age: 49

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. Until November 2009, Mr. Popeo 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: 49

Mr. Lepore has been our Chief Operating Officer since October 2008 and a Senior Vice President 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.

RMR, RMR Advisors, HPT, SNH, Five Star, TA, GOV and each of the RMR Funds may be considered to be affiliates of us. RMR is a privately owned company that provides management services to public and private companies, including us, HPT, SNH, Five Star, TA and GOV. HPT is a publicly traded REIT that primarily owns hotels and travel centers. SNH is a publicly traded REIT that primarily owns senior living properties and medical office buildings. Five Star is a publicly traded real estate based operating company in the healthcare and senior living services business. TA is a publicly traded real estate based operating company in the travel center business. GOV is a publicly traded

REIT that primarily invests in properties that are majority leased to government tenants. Each of the RMR Funds, except for RMR Funds Series Trust, is or was a closed-end investment company registered under the Investment Company Act of 1940, as amended, or the 1940 Act. RMR Funds Series Trust was an open-end investment company registered under the 1940 Act prior to its dissolution in 2009.

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. Two of our Trustees, Adam Portnoy 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 also from that of the persons or organizations with which the Trustee has an affiliation.

Our Board has determined that Messrs. Donelan, Lamkin and Zeytoonjian currently qualify as independent trustees under applicable NYSE rules and are Independent Trustees under our declaration of trust and bylaws. 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 to which RMR and its affiliates provide management services. 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 applicable NYSE standards.

During 2009, our Board held seven meetings, our Audit Committee held seven meetings, our Compensation Committee held three meetings, and our Nominating and Governance Committee held one meeting. During 2009, 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 applicable NYSE listing standards and each committee's respective charter, and, in the case of our Audit Committee, the applicable independence requirements of the SEC. Our Audit Committee, Compensation Committee and Nominating and Governance Committee are delegated the powers of our Board necessary to carry out their responsibilities.

Our Audit Committee was established in accordance with section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended, or the Exchange Act. The primary function of our Audit Committee is 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) our 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 our Audit Committee 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. Under its charter, our Audit Committee has the final authority and responsibility to select our independent registered public accounting firm.

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 and determining and approving any compensation, including any equity compensation, paid directly by us to our President; (3) recommending to our Board any compensation paid directly by us to our other executive officers; (4) 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 (5) evaluating, approving and administering all our equity compensation plans.

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 Board 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.

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

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 at our website, www.hrpreit.com, or by writing to our Secretary, HRPT Properties Trust, 400 Centre Street, Newton, MA 02458.

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, together with our declaration of trust and bylaws, set forth the qualifications for service on our Board. Our Governance 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: their integrity, experience, achievements, judgment, intelligence, personal character, ability to make independent analytical inquiries, willingness to devote adequate time to Board duties, likelihood that they will be able to serve on our Board for a sustained period and other matters that our Nominating and Governance Committee deems appropriate. In connection with the selection of nominees for Trustees, due consideration is given to our Board's overall balance of diversity of perspectives, backgrounds and experiences. Also, depending on whether the position to be filled is that of an Independent Trustee or a Managing Trustee, the qualifications of the candidate to meet the criteria for each such category of Trustee is considered. 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.

In 2009, 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 2010 annual meeting of shareholders, except the nomination made by our Board and recommendations by our Nominating and Governance Committee, each of which includes Board members who are shareholders of record.

Edgar Filing: HRPT PROPERTIES TRUST - Form PRE 14A

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. Our Nominating and Governance Committee may request additional information about the shareholder recommended nominee or about the shareholder recommending the nominee. 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 properly to propose a nominee 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 and continuously hold such shares through and including the time of the meeting (including any adjournment or postponement of the meeting); (ii) be a shareholder of record at the time of giving notice through and including the time of the meeting (including any adjournment or postponement of the meeting); (iii) be entitled to make nominations or propose other business and to vote at the meeting on the election or proposal of other business, as the case may be; 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 elected or 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 elected or approved and 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 5:00 p.m. (Eastern Time) on the 120th day, and not earlier than 5:00 p.m. (Eastern Time) 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 annual meeting is called for a date that is more than 30 days earlier or later than the first anniversary of the date of the preceding year's annual meeting, then a shareholder's notice must be so delivered not later than 5:00 p.m. (Eastern Time) on the tenth day following the earlier of the day on which (i) notice of the date of the annual meeting is mailed or otherwise made available or (ii) public announcement of the date of the annual meeting is first made by us. 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 breach or failure to fully comply with any covenant, condition or

provision of our declaration of trust or bylaws, including costs and expenses we may incur as a result of the shareholder's failure to comply with the requirements to make nominations and proposals.

2011 Annual Meeting Deadlines. Shareholder proposals intended to be presented pursuant to Rule 14a-8 under the Exchange Act at our 2011 annual meeting of shareholders must be received at our principal executive offices on or before [], 2010 in order to be considered for inclusion in our proxy statement for our 2011 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 [], 2010 (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 [], 2010.

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 the persons listed in the summary compensation table found elsewhere in this proxy statement, or 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 real estate investment trusts, or REITs, the RMR Funds, and the operating companies for which RMR and its affiliates provide 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, TA, a publicly traded real estate based operating company in the travel center business, and GOV, a publicly traded REIT that primarily invests in properties that are majority leased to government tenants. 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. The share grants made by the companies and other REITs managed by RMR and its affiliates are considered to be appropriately comparable because of the similarities between certain services we require from our share grantees and the services provided to these other companies and in particular with respect to the other REITs managed by RMR. 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 any other factors any member of the Compensation Committee chooses to raise. The factors which have been historically considered by our Compensation Committee, including for the 2009 share grants, are: (1) the value of the proposed share grants; (2) the historical awards previously granted to each executive officer and the corresponding values at the time of the grants; (3) the recommendations by RMR as presented by our Managing Trustees; (4) the value of share grants to executive officers providing comparable services at other REITs and companies managed by RMR; (5) changes, if any, in the responsibilities assigned to, or assumed by, each executive officer during the past year and on a going forward basis; (6) the length of historical services to us by each executive officer; and (7) the responsibilities of each executive officer and our perception regarding the quality of the services provided by each executive officer in carrying out those responsibilities. The Compensation Committee's starting premise each year is to award our named executive officers the same number of shares as they were awarded in the prior year in an effort to meet recipients' expectations. The Compensation Committee then considers these multiple factors in determining whether to increase or decrease the amounts of the prior year's grants. There is no formulaic approach using these various factors in determining the amount of the share awards to each executive officer. The share amounts are determined on a subjective basis using the various factors at our Compensation Committee's sole discretion. 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 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 currently 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.

Our Compensation Committee uses comparative information about other REITs managed by RMR as additional data to help it determine 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 2009, our Managing Trustees recommended an increase in the number of shares to be awarded to our named executive officers similar to 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 2009 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 because our Compensation Committee determines the share amounts in its sole discretion on a non-formulaic basis.

In 2009, 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 in the previous two years which reflected the overall decline in the market and the economy in the previous two years. In making this decision, the Compensation Committee recognized that awarding the same number of shares in 2009 as in 2008 or 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 enhance the services provided to us. In addition, the Compensation Committee determined to grant the same amounts to each named executive officer in 2009 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.

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, 2009.

COMPENSATION COMMITTEE

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

COMPENSATION TABLES

The following tables provide (1) summary 2009, 2008 and 2007 compensation information relating to our named 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 2009. 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 in this proxy statement under the rules of the SEC. The compensation of our other executive officer is below the level at which compensation would be required by such rules to be reported in this proxy statement.

SUMMARY COMPENSATION TABLE FOR 2009, 2008 AND 2007

Name and Principal Position	Year	Stock		All Other		Total (\$)
		Awards	(\$)(1)	Compensation	(\$)(2)	
John A. Mannix President and Chief Investment Officer	2009	\$	70,108	\$	8,664	\$ 78,772
	2008	\$	50,556	\$	10,584	\$ 61,140
	2007	\$	52,070	\$	7,224	\$ 59,294
John C. Popeo Treasurer and Chief Financial Officer	2009	\$	70,108	\$	8,664	\$ 78,772
	2008	\$	50,556	\$	10,584	\$ 61,140
	2007	\$	52,070	\$	7,224	\$ 59,294

- (1) Represents the value based upon the closing price on the date of grant in 2009, 2008 and 2007 of shares vesting in 2009, 2008 and 2007, as applicable. This is also the compensation cost recognized by us in the applicable year for financial reporting purposes pursuant to FASB Accounting Standards Codification 718, "Compensation-Stock Compensation", or ASC 718. No assumptions are used in this calculation.
- (2) Consists of distributions in each year on unvested shares.

GRANTS OF PLAN BASED AWARDS FOR 2009

(Shares granted in 2009, including vested and unvested grants)