

Columbia, MD



OFFICE PROPERTIES
INCOME TRUST

**Office Properties Income Trust
Third Quarter 2024
Financial Results and
Supplemental Information**

October 30, 2024



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OPI
Nasdaq Listed

Trading Symbols:

Common Shares: OPI
 Senior Unsecured Notes due 2050: OPINL

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All amounts in this presentation are unaudited.

Unless otherwise noted, all data presented in this presentation excludes two properties, which are encumbered by a \$50.0 million mortgage note, owned by an unconsolidated joint venture in which OPI owns a 51% interest. See page 15 for information regarding this joint venture and its related mortgage note.

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

Quarterly Results

OFFICE PROPERTIES INCOME TRUST ANNOUNCES THIRD QUARTER 2024 FINANCIAL RESULTS

"OPI continues to explore strategies to address its \$456.7 million debt maturity in February 2025. Since Q2 2024, we drew the remaining \$125 million of capacity under our credit facility, sold six properties for \$46.3 million dollars and exchanged \$42.5 million of outstanding unsecured senior notes for new secured senior notes and common shares.

We also remain focused on attracting and retaining tenants at our properties. This quarter, we executed 987,000 square feet of leasing with a weighted average lease term of 10.2 years and ended the quarter with same property portfolio occupancy of more than 89%."

Yael Duffy, President and Chief Operating Officer

Newton, MA (October 30, 2024). Office Properties Income Trust (Nasdaq: OPI) today announced its financial results for the quarter ended September 30, 2024.

Distribution

OPI has declared a quarterly distribution on its common shares of \$0.01 per share to shareholders of record as of the close of business on October 28, 2024. This distribution will be paid on or about November 14, 2024.

Conference Call

A conference call discussing OPI's third quarter results will be held on Thursday, October 31, 2024 at 10:00 a.m. Eastern Time. The conference call may be accessed by dialing (877) 328-1172 or (412) 317-5418 (if calling from outside the United States and Canada); a pass code is not required. A replay will be available for one week by dialing (877) 344-7529; the replay pass code is 2324173. A live audio webcast of the conference call will also be available in a listen only mode on OPI's website, at www.opireit.com. The archived webcast will be available for replay on OPI's website after the call. The transcription, recording and retransmission in any way are strictly prohibited without the prior written consent of OPI.

About Office Properties Income Trust

OPI is a national REIT focused on owning and leasing office properties to high credit quality tenants in markets throughout the United States. As of September 30, 2024, approximately 59% of OPI's revenues were from investment grade rated tenants. OPI owned 145 properties as of September 30, 2024, with approximately 19.5 million square feet located in 30 states and Washington, D.C. In 2024, OPI was named as an Energy Star® Partner of the Year for the seventh consecutive year. OPI is managed by The RMR Group (Nasdaq: RMR), a leading U.S. alternative asset management company with nearly \$41 billion in assets under management as of September 30, 2024, and more than 35 years of institutional experience in buying, selling, financing and operating commercial real estate. OPI is headquartered in Newton, MA. For more information, visit opireit.com.

Portfolio Update

- Executed 987,000 square feet of total leasing at a weighted average lease term of 10.2 years.
- Ended the quarter with same property portfolio occupancy of 89.3% and a weighted average lease term of 7.2 years (by annualized revenue).

Financial Results

- Net loss of \$58.4 million, or \$1.14 per common share.
- Normalized FFO of \$22.1 million, or \$0.43 per common share.
- Same property cash basis NOI of \$59.3 million.

Investment Activity

- Sold six properties, consisting of approximately 750,000 square feet for an aggregate sales price of \$46.3 million, excluding closing costs.
- Under agreement to sell 17 properties consisting of approximately 1,609,000 square feet for an aggregate sales price of \$119.2 million, excluding closing costs.

Financing Activities and Liquidity

- As of October 30, 2024, OPI's total available liquidity was comprised of \$146.4 million of cash. OPI's \$456.7 million of unsecured senior notes are due on February 1, 2025. OPI is currently in negotiations with certain holders of such notes regarding a potential note exchange, but is not able to conclude that it is probable that the negotiations will result in an exchange that refinances such notes prior to their maturity. Given the limited resources available to OPI to obtain debt or equity to refinance this debt, the illiquid nature of real estate assets and OPI's ability to incur additional debt while maintaining compliance with debt covenants, OPI has concluded that there is substantial doubt about its ability to continue as a going concern for at least one year. For further information please refer to Note 1 to OPI's Condensed Consolidated Financial Statements included in Part I, Item 1 of OPI's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, filed with the Securities and Exchange Commission, or SEC, on October 30, 2024.
- Since Q2 2024, exchanged an aggregate of \$42.5 million of outstanding unsecured senior notes due 2025 for \$42.6 million of new 9.0% senior secured notes due 2029 and 5.1 million common shares.
- In October 2024, OPI drew the remaining \$125 million of capacity under its revolving credit facility.

Financials

Key Financial Data

(dollars in thousands, except per share data)

	As of and for the Three Months Ended					As of 9/30/2024
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	
Selected Income Statement Data:						
Rental income	\$ 120,620	\$ 123,686	\$ 139,435	\$ 133,773	\$ 133,361	
Net (loss) income	\$ (58,414)	\$ 76,171	\$ (5,184)	\$ (37,151)	\$ (19,593)	
NOI	\$ 69,205	\$ 76,046	\$ 88,248	\$ 80,871	\$ 83,698	
Adjusted EBITDAre	\$ 65,001	\$ 71,469	\$ 73,799	\$ 76,216	\$ 78,910	
FFO	\$ 21,640	\$ 258,969	\$ 48,183	\$ 44,590	\$ 33,269	
Normalized FFO	\$ 22,114	\$ 33,171	\$ 38,317	\$ 45,872	\$ 49,404	
CAD	\$ (19,066)	\$ (1,079)	\$ 22,340	\$ 8,560	\$ 17,353	
Rolling four quarter CAD	\$ 10,755	\$ 47,174	\$ 64,035	\$ 72,873	\$ 74,113	

Per Common Share Data (basic and diluted):

Net (loss) income	\$ (1.14)	\$ 1.56	\$ (0.11)	\$ (0.77)	\$ (0.41)	
FFO	\$ 0.42	\$ 5.32	\$ 0.99	\$ 0.92	\$ 0.69	
Normalized FFO	\$ 0.43	\$ 0.68	\$ 0.79	\$ 0.95	\$ 1.02	
CAD	\$ (0.37)	\$ (0.02)	\$ 0.46	\$ 0.18	\$ 0.36	
Rolling four quarter CAD	\$ 0.21	\$ 0.97	\$ 1.32	\$ 1.51	\$ 1.54	

Dividends:

Annualized dividends paid per common share during the period	\$ 0.04	\$ 0.04	\$ 0.04	\$ 1.00	\$ 1.00	
Annualized dividend yield (at end of period)	1.8%	2.0%	2.0%	13.7%	24.4%	
Annualized normalized FFO payout ratio	2.3%	1.5%	1.3%	26.3%	24.5%	
Rolling four quarter CAD payout ratio ⁽¹⁾	19.0%	4.1%	3.0%	65.8%	64.9%	

Selected Balance Sheet Data:

Total gross assets	\$ 4,345,425	\$ 4,410,554	\$ 4,637,482	\$ 4,639,848	\$ 4,672,646	
Total assets	\$ 3,725,951	\$ 3,799,856	\$ 3,957,930	\$ 3,989,669	\$ 4,044,990	
Total liabilities	\$ 2,447,365	\$ 2,470,157	\$ 2,707,566	\$ 2,733,990	\$ 2,740,357	
Total shareholders' equity	\$ 1,278,586	\$ 1,329,699	\$ 1,250,364	\$ 1,255,679	\$ 1,304,633	

Capitalization:

Total common shares (at end of period)	53,910,981
Closing price (at end of period)	\$ 2.18
Equity market capitalization (at end of period)	\$ 117,526
Debt (principal balance)	2,333,230
Total market capitalization	\$ 2,450,756

Liquidity:

Cash and cash equivalents	\$ 22,363
Availability under \$325,000 secured revolving credit facility ⁽²⁾	125,000
Total liquidity	\$ 147,363

(1) Reflects the annualized dividends paid per common share during the period as a percentage of rolling four quarter CAD per common share.

(2) Availability under OPI's secured revolving credit facility is subject to ongoing minimum performance and market values of the collateral properties and meeting required financial covenants. On October 4, 2024, OPI borrowed \$125 million under its revolving credit facility. As of October 30, 2024, OPI had fully drawn amounts available under its revolving credit facility.

Condensed Consolidated Statements of Income (Loss)

(amounts in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Rental income	\$ 120,620	\$ 133,361	\$ 383,741	\$ 399,780
Expenses:				
Real estate taxes	16,927	14,257	47,363	45,491
Utility expenses	7,869	7,460	21,782	20,462
Other operating expenses	26,619	27,946	81,097	80,637
Depreciation and amortization	46,047	52,266	146,779	155,559
Loss on impairment of real estate	41,847	–	173,579	–
Transaction related costs ⁽¹⁾	738	16,135	971	30,534
General and administrative	4,927	5,720	15,861	17,430
Total expenses	144,974	123,784	487,432	350,113
Gain on sale of real estate	8,456	244	6,008	487
Interest and other income	196	281	1,779	782
Interest expense (including net amortization of debt premiums, discounts and issuance costs of \$2,183, \$2,276, \$9,261 and \$6,808 respectively)	(42,580)	(28,835)	(116,405)	(80,591)
Gain on early extinguishment of debt	264	–	225,637	–
(Loss) income before income tax expense and equity in net losses of investees	(58,018)	(18,733)	13,328	(29,655)
Income tax expense	(230)	(95)	(179)	(336)
Equity in net losses of investees	(166)	(765)	(576)	(2,290)
Net (loss) income	\$ (58,414)	\$ (19,593)	\$ 12,573	\$ (32,281)
Weighted average common shares outstanding (basic and diluted)	51,197	48,403	49,444	48,365
Per common share amounts (basic and diluted):				
Net (loss) income	\$ (1.14)	\$ (0.41)	\$ 0.25	\$ (0.67)
Additional Data:				
General and administrative expenses / total assets (at end of period)	0.13%	0.14%	0.43%	0.43%
Non-cash straight line rent adjustments included in rental income	\$ 8,854	\$ 8,691	\$ 23,796	\$ 17,120
Lease value amortization included in rental income	\$ (59)	\$ 56	\$ 30	\$ 196
Lease termination fees included in rental income	\$ 218	\$ 1,576	\$ 12,863	\$ 3,160
Non-cash amortization included in other property operating expenses	\$ 121	\$ 121	\$ 363	\$ 363
Non-cash amortization included in general and administrative expenses	\$ 151	\$ 151	\$ 453	\$ 453



Charlotte, NC

(1) Consists of costs related to OPI's evaluation of potential transactions.

Condensed Consolidated Balance Sheets

(dollars in thousands, except per share data)

	September 30, 2024	December 31, 2023
ASSETS		
Real estate properties:		
Land	\$ 716,254	\$ 786,310
Buildings and improvements	2,980,356	3,279,369
Total real estate properties, gross	3,696,610	4,065,679
Accumulated depreciation	(619,474)	(650,179)
Total real estate properties, net	3,077,136	3,415,500
Assets of properties held for sale	125,781	37,310
Investments in unconsolidated joint ventures	17,552	18,128
Acquired real estate leases, net	209,943	263,498
Cash and cash equivalents	22,363	12,315
Restricted cash	13,906	14,399
Rents receivable	146,580	133,264
Deferred leasing costs, net	95,395	86,971
Other assets, net	17,295	8,284
Total assets	<u>\$ 3,725,951</u>	<u>\$ 3,989,669</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Unsecured debt, net	\$ 980,125	\$ 2,400,478
Secured debt, net	1,341,844	172,131
Liabilities of properties held for sale	3,419	2,525
Accounts payable and other liabilities	105,923	140,166
Due to related persons	5,906	7,025
Assumed real estate lease obligations, net	10,148	11,665
Total liabilities	<u>2,447,365</u>	<u>2,733,990</u>
Commitments and contingencies		
Shareholders' equity:		
Common shares of beneficial interest, \$.01 par value: 200,000,000 shares authorized, 53,910,981 and 48,755,415 shares issued and outstanding, respectively	539	488
Additional paid in capital	2,633,253	2,621,493
Cumulative net income	112,747	100,174
Cumulative common distributions	(1,467,953)	(1,466,476)
Total shareholders' equity	1,278,586	1,255,679
Total liabilities and shareholders' equity	<u>\$ 3,725,951</u>	<u>\$ 3,989,669</u>



Debt Summary

As of September 30, 2024

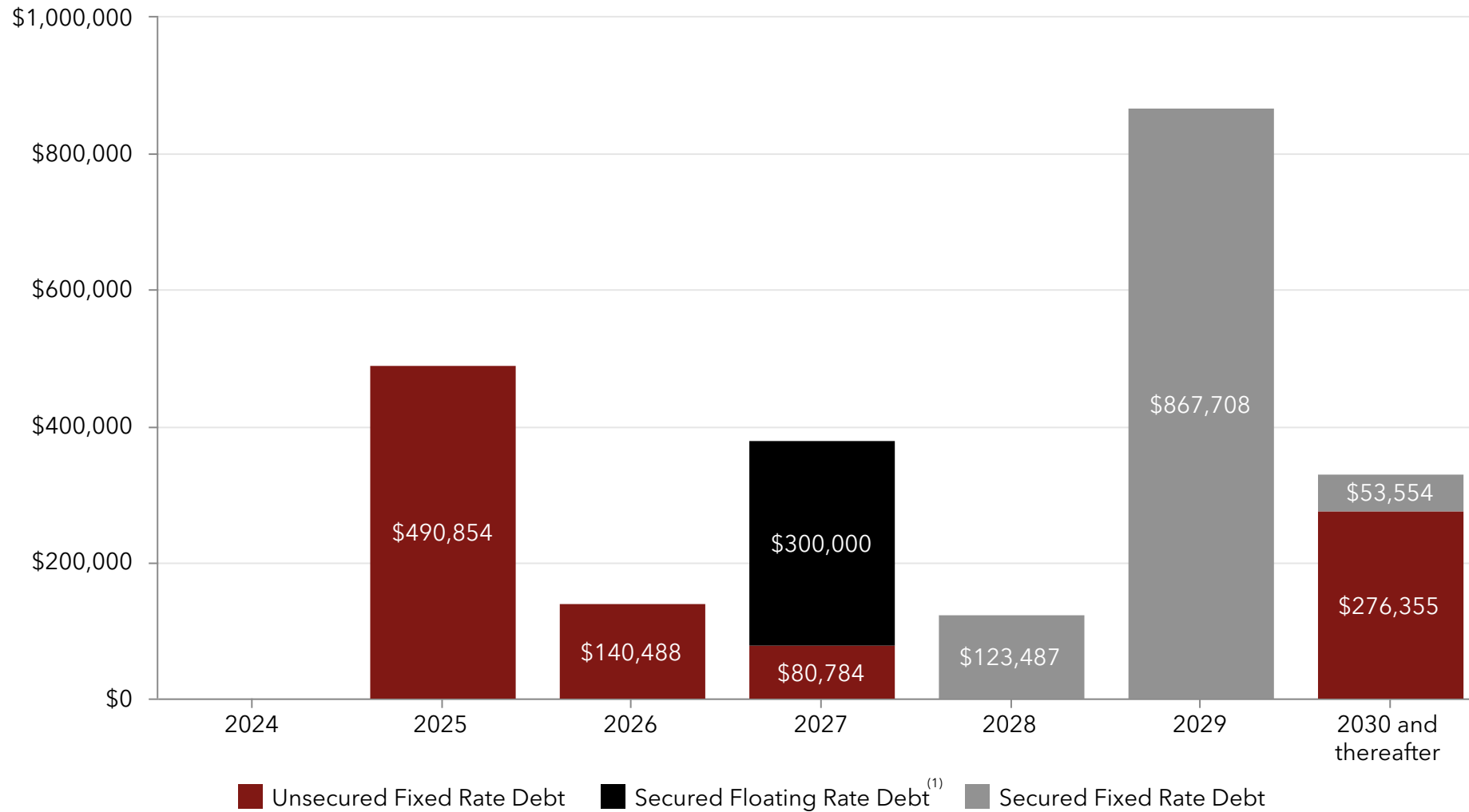
(dollars in thousands)

	Coupon Rate ⁽⁵⁾	Interest Rate ⁽⁶⁾	Principal Balance	Maturity Date	Due at Maturity	Years to Maturity
Secured Floating Rate Debt:						
\$325,000 secured revolving credit facility ⁽¹⁾	8.430%	8.430%	\$ 200,000	1/29/2027	\$ 200,000	2.3
\$100,000 secured term loan ⁽¹⁾	8.430%	8.430%	100,000	1/29/2027	100,000	2.3
Subtotal / weighted average	8.430%	8.430%	300,000		300,000	2.3
Secured Fixed Rate Debt:						
Mortgage debt - One property	8.272%	8.272%	42,700	7/1/2028	42,700	3.8
Mortgage debt - One property	8.139%	8.139%	26,340	7/1/2028	26,340	3.8
Mortgage debt - Two properties	7.671%	7.671%	54,300	10/6/2028	54,300	4.0
Senior secured notes due 2029 ⁽²⁾	9.000%	10.589%	300,000	3/31/2029	300,000	4.5
Senior secured notes due 2029 ⁽³⁾⁽⁴⁾	9.000%	9.000%	567,429	9/30/2029	567,429	5.0
Mortgage debt - One property	7.210%	7.210%	30,680	7/1/2033	29,105	8.8
Mortgage debt - One property	7.305%	7.305%	8,400	7/1/2033	8,400	8.8
Mortgage debt - One property	7.717%	7.717%	14,900	9/1/2033	14,900	8.9
Subtotal / weighted average	8.795%	9.251%	1,044,749		1,043,174	4.9
Unsecured Fixed Rate Debt:						
Senior unsecured notes due 2025 ⁽⁴⁾	4.500%	4.521%	490,854	2/1/2025	490,854	0.3
Senior unsecured notes due 2026	2.650%	2.815%	140,488	6/15/2026	140,488	1.7
Senior unsecured notes due 2027	2.400%	2.541%	80,784	2/1/2027	80,784	2.3
Senior unsecured notes due 2031	3.450%	3.550%	114,355	10/15/2031	114,355	7.0
Senior unsecured notes due 2050	6.375%	6.375%	162,000	6/23/2050	162,000	25.7
Subtotal / weighted average	4.251%	4.308%	988,481		988,481	5.6
Total / weighted average	6.823%	7.052%	\$2,333,230		\$2,331,655	4.9

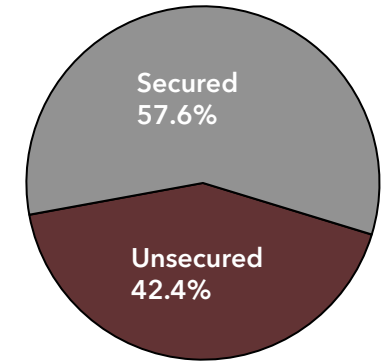
- (1) OPI's secured revolving credit facility and term loan are governed by an amended and restated credit agreement, or the Credit Agreement. OPI is required to pay interest under the Credit Agreement at a rate of SOFR plus a margin of 350 basis points. OPI also pays an unused commitment fee of 25 to 35 basis points per annum based on amounts outstanding under its secured revolving credit facility. Subject to the payment of an extension fee and meeting certain other conditions, OPI can extend the maturity date of the secured revolving credit facility by one year. The Credit Agreement is secured by first mortgage liens on 19 properties. See Page 27 for additional information regarding these collateral properties. On October 4, 2024, OPI borrowed \$125 million under its revolving credit facility. As of October 30, 2024, OPI was fully drawn under its revolving credit facility.
- (2) These notes are guaranteed by certain of OPI's subsidiaries and secured by first mortgage liens on 17 properties. See Page 27 for additional information regarding these collateral properties.
- (3) These notes are secured by first mortgage liens on 19 properties and second mortgage liens on the 19 properties that secure the Credit Agreement. See Page 27 for additional information regarding these collateral properties.
- (4) In October, OPI exchanged an aggregate of \$34,154 of its senior unsecured notes due 2025 for \$42,570 of new 9.0% senior secured notes due 2029 and approximately 1.9 million common shares.
- (5) Reflects the interest rate stated in, or determined pursuant to, the contract terms.
- (6) Includes the effect of discounts and premiums on senior notes. Excludes the effect of debt issuance costs amortization.

Debt Maturity Schedule

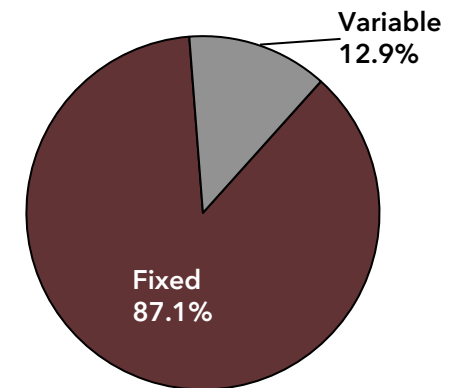
As of September 30, 2024
(dollars in thousands)



Secured vs. Unsecured Debt



Fixed vs. Variable Rate Debt



(1) On October 4, 2024, OPI borrowed \$125 million under its revolving credit facility. As of October 30, 2024, OPI was fully drawn under its revolving credit facility.

Leverage Ratios, Coverage Ratios and Public Debt Covenants

	As of and for the Three Months Ended				
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023
Leverage Ratios:					
Net debt / total gross assets	53.2%	52.3%	56.2%	55.6%	54.9%
Net debt / gross book value of real estate assets	47.1%	45.7%	50.1%	49.3%	49.1%
Secured debt / total assets	36.1%	34.8%	19.4%	4.4%	4.4%
Variable rate debt / net debt	13.0%	12.1%	11.1%	7.9%	7.8%
Coverage Ratios:					
Rolling four quarter Adjusted EBITDAre / rolling four quarter interest expense	2.0x	2.3x	2.6x	2.8x	3.0x
Net debt / rolling four quarter Adjusted EBITDAre	8.1x	7.7x	8.4x	8.2x	8.1x
Public Debt Covenants:					
<u>Maintenance Covenant</u>					
Total unencumbered assets / unsecured debt (minimum 150.0%)	244.4%	237.1%	178.1%	205.9%	206.2%
<u>Incurrence Covenants</u>					
Total debt / adjusted total assets (maximum 60.0%)	45.1%	45.5%	49.6%	48.8%	48.5%
Secured debt / adjusted total assets (maximum 40.0%)	26.0%	26.0%	14.5%	3.3%	3.3%
Consolidated income available for debt service / debt service (minimum 1.50x)	1.7x	1.8x	2.3x	2.8x	2.9x



Atlanta, GA

Capital Expenditures Summary

(dollars and sq. ft. in thousands, except per sq. ft. data)

Capital Expenditures Summary

	For the Three Months Ended				
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023
Lease related costs	\$ 29,148	\$ 25,965	\$ 16,768	\$ 18,497	\$ 15,677
Building improvements	5,225	4,085	4,474	10,877	8,516
Recurring capital expenditures	34,373	30,050	21,242	29,374	24,193
Development, redevelopment and other activities ⁽¹⁾	864	3,862	6,911	19,371	28,326
Total capital expenditures	<u>\$ 35,237</u>	<u>\$ 33,912</u>	<u>\$ 28,153</u>	<u>\$ 48,745</u>	<u>\$ 52,519</u>
Average rentable sq. ft. during period	19,918	20,293	20,417	20,623	20,745
Building improvements per average sq. ft. during period	\$ 0.26	\$ 0.20	\$ 0.22	\$ 0.53	\$ 0.41

(1) Includes capitalized interest and other operating costs of \$4,618 since July 1, 2023.



Property Dispositions

Since January 1, 2024

(dollars and sq. ft. in thousands, except per sq. ft. data)

Dispositions:

Date Sold	Location	Number of Properties	Sq. Ft.	Gross Sales Price	Gross Sales Price Per Sq. Ft.
3/21/2024	Chicago, IL	1	248	\$ 38,500	\$ 155.24
7/31/2024	Malden, MA	1	126	7,800	61.90
8/13/2024	Indianapolis, IN	3	434	10,100	23.27
9/10/2024	Atlanta, GA	1	126	17,610	139.76
9/11/2024	San Jose, CA	1	64	10,800	168.75
	Total	7	998	\$ 84,810	\$ 84.98



Investment in Unconsolidated Joint Venture

As of September 30, 2024

(dollars and sq. ft. in thousands)

Unconsolidated Joint Venture:

Joint Venture	OPI Ownership	OPI Investment	Number of Properties	Location	Sq. Ft.	Occupancy	Weighted Average Remaining Lease Term ⁽¹⁾
Prosperity Metro Plaza	51%	\$ 17,552	2	Fairfax, VA	346	72.3%	3.2 years

Outstanding Unconsolidated Debt:

Joint Venture	OPI Ownership	Interest Rate ⁽²⁾	Maturity Date	Principal Balance	Annualized Debt Service	Principal Balance at Maturity	OPI Share of Principal Balance ⁽³⁾
Prosperity Metro Plaza ⁽⁴⁾	51%	4.090%	12/1/2029	\$ 50,000	\$ 2,045	\$ 45,246	\$ 25,500

Results of Operations - Prosperity Metro Plaza: ⁽⁵⁾

	For the Three Months Ended September 30, 2024	For the Nine Months Ended September 30, 2024
Equity in losses	\$ (166)	\$ (576)
Depreciation and amortization	616	1,869
Other expenses, net ⁽⁶⁾	232	693
NOI	682	1,986
Lease value amortization included in rental income ⁽⁷⁾	–	(2)
Non-cash straight line rent adjustments included in rental income ⁽⁷⁾	(33)	(105)
Cash Basis NOI	\$ 649	\$ 1,879

- (1) Lease term is weighted based on annualized rental income.
- (2) Includes the effect of mark to market accounting.
- (3) Reflects OPI's proportionate share of the principal debt balance based on its ownership percentage of the joint venture; none of the debt is recourse to OPI.
- (4) The mortgage loan requires interest-only payments through December 2024, at which time the loan requires principal and interest payments through its maturity date.
- (5) Reflects OPI's proportionate share of operating results based on its ownership percentage of the joint venture.
- (6) Includes interest expense, net of other income.
- (7) OPI's unconsolidated joint venture reports rental income on a straight line basis over the terms of the respective leases; accordingly, rental income includes non-cash straight line rent adjustments. Rental income also includes expense reimbursements, tax escalations, parking revenues, service income and other fixed and variable charges paid to the unconsolidated joint venture by its tenants, as well as the net effect of non-cash amortization of intangible lease assets and liabilities.

Portfolio Information

Summary Same Property Results

(dollars and sq. ft. in thousands)

	For the Three Months Ended		For the Nine Months Ended	
	9/30/2024	9/30/2023	9/30/2024	9/30/2023
Properties (end of period)	123	123	123	123
Rentable sq. ft.	16,881	16,803	16,881	16,803
Percent leased	89.3%	93.9%	89.3%	93.9%
Rental income	\$ 109,781	\$ 112,939	\$ 329,763	\$ 340,686
Same Property NOI	\$ 65,167	\$ 70,522	\$ 201,930	\$ 217,203
Same Property Cash Basis NOI	\$ 59,304	\$ 61,752	\$ 185,049	\$ 196,502
Same Property NOI % margin	59.4%	62.4%	61.2%	63.8%
Same Property Cash Basis NOI % margin	57.0%	59.2%	59.1%	61.4%
Same Property NOI % change	(7.6%)		(7.0%)	
Same Property Cash Basis NOI % change	(4.0%)		(5.8%)	



Occupancy and Leasing Summary

(dollars and sq. ft. in thousands, except per sq. ft. data)

	As of and for the Three Months Ended					As of and for the Nine Months Ended
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	9/30/2024
Properties (end of period)	145	151	151	152	154	145
Rentable sq. ft.	19,543	20,293	20,293	20,541	20,705	19,543
Percentage leased	82.8%	83.5%	85.6%	86.9%	89.9%	82.8%

Leasing Activity (Sq. Ft.):

New leases	40	24	45	11	104	109
Renewals	947	184	443	185	482	1,574
Total	987	208	488	196	586	1,683

% Change in GAAP Rent: ⁽¹⁾

New leases	26.3%	(22.2%)	(18.7%)	(13.7%)	1.9%	(4.1%)
Renewals	0.5%	0.2%	18.4%	1.5%	(3.7%)	3.3%
Total	1.7%	(1.5%)	10.2%	0.6%	(2.7%)	2.7%

Weighted Average Lease Term by Sq. Ft. (years):

New leases	8.9	3.7	6.1	7.3	9.5	6.6
Renewals	10.2	4.0	9.6	7.0	6.9	9.3
Total	10.2	4.0	9.3	7.0	7.4	9.1

Leasing Cost and Concession Commitments:

New leases	\$ 1,571	\$ 687	\$ 2,826	\$ 913	\$ 13,623	\$ 5,084
Renewals	64,345	3,295	8,151	6,545	11,736	75,791
Total	\$ 65,916	\$ 3,982	\$ 10,977	\$ 7,458	\$ 25,359	\$ 80,875

Leasing Cost and Concession Commitments per Sq. Ft.:

New leases	\$ 38.64	\$ 29.29	\$ 63.01	\$ 83.83	\$ 131.54	\$ 46.66
Renewals	\$ 68.01	\$ 17.89	\$ 18.38	\$ 35.37	\$ 24.36	\$ 48.16
Total	\$ 66.80	\$ 19.18	\$ 22.48	\$ 38.06	\$ 43.33	\$ 48.07

Leasing Cost and Concession Commitments per Sq. Ft. per Year:

New leases	\$ 4.36	\$ 7.90	\$ 10.29	\$ 11.46	\$ 13.84	\$ 7.05
Renewals	\$ 6.65	\$ 4.45	\$ 1.92	\$ 5.06	\$ 3.53	\$ 5.17
Total	\$ 6.57	\$ 4.81	\$ 2.42	\$ 5.43	\$ 5.89	\$ 5.26

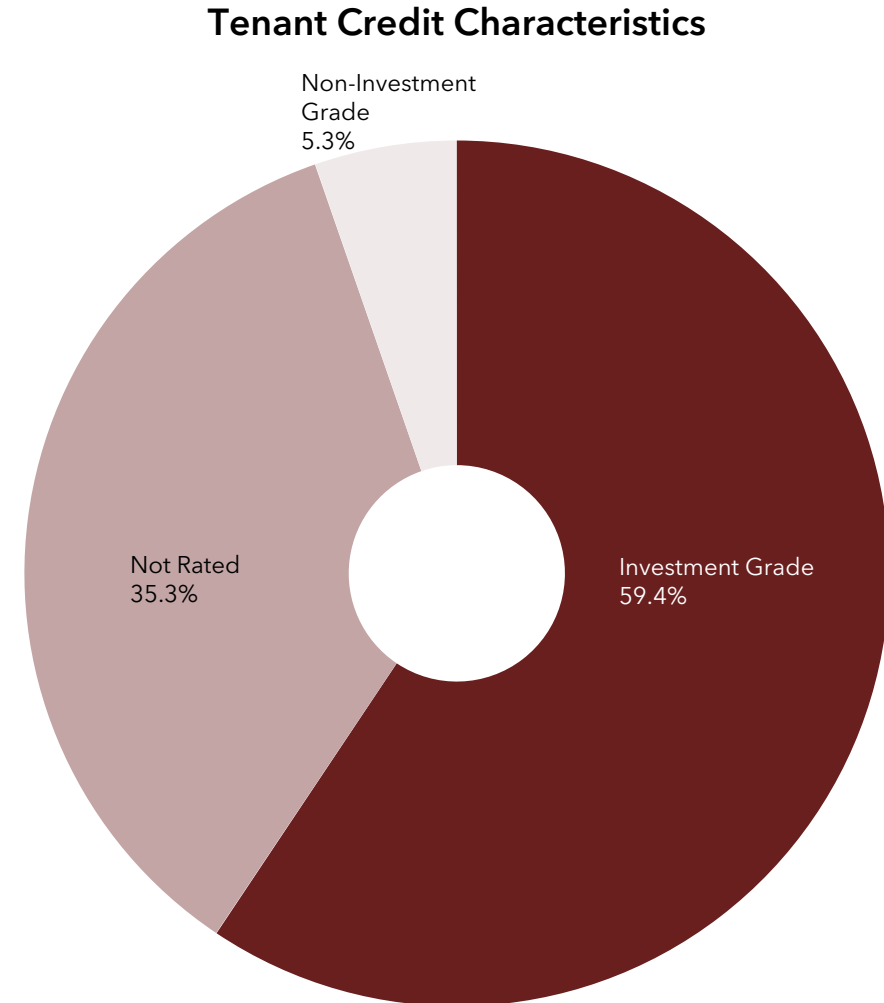
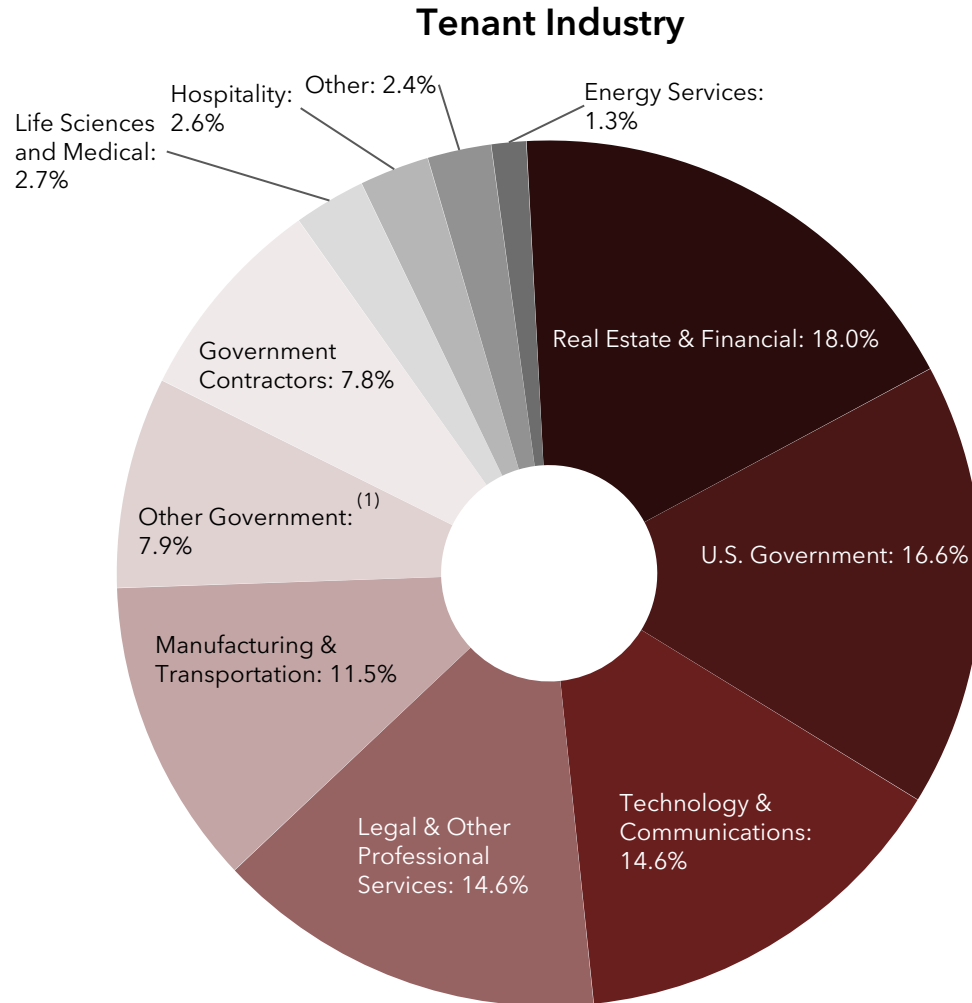
(1) Percent difference in prior rents charged for same space or, in the case of space acquired vacant, market rental rates for similar space in the building at the date of acquisition. Rents include estimated recurring expense reimbursements paid to us, exclude lease value amortization and are net of lease concessions.

This leasing summary is based on leases entered during the periods indicated.

Tenant Diversity and Credit Characteristics

As of September 30, 2024

Percentage of Total Annualized Rental Income



(1) Includes state governments and municipalities.

Tenants Representing 1% or More of Total Annualized Rental Income

As of September 30, 2024

(dollars and sq. ft. in thousands)

	Tenant	Credit Rating	Sq. Ft.	% of Leased Sq. Ft.	Annualized Rental Income	% of Total Annualized Rental Income
1	U.S. Government	Investment Grade	2,896	17.9%	\$ 75,190	16.6%
2	Alphabet Inc. (Google)	Investment Grade	386	2.4%	23,004	5.1%
3	Shook, Hardy & Bacon L.L.P.	Not Rated	596	3.7%	19,604	4.3%
4	IG Investments Holdings LLC	Not Rated	339	2.1%	18,303	4.0%
5	Bank of America Corporation	Investment Grade	577	3.6%	17,290	3.8%
6	State of California	Investment Grade	431	2.7%	12,745	2.8%
7	Sonesta International Hotels Corporation	Not Rated	240	1.5%	10,828	2.4%
8	Northrop Grumman Corporation	Investment Grade	337	2.1%	10,781	2.4%
9	State of Georgia	Investment Grade	308	1.9%	7,713	1.7%
10	Sonoma Biotherapeutics, Inc.	Not Rated	84	0.5%	7,189	1.6%
11	PNC Bank	Investment Grade	441	2.7%	7,019	1.6%
12	Automatic Data Processing, Inc.	Investment Grade	289	1.8%	6,346	1.4%
13	Allstate Insurance Corporation	Investment Grade	458	2.8%	6,270	1.4%
14	Open Text Corporation	Non Investment Grade	166	1.0%	6,178	1.4%
15	Compass Group plc	Investment Grade	267	1.7%	6,076	1.3%
16	Church & Dwight Co., Inc.	Investment Grade	250	1.5%	6,048	1.3%
17	Leidos Holdings Inc.	Investment Grade	159	1.0%	5,962	1.3%
18	Primerica, Inc.	Investment Grade	344	2.1%	5,734	1.3%
19	Science Applications International Corp	Non Investment Grade	159	1.0%	5,254	1.2%
20	Rocky Mountain University of Health Professions, Inc.	Not Rated	170	1.1%	4,862	1.1%
21	Berkshire Hathaway Inc.	Investment Grade	134	0.8%	4,674	1.0%
22	CommScope Holding Company Inc.	Non Investment Grade	96	0.6%	4,546	1.0%
			<u>9,127</u>	<u>56.5%</u>	<u>\$ 271,616</u>	<u>60.0%</u>

Lease Expiration Schedule

As of September 30, 2024

(dollars and sq. ft. in thousands)

Year ⁽¹⁾	Number of Leases Expiring	Leased Square Feet Expiring	% of Total Leased Square Feet Expiring	Cumulative % of Total Leased Square Feet Expiring	Annualized Rental Income Expiring	% of Total Annualized Rental Income Expiring	Cumulative % of Total Annualized Rental Income Expiring
2024	23	1,281	7.9%	7.9%	\$ 19,914	4.4%	4.4%
2025	43	1,809	11.2%	19.1%	44,298	9.8%	14.2%
2026	38	528	3.3%	22.4%	18,237	4.0%	18.2%
2027	32	1,872	11.6%	34.0%	47,018	10.4%	28.6%
2028	18	649	4.0%	38.0%	31,019	6.9%	35.5%
2029	36	1,083	6.7%	44.7%	33,298	7.4%	42.9%
2030	28	1,083	6.7%	51.4%	30,356	6.7%	49.6%
2031	20	1,255	7.8%	59.2%	31,233	6.9%	56.5%
2032	13	502	3.1%	62.3%	17,412	3.8%	60.3%
2033 and thereafter	53	6,119	37.7%	100.0%	180,040	39.7%	100.0%
Total	304	16,181	100.0%		\$ 452,825	100.0%	
Weighted average remaining lease term (in years)		<u>6.6</u>			<u>7.2</u>		

(1) The year of lease expiration is pursuant to current contract terms.



Appendix

The Company:

OPI is included in 122 market indices and comprises more than 1% of the following indices as of September 30, 2024: Bloomberg US Micro Cap Real Estate Price Return Index (BMICR), Invesco S&P SmallCap High Dividend Low Volatility ETF INAV Index (XSHDIV) and Bloomberg Real Estate Investment Trust Small Cap Index (BBRESMLC).

Management:

OPI is managed by The RMR Group (Nasdaq: RMR). RMR is an alternative asset management company that is focused on commercial real estate and related businesses. RMR primarily provides management services to publicly traded real estate companies, privately held real estate funds and real estate related operating businesses. As of September 30, 2024, RMR had nearly \$41 billion of real estate assets under management and the combined RMR managed companies had more than \$5 billion of annual revenues, over 2,000 properties and over 18,000 employees. OPI believes that being managed by RMR is a competitive advantage for OPI because of RMR's depth of management and experience in the real estate industry. OPI also believes RMR provides management services to it at costs that are lower than OPI would have to pay for similar quality services if OPI were self managed.

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OPI is followed by the analysts and its credit is rated by the rating agencies listed on this page. Please note that any opinions, estimates or forecasts regarding OPI's performance made by these analysts or agencies do not represent opinions, forecasts or predictions of OPI or its management. OPI does not by its reference above imply its endorsement of or concurrence with any information, conclusions or recommendations provided by any of these analysts or agencies.

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Calculation and Reconciliation of NOI and Cash Basis NOI

(dollars in thousands)

	For the Three Months Ended					For the Nine Months Ended	
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	9/30/2024	9/30/2023
Calculation of NOI and Cash Basis NOI:							
Rental income	\$ 120,620	\$ 123,686	\$ 139,435	\$ 133,773	\$ 133,361	\$ 383,741	\$ 399,780
Property operating expenses	(51,415)	(47,640)	(51,187)	(52,902)	(49,663)	(150,242)	(146,590)
NOI	69,205	76,046	88,248	80,871	83,698	233,499	253,190
Non-cash straight line rent adjustments included in rental income	(8,854)	(7,563)	(7,379)	(9,074)	(8,691)	(23,796)	(17,120)
Lease value amortization included in rental income	59	(56)	(33)	(56)	(56)	(30)	(196)
Lease termination fees included in rental income	(218)	(200)	(12,445)	(1,554)	(1,576)	(12,863)	(3,160)
Non-cash amortization included in other property operating expenses	(121)	(121)	(121)	(121)	(121)	(363)	(363)
Cash Basis NOI	\$ 60,071	\$ 68,106	\$ 68,270	\$ 70,066	\$ 73,254	\$ 196,447	\$ 232,351
Reconciliation of Net (Loss) Income to NOI and Cash Basis NOI:							
Net (loss) income	\$ (58,414)	\$ 76,171	\$ (5,184)	\$ (37,151)	\$ (19,593)	\$ 12,573	\$ (32,281)
Equity in net losses of investees	166	180	230	741	765	576	2,290
Loss on impairment of equity method investment	–	–	–	19,183	–	–	–
Income tax expense (benefit)	230	(107)	56	15	95	179	336
(Loss) income before income tax expense (benefit) and equity in net losses of investees	(58,018)	76,244	(4,898)	(17,212)	(18,733)	13,328	(29,655)
(Gain) loss on early extinguishment of debt	(264)	(225,798)	425	–	–	(225,637)	–
Interest expense	42,580	38,349	35,476	30,056	28,835	116,405	80,591
Interest and other income	(196)	(226)	(1,357)	(257)	(281)	(1,779)	(782)
(Gain) loss on sale of real estate	(8,456)	64	2,384	(3,293)	(244)	(6,008)	(487)
General and administrative	4,927	5,290	5,644	5,301	5,720	15,861	17,430
Transaction related costs	738	–	233	1,282	16,135	971	30,534
Loss on impairment of real estate	41,847	131,732	–	11,299	–	173,579	–
Depreciation and amortization	46,047	50,391	50,341	53,695	52,266	146,779	155,559
NOI	69,205	76,046	88,248	80,871	83,698	233,499	253,190
Non-cash amortization included in other property operating expenses	(121)	(121)	(121)	(121)	(121)	(363)	(363)
Lease termination fees included in rental income	(218)	(200)	(12,445)	(1,554)	(1,576)	(12,863)	(3,160)
Lease value amortization included in rental income	59	(56)	(33)	(56)	(56)	(30)	(196)
Non-cash straight line rent adjustments included in rental income	(8,854)	(7,563)	(7,379)	(9,074)	(8,691)	(23,796)	(17,120)
Cash Basis NOI	\$ 60,071	\$ 68,106	\$ 68,270	\$ 70,066	\$ 73,254	\$ 196,447	\$ 232,351

Reconciliation and Calculation of Same Property NOI and Same Property Cash Basis NOI

(dollars in thousands)

	For the Three Months Ended		For the Nine Months Ended	
	9/30/2024	9/30/2023	9/30/2024	9/30/2023
Reconciliation of NOI to Same Property NOI:				
Rental income	\$ 120,620	\$ 133,361	\$ 383,741	\$ 399,780
Property operating expenses	(51,415)	(49,663)	(150,242)	(146,590)
NOI	69,205	83,698	233,499	253,190
Less: NOI of properties not included in same property results	(4,038)	(13,176)	(31,569)	(35,987)
Same Property NOI	<u>\$ 65,167</u>	<u>\$ 70,522</u>	<u>\$ 201,930</u>	<u>\$ 217,203</u>
Calculation of Same Property Cash Basis NOI:				
Same Property NOI	\$ 65,167	\$ 70,522	\$ 201,930	\$ 217,203
Add: Lease value amortization included in rental income	(163)	(360)	(764)	(1,119)
Less: Non-cash straight line rent adjustments included in rental income	(5,387)	(8,071)	(15,233)	(17,491)
Lease termination fees included in rental income	(218)	(254)	(618)	(1,837)
Non-cash amortization included in property operating expenses	(95)	(85)	(266)	(254)
Same Property Cash Basis NOI	<u>\$ 59,304</u>	<u>\$ 61,752</u>	<u>\$ 185,049</u>	<u>\$ 196,502</u>



Operating Metrics by Collateral Pool

As of September 30, 2024

(dollars and sq. ft. in thousands)

	Number of Properties	Sq. Ft.	Sq. Ft. Expiring Through December 31st, 2025 ⁽¹⁾	Occupancy	Weighted Average Remaining Lease Term	Annualized Rental Income	Trailing Twelve Months NOI	Trailing Twelve Months Cash Basis NOI	Unspent Leasing Related Obligations	Gross Book Value of Real Estate Assets
Secured Properties:										
Credit Agreement	19	3,603	205	98.3%	7.1	\$ 117,520	\$ 70,651	\$ 60,574	\$ 28,570	\$ 1,012,536
\$300M Senior Notes 2029	17	2,126	31	98.5%	9.2	70,232	45,504	37,879	11,739	619,467
\$567M Senior Notes 2029 ⁽²⁾	19	3,208	154	83.6%	7.8	66,458	40,730	31,979	35,753	716,969
Mortgage Notes	7	1,334	–	100.0%	11.7	32,731	25,168	23,253	9,114	304,961
Subtotal Secured	62	10,271	390	94.0%	8.3	286,941	182,053	153,685	85,176	2,653,933
Unsecured Properties:										
Unsecured Properties ⁽¹⁾	66	7,613	2,112	75.5%	5.6	149,290	94,953	86,407	15,470	2,000,406
Properties Held for Sale	17	1,659	588	47.1%	2.3	16,594	14,527	16,300	–	252,722
Sold Properties	–	–	–	–	–	–	22,837	10,121	–	–
Total / Weighted Average	145	19,543	3,090	82.8%	7.2	\$ 452,825	\$ 314,370	\$ 266,513	\$ 100,646	\$ 4,907,061

(1) Of the total square feet expiring through December 31, 2025, 2,637 square feet is not expected to be renewed, of which 1,765 square feet relate to unsecured properties.

(2) The \$567 million senior notes due 2029 are also secured by second mortgage liens on the 19 properties securing the Credit Agreement.

Calculation of EBITDA, EBITDAre and Adjusted EBITDAre

(dollars in thousands)

	For the Three Months Ended					For the Nine Months Ended	
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	9/30/2024	9/30/2023
Net (loss) income	\$ (58,414)	\$ 76,171	\$ (5,184)	\$ (37,151)	\$ (19,593)	\$ 12,573	\$ (32,281)
Interest expense	42,580	38,349	35,476	30,056	28,835	116,405	80,591
Income tax expense (benefit)	230	(107)	56	15	95	179	336
Depreciation and amortization	46,047	50,391	50,341	53,695	52,266	146,779	155,559
EBITDA	30,443	164,804	80,689	46,615	61,603	275,936	204,205
Add (less): Loss on impairment of real estate	41,847	131,732	–	11,299	–	173,579	–
(Gain) loss on sale of real estate	(8,456)	64	2,384	(3,293)	(244)	(6,008)	(487)
Equity in net losses of investees	166	180	230	741	765	576	2,290
Loss on impairment of equity method investment	–	–	–	19,183	–	–	–
EBITDAre	64,000	296,780	83,303	74,545	62,124	444,083	206,008
Add (less): Transaction related costs	738	–	233	1,282	16,135	971	30,534
General and administrative expense paid in common shares ⁽¹⁾	527	487	362	389	651	1,376	1,868
(Gain) loss on early extinguishment of debt	(264)	(225,798)	425	–	–	(225,637)	–
Lease termination fees for sold property	–	–	(10,524)	–	–	(10,524)	–
Adjusted EBITDAre	\$ 65,001	\$ 71,469	\$ 73,799	\$ 76,216	\$ 78,910	\$ 210,269	\$ 238,410

(1) Amounts represent equity based compensation to OPI's Trustees, OPI's officers and certain other employees of RMR.

Calculation of FFO, Normalized FFO and CAD

(amounts in thousands, except per share data)

	For the Three Months Ended				For the Nine Months Ended		
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	9/30/2024	9/30/2023
Net (loss) income	\$ (58,414)	\$ 76,171	\$ (5,184)	\$ (37,151)	\$ (19,593)	\$ 12,573	\$ (32,281)
Add (less): Depreciation and amortization:							
Consolidated properties	46,047	50,391	50,341	53,695	52,266	146,779	155,559
Unconsolidated joint venture properties	616	611	642	857	840	1,869	2,538
Loss on impairment of real estate	41,847	131,732	–	11,299	–	173,579	–
Loss on impairment of equity method investment	–	–	–	19,183	–	–	–
(Gain) loss on sale of real estate	(8,456)	64	2,384	(3,293)	(244)	(6,008)	(487)
FFO	21,640	258,969	48,183	44,590	33,269	328,792	125,329
Add (less): Transaction related costs	738	–	233	1,282	16,135	971	30,534
(Gain) loss on early extinguishment of debt	(264)	(225,798)	425	–	–	(225,637)	–
Lease termination fees for sold property	–	–	(10,524)	–	–	(10,524)	–
Normalized FFO	22,114	33,171	38,317	45,872	49,404	93,602	155,863
Add (less): Non-cash expenses ⁽¹⁾	255	216	(879)	(1,093)	(1,312)	(408)	(5,371)
Depreciation and amortization - unconsolidated joint ventures	(616)	(611)	(642)	(857)	(840)	(1,869)	(2,538)
Equity in net losses of investees	166	180	230	741	765	576	2,290
Non-cash straight line rent adjustments included in rental income	(8,854)	(7,563)	(7,379)	(9,074)	(8,691)	(23,796)	(17,120)
Lease value amortization included in rental income	59	(56)	(33)	(56)	(56)	(30)	(196)
Net amortization of debt premiums, discounts and issuance costs	2,183	3,634	3,444	2,401	2,276	9,261	6,808
Lease termination fees for sold property	–	–	10,524	–	–	10,524	–
Recurring capital expenditures	(34,373)	(30,050)	(21,242)	(29,374)	(24,193)	(85,665)	(75,423)
CAD	\$ (19,066)	\$ (1,079)	\$ 22,340	\$ 8,560	\$ 17,353	\$ 2,195	\$ 64,313
Weighted average common shares outstanding (basic and diluted)	51,197	48,648	48,466	48,463	48,403	49,444	48,365
Per common share amounts (basic and diluted):							
Net (loss) income	\$ (1.14)	\$ 1.56	\$ (0.11)	\$ (0.77)	\$ (0.41)	\$ 0.25	\$ (0.67)
FFO	\$ 0.42	\$ 5.32	\$ 0.99	\$ 0.92	\$ 0.69	\$ 6.65	\$ 2.59
Normalized FFO	\$ 0.43	\$ 0.68	\$ 0.79	\$ 0.95	\$ 1.02	\$ 1.89	\$ 3.22
CAD	\$ (0.37)	\$ (0.02)	\$ 0.46	\$ 0.18	\$ 0.36	\$ 0.04	\$ 1.33

(1) Non-cash expenses include equity based compensation, adjustments recorded to capitalize interest expense and certain other non-cash items.

Non-GAAP Financial Measures and Certain Definitions

Non-GAAP Financial Measures

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

NOI and Cash Basis NOI

The calculations of net operating income, or NOI, and Cash Basis NOI exclude certain components of net income (loss) in order to provide results that are more closely related to OPI's property level results of operations. OPI calculates NOI and Cash Basis NOI as shown on page [25](#) and Same Property NOI and Same Property Cash Basis NOI as shown on page [26](#). OPI defines NOI as income from OPI's rental of real estate less OPI's property operating expenses. NOI excludes amortization of capitalized tenant improvement costs and leasing commissions that OPI records as depreciation and amortization expense. OPI defines Cash Basis NOI as NOI excluding non-cash straight line rent adjustments, lease value amortization, lease termination fees, if any, and non-cash amortization included in other operating expenses. OPI calculates Same Property NOI and Same Property Cash Basis NOI in the same manner that OPI calculates the corresponding NOI and Cash Basis NOI amounts, except that OPI only includes same properties in calculating Same Property NOI and Same Property Cash Basis NOI. OPI uses NOI, Cash Basis NOI, Same Property NOI and Same Property Cash Basis NOI to evaluate individual and company-wide property level performance. Other real estate companies and REITs may calculate NOI, Cash Basis NOI, Same Property NOI and Same Property Cash Basis NOI differently than OPI does.

EBITDA, EBITDAre and Adjusted EBITDAre

OPI calculates earnings before interest, taxes, depreciation and amortization, or EBITDA, EBITDA for real estate, or EBITDAre, and Adjusted EBITDAre as shown on page [28](#). EBITDAre is calculated on the basis defined by The National Association of Real Estate Investment Trusts, or Nareit, which is EBITDA, excluding gains and losses on the sale of real estate, loss on impairment of real estate assets and adjustments to reflect OPI's share of EBITDAre of its unconsolidated joint venture. In calculating Adjusted EBITDAre, OPI adjusts for the items shown on page [28](#) and includes business management incentive fees, if any, only in the fourth quarter versus the quarter when they are recognized as expense in accordance with GAAP due to their quarterly volatility not necessarily being indicative of OPI's core operating performance and the uncertainty as to whether any such business management incentive fees will be payable when all contingencies for determining such fees are known at the end of the calendar year. Other real estate companies and REITs may calculate EBITDA, EBITDAre and Adjusted EBITDAre differently than OPI does.

FFO and Normalized FFO

OPI calculates funds from operations, or FFO, and Normalized FFO as shown on page [29](#). FFO is calculated on the basis defined by Nareit, which is net income (loss), calculated in accordance with GAAP, plus real estate depreciation and amortization of consolidated properties and OPI's proportionate share of the real estate depreciation and amortization of unconsolidated joint venture properties, but excluding impairment charges on real estate assets and any gain or loss on sale of real estate, as well as certain other adjustments currently not applicable to us. In calculating Normalized FFO, OPI adjusts for the other items shown on page [29](#) and includes business management incentive fees, if any, only in the fourth quarter versus the quarter when they are recognized as an expense in accordance with GAAP due to their quarterly volatility not necessarily being indicative of OPI's core operating performance and the uncertainty as to whether any such business management incentive fees will be payable when all contingencies for determining such fees are known at the end of the calendar year. FFO and Normalized FFO are among the factors considered by OPI's Board of Trustees when determining the amount of distributions to OPI's shareholders. Other factors include, but are not limited to, requirements to maintain OPI's qualification for taxation as a REIT, limitations in OPI's credit agreement and public debt covenants, the availability to OPI of debt and equity capital, OPI's expectation of its future capital requirements and operating performance and OPI's expected needs for and availability of cash to pay its obligations. Other real estate companies and REITs may calculate FFO and Normalized FFO differently than OPI does.

Cash Available for Distribution

OPI calculates cash available for distribution, or CAD, as shown on page [29](#). OPI defines CAD as Normalized FFO minus recurring real estate related capital expenditures and adjusted for other non-cash and non-recurring items and certain amounts excluded from Normalized FFO but settled in cash. CAD is among the factors considered by OPI's Board of Trustees when determining the amount of distributions to OPI's shareholders. Other real estate companies and REITs may calculate CAD differently than OPI does.

Non-GAAP Financial Measures and Certain Definitions (Continued)

Adjusted total assets and total unencumbered assets include the original cost of real estate assets calculated in accordance with GAAP before impairment writedowns, if any, and exclude depreciation and amortization, accounts receivable and intangible assets, as defined in OPI's debt agreements. Unencumbered assets is calculated as adjusted total assets for properties not securing debt.

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

Annualized rental income is calculated using the annualized contractual base rents from OPI's tenants pursuant to its lease agreements as of September 30, 2024, plus straight line rent adjustments and estimated recurring expense reimbursements to be paid to OPI, and excluding lease value amortization.

Building improvements generally include expenditures to replace obsolete building components and expenditures that extend the useful life of existing assets.

Consolidated income available for debt service is earnings from operations excluding interest expense, depreciation and amortization, loss on asset impairment, gains and losses on early extinguishment of debt, gains and losses on sales of properties and equity in earnings of OPI's unconsolidated joint venture and including distributions from OPI's unconsolidated joint venture, if any, determined together with debt service for the period presented.

Development, redevelopment and other activities generally include capital expenditure projects that reposition a property or result in new sources of revenue.

GAAP is U.S. generally accepted accounting principles.

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

Gross sales price is equal to the gross contract price and excludes closing costs.

Investment grade tenants include: (a) investment grade rated tenants; (b) tenants with investment grade rated parent entities that guarantee the tenant's lease obligations; and/or (c) tenants with investment grade rated parent entities that do not guarantee the tenant's lease obligations. Tenants contributing 51.2% of annualized rental income as of September 30, 2024 were investment grade rated (or their payment obligations were guaranteed by an investment grade rated parent) and tenants contributing an additional 8.2% of annualized rental income as of September 30, 2024 were subsidiaries of an investment grade rated parent (although these parent entities are not liable for the payment of rents).

Lease related costs generally include capital expenditures used to improve tenants' space or amounts paid directly to tenants to improve their space and leasing related costs, such as brokerage commissions and tenant inducements.

Leased square feet is pursuant to leases existing as of September 30, 2024, and includes (i) space being fitted out for tenant occupancy pursuant to OPI's lease agreements, if any, and (ii) space which is leased, but is not occupied or is being offered for sublease by tenants, if any. Square footage measurements are subject to changes when space is remeasured or reconfigured for new tenants.

Leasing cost and concession commitments include commitments made for leasing expenditures and concessions, such as tenant improvements, leasing commissions, tenant reimbursements and free rent.

Net debt is total debt less cash.

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

REIT is real estate investment trust.

Rentable square feet represents total square feet available for lease as of the measurement date. Square footage measurements are subject to changes when space is remeasured or reconfigured for new tenants.

Rolling four quarter CAD represents CAD for the preceding twelve month period as of the respective quarter end date.

Same properties for the three months ended September 30, 2024 is based on properties OPI owned continuously since July 1, 2023; excludes 17 properties classified as held for sale, five properties affected by significant redevelopment activities and two properties owned by an unconsolidated joint venture in which OPI owns a 51% interest.

Same properties for the nine months ended September 30, 2024 is based on properties OPI owned continuously since January 1, 2023; excludes 17 properties classified as held for sale, five properties affected by significant redevelopment activities and two properties owned by an unconsolidated joint venture in which OPI owns a 51% interest.

Same property cash basis NOI % margin is Same Property Cash Basis NOI as a percentage of same property cash basis rental income. Cash basis rental income excludes non-cash straightline rent adjustments, the net effect of non-cash amortization of intangible lease assets and liabilities and lease termination fees, if any.

Same property NOI % margin is Same Property NOI as a percentage of same property rental income.

SOFR is the secured overnight financing rate.

Total debt represents the outstanding principal balance as of the date reported.

Total gross assets is total assets plus accumulated depreciation.

Weighted average remaining lease term is the average remaining lease term in years weighted based on annualized rental income.

Warning Concerning Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws that are subject to risks and uncertainties. These statements may include words such as "believe", "expect", "anticipate", "intend", "plan", "estimate", "will", "may" and negatives or derivatives of these or similar expressions. These forward-looking statements include, among others, statements about: OPI's ability to continue as a going concern; OPI's leverage levels, debt maturities and possible future financings; OPI's tenant retention and future leasing activity and the demand for office space; OPI's pending or potential dispositions; and the amount and timing of future distributions.

Forward-looking statements reflect OPI's current expectations, are based on judgments and assumptions, are inherently uncertain and are subject to risks, uncertainties and other factors, which could cause OPI's actual results, performance or achievements to differ materially from expected future results, performance or achievements expressed or implied in those forward-looking statements. Some of the risks, uncertainties and other factors that may cause OPI's actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements include, but are not limited to, the following: OPI's ability to successfully take actions to address the current substantial doubt as to its ability to continue as a going concern; OPI's ability to make required payments on debt or refinance debts as they mature or otherwise become due; OPI's ability to maintain sufficient liquidity, including the availability of borrowings under its revolving credit facility and its ability to obtain new debt or equity financing, and otherwise manage leverage; OPI's ability to comply with the terms of its debt agreements and meet financial covenants; OPI's ability to effectively raise and balance its use of debt and equity capital; whether OPI's tenants will renew or extend their leases and not exercise early termination options pursuant to their leases or that OPI will obtain replacement tenants on terms as favorable to OPI as its prior leases; OPI's ability to increase or maintain occupancy at its properties on terms desirable to OPI and its ability to increase rents when its leases expire or renew; the extent to which changes and trends in office space utilization and needs, including due to remote work arrangements, continue to impact demand for office space at OPI's properties; competition within the commercial real estate industry, particularly in those markets in which OPI's properties are located; the impact of unfavorable market and commercial real estate industry conditions due to high interest rates, prolonged high inflation, labor market challenges, supply chain disruptions, volatility in the public equity and debt markets and in commercial real estate markets, generally and in the sectors OPI operates, geopolitical instability and tensions, economic downturns or a possible recession or changes in real estate utilization, among other things, on OPI and its tenants; the likelihood that OPI's tenants will pay rent or be negatively impacted by continuing unfavorable market and commercial real estate industry conditions or government budget constraints; OPI's ability to manage its capital expenditures and other operating costs effectively and to maintain and enhance its properties and their appeal to tenants; the financial strength of OPI's tenants; OPI's ability to sell properties at prices it targets; OPI's tenant and geographic concentration; risks and uncertainties regarding the costs and timing of development, redevelopment and repositioning activities, including as a result of prolonged high inflation, cost overruns, supply chain challenges, labor shortages, construction delays or inability to obtain necessary permits or volatility in the commercial real estate markets; OPI's ability to acquire properties that realize its targeted returns; OPI's credit ratings; OPI's ability to pay distributions to its shareholders and to maintain or increase the amount of such distributions; the ability of OPI's manager, RMR, to successfully manage OPI; compliance with, and changes to, federal, state and local laws and regulations, accounting rules, tax laws and similar matters; the impact of any U.S. government shutdown or failure to increase the government debt ceiling on OPI's ability to collect rents and pay its operating expenses, debt obligations and distributions to shareholders on a timely basis; actual and potential conflicts of interest with OPI's related parties, including its Managing Trustees, RMR, Sonesta International Hotels Corporation and others affiliated with them; limitations imposed by and OPI's ability to satisfy complex rules to maintain OPI's qualification for taxation as a REIT for U.S. federal income tax purposes; acts of terrorism, outbreaks of pandemics or other public health safety events or conditions, war or other hostilities, global climate change, or other manmade or natural disasters beyond OPI's control; and other matters.

These risks, uncertainties and other factors are not exhaustive and should be read in conjunction with other cautionary statements that are included in OPI's periodic filings. The information contained in OPI's filings with the SEC, including under the caption "Risk Factors" in its periodic reports, or incorporated therein, identifies other important factors that could cause differences from the forward-looking statements in this presentation. OPI's filings with the SEC are available on the SEC's website at www.sec.gov.

You should not place undue reliance upon OPI's forward-looking statements. Except as required by law, OPI does not intend to update or change any forward-looking statements as a result of new information, future events or otherwise.