

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

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-11527

SERVICE PROPERTIES TRUST

(Exact Name of Registrant as Specified in Its Charter)

Maryland

(State or Other Jurisdiction of
Incorporation or Organization)

04-3262075

(I.R.S. Employer Identification No.)

Two Newton Place, 255 Washington Street, Suite 300, Newton, Massachusetts, 02458-1634

(Address of Principal Executive Offices) (Zip Code)

617-964-8389

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of each Exchange on which Registered
Common Shares of Beneficial Interest	SVC	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of registrant's common shares of beneficial interest, \$.01 par value per share, outstanding as of May 4, 2026: 647,206,961.

SERVICE PROPERTIES TRUST
FORM 10-Q
March 31, 2026

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References in this Quarterly Report on Form 10-Q to the Company, SVC, we, us or our include Service Properties Trust and its consolidated subsidiaries unless otherwise expressly stated or the context indicates otherwise.

Part I. Financial Information
Item 1. Financial Statements

SERVICE PROPERTIES TRUST
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except per share data)
(unaudited)

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
ASSETS		
Real estate properties:		
Land	\$ 1,747,312	\$ 1,750,799
Buildings, improvements and equipment	6,184,443	6,198,233
Total real estate properties, gross	7,931,755	7,949,032
Accumulated depreciation	(2,488,252)	(2,442,966)
Total real estate properties, net	5,443,503	5,506,066
Acquired real estate leases and other intangibles, net	96,914	100,044
Assets of properties held for sale	75,482	94,366
Cash and cash equivalents	19,294	346,813
Restricted cash	20,064	25,275
Equity method investment	108,809	111,796
Due from related persons	7,184	241
Other assets, net	310,375	306,979
Total assets	<u>\$ 6,081,625</u>	<u>\$ 6,491,580</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Unsecured debt, net	\$ 2,249,224	\$ 3,233,683
Secured debt, net	2,837,545	2,100,745
Accounts payable and other liabilities	483,039	458,908
Due to related persons	15,277	46,791
Liabilities of properties held for sale	2,804	5,329
Total liabilities	<u>5,587,889</u>	<u>5,845,456</u>
Commitments and contingencies		
Shareholders' equity:		
Common shares of beneficial interest, \$.01 par value; 900,000,000 and 200,000,000 shares authorized, respectively; 168,054,570 and 168,070,129 shares issued and outstanding, respectively	1,681	1,681
Additional paid in capital	4,563,828	4,563,371
Cumulative other comprehensive income	2,082	2,068
Cumulative net income	1,841,475	1,992,653
Cumulative common distributions	(5,915,330)	(5,913,649)
Total shareholders' equity	<u>493,736</u>	<u>646,124</u>
Total liabilities and shareholders' equity	<u>\$ 6,081,625</u>	<u>\$ 6,491,580</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

SERVICE PROPERTIES TRUST
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(amounts in thousands, except per share data)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Revenues:		
Hotel operating revenues	\$ 264,575	\$ 334,963
Rental income	99,876	100,216
Total revenues	<u>364,451</u>	<u>435,179</u>
Expenses:		
Hotel operating expenses	242,644	305,840
Net lease operating expenses	7,440	5,628
Depreciation and amortization	75,843	89,100
General and administrative	8,796	9,556
Transaction related costs	2,509	111
Loss on asset impairment	28,095	37,067
Total expenses	<u>365,327</u>	<u>447,302</u>
Gain on sale of real estate, net	1,355	746
Interest income	943	1,249
Interest expense (including amortization of debt issuance costs, discounts and premiums of \$18,849 and \$8,680, respectively)	(96,547)	(101,517)
Loss on early extinguishment of debt, net	(51,871)	—
Loss before income tax expense and equity in losses of an investee	(146,996)	(111,645)
Income tax expense	(1,181)	(843)
Equity in losses of an investee	(3,001)	(3,947)
Net loss	(151,178)	(116,435)
Other comprehensive income:		
Equity interest in investee's unrealized gains	14	153
Other comprehensive income	14	153
Comprehensive loss	<u>\$ (151,164)</u>	<u>\$ (116,282)</u>
Weighted average common shares outstanding (basic and diluted)	<u>166,395</u>	<u>165,615</u>
Net loss per common share (basic and diluted)	<u>\$ (0.91)</u>	<u>\$ (0.70)</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

SERVICE PROPERTIES TRUST
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(dollars in thousands)
(unaudited)

	Number of Shares	Common Shares	Cumulative Common Distributions	Additional Paid in Capital	Cumulative Net Income	Cumulative Other Comprehensive Income	Total
Balance at December 31, 2025	168,070,129	\$ 1,681	\$ (5,913,649)	\$ 4,563,371	\$ 1,992,653	\$ 2,068	\$ 646,124
Net loss	—	—	—	—	(151,178)	—	(151,178)
Equity interest in investee's unrealized gains	—	—	—	—	—	14	14
Common share grants	—	—	—	488	—	—	488
Common share repurchases	(15,559)	—	—	(31)	—	—	(31)
Distributions	—	—	(1,681)	—	—	—	(1,681)
Balance at March 31, 2026	<u>168,054,570</u>	<u>\$ 1,681</u>	<u>\$ (5,915,330)</u>	<u>\$ 4,563,828</u>	<u>\$ 1,841,475</u>	<u>\$ 2,082</u>	<u>\$ 493,736</u>
Balance at December 31, 2024	166,636,537	\$ 1,666	\$ (5,906,966)	\$ 4,560,334	\$ 2,194,974	\$ 1,865	\$ 851,873
Net loss	—	—	—	—	(116,435)	—	(116,435)
Equity interest in investee's unrealized gains	—	—	—	—	—	153	153
Common share grants	32,490	—	—	664	—	—	664
Common share repurchases	(1,539)	—	—	(4)	—	—	(4)
Common share forfeitures	(20,767)	—	—	(12)	—	—	(12)
Distributions	—	—	(1,666)	—	—	—	(1,666)
Balance at March 31, 2025	<u>166,646,721</u>	<u>\$ 1,666</u>	<u>\$ (5,908,632)</u>	<u>\$ 4,560,982</u>	<u>\$ 2,078,539</u>	<u>\$ 2,018</u>	<u>\$ 734,573</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

SERVICE PROPERTIES TRUST
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net loss	\$ (151,178)	\$ (116,435)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	75,843	89,100
Net amortization of debt issuance costs, discounts and premiums as interest	18,849	8,680
Straight line rental income	(1,431)	(3,878)
Loss on early extinguishment of debt, net	51,871	—
Loss on asset impairment	28,095	37,067
Equity in losses of an investee	3,001	3,947
Gain on sale of real estate, net	(1,355)	(746)
Other non-cash income, net	(925)	(718)
Changes in assets and liabilities:		
Due from related persons	(6,943)	(15,997)
Other assets	227	145
Accounts payable and other liabilities	22,641	35,820
Due to related persons	(3,117)	1,215
Net cash provided by operating activities	35,578	38,200
Cash flows from investing activities:		
Real estate improvements	(49,893)	(61,426)
Hotel managers' purchases with restricted cash	(1,639)	(1,124)
Real estate acquisitions and deposits	(7,574)	(723)
Net proceeds from sale of real estate	8,634	21,081
Net cash used in investing activities	(50,472)	(42,192)
Cash flows from financing activities:		
Proceeds from mortgage notes payable, net of discounts	744,980	—
Repayment of mortgage notes payable	(490)	(489)
Repayments of senior unsecured notes	(1,038,697)	—
Borrowings under variable funding note	—	45,000
Repayments of revolving credit facility	—	(100,000)
Payment of debt issuance costs	(21,917)	(2,141)
Repurchase of common shares	(31)	(4)
Distributions to common shareholders	(1,681)	(1,666)
Net cash used in financing activities	(317,836)	(59,300)
Decrease in cash and cash equivalents and restricted cash	(332,730)	(63,292)
Cash and cash equivalents and restricted cash at beginning of period	372,088	157,386
Cash and cash equivalents and restricted cash at end of period	\$ 39,358	\$ 94,094

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

SERVICE PROPERTIES TRUST
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(dollars in thousands)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Supplemental cash flow information:		
Cash paid for interest	\$ 51,049	\$ 46,795
Cash refunded for income taxes	\$ (198)	\$ (183)
Non-cash investing activities:		
Real estate improvements accrued, not paid	\$ 17,495	\$ 24,329

Supplemental disclosure of cash and cash equivalents and restricted cash:

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the condensed consolidated balance sheets to the amounts shown in the condensed consolidated statements of cash flows:

	As of March 31,	
	2026	2025
Cash and cash equivalents	\$ 19,294	\$ 80,147
Restricted cash ⁽¹⁾	20,064	13,947
Total cash and cash equivalents and restricted cash	\$ 39,358	\$ 94,094

- (1) Restricted cash consists of amounts escrowed pursuant to the terms of our hotel management agreements to fund capital improvements at our hotels and amounts escrowed as required by certain of our debt agreements.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

SERVICE PROPERTIES TRUST
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands, except per share amounts)
(unaudited)

Note 1. Organization and Basis of Presentation

Service Properties Trust, or we, us or our, is a real estate investment trust, or REIT, organized on February 7, 1995 under the laws of the State of Maryland, which invests in service-focused retail net lease properties and hotels. At March 31, 2026, we owned, directly and through our subsidiaries, 761 service-focused retail net lease properties and 93 hotels.

Basis of Presentation

The accompanying condensed consolidated financial statements are unaudited. Certain information and disclosures required by U.S. generally accepted accounting principles, or GAAP, for complete financial statements have been condensed or omitted. We believe the disclosures made are adequate to make the information presented not misleading. However, the accompanying condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes contained in our Annual Report on Form 10-K for the year ended December 31, 2025, or our 2025 Annual Report. In the opinion of management, all adjustments, consisting of normal recurring accruals considered necessary for a fair statement of results for the interim period have been included. These condensed consolidated financial statements include our accounts and the accounts of our subsidiaries, all of which are 100% owned directly or indirectly by us. All intercompany transactions and balances with or among our consolidated subsidiaries have been eliminated. Our operating results for interim periods and those of our tenants and managers are not necessarily indicative of the results that may be expected for the full year.

The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions that affect reported amounts. Actual results could differ from those estimates. Estimates in our condensed consolidated financial statements include the allowance for credit losses, purchase price allocations, useful lives of fixed assets and impairment of real estate and related intangibles.

We have determined that each of our wholly owned taxable REIT subsidiaries, or TRSs, is a variable interest entity, or VIE, as defined under the Consolidation Topic of the Financial Accounting Standards Board, or FASB, *Accounting Standards Codification*[™]. We have concluded that we must consolidate each of our wholly owned TRSs because we are the entity with the power to direct the activities that most significantly impact such VIEs' performance and we have the obligation to absorb losses or the right to receive benefits from each VIE that could be significant to the VIE and are, therefore, the primary beneficiary of each VIE. The assets of our TRSs were \$126,671 and \$122,004 as of March 31, 2026 and December 31, 2025, respectively, and consist primarily of our TRSs' investment in Sonesta International Hotels Corporation's, or, collectively with its parent and subsidiaries, Sonesta's, common stock and amounts due from and working capital advances to certain of our hotel managers. The liabilities of our TRSs were \$64,314 and \$57,846 as of March 31, 2026 and December 31, 2025, respectively, and consist primarily of amounts payable to certain of our hotel managers. The assets of our TRSs are available to satisfy our TRSs' obligations and we have guaranteed certain obligations of our TRSs.

Note 2. Recent Accounting Pronouncements

In November 2024, the FASB issued Accounting Standards Update, or ASU, No. 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, or ASU No. 2024-03, which requires public entities to disclose specific expense categories such as employee compensation, depreciation and intangible asset amortization. These details must be presented in a tabular format in the notes to financial statements for both interim and annual reporting periods. ASU No. 2024-03 is required to be applied prospectively but can be applied retrospectively, and is effective for the first annual reporting period beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the impact ASU No. 2024-03 will have on our condensed consolidated financial statements.

Note 3. Revenue Recognition

We recognize in our condensed consolidated statements of comprehensive income (loss), hotel operating revenues, consisting primarily of room and food and beverage sales, when goods and services are provided.

SERVICE PROPERTIES TRUST
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(dollars in thousands, except per share amounts)
(unaudited)

We recognize rental income from operating leases on a straight line basis over the terms of the lease agreements in our condensed consolidated statements of comprehensive income (loss). We increased rental income by \$1,431 and \$3,878 for the three months ended March 31, 2026 and 2025, respectively, to record scheduled rent changes under certain of our leases on a straight line basis. Other assets, net, includes \$101,710 and \$98,729 of straight line rent receivables at March 31, 2026 and December 31, 2025, respectively.

Certain of our lease agreements require additional percentage rent if gross revenues of our properties exceed certain thresholds defined in our lease agreements. We may determine percentage rent due to us under our leases monthly, quarterly or annually, depending on the specific lease terms, and recognize it when all contingencies are met and the rent is earned. We recorded percentage rent of \$940 and \$846 for the three months ended March 31, 2026 and 2025, respectively.

Note 4. Per Common Share Amounts

We calculate basic earnings per common share using the two class method. We calculate diluted earnings per common share using the more dilutive of the two class method or the treasury stock method. Unvested common share awards and other potentially dilutive common shares, together with the related impact on earnings, are considered when calculating diluted earnings per common share. For the three months ended March 31, 2026 and 2025, there were no dilutive common shares and certain unvested common shares were not included in the calculation of diluted earnings per common share because to do so would have been antidilutive.

Note 5. Real Estate Properties

As of March 31, 2026, we owned 761 service-focused retail net lease properties with an aggregate of 13,605,978 square feet that are primarily subject to “triple net” leases, or net leases where the tenant is generally responsible for payment of operating expenses and capital expenditures of the property during the lease term and 93 hotels with an aggregate of 21,110 rooms or suites. Our properties had an aggregate undepreciated book value of \$8,058,562, including \$126,807 related to properties classified as held for sale as of March 31, 2026 and an aggregate undepreciated book value of \$8,102,783, including \$153,751 related to properties classified as held for sale as of December 31, 2025.

We funded capital improvements to certain of our properties of \$20,930 and \$45,869 during the three months ended March 31, 2026 and 2025, respectively.

Acquisitions

During the three months ended March 31, 2026, we acquired three net lease properties with a total of 8,788 square feet for a combined purchase price of \$7,398, excluding closing costs. We accounted for these transactions as acquisitions of assets and allocated the purchase price based on the estimated fair value of the acquired assets as follows:

Quarter Acquired	Property Type	Number of Properties	Square Feet	Purchase Price ⁽¹⁾	Land	Buildings, Improvements and Equipment	Acquired Real Estate Leases
Q1 2026	Net Lease	3	8,788	\$ 7,485	\$ 1,946	\$ 4,641	\$ 898

(1) Purchase price is the gross contract price, plus closing costs of \$87.

From April 1, 2026 through May 4, 2026, we acquired one net lease property with a total of 3,200 square feet for a purchase price of \$1,776, excluding closing costs.

Dispositions

During the three months ended March 31, 2026, we sold three properties for a combined sales price of \$8,385, excluding closing costs. The sales of these properties, as presented in the table below, do not represent a strategic shift in our business. As a result, the results of the operations of these properties are included in continuing operations through the date of sale in our condensed consolidated statements of comprehensive income (loss).

SERVICE PROPERTIES TRUST
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(dollars in thousands, except per share amounts)
(unaudited)

Quarter Sold	Property Type	Number of Properties	Square Feet / Rooms or Suites	Gross Sales Price ⁽¹⁾	Gain (Loss) on Sale of Real Estate, net
Q1 2026	Hotel	1	133	\$ 7,100	\$ 1,154
Q1 2026	Net Lease	2	4,712	1,285	201
		3	133 / 4,712	\$ 8,385	\$ 1,355

(1) Gross sales price is the gross contract price, excluding closing costs.

As of March 31, 2026, we had eight hotels with a total of 1,012 keys and 22 net lease properties with a total of 123,771 square feet classified as held for sale. See Note 14 for further information on certain of these properties. During the three months ended March 31, 2026, one hotel previously classified as held for sale was reclassified to held and used as we are no longer marketing it for sale. Upon reclassification, depreciation was resumed, and the hotel was measured at the lower of its carrying amount adjusted for depreciation that would have been recognized during the held for sale period or its fair value. No impairment was recorded and the amount subject to the reclassification was not material to our condensed consolidated financial statements. The following table summarizes the major class of assets and liabilities of our properties held for sale by our net lease investments and hotel investments segments as of March 31, 2026:

	As of March 31, 2026		
	Net Lease	Hotels	Total
Assets of properties held for sale:			
Real estate properties, net	\$ 13,199	\$ 57,944	\$ 71,143
Other assets, net ⁽¹⁾	64	4,275	4,339
Total assets of properties held for sale	\$ 13,263	\$ 62,219	\$ 75,482
Liabilities of properties held for sale:			
Accounts payable and other liabilities	\$ 34	\$ 2,770	\$ 2,804
Total liabilities of properties held for sale	\$ 34	\$ 2,770	\$ 2,804

(1) Other assets, net includes working capital of \$1,151 for our hotel investments segment as described in Note 6.

From April 1, 2026 through May 4, 2026, we sold 11 net lease properties with a total of 88,084 square feet for a combined sales price of \$9,160, excluding closing costs. We have also entered into agreements to sell seven net lease properties with a total of 30,161 square feet for a combined sales price of \$3,415, excluding closing costs. These pending sales are subject to conditions; accordingly, we cannot be sure that we will complete these sales, that these sales will not be delayed or that the terms will not change. We believe it is probable that the sales of these properties will be completed within one year.

Note 6. Leases and Management Agreements

As of March 31, 2026, we owned 761 service-focused retail properties net leased to 185 tenants, including 175 travel centers leased to TravelCenters of America Inc., or TA, our largest tenant, and 93 hotels included in four operating agreements managed by subsidiaries of the following companies: Sonesta (68 hotels), Hyatt Hotels Corporation, or Hyatt (17 hotels), Radisson Hospitality, Inc., or Radisson (seven hotels), and InterContinental Hotels Group, plc, or IHG (one hotel). Hereinafter, these companies are sometimes referred to as our managers and/or tenants, or collectively, operators. We do not operate any of our properties.

Net Lease Portfolio

As of March 31, 2026, we owned 761 service-focused retail net lease properties with an aggregate of 13,605,978 square feet with leases requiring annual minimum rents of \$392,199 with a weighted (by annual minimum rents) average remaining lease term of 7.3 years. Our net lease properties were 96.6% occupied and leased by 185 tenants operating under 140 brands in 21 distinct industries.

SERVICE PROPERTIES TRUST
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(dollars in thousands, except per share amounts)
(unaudited)

TA Leases

As of March 31, 2026, TA is our largest tenant, representing 33.0% of our total historical real estate investments. We lease to TA a total of 175 travel centers under five master leases, or our TA leases, that expire in 2033 subject to TA's right to extend those leases, and require annual minimum rents of \$264,262 as of March 31, 2026. TA receives a monthly rent credit totaling \$25,000 per year over the 10-year initial term of the TA leases as a result of rent it prepaid.

Our TA leases are "triple net" leases that require TA to pay all costs incurred in the operation of the leased travel centers, including personnel, utility, inventory, customer service and insurance expenses, real estate and personal property taxes, environmental related expenses, underground storage tank maintenance costs and ground lease payments at those travel centers at which we lease the property and sublease it to TA. Our TA leases generally require TA to indemnify us for certain environmental matters and for liabilities that arise during the terms of the leases from ownership or operation of the leased travel centers. TA is required to maintain the leased travel centers, including structural and non-structural components. BP Corporation North America Inc., a subsidiary of BP p.l.c., guarantees payment under each of the TA leases, limited to an aggregate cap which was \$2,943,588 as of March 31, 2026.

We recognized rental income from our TA leases of \$67,834 for each of the three months ended March 31, 2026 and 2025. Rental income increased by \$1,743 and \$3,039 for the three months ended March 31, 2026 and 2025, respectively, to record the scheduled rent changes on a straight line basis. As of March 31, 2026 and December 31, 2025, we had receivables for current rent amounts owed to us by TA and straight line rent adjustments of \$58,509 and \$55,157, respectively, included in other assets, net in our condensed consolidated balance sheets.

Our other net lease agreements generally provide for minimum rent payments and in addition may include variable payments. Rental income from operating leases, including any payments derived by index or market-based indices, is recognized on a straight line basis over the lease term when we have determined that the collectability of substantially all of the lease payments is probable. Some of our leases have options to extend or terminate the lease exercisable at the option of our tenants, which are considered when determining the lease term. We recognized rental income from our net lease properties (excluding TA) of \$32,042 and \$32,382 for the three months ended March 31, 2026 and 2025, respectively, which included \$(312) and \$839, respectively, of adjustments to record scheduled rent changes under certain of our leases on a straight line basis.

We continually review receivables related to rent, straight line rent and property operating expense reimbursements and determine collectability by taking into consideration the tenant's payment history, the financial condition of the tenant, business conditions in the industry in which the tenant operates and economic conditions in the area in which the property is located. The review includes an assessment of whether substantially all of the amounts due under a tenant's lease are probable of collection. For leases that are deemed probable of collection, revenue continues to be recorded on a straight line basis over the lease term. For leases that are deemed not probable of collection, revenue is recorded as cash is received. We recognize all changes in the collectability assessment for an operating lease as an adjustment to rental income. We recorded reserves for uncollectable amounts and reduced rental income by \$2,235 and \$235 for the three months ended March 31, 2026 and 2025, respectively, based on our assessment of the collectability of rents. We had reserves for uncollectable rents of \$5,349 and \$3,115 as of March 31, 2026 and December 31, 2025, respectively, included in other assets, net in our condensed consolidated balance sheets.

Hotel Agreements

Sonesta Agreements

As of March 31, 2026, Sonesta managed 39 of our full service hotels, 22 of our extended stay hotels and seven of our select service hotels pursuant to management agreements. As of March 31, 2026, the hotels Sonesta managed for us comprised approximately 41.8% of our total historical real estate investments.

We are at various stages of selling 15 hotels with 3,022 keys managed by Sonesta. Following the completion of the hotel sales, we expect to retain 53 hotels managed by Sonesta, or the Retained Hotels. As discussed below, in August 2025, we and Sonesta amended and restated our management agreements for the Retained Hotels and certain other hotels managed by Sonesta and waived any termination fees under the existing Sonesta management agreement associated with the sale of certain hotels.

SERVICE PROPERTIES TRUST
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Prior to August 1, 2025, all of the hotels managed by Sonesta were managed pursuant to a management agreement that was scheduled to expire on January 31, 2037, or the legacy Sonesta agreement, and provided that we would be paid an annual owner's priority return if gross revenues of the hotels, after payment of hotel operating expenses and management and related fees (other than Sonesta's incentive fee, if applicable), were sufficient to do so. The legacy Sonesta agreement further provided that we would be paid an additional return equal to 80% of the operating profits, as defined therein, after paying the owner's priority return, reimbursing owner or manager advances, funding reserves established for the regular refurbishment of our hotels, or FF&E reserves, and paying Sonesta's incentive fee, if any.

Effective August 1, 2025, we entered into new management agreements with Sonesta for most of the Retained Hotels and certain other hotels managed by Sonesta, or the Retained Hotel agreements. Each Retained Hotel agreement expires on July 31, 2040 and includes two 10-year renewal options at Sonesta's option. Pursuant to the Retained Hotel agreements, we will pay Sonesta, after payment of hotel operating expenses, a base management fee equal to 3.0% of gross revenues for full service hotels and 5.0% for extended stay and select service hotels. Additionally, we are required to pay (i) an incentive fee equal to 20% of EBITDA, as defined in the Retained Hotel agreements, in excess of the incentive threshold of each hotel, subject to caps, commencing with the 2026 calendar year, which has initially been set at \$194,248 in the aggregate and increases based on the amount by which each hotel's capital expenditures exceeds their respective FF&E reserve (the aggregate incentive threshold under our Retained Hotel agreements as of March 31, 2026 was \$196,236); (ii) a brand promotion fee of 3.5% of gross room revenues; (iii) a loyalty fee of the greater of (x) 1.0% of gross room revenues or (y) 4.5% of qualified room revenue, in the case of full service hotels, 2.5%, in the case of extended stay hotels, and 3.0%, in the case of select service hotels; (iv) a centralized service fee equal to \$1,100 per year for full service hotels and \$250 per year for extended stay and select service hotels, adjusted annually based on the Consumer Price Index; and (v) a construction management fee of 3.0% of construction and capital expenditures managed by Sonesta. We have the right to terminate the Retained Hotel agreements for certain events of default, casualty and condemnation events, and if minimum performance thresholds are not met for two consecutive calendar years beginning with the measurement period commencing with the 2028 calendar year. The Retained Hotel agreements are not subject to any pooling, cross-default or other similar contractual arrangement and the legacy Sonesta agreement will remain subject to a pooling agreement and cross-default provisions until the remainder of the hotels subject to that agreement are sold. Our legacy Sonesta agreement and the Retained Hotel agreements are collectively referred to as our Sonesta agreements.

We realized returns under our Sonesta agreements of \$10,867 and \$18,169 during the three months ended March 31, 2026 and 2025, respectively.

We incurred management, reservation and system fees and reimbursement costs for certain guest loyalty, marketing programs or brand promotion fees, and third-party reservation transmission fees or centralized service fees of \$13,206 and \$26,276 for the three months ended March 31, 2026 and 2025, respectively. We accrued estimated incentive fees of \$1,313 during the three months ended March 31, 2026 based on year-to-date results of certain Sonesta managed hotels in comparison to each hotel's respective incentive threshold. The actual amount of incentive fees incurred for 2026, if any, will be based upon individual hotels' cumulative annual results in comparison to their respective incentive thresholds and will be payable in 2027. These fees and costs are included in hotel operating expenses in our condensed consolidated statements of comprehensive income (loss). In addition, we incurred procurement and construction supervision fees payable to Sonesta pursuant to our legacy Sonesta agreement and construction management fees payable to Sonesta pursuant to our Sonesta agreements of \$397 and \$621 for the three months ended March 31, 2026 and 2025, respectively, which have been capitalized in our condensed consolidated balance sheets and are depreciated over the estimated useful lives of the related capital assets.

Our Sonesta agreements require us to fund capital expenditures made at our hotels. We incurred capital expenditures for hotels included in our Sonesta agreements in an aggregate amount of \$18,697 and \$41,561 during the three months ended March 31, 2026 and 2025, respectively. We owed Sonesta \$10,587 and \$39,509 for capital expenditures and other reimbursements at March 31, 2026 and December 31, 2025, respectively. Sonesta owed us \$7,184 and \$241 in returns under our Sonesta agreements and other amounts as of March 31, 2026 and December 31, 2025, respectively. Amounts due from Sonesta are included in due from related persons and amounts owed to Sonesta are included in due to related persons in our condensed consolidated balance sheets. Our legacy Sonesta agreement requires that 5% of the hotel gross revenues be escrowed for future capital expenditures as FF&E reserves, subject to available cash flows after payment of the owner's priority returns due to us. No FF&E escrow deposits were required during the three months ended March 31, 2026 or 2025.

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We are required to maintain minimum working capital for each of our hotels managed by Sonesta and have advanced a fixed amount based on the number of rooms in each hotel to meet the cash needs for hotel operations. As of March 31, 2026 and December 31, 2025, we had advanced \$31,702 and \$31,835, respectively, of initial working capital to Sonesta net of any working capital returned to us on termination of the applicable management agreements in connection with hotels we have sold. These amounts are included in other assets, net and assets of properties held for sale, as applicable, in our condensed consolidated balance sheets. Any remaining working capital would be returned to us upon termination in accordance with the terms of our Sonesta agreements.

See Notes 7 and 11 for further information regarding our relationships, agreements and transactions with Sonesta.

Hyatt Agreement

As of March 31, 2026, Hyatt managed 17 of our select service hotels pursuant to a portfolio management agreement that expires on March 31, 2031, or our Hyatt agreement, and provides that, as of March 31, 2026, we are to be paid an annual owner's priority return of \$17,400. Any returns we receive from Hyatt are currently limited to the hotels' available cash flows, if any, after payment of operating expenses. Hyatt has provided us with a \$30,000 limited guarantee for 75% of the aggregate annual owner's priority returns due to us. We realized returns under our Hyatt agreement of \$3,262 and \$3,127 during the three months ended March 31, 2026 and 2025, respectively. During the three months ended March 31, 2026 and 2025, the hotels under this agreement generated cash flows that were less than the guaranteed owner's priority level due to us for these periods, and we reduced hotel operating expenses by \$1,444 and \$1,367, respectively, to record the guaranteed amount of the shortfalls due from Hyatt. The available balance of the guaranty was \$25,048 as of March 31, 2026. During the three months ended March 31, 2026 and 2025, we incurred capital expenditures for certain hotels included in our Hyatt agreement of \$55 and \$1,619, respectively.

Radisson Agreement

As of March 31, 2026, Radisson managed seven of our full service hotels pursuant to a portfolio management agreement that expires on July 31, 2031, or our Radisson agreement, and provides that we are to be paid an annual owner's priority return of \$10,920. Radisson has provided us with a \$22,000 limited guarantee for 75% of the aggregate annual owner's priority returns due to us. We realized returns under our Radisson agreement of \$2,047 and \$1,403 during the three months ended March 31, 2026 and 2025, respectively. During the three months ended March 31, 2026 and 2025, the hotels under this agreement generated cash flows that were less than the guaranteed owner's priority level due to us for these periods, and we reduced hotel operating expenses by \$382 and \$2,045, respectively, to record the guaranteed amount of the shortfalls due from Radisson. The available balance of the guaranty was \$16,203 as of March 31, 2026. During the three months ended March 31, 2026, we incurred capital expenditures of \$138 for the hotels included in our Radisson agreement, which resulted in an increase in our contractual owner's priority returns of \$9. We did not incur any capital expenditures during the three months ended March 31, 2025 for the hotels included in our Radisson agreement.

IHG Agreement

Our management agreement with IHG, or our IHG agreement, for one hotel expires on January 31, 2027. We realized returns under our IHG agreement of \$1,131 and \$2,243 during the three months ended March 31, 2026 and 2025, respectively. Any returns we receive from IHG are limited to the hotel's available cash flows, if any, after payment of operating expenses. During the three months ended March 31, 2026 and 2025, we incurred capital expenditures of \$271 and \$975, respectively, for the hotel included in our IHG agreement.

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Note 7. Equity Method Investment

As of both March 31, 2026 and December 31, 2025, we owned 34% of Sonesta's outstanding common stock. We account for our 34% non-controlling interest in Sonesta under the equity method of accounting.

As of March 31, 2026 and December 31, 2025, our investment in Sonesta had a carrying value of \$108,809 and \$111,796, respectively. On the date of acquisition of our initial equity interest in Sonesta (February 27, 2020), the cost basis of our investment in Sonesta exceeded our proportionate share of Sonesta's total stockholders' equity book value by an aggregate of \$8,000. As required under GAAP, we are amortizing this difference to equity in earnings of an investee over 31 years, the weighted average remaining useful life of the real estate assets and intangible assets and liabilities owned by Sonesta as of the date of our acquisition. We recorded amortization of the basis difference of \$65 in both of the three months ended March 31, 2026 and 2025. We recognized losses of \$3,001 and \$3,947 related to our investment in Sonesta for the three months ended March 31, 2026 and 2025, respectively. These amounts, which include amortization of the basis difference, are included in equity in losses of an investee in our condensed consolidated statements of comprehensive income (loss).

We recorded a liability of \$42,000 for the fair value of our initial investment in Sonesta, as no cash consideration was exchanged related to the modification of our management agreement with, and investment in, Sonesta. This liability for our investment in Sonesta is included in accounts payable and other liabilities in our condensed consolidated balance sheets and is being amortized on a straight-line basis through the initial term of the legacy Sonesta agreement, January 31, 2037, as a reduction to hotel operating expenses in our condensed consolidated statements of comprehensive income (loss). We reduced hotel operating expenses by \$621 for each of the three months ended March 31, 2026 and 2025, for amortization of this liability. As of March 31, 2026 and December 31, 2025, the unamortized balance of this liability was \$26,890 and \$27,511, respectively.

See Notes 6 and 11 for further information regarding our relationships, agreements and transactions with Sonesta.

Note 8. Indebtedness

Our principal debt obligations at March 31, 2026 were: (1) \$2,275,000 aggregate outstanding principal amount of senior unsecured notes; (2) \$1,580,155 aggregate outstanding principal amount of senior secured notes; (3) \$1,349,164 aggregate outstanding principal amount of net lease mortgage notes; and (4) \$45,000 of outstanding borrowings under our \$45,000 variable funding note, or the VFN. We had no amounts outstanding under our revolving credit facility as of March 31, 2026.

Revolving Credit Facility

Our \$650,000 secured revolving credit facility is available for general business purposes, including acquisitions. We can borrow, repay and reborrow funds available under our revolving credit facility until maturity and no principal repayments are due until maturity. Availability of borrowings under our credit agreement is subject to ongoing minimum performance and market values of the collateral properties, satisfying certain financial covenants and other credit facility conditions. The maturity date of our revolving credit facility is June 29, 2027, and, subject to the payment of an extension fee and meeting certain other conditions, we have an option to extend the stated maturity date of the facility by two additional six-month periods.

Interest payable on drawings under our revolving credit facility is based on the secured overnight financing rate, or SOFR, plus a margin ranging from 1.50% to 3.00% based on our leverage ratio, as defined in our credit agreement, which was 2.75% as of March 31, 2026. We also pay unused commitment fees of 20 to 30 basis points per annum on the total amount of lending commitments under our revolving credit facility based on amounts outstanding. As of March 31, 2026 and 2025, the annual interest rate payable on borrowings under our revolving credit facility was 6.43% and 6.91%, respectively. The weighted average annual interest rate for borrowings under our revolving credit facility was 6.94% for the three months ended March 31, 2025. As of both March 31, 2026 and May 4, 2026, we had no amounts outstanding under our revolving credit facility and \$650,000 available for borrowing.

As collateral for all loans and other obligations under our revolving credit facility, certain of our subsidiaries pledged all of their respective equity interests in certain of our direct and indirect property owning subsidiaries, and our pledged subsidiaries provided first mortgage liens on certain properties. As of March 31, 2026, our revolving credit facility was secured by 55 properties, including 38 net lease properties and 17 hotels, with an aggregate undepreciated book value of \$887,212.

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Our debt agreements provide for acceleration of payment of all amounts outstanding upon the occurrence and continuation of certain events of default, such as, in the case of our credit agreement, a change of control of us, which includes The RMR Group LLC, or RMR, ceasing to act as our business manager. Our debt agreements also contain covenants, including those that restrict our ability to incur debts or to make distributions under certain circumstances and generally require us to maintain certain financial ratios. Borrowings under our revolving credit facility are subject to meeting ongoing minimum performance and market values of the collateral properties, satisfying certain financial covenants and other credit facility conditions. We believe we were in compliance with the terms and conditions of our debt agreements as of March 31, 2026.

Redemption of Senior Unsecured Notes

In January 2026, we redeemed \$300,000 of our \$400,000 of 4.95% senior unsecured notes due 2027 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$1,569. As a result of the redemption, we recorded a loss on early extinguishment of debt of \$2,174 during the three months ended March 31, 2026, which represented the write-off of unamortized discounts and issuance costs related to these notes.

In March 2026, we redeemed all \$700,000 of our outstanding 8.375% senior guaranteed unsecured notes due 2029 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$37,128. As a result of the redemption, we recorded a loss on early extinguishment of debt of \$49,697 during the three months ended March 31, 2026, which represented the write-off of unamortized discounts and issuance costs related to these notes.

In April 2026, we redeemed all \$450,000 of our outstanding 5.50% senior guaranteed unsecured notes due 2027 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$7,191.

In May 2026, we redeemed the remaining \$100,000 of our outstanding 4.95% senior unsecured notes due 2027 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$216.

Net Lease Mortgage Notes

SVC ABS LLC, or the Initial Issuer, issued \$610,200 in aggregate principal amount of net lease mortgage notes, or the Series 2023-1 Notes, on February 10, 2023. On March 6, 2026, the Initial Issuer, SVC 2026 ABS LLC and SVC 2026 TA ABS LLC, or collectively, the Issuers, issued \$745,000 in aggregate principal amount of net lease mortgage notes in three classes, or the Series 2026-1 Notes. We contributed to the Issuers 158 properties with an undepreciated book value of \$761,023 and required minimum rents of \$84,179 as of March 31, 2026. The Issuers are wholly owned special purpose bankruptcy remote, indirect subsidiaries that are separate legal entities and are the sole owners of their respective assets and liabilities. The assets of the Issuers are not available to pay or otherwise satisfy obligations to the creditors of any owners or affiliates of the Issuers.

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Our net lease mortgage notes are summarized below:

Series	Note Class	Principal Outstanding as of March 31, 2026	Coupon Rate	Initial Term (in years)	Maturity
2023-1	Class A	\$ 300,298	5.15%	5	February 2028
2023-1	Class B	171,666	5.55%	5	February 2028
2023-1	Class C	132,200	6.70%	5	February 2028
	2023-1 Total / weighted average	604,164	5.60%		
2026-1	Class A	220,000	5.16%	5	March 2031
2026-1	Class B	375,000	5.80%	5	March 2031
2026-1	Class M	150,000	7.55%	5	March 2031
	2026-1 Total / weighted average	745,000	5.96%		
	Total / weighted average	\$ 1,349,164	5.80%		

The Series 2023-1 Class A notes and the Series 2023-1 Class B notes require monthly principal repayments at an annualized rate of 0.50% and 0.25% of the balance outstanding, respectively, and the Series 2023-1 Class C notes require interest payments only, with balloon payments due at maturity. The Series 2023-1 Notes mature in February 2028 and may be redeemed without penalty 24 months prior to the scheduled maturity date beginning in February 2026.

The Series 2026-1 Class A notes and the Series 2026-1 Class B notes require monthly principal repayments at an annualized rate of 0.50% and 0.25% of the balance outstanding, respectively, and the Series 2026-1 Class M notes require interest payments only, with balloon payments due at maturity. The Series 2026-1 Notes mature in March 2031 and may be redeemed without penalty 24 months prior to the scheduled maturity date beginning in March 2029.

Our Series 2023-1 Notes and Series 2026-1 Notes are non-recourse and, as of March 31, 2026, were secured by 472 retail net lease properties, including 158 properties that were contributed by us during the three months ended March 31, 2026. As of March 31, 2026, the current leases relating to the 472 properties required annual minimum rents of \$150,754 and had an aggregate undepreciated book value of \$1,511,474.

The VFN is also secured by the 472 net lease properties that secure our existing \$1,349,164 of net lease mortgage notes. The VFN permits borrowings on a revolving basis up to \$45,000 and the Issuer can borrow, repay and reborrow funds available until maturity. The maturity date of the VFN is January 27, 2027, and, subject to the payment of an extension fee and meeting certain other conditions, can be extended by one year at the Issuer's option. The VFN requires interest payments only on drawings under the VFN based on SOFR plus a margin of 1.75%, and an unused commitment fee of 50 basis points per annum paid on undrawn amounts. As of March 31, 2026 and 2025, the annual interest rate payable on borrowings under the VFN was 5.43% and 6.16%, respectively. The weighted average annual interest rate for borrowings under the VFN was 5.42% and 6.19% for the three months ended March 31, 2026 and 2025, respectively. As of both March 31, 2026 and May 4, 2026, we had \$45,000 outstanding under the VFN.

Note 9. Shareholders' Equity

Share Purchases

During the three months ended March 31, 2026, we purchased an aggregate of 15,559 of our common shares, valued at \$2.00 per common share, from certain former employees of RMR and Sonesta, in satisfaction of tax withholding and payment obligations in connection with the vesting of prior awards of our common shares. We withheld and purchased these common shares at their fair market values based upon the trading prices of our common shares at the close of trading on The Nasdaq Stock Market LLC, or Nasdaq, on the applicable purchase dates.

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Equity Offering

On March 30, 2026, we amended our amended and restated declaration of trust, as amended and supplemented, to increase our authorized common shares from 200,000,000 to 900,000,000 shares.

In April 2026, we issued and sold 479,166,667 common shares, including 62,500,000 common shares pursuant to the exercise of the underwriters' option to purchase additional shares, at \$1.20 per share in an underwritten public offering. Our net proceeds from this offering were approximately \$542,300, after deducting the underwriters' discount and other offering expenses.

Distributions

During the three months ended March 31, 2026, we declared and paid a regular quarterly distribution to common shareholders as follows:

Declaration Date	Record Date	Paid Date	Dividend Per Common Share		Total Distributions
January 15, 2026	January 26, 2026	February 19, 2026	\$	0.01	\$ 1,681

On April 9, 2026, we declared a regular quarterly distribution to common shareholders of record as of April 21, 2026 of \$0.01 per share, or approximately \$6,472. We expect to pay this distribution on or about May 14, 2026.

Cumulative Other Comprehensive Income (Loss)

Cumulative other comprehensive income (loss) represents our share of the comprehensive income (loss) of Sonesta. See Notes 6, 7 and 11 for further information regarding this investment.

Note 10. Business and Property Management Agreements with RMR

We have no employees. The personnel and various services we require to operate our business are provided to us by RMR. We have two agreements with RMR to provide management services to us: (1) a business management agreement, which relates to our business generally, and (2) a property management agreement, which relates to our property level operations of our net lease portfolio, the office building component of one of our hotels and major renovation or repositioning activities at our hotels that we may request RMR to manage from time to time.

We are generally responsible for all of our operating expenses, including certain expenses incurred or arranged by RMR on our behalf. We are generally not responsible for payment of RMR's employment, office or administrative expenses incurred to provide management services to us, except for the employment and related expenses of RMR's employees assigned to work exclusively or partly at our net lease properties and the office building component of one of our hotels, our share of the wages, benefits and other related costs of RMR's centralized accounting personnel, our share of RMR's costs for providing our internal audit function and as otherwise agreed. Our property level operating expenses are generally incorporated into rents charged to our tenants, including certain payroll and related costs incurred by RMR.

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For the three months ended March 31, 2026 and 2025, the business management fees, property management fees and construction supervision fees and expense reimbursements recognized in our condensed consolidated financial statements were as follows:

Financial Statement Line Item		Three Months Ended March 31,	
		2026	2025
Pursuant to business management agreement:			
Net business management fees ⁽¹⁾	General and administrative	\$ 6,182	\$ 6,930
Pursuant to property management agreement:			
Property management fees	Net lease operating expenses	\$ 2,771	\$ 2,087
Construction supervision fees	Buildings, improvements and equipment ⁽²⁾	128	657
		\$ 2,899	\$ 2,744
Expense reimbursement	Net lease operating expenses, general and administrative, and buildings, improvements and equipment ⁽²⁾	\$ 1,094	\$ 1,195

(1) The net business management fees we recognized for each of the three months ended March 31, 2026 and 2025, reflect a reduction of \$896 for the amortization of the liability we recorded in connection with our former investment in The RMR Group Inc., or RMR Inc.

(2) Amounts capitalized as buildings, improvements and equipment are depreciated over the estimated useful lives of the related assets.

Based on our common share total return, as defined in our business management agreement, as of March 31, 2026, no incentive fees are included in the net business management fees we recognized for the three months ended March 31, 2026. The actual amount of annual incentive fees for 2026, if any, will be based on our common share total return, as defined in our business management agreement, for the three-year period ending December 31, 2026, and will be payable in January 2027. We did not incur an incentive fee payable to RMR for the year ended December 31, 2025.

Effective January 1, 2026, we amended our business management agreement with RMR to replace the benchmark index used in the calculation of incentive business management fees. Pursuant to this amendment, for periods beginning on or after January 1, 2026, the MSCI U.S. REIT Diversified Index will be used to calculate benchmark returns per share for purposes of determining any incentive business management fee payable to RMR, and for periods ending prior to January 1, 2026, the MSCI U.S. REIT/Hotel & Resort REIT Index will continue to be used.

Note 11. Related Person Transactions

We have relationships and historical and continuing transactions with Sonesta, RMR, RMR Inc., and others related to them, including other companies to which RMR or its subsidiaries provide management services and some of which have trustees, directors or officers who are also our Trustees or officers. RMR is a majority owned subsidiary of RMR Inc. The Chair of our Board of Trustees, or our Board, and one of our Managing Trustees, Adam D. Portnoy, is the sole trustee, an officer and the controlling shareholder of ABP Trust, which is the controlling shareholder of RMR Inc., the chair of the board of directors, a managing director and the president and chief executive officer of RMR Inc. and an officer and employee of RMR. Christopher J. Bilotto, our other Managing Trustee and our President and Chief Executive Officer, also serves as an executive officer of RMR Inc. and is an officer and employee of RMR. John G. Murray, our former Managing Trustee and our former President and Chief Executive Officer, also served as an officer and employee of RMR until March 31, 2026, and served as a director and president and chief executive officer of Sonesta until March 31, 2026, and will remain an employee of Sonesta until his retirement on September 30, 2026. Jeffrey C. Leer, an executive vice president of RMR, became a co-chief executive officer of Sonesta, effective April 1, 2026. In addition, each of our other officers serves as an officer of RMR. Some of our Independent Trustees also serve as independent trustees of other public companies to which RMR or its subsidiaries provide management services. Mr. Portnoy serves as chair of the boards and as a managing trustee of these public companies. Other officers of RMR, including certain of our officers, serve as managing trustees or officers of certain of these companies.

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Our Manager, RMR

We have two agreements with RMR to provide management services to us. See Note 10 for further information regarding our management agreements with RMR.

Sonesta

Sonesta is a private company of which Adam D. Portnoy, one of our Managing Trustees, is a director and the controlling stockholder. John G. Murray, our other Managing Trustee until March 2025, was a director and president and chief executive officer of Sonesta until March 31, 2026. Jeffrey C. Leer, an executive vice president of RMR, became a co-chief executive officer of Sonesta, effective April 1, 2026. Sonesta's other director served as one of RMR Inc.'s managing directors, as RMR's and RMR Inc.'s executive vice president, general counsel and secretary and as our Secretary until her resignation from these positions, effective December 31, 2025, in connection with her retirement. Certain other officers and employees of Sonesta are former officers and employees of RMR. RMR also provides certain services to Sonesta. As of March 31, 2026, we owned 34% of Sonesta's outstanding shares of common stock and Sonesta managed 68 of our hotels. See Notes 6 and 7 for further information regarding our relationships, agreements and transactions with Sonesta.

Equity Offering

In April 2026, RMR, our manager, purchased 41,666,666 common shares in the equity offering at a price equal to the public offering price of \$1.20 per share. In addition, Christopher J. Bilotto, one of our Managing Trustees and our President and Chief Executive Officer, and Brian E. Donley, our Chief Financial Officer and Treasurer, as well as certain of our Trustees, purchased an aggregate of approximately 248,333 common shares at the public offering price. Following the equity offering, RMR beneficially owned approximately 6.4% of our outstanding common shares and Adam D. Portnoy, including through ABP Trust, beneficially owned approximately 6.7% of our outstanding common shares.

For further information about these and certain other such relationships and certain other related person transactions, refer to our 2025 Annual Report.

Note 12. Income Taxes

We have elected to be taxed as a REIT under the United States Internal Revenue Code of 1986, as amended, or the IRC, and, as such, are generally not subject to federal and most state income taxation on our operating income provided we distribute our taxable income to our shareholders and meet certain organization and operating requirements. We are subject to income tax in Canada, Puerto Rico and certain states despite our qualification for taxation as a REIT. Further, we lease our managed hotels to our wholly owned TRSs that, unlike most of our subsidiaries, file a separate consolidated tax return and are subject to federal, state and foreign income taxes. Our consolidated income tax provision (or benefit) includes the income tax provision (or benefit) related to the operations of our TRSs and certain state and foreign income taxes incurred by us despite our qualification for taxation as a REIT.

During the three months ended March 31, 2026, we recognized income tax expense of \$1,181, which includes \$486 of state tax expense and \$695 of foreign tax expense. During the three months ended March 31, 2025, we recognized an income tax expense of \$843, which includes \$353 of state tax expense and \$490 of foreign tax expense.

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Note 13. Segment Information

Our operating segments are based on our internal reporting structure and property type and are aligned with how our Chief Operating Decision Maker, or CODM, reviews the operating results to allocate resources and assess segment performance. The CODM is our President and Chief Executive Officer. Our two reportable segments are net lease investments and hotel investments. Our net lease investments segment consists of service-focused retail net lease properties, including travel centers leased to TA, our largest tenant. Our hotel investments segment consists of hotels managed by subsidiaries of Sonesta, Hyatt, Radisson and IHG.

The significant expense categories and amounts presented below align with the segment-level information that is regularly provided to our CODM. Our CODM reviews operating and financial results, including net income (loss) and its components, to allocate resources and assess segment performance. The accounting policies of our reportable segments are the same as those described in Note 2 to our consolidated financial statements included in our 2025 Annual Report. The tables below present information about our segments.

	Three Months Ended March 31, 2026		
	Net Lease	Hotels	Total
Revenues:			
Hotel operating revenues	\$ —	\$ 264,575	\$ 264,575
Rental income	99,876	—	99,876
Total revenues	99,876	264,575	364,451
Less (plus):			
Room expenses	—	67,112	67,112
Food and beverage expenses	—	40,305	40,305
Management fees	2,771	9,129	11,900
Real estate taxes and insurance	2,105	23,680	25,785
Other operating expenses ⁽¹⁾	2,564	102,418	104,982
Depreciation and amortization	32,937	42,906	75,843
Interest expense	15,792	—	15,792
Other segment items ⁽²⁾	8,988	20,196	29,184
Segment profit (loss)	34,719	(41,171)	(6,452)
Reconciliation of segment profit or loss:			
General and administrative			(8,796)
Transaction related costs			(6)
Interest income			884
Interest expense			(80,755)
Loss on early extinguishment of debt, net			(51,871)
Income tax expense			(1,181)
Equity in losses of an investee			(3,001)
Net loss			\$ (151,178)

(1) Other operating expenses for each reportable segment include expenses such as repairs and maintenance, utilities and other costs, including property level expense reimbursements for our net lease investments segment as discussed in Note 10, incurred in connection with the operation of our properties.

(2) Other segment items for each reportable segment include transaction related costs, gains and losses on asset impairment and sale of real estate and interest income, as applicable.

SERVICE PROPERTIES TRUST
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(dollars in thousands, except per share amounts)
(unaudited)

	Three Months Ended March 31, 2025		
	Net Lease	Hotels	Total
Revenues:			
Hotel operating revenues	\$ —	\$ 334,963	\$ 334,963
Rental income	100,216	—	100,216
Total revenues	100,216	334,963	435,179
Less (plus):			
Room expenses	—	93,909	93,909
Food and beverage expenses	—	40,319	40,319
Management fees	2,087	12,485	14,572
Real estate taxes and insurance	788	29,613	30,401
Other operating expenses ⁽¹⁾	2,753	129,514	132,267
Depreciation and amortization	35,357	53,743	89,100
Interest expense	12,126	—	12,126
Other segment items ⁽²⁾	(490)	36,698	36,208
Segment profit (loss)	47,595	(61,318)	(13,723)
Reconciliation of segment profit or loss:			
General and administrative			(9,556)
Transaction related costs			(29)
Interest income			1,054
Interest expense			(89,391)
Income tax expense			(843)
Equity in losses of an investee			(3,947)
Net loss			<u>\$ (116,435)</u>

- (1) Other operating expenses for each reportable segment include expenses such as repairs and maintenance, utilities and other costs, including property level expense reimbursements for our net lease investments segment as discussed in Note 10, incurred in connection with the operation of our properties.
- (2) Other segment items for each reportable segment include transaction related costs, gains and losses on asset impairment and sale of real estate and interest income, as applicable.

	As of March 31, 2026	As of December 31, 2025
Assets:		
Net Lease	\$ 2,865,157	\$ 2,902,699
Hotels	3,066,762	3,107,967
Corporate	149,706	480,914
Total assets	<u>\$ 6,081,625</u>	<u>\$ 6,491,580</u>

	Three Months Ended March 31,	
	2026	2025
Capital expenditures:		
Net Lease	\$ 580	\$ 748
Hotels	20,350	45,121
Total capital expenditures	<u>\$ 20,930</u>	<u>\$ 45,869</u>

SERVICE PROPERTIES TRUST
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(dollars in thousands, except per share amounts)
(unaudited)

Note 14. Fair Value of Assets and Liabilities

The table below presents certain of our assets carried at fair value at March 31, 2026, categorized by the level of inputs, as defined in the fair value hierarchy under GAAP, used in the valuation of each asset.

Description	Total	Fair Value at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Non-recurring Fair Value Measurement Assets:				
Assets of properties held for sale ^{(1) (2)}	\$ 54,058	\$ —	\$ 51,293	\$ 2,765

- (1) We recorded impairment charges totaling \$27,340 during the three months ended March 31, 2026, to reduce the carrying value of seven hotels and 13 net lease properties in our condensed consolidated balance sheet to their estimated fair value, less estimated costs to sell of \$2,128, based on negotiated sales prices with third party buyers (Level 2 inputs as defined in the fair value hierarchy under GAAP).
- (2) We recorded impairment charges totaling \$755 during the three months ended March 31, 2026, to reduce the carrying value of eight net lease properties in our condensed consolidated balance sheet to their estimated fair value, less estimated costs to sell of \$200, based on brokers' opinions of values (Level 3 inputs as defined in the fair value hierarchy under GAAP).

In addition to the assets included in the table above, our financial instruments include our cash and cash equivalents, restricted cash, rents receivable, revolving credit facility, VFN, net lease mortgage notes, senior notes and security deposits. At March 31, 2026 and December 31, 2025, the fair values of these financial instruments approximated their carrying values in our condensed consolidated balance sheets due to their short-term nature or floating interest rates, except as follows:

	March 31, 2026		December 31, 2025	
	Carrying Value ⁽¹⁾	Fair Value	Carrying Value ⁽¹⁾	Fair Value
Senior Unsecured Notes, due 2027 at 4.95%	\$ 99,836	\$ 99,924	\$ 399,164	\$ 401,716
Senior Guaranteed Unsecured Notes, due 2027 at 5.50%	448,126	450,590	447,858	442,985
Senior Secured Notes, due 2027 at zero coupon	511,956	527,825	501,256	524,263
Net Lease Mortgage Notes, due 2028 at 5.60%	580,911	595,750	578,368	598,113
Senior Unsecured Notes, due 2028 at 3.95%	397,927	382,512	397,645	377,596
Senior Guaranteed Unsecured Notes, due 2029 at 8.375%	—	—	686,738	703,780
Senior Unsecured Notes, due 2029 at 4.95%	422,252	384,923	422,056	368,382
Senior Unsecured Notes, due 2030 at 4.375%	395,599	355,208	395,318	338,932
Net Lease Mortgage Notes, due 2031 at 5.96%	722,548	733,533	—	—
Senior Secured Notes, due 2031 at 8.625%	977,130	1,044,320	976,121	1,050,370
Senior Guaranteed Unsecured Notes, due 2032 at 8.875%	485,484	495,570	484,904	493,225
Total financial liabilities	\$ 5,041,769	\$ 5,070,155	\$ 5,289,428	\$ 5,299,362

- (1) Carrying value includes unamortized discounts, premiums and certain debt issuance costs.

At March 31, 2026 and December 31, 2025, we estimated the fair values of our senior notes using an average of the bid and ask price of our then outstanding issuances of senior notes (Level 2 inputs). At March 31, 2026 and December 31, 2025, we estimated the fair value of our net lease mortgage notes using discounted cash flow analyses and current prevailing market rates as of the measurement dates (Level 3 inputs). As Level 3 inputs are unobservable, our estimated value may differ materially from the actual fair value.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our condensed consolidated financial statements and notes thereto included in Part I, Item 1 of this Quarterly Report on Form 10-Q and with our 2025 Annual Report.

Overview (dollars in thousands, except per share amounts and per room hotel data)

We are a REIT organized under the laws of the State of Maryland. As of March 31, 2026, we owned 854 properties in 46 states, the District of Columbia, Canada and Puerto Rico. Our strategy continues to focus on reducing debt, transitioning to a company with the majority of our properties being service-focused retail net lease properties through the growth of our net lease portfolio and improving the performance of the hotels we expect to retain.

Leases and Management Agreements. At March 31, 2026, we owned 761 service-focused retail properties with an aggregate of 13,605,978 square feet leased to 185 tenants subject to "triple net" leases, where the tenants are generally responsible for the payment of operating expenses and capital expenditures. At March 31, 2026, we also owned 93 hotels managed by four operators. We leased all of these hotels to our wholly owned TRSs that are managed by hotel operating companies as of that date. Our condensed consolidated statements of comprehensive income (loss) include rental income and net lease operating expenses from our net lease properties and hotel operating revenues and hotel operating expenses of our managed hotels.

Market Outlook. Consumer confidence, corporate travel and lodging demand will continue to be affected by economic and market conditions, inflationary pressures and potential impacts from tariffs, uncertainties surrounding interest rates, unemployment levels, work from home policies, use of technologies, geopolitical events and broader economic trends. Increased labor costs and other price inflation may continue to negatively impact our hotel operations and the operations of our tenants. An economic recession or continued or intensified disruptions in the financial markets could adversely affect our financial condition, operations at our hotels, our tenants and their ability or willingness to renew our leases or pay rent to us, may restrict our ability to obtain new or replacement financing, would likely increase our cost of capital, and may cause the values of our properties to decline.

Net Lease Portfolio. Our net lease properties were 96.6% occupied as of March 31, 2026 with a weighted (by annual minimum rent) average lease term of 7.3 years, operating under 140 brands in 21 distinct industries. TA is our largest tenant and as of March 31, 2026, leased 175 of our travel centers under five master leases that expire in 2033 and require annual minimum rents of \$264,262. In addition, TA receives an annual credit of \$25,000 as a result of prepaid rent. BP Corporation North America Inc. guarantees payment under the TA leases, subject to a cap. We use a variety of operating and other information to evaluate the financial condition and operating performance of our net lease portfolio, including the lease structure, credit evaluations, tenants' payment history and net lease rent coverage metrics as defined below. Our net lease portfolio is diverse geographically in service-focused and necessity-based industries, by brand concepts and tenants. We believe this diversification may help mitigate the impact of macroeconomic factors.

Hotel Portfolio. During the three months ended March 31, 2026, the U.S. hotel industry generally realized increases in average daily rate, or ADR, and decreases in revenue per available room, or RevPAR, compared to the corresponding 2025 period. Our comparable hotels produced increases in ADR and RevPAR, which we believe is partially a result of renovation disruption in the 2025 period. In addition to the macroeconomic factors noted above, ADR, occupancy, and RevPAR performance are dependent on the continued success of our hotels' brands and our hotel operators. While we do not operate our hotel properties, our asset management team and our executive management team monitor and work with our hotel managers by conducting regular revenue, sales, and financial performance reviews and also perform in-depth on-site reviews focused on ongoing operating margin improvement initiatives.

Significant Events

We sold 112 hotels with a total of 14,631 keys for a combined sales price of \$858,752, excluding closing costs, during 2025. During the three months ended March 31, 2026, we sold one hotel with 133 keys for a sales price of \$7,100, excluding closing costs, and we are at various stages of selling 15 additional hotels with 3,022 keys.

In January 2026, we redeemed \$300,000 of our \$400,000 of 4.95% senior unsecured notes due 2027 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$1,569, using cash on hand.

In March 2026, we redeemed all \$700,000 of our outstanding 8.375% senior guaranteed unsecured notes due 2029 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$37,128, using net proceeds from the issuance of \$745,000 of net lease mortgage notes and cash on hand.

In April 2026, we issued and sold 479,166,667 common shares, including 62,500,000 common shares pursuant to the exercise of the underwriters' option to purchase additional shares, at \$1.20 per share in an underwritten public offering. Our net proceeds from this offering were approximately \$542,300, after deducting the underwriters' discount and other offering expenses. In April 2026, we used the net proceeds from this offering to redeem all \$450,000 of our outstanding 5.50% senior guaranteed unsecured notes due 2027 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$7,191. Additionally, in May 2026, we used the remaining net proceeds from this offering and cash on hand to redeem the remaining \$100,000 of our outstanding 4.95% senior unsecured notes due 2027 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$216.

The following table provides a summary for all of our hotels with these revenue metrics for the periods presented, which we believe are key indicators of performance at our hotels.

	Three Months Ended March 31,		
	2026	2025	Change
Retained Hotels			
No. of hotels	78	83	(5)
No. of rooms or suites	18,088	19,447	(1,359)
Occupancy	63.0 %	56.4 %	6.6 pts
ADR	\$ 179.39	\$ 174.76	2.6 %
RevPAR	\$ 113.00	\$ 98.59	14.6 %
Exit Hotels ⁽¹⁾			
No. of hotels	15	119	(104)
No. of rooms or suites	3,022	15,912	(12,890)
Occupancy	48.6 %	59.4 %	(10.8) pts
ADR	\$ 101.63	\$ 109.54	(7.2) %
RevPAR	\$ 49.43	\$ 65.07	(24.0) %
All Hotels			
No. of hotels	93	202	(109)
No. of rooms or suites	21,110	35,359	(14,249)
Occupancy	60.9 %	57.8 %	3.1 pts
ADR	\$ 170.50	\$ 144.61	17.9 %
RevPAR	\$ 103.90	\$ 83.52	24.4 %

(1) Exit Hotels represents 15 hotels managed by Sonesta that are currently being marketed for sale.

Comparable Hotels Data. We present occupancy, ADR and RevPAR for the periods presented on a comparable basis to facilitate comparisons between periods. We define comparable hotels as those that were owned by us and were open and operating for the entirety of the periods being compared. The following table provides a summary of these revenue metrics for the periods presented.

	Three Months Ended March 31,			
	2026		2025	Change
Retained Hotels				
No. of hotels	78		78	—
No. of rooms or suites	18,088		18,088	—
Occupancy	63.0 %		58.5 %	4.5 pts
ADR	\$ 179.39	\$	179.58	(0.1) %
RevPAR	\$ 113.00	\$	105.10	7.5 %
Exit Hotels				
No. of hotels	15		15	—
No. of rooms or suites	3,022		3,022	—
Occupancy	48.6 %		49.9 %	(1.3) pts
ADR	\$ 101.63	\$	102.11	(0.5) %
RevPAR	\$ 49.43	\$	50.94	(3.0) %
Comparable Hotels				
No. of hotels	93		93	—
No. of rooms or suites	21,110		21,110	—
Occupancy	60.9 %		57.3 %	3.6 pts
ADR	\$ 170.50	\$	169.92	0.3 %
RevPAR	\$ 103.90	\$	97.35	6.7 %

Additional details of our net lease agreements and our hotel operating agreements are set forth in Note 6 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Results of Operations (amounts in thousands, except per share data)

Three Months Ended March 31, 2026, Compared to Three Months Ended March 31, 2025

	Three Months Ended March 31,			
	2026	2025	\$ Change	% Change
Revenues:				
Hotel operating revenues	\$ 264,575	\$ 334,963	\$ (70,388)	(21.0)%
Rental income	99,876	100,216	(340)	(0.3)%
Total revenues	364,451	435,179	(70,728)	(16.3)%
Expenses:				
Hotel operating expenses	242,644	305,840	(63,196)	(20.7)%
Net lease operating expenses	7,440	5,628	1,812	32.2 %
Depreciation and amortization - hotels	42,906	53,743	(10,837)	(20.2)%
Depreciation and amortization - net lease properties	32,937	35,357	(2,420)	(6.8)%
Total depreciation and amortization	75,843	89,100	(13,257)	(14.9)%
General and administrative	8,796	9,556	(760)	(8.0)%
Transaction related costs	2,509	111	2,398	n/m
Loss on asset impairment	28,095	37,067	(8,972)	(24.2)%
Total expenses	365,327	447,302	(81,975)	(18.3)%
Gain on sale of real estate, net	1,355	746	609	81.6 %
Interest income	943	1,249	(306)	(24.5)%
Interest expense	(96,547)	(101,517)	4,970	(4.9)%
Loss on early extinguishment of debt, net	(51,871)	—	(51,871)	n/m
Loss before income tax expense and equity in losses of an investee	(146,996)	(111,645)	(35,351)	31.7 %
Income tax expense	(1,181)	(843)	(338)	40.1 %
Equity in losses of an investee	(3,001)	(3,947)	946	(24.0)%
Net loss	\$ (151,178)	\$ (116,435)	\$ (34,743)	29.8 %
Weighted average common shares outstanding (basic and diluted)	166,395	165,615	780	0.5 %
Net loss per common share (basic and diluted)	\$ (0.91)	\$ (0.70)	\$ (0.21)	30.0 %

References to changes in the income and expense categories below relate to the comparison of consolidated results for the three months ended March 31, 2026, compared to the three months ended March 31, 2025.

Hotel operating revenues. The decrease in hotel operating revenues is primarily a result of our sales of certain hotels since January 1, 2025 (\$84,440), partially offset by increases in occupancy and average rates at certain hotels during the 2026 period (\$14,052). Additional operating statistics of our hotels are included in the tables beginning on page 34.

Rental income. The decrease in rental income is primarily a result of lower rental income from credit losses recognized at certain of our net lease properties in the 2026 period (\$2,000) and certain sales of our net lease properties since January 1, 2025 (\$248), partially offset by our acquisitions of certain net lease properties since January 1, 2025 (\$1,908).

Hotel operating expenses. The decrease in hotel operating expenses is primarily a result of our sales of certain hotels since January 1, 2025 (\$82,018), partially offset by increases in insurance expense (\$4,060), room expenses (\$2,801), food and beverage expenses (\$758) and other operating expenses (\$11,203) in the 2026 period.

Net lease operating expenses. The increase in net lease operating expenses is primarily the result of our acquisition activity (\$1,382) and increases of property management fees (\$684) and other operating expenses (\$148) in the 2026 period, partially offset by decreases resulting from the sale of certain net lease properties since January 1, 2025 (\$402).

Depreciation and amortization - hotels. The decrease in depreciation and amortization - hotels is primarily a result of our sales of certain hotels since January 1, 2025 (\$14,050) and certain of our depreciable assets becoming fully depreciated since January 1, 2025 (\$3,248), partially offset by depreciation and amortization related to capital expenditures made since January 1, 2025 (\$6,461).

Depreciation and amortization - net lease properties. The decrease in depreciation and amortization - net lease properties is primarily a result of certain of our depreciable assets becoming fully depreciated since January 1, 2025 (\$3,088) and our sale of certain net lease properties since January 1, 2025 (\$355), partially offset by depreciation and amortization related to capital expenditures made since January 1, 2025 (\$1,023).

General and administrative. The decrease in general and administrative costs is primarily due to a decrease in business management fees (\$749) in the 2026 period.

Transaction related costs. Transaction related costs for the 2026 period primarily consisted of costs related to the sales of certain hotels.

Loss on asset impairment. We recorded a \$28,095 loss on asset impairment during the 2026 period to reduce the carrying value of seven hotels and 21 net lease properties to their estimated fair value less costs to sell. We recorded a \$37,067 loss on asset impairment during the 2025 period to reduce the carrying value of 16 hotels to their estimated fair value less costs to sell.

Gain on sale of real estate, net. We recorded a \$1,355 net gain on sale of real estate during the 2026 period in connection with the sales of one hotel and two net lease properties. We recorded a \$746 net gain on sale of real estate during the 2025 period in connection with the sales of four hotels and three net lease properties.

Interest income. The decrease in interest income is due to lower average cash balances invested and lower average interest rates during the 2026 period compared to the 2025 period.

Interest expense. The decrease in interest expense is primarily due to lower debt outstanding and lower weighted average interest rates during the 2026 period compared to the 2025 period.

Loss on early extinguishment of debt, net. We recorded a \$51,871 loss on early extinguishment of debt, net in the 2026 period as a result of the redemption of certain senior notes. See Note 8 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for further information.

Income tax expense. The increase in income tax expense is due to increases in foreign tax expense (\$205) and state tax expense (\$133) during the 2026 period.

Equity in losses of an investee. Equity in losses of an investee represents our proportionate share of the losses of Sonesta.

Net loss. Our net loss and our net loss per common share (basic and diluted) each increased in the 2026 period compared to the 2025 period primarily due to the revenue and expense changes discussed above.

Liquidity and Capital Resources (dollars in thousands, except per share amounts)

Our Managers and Tenants

As of March 31, 2026, our 761 service-focused retail net lease properties were leased to 185 tenants and our 93 hotels were managed and operated by four hotel operating companies. The costs of operating and maintaining our properties are generally paid by our tenants for their own account or by the hotel managers as agents for us. Our tenants and hotel managers derive their funding for property operating expenses and for rents and returns due to us generally from property operating revenues and, to the extent these parties themselves fund rents and our owner's priority returns, from their separate resources. As of March 31, 2026, TA is our largest tenant (175 travel centers) and Sonesta (68 hotels) is our largest hotel manager.

We recorded reserves for uncollectable amounts and reduced rental income by \$2,235 and \$235 for the three months ended March 31, 2026 and 2025, respectively, based on our assessment of the collectability of rents. We had reserves for uncollectable rents of \$5,349 and \$3,115 as of March 31, 2026 and December 31, 2025, respectively, included in other assets, net in our condensed consolidated balance sheets.

We define net lease rent coverage as earnings before interest, taxes, depreciation, amortization and rent, or EBITDAR, divided by the annual minimum rent due to us weighted by the minimum rent of the property to total minimum rents of the net lease portfolio. Tenants with no minimum rent required under the lease are excluded. EBITDAR amounts used to determine rent coverage are generally for the latest twelve-month period, based on the most recent operating information, if any, furnished by our tenants. Operating statements furnished by our tenants often are unaudited and, in certain cases, may not have been prepared in accordance with GAAP and are not independently verified by us. In instances where we do not have tenant financial information, we calculate an implied coverage ratio for the period based on other tenants with available financial statements operating the same brand or within the same industry. As a result, we believe using this implied coverage metric provides a more reasonable estimated representation of recent operating results and the financial condition for those tenants. Our net lease properties generated rent coverage of 2.01x and 2.07x as of March 31, 2026 and 2025, respectively.

Our Operating Liquidity and Capital Resources

Our principal sources of funds to meet operating and capital expenses, debt service obligations and distributions to our shareholders are rents from our net lease portfolio, returns generated from our hotels and borrowings under our revolving credit facility and VFN. We receive rents and hotel returns from our tenants and managers monthly. We may receive additional returns, percentage rents and our share of the operating profits of our managed hotels after payment of management fees and other deductions, if any, either monthly or quarterly, and these amounts are usually subject to annual reconciliations. We believe these sources of funds will be sufficient to meet our operating expenses and capital expenditures, pay debt service obligations and make distributions to our shareholders for the next 12 months and for the foreseeable future thereafter. However, as a result of economic conditions, including if the U.S. enters an economic recession, or otherwise, our tenants and managers may become unable or unwilling to pay returns and rents to us when due, and, as a result, our cash flows and net income would decline.

The following is a summary of our sources and uses of cash flows for the periods presented:

	Three Months Ended March 31,	
	2026	2025
Cash and cash equivalents and restricted cash at the beginning of the period	\$ 372,088	\$ 157,386
Net cash provided by (used in):		
Operating activities	35,578	38,200
Investing activities	(50,472)	(42,192)
Financing activities	(317,836)	(59,300)
Cash and cash equivalents and restricted cash at the end of the period	\$ 39,358	\$ 94,094

The decrease in cash flow provided by operating activities in the 2026 period is primarily due to lower returns from our hotel portfolio in the 2026 period. The increase in cash flow used in investing activities in the 2026 period is primarily due to lower net proceeds from sales of real estate properties and higher acquisitions in the 2026 period, partially offset by a decrease in real estate improvements in the 2026 period. The increase in cash flow used in financing activities in the 2026 period is primarily due to higher net debt repayments in the 2026 period, partially offset by debt issuances during 2026.

We maintain our qualification for taxation as a REIT under the IRC by meeting certain requirements. We lease 93 hotels to our wholly owned TRSs that are managed by hotel operating companies. As a REIT, we do not expect to pay federal income taxes on the majority of our income; however, the income realized by our TRSs in excess of the rent they pay to us is subject to U.S. federal income tax at corporate income tax rates. In addition, the income we receive from our hotels in Canada and Puerto Rico is subject to taxes in those jurisdictions and we are subject to taxes in certain states where we have properties despite our qualification for taxation as a REIT.

Our Investment and Financing Liquidity and Capital Resources

Tenants in our net lease portfolio are generally required to maintain the leased properties, including structural and non-structural components under their respective leases. We may provide tenant improvement allowances to tenants in certain cases or may develop sites with the intent to lease them. During the three months ended March 31, 2026, we funded \$580 for capital improvements to our net lease properties. As of March 31, 2026, we had \$8,297 of unspent leasing-related obligations related to certain of our net lease tenants.

Our hotel operating agreements generally provide that, if necessary, we may provide our managers with funding for capital improvements to our hotels in excess of amounts otherwise available in escrowed FF&E reserves or when no FF&E reserves are available. During the three months ended March 31, 2026, we funded \$19,161 for capital improvements in excess of FF&E reserves available to our hotels. We currently expect to fund between approximately \$100,000 and \$120,000 during the last nine months of 2026 for capital improvements to certain properties using cash on hand.

Various percentages of total sales at some of our hotels are escrowed as FF&E reserves to fund future capital improvements. We own all the FF&E escrows for our hotels. During the three months ended March 31, 2026, certain of our hotel managers deposited \$786 to these accounts and spent \$1,845 from the FF&E reserve escrow accounts to renovate and refurbish our hotels. As of March 31, 2026, there was \$5,704 on deposit in these escrow accounts, which was held directly by us and is reflected in our condensed consolidated balance sheets as restricted cash.

During the three months ended March 31, 2026, we sold three properties for a combined sales price of \$8,385, excluding closing costs. From April 1, 2026 through May 4, 2026, we sold 11 net lease properties with a total of 88,084 square feet for a combined sales price of \$9,160, excluding closing costs. We have also entered into agreements to sell seven net lease properties with a total of 30,161 square feet for a combined sales price of \$3,415, excluding closing costs. These pending sales are subject to conditions; accordingly, we cannot be sure that we will complete these sales, that these sales will not be delayed or that the terms will not change. We are at various stages of selling four net lease properties with a total of 5,526 square feet and 15 hotels with 3,022 keys. We expect to use the net sales proceeds from these sales for general business purposes, including to repay debt.

During the three months ended March 31, 2026, we acquired three net lease properties with a total of 8,788 square feet for a combined purchase price of \$7,398, excluding closing costs, using cash on hand. From April 1, 2026 through May 4, 2026, we acquired one net lease property with a total of 3,200 square feet for a purchase price of \$1,776, excluding closing costs, using cash on hand.

During the three months ended March 31, 2026, we declared and paid a regular quarterly distribution to common shareholders using cash on hand as follows:

Declaration Date	Record Date	Paid Date	Dividend Per Common Share	Total Distributions
January 15, 2026	January 26, 2026	February 19, 2026	\$ 0.01	\$ 1,681

On April 9, 2026, we declared a regular quarterly distribution to common shareholders of record as of April 21, 2026 of \$0.01 per common share, or approximately \$6,472. We expect to pay this distribution on or about May 14, 2026 using cash on hand.

In order to meet cash needs that may result from our desire or need to make distributions or pay operating or capital expenses, we maintain a \$650,000 secured revolving credit facility which is governed by a credit agreement. We can borrow, subject to meeting certain financial covenants, repay and reborrow funds available under our revolving credit facility until maturity and no principal repayments are due until maturity. Availability of borrowings under our credit agreement is subject to ongoing minimum performance and market values of the collateral properties, satisfying certain financial covenants and other credit facility conditions. The maturity date of our revolving credit facility is June 29, 2027, and, subject to the payment of an extension fee and meeting certain other conditions, we have an option to further extend the stated maturity date of the facility by two additional six-month periods.

Interest payable on drawings under our revolving credit facility is based on SOFR plus a margin ranging from 1.50% to 3.00% based on our leverage ratio, as defined in our credit agreement, which was 2.75% as of March 31, 2026. We also pay unused commitment fees of 20 to 30 basis points per annum on the total amount of lending commitments under our revolving credit facility based on amounts outstanding. As of March 31, 2026 and 2025, the annual interest rate payable on borrowings under our revolving credit facility was 6.43% and 6.91%, respectively. As of March 31, 2026 and May 4, 2026, we had no borrowings outstanding under our revolving credit facility and \$650,000 available for borrowing.

As collateral for all loans and other obligations under our revolving credit facility, certain of our subsidiaries pledged all of their respective equity interests in certain of our direct and indirect property owning subsidiaries, and our pledged subsidiaries provided first mortgage liens on certain properties. As of March 31, 2026, our revolving credit facility was secured by 55 properties, including 38 net lease properties and 17 hotels, with an aggregate undepreciated book value of \$887,212.

Equity Offering

In April 2026, we issued and sold 479,166,667 common shares, including 62,500,000 common shares pursuant to the exercise of the underwriters' option to purchase additional shares, at \$1.20 per share in an underwritten public offering. Our net proceeds from this offering were approximately \$542,300, after deducting the underwriters' discount and other offering expenses. In April 2026, we used the net proceeds from this offering to redeem all \$450,000 of our outstanding 5.50% senior guaranteed unsecured notes due 2027 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$7,191. Additionally, in May 2026, we used the remaining net proceeds from this offering and cash on hand to redeem the remaining \$100,000 of our outstanding 4.95% senior unsecured notes due 2027 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$216.

Redemption of Senior Unsecured Notes

In January 2026, we redeemed \$300,000 of our \$400,000 of 4.95% senior unsecured notes due 2027 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$1,569, using cash on hand.

In March 2026, we redeemed all \$700,000 of our outstanding 8.375% senior guaranteed unsecured notes due 2029 for a redemption price equal to the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and a make whole premium of \$37,128, using net proceeds from the issuance of \$745,000 of net lease mortgage notes and cash on hand.

Net Lease Mortgage Notes

On March 6, 2026, the Issuers issued \$745,000 in aggregate principal amount of net lease mortgage notes in three classes. The weighted average coupon rate of the three classes is 5.96%. The Series 2026-1 Class A notes and the Series 2026-1 Class B notes require monthly principal repayments at an annualized rate of 0.50% and 0.25% of the balances outstanding, respectively, and the Series 2026-1 Class M notes require interest payments only, with balloon payments due at maturity. The Series 2026-1 Notes mature in March 2031 and may be redeemed without penalty 24 months prior to the scheduled maturity date beginning in March 2029. The Series 2026-1 Notes are non-recourse and, as of March 31, 2026, were secured by 472 retail net lease properties, including 158 properties that we contributed in connection with this transaction. As of March 31, 2026, the current leases relating to the 472 properties required annual minimum rents of \$150,754 and had an aggregate undepreciated book value of \$1,511,474. As discussed above, we used the net proceeds from this transaction and cash on hand to redeem all \$700,000 of our outstanding 8.375% senior guaranteed unsecured notes due 2029.

Our debt maturities (other than our revolving credit facility and VFN) as of May 4, 2026 were as follows:

Year	Debt Maturities
2026	\$ 2,998
2027	584,151
2028	1,002,775
2029	427,038
2030	402,038
Thereafter	2,235,319
	<u>\$ 4,654,319</u>

None of our senior note debt obligations require principal or sinking fund payments prior to their maturity dates. Our mortgage notes require monthly principal payments as described in Part I, Item 3 of this Quarterly Report on Form 10-Q.

We currently expect to use cash on hand, the cash flows from our operations, borrowings available under our revolving credit facility, if any, or VFN, net proceeds from any asset sales and net proceeds of offerings of equity or the incurrence of debt to fund our operations, capital expenditures, investments, future debt maturities, distributions to our shareholders and other general business purposes.

When significant amounts are outstanding for an extended period of time under our revolving credit facility, or the maturities of our indebtedness approach, we currently expect to explore refinancing alternatives. Such alternatives may include incurring additional debt, issuing new equity securities and the sale of properties. We have an effective shelf registration statement that allows us to issue public securities on an expedited basis, but it does not assure that there will be buyers for such securities. We may also seek to participate in joint ventures or other arrangements that may provide us additional sources of financing. We may also assume mortgage debt on properties we may acquire or obtain mortgage financing on our existing properties.

While we believe we will generally have access to various types of financings, including debt or equity, to fund our future acquisitions and to pay our debts and other obligations, we cannot be sure that we will be able to complete any debt or equity offerings or other types of financings or that our cost of any future public or private financings will not increase.

Our ability to complete, and the costs associated with, future debt transactions depend primarily upon credit market conditions and our then perceived creditworthiness. We have no control over market conditions. Our credit ratings depend upon evaluations by credit rating agencies of our business practices and plans, including our ability to maintain our earnings, to stagger our debt maturities and to balance our use of debt and equity capital so that our financial performance and leverage ratios afford us flexibility to withstand any reasonably anticipated adverse changes. Similarly, our ability to raise equity capital in the future will depend primarily upon equity capital market conditions and our ability to conduct our business to maintain and grow our operating cash flows. We intend to conduct our business activities in a manner which will afford us reasonable access to capital for investment and financing activities. However, as discussed elsewhere in this Quarterly Report on Form 10-Q, the impacts of the current, and possibly future, inflationary conditions, uncertainties surrounding interest rates and a possible economic recession are uncertain and may have various negative consequences on us and our operations, including a decline in financing availability and increased costs for financing. Further, such conditions could also disrupt the capital markets generally and limit our access to financing from public sources or on favorable terms, particularly if the global financial markets experience significant disruptions.

Debt Covenants

Our debt obligations at May 4, 2026 consisted of \$3,305,155 aggregate principal amounts of senior notes, \$1,349,164 aggregate principal amounts of net lease mortgage notes and \$45,000 of borrowings outstanding under the VFN. For further information regarding our indebtedness, see Note 8 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Our publicly and privately issued senior notes are governed by our indentures and related supplements. These indentures and related supplements and our credit agreement contain covenants that generally restrict our ability to incur debt, including debt secured by mortgages on our properties, in excess of calculated amounts, and require us to maintain various financial ratios. Our credit agreement, net lease mortgage notes, secured senior notes and unsecured senior notes, indentures and their supplements provide for acceleration of payment of all amounts outstanding upon the occurrence and continuation of certain events of default, such as, in the case of our credit agreement, a change of control of us, which includes RMR ceasing to act as our business manager. As of March 31, 2026, we believe we were in compliance with all of the covenants under our indentures and their supplements, net lease mortgage notes and our credit agreement.

Senior Notes Indenture Covenants

The following table summarizes the results of the financial tests required by the indentures and related supplements for our senior secured and unsecured notes as of March 31, 2026:

	Actual Results ⁽¹⁾	Covenant Requirement
Total debt / adjusted total assets	53.1%	Maximum of 60%
Secured debt / adjusted total assets	33.6%	Maximum of 40%
Consolidated income available for debt service / debt service	1.75x	Minimum of 1.50x
Total unencumbered assets / unsecured debt	283.8%	Minimum 150%
Total unencumbered assets in guarantor subsidiaries / senior guaranteed unsecured debt	9.17x	Minimum of 2.20x

(1) Adjusted for the redemptions of \$450,000 of 5.50% senior guaranteed unsecured notes due 2027 in April 2026 and \$100,000 of 4.95% senior unsecured notes due 2027 in May 2026.

As of March 31, 2026, adjusted total assets for covenant purposes as defined in our senior notes indentures were \$8,845,030 and assets encumbered under our revolving credit facility, serving as collateral for our net lease mortgage notes or secured senior notes represented \$3,949,765 of adjusted total assets, as defined in our senior notes indentures. Our unencumbered hotels, other net lease properties and other corporate assets represent \$4,269,955, \$481,860 and \$143,450 of adjusted total assets, respectively.

The following table presents the calculation of adjusted total assets to total assets in accordance with GAAP:

Total assets	\$	6,081,625
Plus: accumulated depreciation ⁽¹⁾		2,543,917
Plus: impairment and other adjustments to reflect original cost of real estate assets		432,650
Less: accounts receivable and intangibles		(213,162)
Adjusted total assets	\$	8,845,030

(1) Includes \$55,665 of accumulated depreciation on assets of properties held for sale.

Our ability to incur additional debt is subject to meeting the required covenant levels and subject to the provisions of our debt agreements.

Acceleration and Cross-Default

Our indentures and their supplements contain cross default provisions to any other debt of \$50,000 or more. Similarly, our credit agreement has cross default provisions to other indebtedness that is recourse of \$25,000 or more and indebtedness that is non-recourse of \$75,000 or more. Neither our indentures and their supplements nor our credit agreement contain provisions for acceleration which could be triggered by a change in our debt ratings.

Supplemental Guarantor Information

Our 8.875% Senior Guaranteed Unsecured Notes due 2032, or the 2032 Notes, are fully and unconditionally guaranteed, on a joint and several basis and on a senior unsecured basis, by all of our subsidiaries, except for certain excluded subsidiaries, including our foreign subsidiaries and our subsidiaries pledged under our credit agreement and our net lease mortgage notes. The notes and the guarantees will be effectively subordinated to all of our and the subsidiary guarantors' secured indebtedness, respectively, to the extent of the value of the collateral securing such secured indebtedness, and will be structurally subordinated to all indebtedness and other liabilities and any preferred equity of any of our subsidiaries that do not guarantee the notes. In April 2026, we redeemed \$450,000 of 5.50% senior guaranteed unsecured notes due 2027. Our remaining \$1,225,000 of senior unsecured notes do not have the benefit of any guarantees.

A subsidiary guarantor's guarantee of the 2032 Notes and all other obligations of such subsidiary guarantor under the indentures governing the notes will automatically terminate and such subsidiary guarantor will automatically be released from all of its obligations under such subsidiary guarantee and such indenture under certain circumstances, including on or after the date on which (a) the notes have received a rating equal to or higher than Baa2 (or the equivalent) by Moody's Investor Services, or Moody's, and BBB (or the equivalent) by Standard & Poor's Rating Services, or S&P, or if Moody's or S&P ceases to rate the notes for reasons outside of our control, the equivalent investment grade rating from any other rating agency and (b) no default or event of default has occurred and is continuing under the indenture. Our non-guarantor subsidiaries are separate and distinct legal entities and will have no obligation, contingent or otherwise, to pay any amounts due on these notes or the guarantees, or to make any funds available therefor, whether by dividend, distribution, loan or other payments. The rights of holders of these notes to benefit from any of the assets of our non-guarantor subsidiaries are subject to the prior satisfaction of claims of those subsidiaries' creditors and any preferred equity holders. As a result, these notes and the related guarantees will be effectively subordinated to all of our and the subsidiary guarantors' secured indebtedness, respectively, to the extent of the value of the collateral securing such secured indebtedness, and will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries that do not guarantee these notes, including guarantees of or pledges under other indebtedness of ours, payment obligations under lease agreements, trade payables and preferred equity.

The following table presents summarized financial information for us and the subsidiary guarantors, on a combined basis, after elimination of (i) intercompany transactions and balances among us and the subsidiary guarantors, and (ii) equity in earnings from, and any investments in, any of our non-guarantor subsidiaries:

	As of March 31, 2026		As of December 31, 2025	
Real estate properties, net ⁽¹⁾	\$	2,914,553	\$	3,514,819
Other assets, net		283,950		679,235
Indebtedness, net	\$	3,738,310	\$	4,711,060
Intercompany balances ⁽²⁾		2,123,971		1,630,868
Other liabilities		231,035		255,069
Three Months Ended March 31, 2026				
Revenues	\$			246,914
Expenses				366,921
Net loss	\$			(120,007)

(1) Real estate properties, net as of March 31, 2026 includes \$17,211 of properties owned directly by us and not included in the assets of the subsidiary guarantors.

(2) Intercompany balances represent payables to non-guarantor subsidiaries.

Related Person Transactions

We have relationships and historical and continuing transactions with RMR, RMR Inc. and Sonesta and others related to them. For further information about these and other such relationships and related person transactions, see Notes 6, 10 and 11 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q, our 2025 Annual Report, our definitive Proxy Statement for our 2026 Annual Meeting of Shareholders and our other filings with the Securities and Exchange Commission, or SEC. In addition, see the section captioned “Risk Factors” in our 2025 Annual Report for a description of risks that may arise as a result of these and other related person transactions and relationships. We may engage in additional transactions with related persons, including businesses to which RMR or its subsidiaries provide management services.

Critical Accounting Estimates

The preparation of our condensed consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions that affect reported amounts. Actual results could differ from those estimates. Estimates in the condensed consolidated financial statements include consolidation of VIEs, purchase price allocations, the determination of useful lives of fixed assets, classification of leases and the assessment of the book values and impairment of real estate intangible assets and equity investments.

A discussion of our critical accounting estimates is included in our 2025 Annual Report. There have been no significant changes in our critical accounting estimates since the year ended December 31, 2025.

Property and Operating Statistics (dollars in thousands, except hotel statistics)

As of March 31, 2026, we owned and managed a diverse portfolio of net lease and hotel properties across the United States and in Puerto Rico and Canada with 149 distinct brands across 22 industries.

Net Lease Portfolio

As of March 31, 2026, our net lease properties were 96.6% occupied and we had 26 properties available for lease. During the three months ended March 31, 2026, we entered into lease renewals for 194,474 rentable square feet (18 properties) at weighted (by rentable square feet) average rents that were 35.3% above the prior rents for the same space. The weighted (by rentable square feet) average lease term for these leases was 5.9 years. We also entered into new leases for 24,802 rentable square feet (two properties) at rent that was 146.8% above the prior rent for the same space. The weighted (by rentable square feet) average lease term for these leases was 10.1 years.

Generally, lease agreements with our net lease tenants require payment of minimum rent to us. Certain of these minimum rent payment amounts are secured by full or limited guarantees. Annualized minimum rent represents cash amounts and excludes adjustments, if any, necessary to record scheduled rent changes on a straight line basis or any expense reimbursement. Annualized minimum rent excludes the impact of rents prepaid by TA.

As of March 31, 2026, our net lease tenants operated across 140 brands. The following table identifies the top ten brands based on annualized minimum rent:

	Brand	No. of Properties	Investment ⁽¹⁾	Percent of Total Investment	Annualized Minimum Rent	Percent of Total Annualized Minimum Rent	Rent Coverage ⁽²⁾
1.	TravelCenters of America Inc.	131	\$ 2,254,950	44.3 %	\$ 180,329	46.0 %	1.24 x ⁽³⁾
2.	Petro Stopping Centers	44	1,015,156	19.9 %	83,933	21.4 %	1.24 x ⁽³⁾
3.	The Great Escape	14	98,242	1.9 %	7,711	2.0 %	4.00 x
4.	Life Time Fitness	3	92,617	1.8 %	6,347	1.6 %	3.28 x
5.	Buehler's Fresh Foods	5	76,469	1.5 %	6,223	1.6 %	2.75 x
6.	Heartland Dental	58	55,511	1.1 %	5,111	1.3 %	4.43 x
7.	Pizza Hut	43	51,512	1.0 %	4,065	1.0 %	2.31 x
8.	Express Oil Change	23	49,724	1.0 %	3,717	0.9 %	5.77 x
9.	Norms	10	53,673	1.1 %	3,498	0.9 %	3.55 x
10.	America's Auto Auction	6	38,314	0.8 %	3,457	0.9 %	9.88 x
11.	Other ⁽⁴⁾	424	1,303,942	25.6 %	87,808	22.4 %	3.34 x
	Total	761	\$ 5,090,110	100.0 %	\$ 392,199	100.0 %	2.01 x

(1) Represents the historical cost of our net lease properties plus capital improvements funded by us less impairment write-downs, if any.

(2) See page 28 for our definition of rent coverage.

(3) Rent coverage information provided by tenant is for all 175 sites on a consolidated basis and is as of March 31, 2026.

(4) Consists of 130 distinct brands with an average investment of \$3,075 per property and average annual minimum rent of \$207 per property.

As of March 31, 2026, our top ten net lease tenants based on our annualized minimum rent are listed below:

	Tenant	Brand Affiliation	No. of Properties	Investment ⁽¹⁾	Percent of Total Investment	Annualized Minimum Rent	Percent of Total Annualized Minimum Rent	Rent Coverage ⁽²⁾
1.	TravelCenters of America Inc. ⁽³⁾	TravelCenters of America / Petro Stopping Centers	175	\$ 3,270,106	64.2 %	\$ 264,262	67.4 %	1.24x
2.	Universal Pool Co., Inc.	The Great Escape	14	98,242	1.9 %	7,711	2.0 %	4.00x
3.	Healthy Way of Life II, LLC	Life Time Fitness	3	92,617	1.8 %	6,347	1.6 %	3.28x
4.	Styx Acquisition, LLC	Buehler's Fresh Foods	5	76,469	1.5 %	6,223	1.6 %	2.75x
5.	Express Oil Change, L.L.C.	Express Oil Change	23	49,724	1.0 %	3,717	0.9 %	5.77x
6.	Norms Restaurants, LLC	Norms	10	53,673	1.1 %	3,498	0.9 %	3.55x
7.	Automotive Remarketing Group, Inc.	America's Auto Auction	6	38,314	0.8 %	3,457	0.9 %	9.88x
8.	Pilot Travel Centers LLC	Flying J Travel Plaza	3	41,681	0.8 %	3,345	0.9 %	3.11x
9.	Fleet Farm Group LLC	Fleet Farm	1	37,802	0.7 %	2,894	0.7 %	2.26x
10.	Heartland Dental, LLC	Heartland Dental	35	31,045	0.6 %	2,686	0.7 %	5.21x
	Subtotal, top 10		275	3,789,673	74.4 %	304,140	77.6 %	1.63x
11.	Other ⁽⁴⁾	Various	486	1,300,437	25.6 %	88,059	22.4 %	3.34x
	Total		761	\$ 5,090,110	100.0 %	\$ 392,199	100.0 %	2.01x

(1) Represents the historical cost of our net lease properties plus capital improvements funded by us less impairment write-downs, if any.

(2) See page 28 for our definition of rent coverage.

(3) TA is our largest tenant. As of March 31, 2026, we leased 175 travel centers (131 under the TravelCenters of America brand and 44 under the Petro Stopping Centers brand) to a subsidiary of TA under five master leases that expire in 2033. TA has five renewal options for 10 years each for all of the travel centers under each lease. BP Corporation North America Inc. guarantees payment under each of the five master leases. The aggregate guaranty as of March 31, 2026 was \$2,943,588. Annualized minimum rent amounts and the rent used to calculate rent coverage are based on the stated rent amounts in the lease and exclude the impact of rents prepaid by TA. Rent coverage was 1.21x, 1.26x, 1.40x, 1.27x and 1.11x for our TA leases no. 1, no. 2, no. 3, no. 4 and no. 5, respectively. Rent coverage is as of March 31, 2026.

(4) Consists of 175 tenants with an average investment of \$2,676 per property and an average annual minimum rent of \$181 per property.

As of March 31, 2026, our net lease tenants operated across 21 distinct industries within the service-focused retail sector of the U.S. economy.

Industry	No. of Properties	Investment ⁽¹⁾	Percent of Total Investment	Annualized Minimum Rent	Percent of Total Annualized Minimum Rent	Rent Coverage ⁽²⁾
1. Travel Centers	178	\$ 3,311,787	65.1%	\$ 267,607	68.3 %	1.26 x ⁽³⁾
2. Restaurants - Quick Service	212	297,779	5.9%	21,398	5.5 %	2.89 x
3. Restaurants - Casual Dining	59	209,058	4.1%	13,365	3.4 %	2.93 x
4. Health and Fitness	15	204,048	4.0%	13,302	3.4 %	2.42 x
5. Grocery Stores	19	129,152	2.5%	9,895	2.5 %	3.21 x
6. Medical, Dental Office	69	98,433	1.9%	8,662	2.2 %	3.48 x
7. Automotive Equipment and Services	64	107,341	2.1%	7,869	2.0 %	4.98 x
8. Movie Theaters	14	134,479	2.6%	7,804	2.0 %	1.94 x
9. Home Goods and Leisure	14	98,242	1.9%	7,711	2.0 %	4.00 x
10. Automotive Dealers	8	62,656	1.2%	5,336	1.4 %	7.83 x
11. General Merchandise Stores	4	55,457	1.1%	4,054	1.0 %	3.06 x
12. Entertainment	3	51,473	1.0%	3,966	1.0 %	0.99 x
13. Building Materials	30	35,554	0.7%	3,537	0.9 %	7.85 x
14. Educational Services	6	37,730	0.7%	2,902	0.7 %	2.44 x
15. Car Washes	7	36,125	0.7%	2,846	0.7 %	4.85 x
16. Sporting Goods	4	29,386	0.6%	1,920	0.5 %	4.38 x
17. Miscellaneous Manufacturing	5	24,355	0.5%	1,744	0.4 %	13.56 x
18. Dollar Stores	7	10,253	0.2%	721	0.2 %	2.36 x
19. Legal Services	3	7,609	0.1%	681	0.2 %	0.90 x
20. Drug Stores and Pharmacies	3	9,699	0.2%	590	0.2 %	1.26 x
21. Other ⁽⁴⁾	11	66,060	1.3%	6,289	1.5 %	4.64 x
22. Vacant	26	73,434	1.6%	—	— %	— x
Total	761	\$ 5,090,110	100.0%	\$ 392,199	100.0%	2.01 x

(1) Represents the historical cost of our net lease properties plus capital improvements funded by us less impairment write-downs, if any.

(2) See page 28 for our definition of rent coverage.

(3) Rent coverage for TA is as of March 31, 2026. Annualized minimum rent amounts and the rent used to calculate rent coverage are based on the stated rent amounts in the lease and exclude the impact of rents prepaid by TA.

(4) Consists of miscellaneous businesses with an average investment of \$6,005 per property.

As of March 31, 2026, lease expirations at our net lease properties by year are as follows:

Year ⁽¹⁾	Number of Properties	Square Feet	Annualized Minimum Rent Expiring	Percent of Total Annualized Minimum Rent Expiring	Cumulative Percent of Total Annualized Minimum Rent Expiring
2026	47	492,035	\$ 6,668	1.7%	1.7%
2027	35	1,007,179	12,148	3.1%	4.8%
2028	22	592,579	9,666	2.5%	7.3%
2029	79	621,771	10,665	2.7%	10.0%
2030	39	319,702	7,568	1.9%	11.9%
2031	58	498,546	7,799	2.0%	13.9%
2032	36	189,355	4,308	1.1%	15.0%
2033	213	5,371,427	270,612	69.0%	84.0%
2034	22	289,885	5,767	1.5%	85.5%
2035	48	1,188,024	21,836	5.6%	91.1%
2036	29	437,780	7,449	1.9%	93.0%
2037	16	713,670	5,184	1.3%	94.3%
2038	6	44,484	1,201	0.3%	94.6%
2039	14	241,746	4,886	1.2%	95.8%
2040	33	223,031	6,039	1.5%	97.3%
2041	12	241,872	3,391	0.9%	98.2%
2042	1	5,775	160	—%	98.2%
2043	7	127,440	2,233	0.6%	98.8%
2044	2	93,010	278	0.1%	98.9%
2045	12	157,306	3,851	1.0%	99.9%
2046	1	6,500	216	—%	99.9%
2051	3	7,414	274	0.1%	100.0%
Total	735	12,870,531	\$ 392,199	100.0%	

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

As of March 31, 2026, shown below is the list of our top ten states where our net lease properties are located. No other state represents more than 3% of our net lease annualized minimum rents.

State	Number of Properties	Square Feet	Annualized Minimum Rent	Percent of Total Annualized Minimum Rent
Texas	57	1,188,461	\$ 35,176	9.0%
Ohio	38	1,289,668	27,999	7.1%
Illinois	54	973,236	27,692	7.1%
California	22	399,045	26,063	6.6%
Georgia	72	587,103	21,251	5.4%
Florida	47	585,504	18,541	4.7%
Arizona	25	476,651	17,613	4.5%
Indiana	40	582,761	15,973	4.1%
Pennsylvania	27	506,563	15,761	4.0%
New Mexico	18	251,172	12,341	3.1%
Other	361	6,765,814	173,789	44.4%
Total	761	13,605,978	\$ 392,199	100.0%

Hotel Portfolio

The following tables summarize the operating statistics, including occupancy, ADR and RevPAR reported to us by our hotel managers by hotel brand for the periods indicated. All operating data presented are based upon the operating results provided by our hotel managers for the indicated periods. We have not independently verified our managers' operating data.

Retained & Exit Hotels*		No. of Hotels	No. of Rooms or Suites	Occupancy Three Months Ended March 31,			ADR Three Months Ended March 31,			RevPAR Three Months Ended March 31,		
Brand	Service Level			2026	2025	Change	2026	2025	Change	2026	2025	Change
Retained Hotels:												
Royal Sonesta Hotels®	Full Service	14	4,821	57.3 %	55.5 %	1.8 pts	\$259.06	\$255.61	1.3 %	\$ 148.47	\$ 141.76	4.7 %
Sonesta Hotels & Resorts®	Full Service	18	6,040	61.9 %	54.4 %	7.5 pts	179.93	182.33	(1.3)%	111.36	99.10	12.4 %
Radisson® Hotels & Resorts	Full Service	5	1,149	66.6 %	59.5 %	7.1 pts	161.61	154.09	4.9 %	107.69	91.62	17.5 %
Country Inn & Suites® by Radisson	Full Service	2	346	63.9 %	55.6 %	8.3 pts	126.76	131.03	(3.3)%	81.03	72.84	11.3 %
Crowne Plaza®	Full Service	1	495	69.0 %	73.4 %	(4.4) pts	140.26	149.84	(6.4)%	96.78	109.98	(12.0)%
Full Service Total/Average		40	12,851	60.9 %	56.0 %	4.9 pts	202.81	203.85	(0.5)%	123.57	114.14	8.3 %
Sonesta ES Suites®	Extended Stay	7	958	74.3 %	68.2 %	6.1 pts	155.88	152.94	1.9 %	115.86	104.27	11.1 %
Sonesta Select®	Select Service	7	1,028	64.1 %	62.6 %	1.5 pts	124.49	128.84	(3.4)%	79.83	80.66	(1.0)%
Sonesta Simply Suites®	Extended Stay	7	1,144	68.6 %	67.7 %	0.9 pts	114.11	115.05	(0.8)%	78.30	77.91	0.5 %
Hyatt Place®	Select Service	17	2,107	66.8 %	62.6 %	4.2 pts	123.13	123.07	— %	82.28	77.05	6.8 %
Focused Service Total/Average		38	5,237	68.1 %	64.7 %	3.4 pts	127.94	128.09	(0.1)%	87.07	82.93	5.0 %
Retained Hotels Total/Average		78	18,088	63.0 %	58.5 %	4.5 pts	\$179.39	\$179.58	(0.1)%	\$ 113.00	\$ 105.10	7.5 %
Exit Hotels:												
Royal Sonesta Hotels®	Full Service	3	842	30.0 %	26.6 %	3.4 pts	\$129.34	\$133.54	(3.1)%	\$38.76	\$35.55	9.0 %
Sonesta Hotels & Resorts®	Full Service	4	1,168	49.7 %	53.9 %	(4.2) pts	93.65	93.29	0.4 %	46.52	50.31	(7.5)%
Full Service Total/Average		7	2,010	41.4 %	42.5 %	(1.1) pts	104.47	103.85	0.6 %	43.27	44.13	(2.0)%
Sonesta ES Suites®	Extended Stay	6	768	63.1 %	61.1 %	2.0 pts	103.66	108.71	(4.6)%	65.43	66.45	(1.5)%
Sonesta Simply Suites®	Extended Stay	2	244	62.5 %	75.4 %	(12.9) pts	79.72	77.19	3.3 %	49.82	58.20	(14.4)%
Focused Service Total/Average		8	1,012	63.0 %	64.6 %	(1.6) pts	97.93	99.84	(1.9)%	61.66	64.46	(4.3)%
Exit Hotels Total/Average		15	3,022	48.6 %	49.9 %	(1.3)pts	101.63	102.11	(0.5)%	49.43	50.94	(3.0)%
Retained & Exit Hotels Total/Average		93	21,110	60.9 %	57.3 %	3.6 pts	\$170.50	\$169.92	0.3 %	\$ 103.90	\$ 97.35	6.7 %

* Includes results of all hotels owned as of March 31, 2026. Excludes the results of hotels sold during the periods presented. Retained Hotels represents 53 hotels managed by Sonesta, 17 hotels managed by Hyatt, seven hotels managed by Radisson, and one hotel managed by IHG that we will continue to own after the Exit Hotels are sold. Exit Hotels represents 15 hotels managed by Sonesta that are currently being marketed for sale.

Non-GAAP Financial Measures

We present certain “non-GAAP financial measures” within the meaning of the applicable SEC rules, including funds from operations, or FFO, and normalized funds from operations, or Normalized FFO. These measures do not represent cash generated by operating activities in accordance with GAAP and should not be considered alternatives to net income (loss) as indicators of our operating performance or as measures of our liquidity. These measures should be considered in conjunction with net income (loss) as presented in our condensed consolidated statements of comprehensive income (loss). We consider these non-GAAP measures to be appropriate supplemental measures of operating performance for a REIT, along with net income (loss). We believe these measures provide useful information to investors because by excluding the effects of certain historical amounts, such as depreciation and amortization expense, they may facilitate a comparison of our operating performance between periods and with other REITs.

Funds From Operations and Normalized Funds From Operations

We calculate FFO and Normalized FFO as shown below. FFO is calculated on the basis defined by The National Association of Real Estate Investment Trusts, which is net income (loss), calculated in accordance with GAAP, excluding any gain or loss on sale of real estate and loss on impairment of real estate assets, if any, plus real estate depreciation and amortization, as well as adjustments to reflect our share of FFO attributable to an investee and certain other adjustments currently not applicable to us. In calculating Normalized FFO, we adjust for the items shown below. FFO and Normalized FFO are among the factors considered by our Board when determining the amount of distributions to our shareholders. Other factors include, but are not limited to, requirements to satisfy our REIT distribution requirements, limitations in our debt agreements, the availability to us of debt and equity capital, our distribution rate as a percentage of the trading price of our common shares, or dividend yield, and our dividend yield compared to the dividend yields of other REITs, our expectation of our future capital requirements and operating performance and our expected needs for and availability of cash to pay our obligations. Other real estate companies and REITs may calculate FFO and Normalized FFO differently than we do.

Our calculations of FFO and Normalized FFO for the three months ended March 31, 2026 and 2025 and reconciliations of net loss, the most directly comparable financial measure under GAAP reported in our condensed consolidated financial statements, to those amounts appear in the following table (amounts in thousands, except per share amounts):

		Three Months Ended March 31,	
		2026	2025
Net loss		\$ (151,178)	\$ (116,435)
Add (less):	Depreciation and amortization	75,843	89,100
	Loss on asset impairment	28,095	37,067
	Gain on sale of real estate, net	(1,355)	(746)
	Adjustments to reflect our share of FFO attributable to an investee	1,268	1,200
FFO		(47,327)	10,186
Add (less):	Loss on early extinguishment of debt, net	51,871	—
	Transaction related costs	2,509	111
	Adjustments to reflect our share of Normalized FFO attributable to an investee	392	539
Normalized FFO		\$ 7,445	\$ 10,836
Weighted average common shares outstanding (basic and diluted)		166,395	165,615
Basic and diluted per common share amounts:			
	Net loss	\$ (0.91)	\$ (0.70)
	FFO	\$ (0.28)	\$ 0.06
	Normalized FFO	\$ 0.04	\$ 0.07
	Distributions declared per share	\$ 0.01	\$ 0.01

Item 3. Quantitative and Qualitative Disclosures About Market Risk (dollars in thousands, except per share amounts)

We are exposed to risks associated with market changes in interest rates. We manage our exposure to this market risk by monitoring available financing alternatives. Our strategy to manage exposure to changes in interest rates has not materially changed since December 31, 2025. Other than as described below, we do not currently foresee any significant changes in our exposure to fluctuations in interest rates or in how we manage this exposure in the near future.

Fixed Rate Debt

At March 31, 2026, our outstanding fixed rate debt consisted of the following:

Debt	Principal Balance	Annual Interest Rate	Annual Interest Expense	Maturity	Interest Payments Due
Senior unsecured notes ⁽¹⁾	\$ 100,000	4.950 %	\$ 4,950	2027	Semi-Annually
Senior secured notes	580,155	— %	—	2027	At Maturity
Senior guaranteed unsecured notes ⁽²⁾	450,000	5.500 %	24,750	2027	Semi-Annually
Senior unsecured notes	400,000	3.950 %	15,800	2028	Semi-Annually
Net lease mortgage notes	604,164	5.600 %	33,833	2028	Monthly
Senior unsecured notes	425,000	4.950 %	21,038	2029	Semi-Annually
Senior unsecured notes	400,000	4.375 %	17,500	2030	Semi-Annually
Net lease mortgage notes	745,000	5.960 %	44,402	2031	Monthly
Senior secured notes	1,000,000	8.625 %	86,250	2031	Semi-Annually
Senior guaranteed unsecured notes	500,000	8.875 %	44,375	2032	Semi-Annually
	<u>\$ 5,204,319</u>		<u>\$ 292,898</u>		

(1) In May 2026, we redeemed the remaining \$100,000 of 4.95% senior unsecured notes due 2027.

(2) In April 2026, we redeemed the \$450,000 of 5.50% senior guaranteed unsecured notes due 2027.

No principal repayments are due under our unsecured or secured senior notes until maturity. Our net lease mortgage notes require principal and interest payments through maturity pursuant to amortization schedules. Our \$580,155 senior secured notes due 2027 require no cash interest to accrue prior to maturity and will accrete at a rate of 7.50% per annum compounded semi-annually on March 30 and September 30 of each year, such that the accreted value will equal the principal amount at maturity. Because certain notes require interest at fixed rates, changes in market interest rates during the term of these debts will not affect our interest obligations. If these notes were refinanced at interest rates which are one percentage point higher than the rates shown above, our per annum interest cost would increase by approximately \$46,242, which amount excludes \$580,155 of our senior secured notes due 2027 as no interest is due until maturity. Changes in market interest rates would affect the fair value of our fixed rate debt obligations; increases in market interest rates decrease the fair value of our fixed rate debt while decreases in market interest rates increase the fair value of our fixed rate debt. Based on the balances outstanding at March 31, 2026 and discounted cash flows analyses through the respective maturity dates, and assuming no other changes in factors that may affect the fair value of our fixed rate debt obligations, a hypothetical immediate one percentage point change in interest rates would change the fair value of those debt obligations by approximately \$146,696, which amount excludes \$580,155 of our senior secured notes due 2027 as no interest is due until maturity.

Our fixed rate debt arrangements may allow us to make repayments earlier than the stated maturity date. In some cases, we are not allowed to make early repayment prior to a cutoff date and we are generally allowed to make prepayments only at a premium equal to a make whole amount, as defined, which is generally designed to preserve a stated yield to the noteholder. Also, we have in the past repurchased and retired some of our outstanding debts and we may do so again in the future. These prepayment rights and our ability to repurchase and retire outstanding debt may afford us opportunities to mitigate the risks of refinancing our debts at their maturities at higher rates by refinancing prior to maturity.

Floating Rate Debt

As of March 31, 2026, we had no amounts outstanding under our revolving credit facility and \$45,000 outstanding under the VFN. The maturity date of our revolving credit facility is June 29, 2027, and, subject to our meeting certain conditions, including our payment of an extension fee, we have an option to extend the stated maturity date of the facility by two six-month periods. The maturity date of the VFN is January 27, 2027, and, subject to the payment of an extension fee and meeting certain other conditions, can be extended by one year. No principal repayments are required under our revolving credit facility or the VFN prior to maturity and repayments may be made and redrawn subject to conditions at any time without penalty.

Borrowings under our revolving credit facility and the VFN are in U.S. dollars and require interest to be paid at a rate of SOFR plus premiums. Accordingly, we are vulnerable to changes in U.S. dollar based short term interest rates, specifically SOFR. In addition, upon renewal or refinancing of our revolving credit facility and the VFN, we are vulnerable to increases in interest rate premiums due to market conditions or our perceived credit characteristics. Generally, a change in interest rates would not affect the value of this floating rate debt but would affect our operating results.

The following table presents the impact a one percentage point increase in interest rates would have on our annual floating rate interest expense at March 31, 2026:

	Impact of Increase in Interest Rates				Annual Per Share Impact ⁽²⁾
	Interest Rate Per Year ⁽¹⁾	Outstanding Debt	Total Interest Expense Per Year		
At March 31, 2026	5.43 %	\$ 45,000	2,444	\$	0.01
One percentage point increase	6.43 %	\$ 45,000	2,894	\$	0.02

(1) Based on SOFR plus a premium, which was 175 basis points per annum for the VFN, as of March 31, 2026.

(2) Based on diluted weighted average common shares outstanding for the three months ended March 31, 2026.

The following table presents the impact a one percentage point increase in interest rates would have on our annual floating rate interest expense at March 31, 2026 if we were fully drawn on our revolving credit facility and the VFN:

	Impact of Increase in Interest Rates				Annual Per Share Impact ⁽³⁾
	Interest Rate Per Year ⁽¹⁾	Outstanding Debt ⁽²⁾	Total Interest Expense Per Year		
At March 31, 2026	6.37 %	\$ 695,000	44,272	\$	0.27
One percentage point increase	7.37 %	\$ 695,000	51,222	\$	0.31

(1) Based on SOFR plus a premium, which was 275 basis points per annum for our revolving credit facility and 175 basis points per annum for the VFN, as of March 31, 2026. Interest rate is weighted based on amounts outstanding.

(2) Represents the maximum amount available under our revolving credit facility and the VFN.

(3) Based on diluted weighted average common shares outstanding for the three months ended March 31, 2026.

The foregoing tables show the impact of an immediate change in floating interest rates as of March 31, 2026. If interest rates were to change gradually over time, the impact would be spread over time. Our exposure to fluctuations in floating interest rates will increase or decrease in the future with increases or decreases in the outstanding amounts under our revolving credit facility, the VFN or other floating rate debt, if any. Although we have no present plans to do so, we may in the future enter into hedge arrangements from time to time to mitigate our exposure to changes in interest rates.

Item 4. Controls and Procedures

As of the end of the period covered by this Quarterly Report on Form 10-Q, our management carried out an evaluation, under the supervision and with the participation of our President and Chief Executive Officer and our Chief Financial Officer and Treasurer, of the effectiveness of our disclosure controls and procedures pursuant to Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934, as amended. Based upon that evaluation, our President and Chief Executive Officer and our Chief Financial Officer and Treasurer concluded that our disclosure controls and procedures are effective.

There have been no changes in our internal control over financial reporting during the quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Warning Concerning Forward-Looking Statements

This Quarterly Report on Form 10-Q 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: economic and market conditions and their potential impacts on us, our tenants and our hotel managers; expectations regarding demand for corporate travel and lodging; the sufficiency of our liquidity; our liquidity needs, sources and expected uses; our capital expenditure plans and commitments; our ability to incur additional debt; our continued focus on reducing debt; our transition to a company with the majority of our properties being service-focused retail net lease properties through the growth of our net lease portfolio and improving the performance of the Retained Hotels; our pending or potential property dispositions; and the amount and timing of future distributions.

Forward-looking statements reflect our current expectations, are based on judgments and assumptions, are inherently uncertain and are subject to risks, uncertainties and other factors, which could cause our 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 our 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:

- Our ability and the ability of our tenants and managers to operate under unfavorable market and commercial real estate industry conditions due to, among other things, uncertainties surrounding interest rates and inflation, supply chain disruptions, emerging technologies, volatility in the public equity and debt markets, changing tariffs and trade policies and related uncertainty, geopolitical instability and tensions, pandemics, any U.S. government shutdown, economic downturns or a possible recession, labor market conditions or changes in real estate utilization,
- The ability of Sonesta to successfully operate the hotels it manages for us,
- Our ability to repay or refinance our debts as they mature or otherwise become due,
- Our ability to sell properties at prices we target, and the timing of such sales,
- Our ability to raise or appropriately balance the use of debt or equity capital,
- Continued availability of borrowings under our revolving credit facility is subject to our satisfying certain financial covenants and other credit facility conditions,
- Our ability to maintain sufficient liquidity, including the availability of borrowings under our revolving credit facility and the VFN,
- Our ability to pay interest on and principal of our debt,
- Whether and the extent to which our tenants and managers will pay the contractual amounts of returns, rents or other obligations due to us,
- The impact of changes in U.S. and foreign government administrative policies, including the imposition of or increases in tariffs and changes to existing trade agreements, on macroeconomic conditions, supply chains and the cost of products our operators use, and on the results of operations of our operators and us,

- Competition within the commercial real estate, hotel, transportation and travel center and other industries in which our tenants and managers operate, particularly in those markets in which our properties are located,
- Potential defaults under our leases and management agreements by our tenants and managers,
- Our ability to make cost-effective improvements to our properties that enhance their appeal to hotel guests and net lease tenants,
- Our ability to pay distributions to our shareholders and to increase or sustain the amount of such distributions,
- Our ability to acquire properties that realize our targeted returns,
- Our ability to identify properties that we want to acquire or to negotiate acceptable purchase prices, acquisition financing terms, management agreements or lease terms for new properties, or ability to complete acquisitions,
- Our ability to increase rents at our net leased properties as our leases expire and hotel room rates in excess of our operating expenses and to grow our business,
- Our ability to increase and maintain net lease property and hotel room occupancy at our properties,
- Our ability to engage and retain qualified tenants and managers for our net lease properties and hotels on satisfactory terms,
- Our ability to diversify our sources of rents and returns that improve the security of our cash flows,
- Our credit ratings,
- The ability of our manager, RMR, to successfully manage us,
- Actual and potential conflicts of interest with our related parties, including our Managing Trustees, Sonesta, RMR and others affiliated with them,
- Our ability to realize benefits from the scale, geographic diversity, strategic locations and variety of service levels of our hotels,
- Limitations imposed by and our ability to satisfy complex rules to maintain our qualification for taxation as a REIT for U.S. federal income tax purposes,
- Compliance with, and changes to, federal, state and local laws and regulations, accounting rules, tax laws and similar matters,
- Acts of terrorism, war or other hostilities, outbreaks of pandemics or other public health safety events or conditions, global climate change or other man-made or natural disasters beyond our 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 our periodic filings. The information contained elsewhere in this Quarterly Report on Form 10-Q or in our other filings with the SEC, including under the caption “Risk Factors”, or incorporated herein or therein, identifies other important factors that could cause differences from our forward-looking statements. Our filings with the SEC are available on the SEC’s website at www.sec.gov.

You should not place undue reliance upon our forward-looking statements.

Except as required by law, we do not intend to update or change any forward-looking statements as a result of new information, future events or otherwise.

Statement Concerning Limited Liability

The Amended and Restated Declaration of Trust establishing Service Properties Trust dated August 21, 1995, as amended and supplemented, as filed with the State Department of Assessments and Taxation of Maryland, provides that no trustee, officer, shareholder, employee or agent of Service Properties Trust shall be held to any personal liability, jointly or severally, for any obligation of, or claim against, Service Properties Trust. All persons dealing with Service Properties Trust in any way shall look only to the assets of Service Properties Trust for the payment of any sum or the performance of any obligation.

Part II. Other Information

Item 1A. Risk Factors

Our business is subject to risks and uncertainties, a number of which are described under the caption “Risk Factors” in our 2025 Annual Report. The risks described in our 2025 Annual Report and below may not be the only risks we face but are risks we believe may be material at this time. Other risks of which we are not yet aware, or that we currently believe are not material, may also materially and adversely impact our business operations or financial results. If any of the events or circumstances described in the risk factors contained in our 2025 Annual Report or included below occurs, our business, financial condition, liquidity, results of operations or ability to pay distributions to our shareholders could be adversely impacted and the value of an investment in our securities could decline. Investors and prospective investors should consider the risks described in our 2025 Annual Report and below and the information contained under the caption “Warning Concerning Forward-Looking Statements” and elsewhere in this Quarterly Report on Form 10-Q before deciding whether to invest in our securities.

Risks Related to Our Taxation

If we were to experience an ownership change under Section 382 of the IRC, the resulting limitations on tax losses and tax depreciation will strain our ability to meet applicable REIT distribution requirements and adversely impact our cash flows and financial position.

The scale and composition of our April 2026 equity offering brought us closer to (but did not cause us to exceed) the threshold for an “ownership change” as defined under Section 382 of the IRC. If we were to experience such an ownership change (for example, through secondary market trading of our shares), then we would be (1) severely limited in our ability to use our net operating losses incurred prior to the ownership change, (2) required to reduce severely our tax depreciation deductions for the five-year period following the ownership change and (3) generally unable to use recognized asset sale losses as offsets to taxable gains during the five-year period following the ownership change (for example, with respect to applicable taxable gains from our anticipated asset dispositions). In turn, these limitations could result in significantly higher taxable income than projected, potentially impairing our ability to satisfy REIT distribution requirements and adversely impacting our cash flows and financial position. Although we have enforced and intend to continue to enforce the ownership limitations and transfer restrictions contained in our bylaws to mitigate the risk of an ownership change, such measures may not be successful.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer purchases of equity securities. The following table provides information about our purchases of our equity securities during the quarter ended March 31, 2026:

Calendar Month	Number of Common Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
January 1, 2026 - January 31, 2026	9,100	\$ 1.90	—	\$ —
March 1, 2026 - March 31, 2026	6,459	2.15	—	—
Total	15,559	\$ 2.00	—	\$ —

- (1) These common share withholdings and purchases were made to satisfy tax withholding and payment obligations from certain former employees of RMR and Sonesta in connection with the vesting of prior awards of our common shares. We withheld and purchased these common shares at their fair market values based upon the trading prices of our common shares at the close of trading on Nasdaq on the applicable purchase dates.

Item 6. Exhibits

Exhibit Number	Description
3.1	Composite Copy of Amended and Restated Declaration of Trust, dated as of August 21, 1995, as amended to date. (Filed herewith.)
3.2	Composite Copy of Amended and Restated Declaration of Trust, dated as of August 21, 1995, as amended to date. (marked copy) (Filed herewith.)
3.3	Articles Supplementary to the Declaration of Trust of the Company, dated June 10, 2020. (Incorporated by reference to the Company's Current Report on Form 8-K filed on June 10, 2020.)

Exhibit Number	Description
3.4	<u>Third Amended and Restated Bylaws of the Company, adopted effective June 14, 2024, (Incorporated by reference to the Company's Current Report on Form 8-K filed on June 17, 2024.)</u>
4.1	<u>Form of Common Share Certificate. (Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2019.)</u>
4.2	<u>Indenture, dated as of February 3, 2016, between the Company and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association). (Incorporated by reference to the Company's Current Report on Form 8-K filed on February 4, 2016.)</u>
4.3	<u>Fourth Supplemental Indenture, dated as of October 26, 2017, between the Company and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), relating to the Company's 3.950% Senior Notes due 2028, including form thereof. (Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2017.)</u>
4.4	<u>Fifth Supplemental Indenture, dated as of February 2, 2018, between the Company and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), relating to the Company's 4.375% Senior Notes due 2030, including form thereof. (Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2017.)</u>
4.5	<u>Eighth Supplemental Indenture, dated as of September 18, 2019, between the Company and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), relating to the Company's 4.950% Senior Notes due 2029, including form thereof. (Incorporated by reference to the Company's Current Report on Form 8-K filed on September 18, 2019.)</u>
4.6	<u>Twelfth Supplemental Indenture, dated as of June 3, 2024, among the Company, certain subsidiaries of the Company named therein as guarantors and U.S. Bank Trust Company, National Association, relating to the Company's 8.875% Senior Guaranteed Unsecured Notes due 2032, including form thereof. (Incorporated by reference to the Company's Current Report on Form 8-K filed on June 3, 2024.)</u>
4.7	<u>Supplemental Indenture, dated as of June 27, 2025, among the Company, HPT Cambridge LLC, HPTMI Hawaii, Inc., HPTMI Properties Trust and Royal Sonesta, Inc., and U.S. Bank Trust Company, National Association, relating to the Company's 8.875% Senior Guaranteed Unsecured Notes due 2032. (Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025.)</u>
4.8	<u>Indenture, dated as of November 16, 2023, among the Company, certain subsidiaries of the Company named therein as guarantors and U.S. Bank Trust Company, National Association, relating to the Company's 8.625% Senior Secured Notes due 2031, including form thereof. (Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2023.)</u>
4.9	<u>Supplemental Indenture, dated as of April 4, 2024, among the Company, SVC Higgins Road TRS LLC, SVC Mannheim Road TRS LLC, and U.S. Bank Trust Company, National Association, relating to the Company's 8.625% Senior Notes due 2031. (Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024.)</u>
4.10	<u>Supplemental Indenture, dated as of June 27, 2025, among the Company, HPT Cambridge LLC, HPTMI Hawaii, Inc., HPTMI Properties Trust and Royal Sonesta, Inc., and U.S. Bank Trust Company, National Association, relating to the Company's 8.625% Senior Notes due 2031. (Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025.)</u>
4.11	<u>Indenture, dated as of September 23, 2025, between the Company, certain subsidiaries of the Company named therein as guarantors and U.S. Bank Trust Company, National Association, relating to the Company's Senior Secured Notes due 2027, including form thereof. (Incorporated by reference to the Company's Current Report on Form 8-K filed on September 24, 2025.)</u>
4.12	<u>Registration Rights and Lock-Up Agreement, dated as of June 5, 2015, among the Company, ABP Trust (f/k/a Reit Management & Research Trust) and Adam D. Portnoy. (Incorporated by reference to the Company's Current Report on Form 8-K filed on June 8, 2015.)</u>
22.1	<u>List of Subsidiary Guarantors. (Filed herewith.)</u>
31.1	<u>Rule 13a-14(a) Certification. (Filed herewith.)</u>
31.2	<u>Rule 13a-14(a) Certification. (Filed herewith.)</u>
32.1	<u>Section 1350 Certification. (Furnished herewith.)</u>
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

Exhibit Number	Description
101.SCH	XBRL Taxonomy Extension Schema Document. (Filed herewith.)
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document. (Filed herewith.)
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document. (Filed herewith.)
101.LAB	XBRL Taxonomy Extension Label Linkbase Document. (Filed herewith.)
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document. (Filed herewith.)
104	Cover Page Interactive Data File (Formatted as Inline XBRL and contained in Exhibit 101).

SIGNATURES

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

SERVICE PROPERTIES TRUST

By: /s/ Christopher J. Bilotto

Christopher J. Bilotto

President and Chief Executive Officer

Dated: May 6, 2026

By: /s/ Brian E. Donley

Brian E. Donley

Chief Financial Officer and Treasurer

(Principal Financial and Accounting Officer)

Dated: May 6, 2026

SERVICE PROPERTIES TRUST

**COMPOSITE DECLARATION OF TRUST
INCORPORATING:**

Declaration of Trust filed May 12, 1995
Articles of Amendment and Restatement filed August 21, 1995
Articles of Amendment filed June 2, 1997
Articles Supplementary filed May 16, 2000
Articles of Amendment filed May 24, 2006
Articles of Amendment filed March 5, 2007
Articles of Amendment filed May 16, 2007
Articles of Amendment filed April 15, 2010
Articles of Amendment filed April 15, 2010
Articles of Amendment filed January 18, 2012
Articles of Amendment filed June 10, 2014
Articles Supplementary filed April 20, 2017¹
Articles of Amendment filed June 13, 2019
Articles of Amendment filed September 20, 2019
Articles Supplementary filed June 10, 2020
Articles of Amendment filed June 10, 2020
Articles of Amendment filed March 30, 2026

¹ This Composite Declaration of Trust does not incorporate the following Articles Supplementary which establish various classes of Preferred Shares and include provisions relevant only to those issues: (i) Articles Supplementary filed June 2, 1997; (ii) Articles Supplementary filed April 8, 1999; (iii) Articles Supplementary filed December 9, 2002; (iv) Articles Supplementary filed February 16, 2007; (v) Articles Supplementary filed March 5, 2007; (vi) Articles Supplementary filed January 18, 2012; and (vii) Articles Supplementary filed June 10, 2014.

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SERVICE PROPERTIES TRUST

COMPOSITE DECLARATION OF TRUST
INCORPORATING:

Declaration of Trust filed May 12, 1995
Articles of Amendment and Restatement filed August 21, 1995
Articles of Amendment filed June 2, 1997
Articles Supplementary filed May 16, 2000
Articles of Amendment filed May 24, 2006
Articles of Amendment filed March 5, 2007
Articles of Amendment filed May 16, 2007
Articles of Amendment filed April 15, 2010
Articles of Amendment filed April 15, 2010
Articles of Amendment filed January 18, 2012
Articles of Amendment filed June 10, 2014
Articles Supplementary filed April 20, 2017²
Articles of Amendment filed June 13, 2019
Articles of Amendment filed September 20, 2019
Articles Supplementary filed June 10, 2020
Articles of Amendment filed June 10, 2020
Articles of Amendment filed March 30, 2026

² This Composite Declaration of Trust does not incorporate the following Articles Supplementary which establish various classes of Preferred Shares and include provisions relevant only to those issues: (i) Articles Supplementary filed June 2, 1997; (ii) Articles Supplementary filed April 8, 1999; (iii) Articles Supplementary filed December 9, 2002; (iv) Articles Supplementary filed February 16, 2007; (v) Articles Supplementary filed March 5, 2007; (vi) Articles Supplementary filed January 18, 2012; and (vii) Articles Supplementary filed June 10, 2014.

The Declaration of Service Properties Trust, as filed with the Maryland Department of Assessments and Taxation on May 12, 1995 is hereby amended and restated as follows:

DECLARATION OF TRUST made as of the date set forth above by the undersigned Trustees.

WITNESSETH:

WHEREAS, the Trustees desire to create a trust for the principal purpose of investing in real property and interests therein; and

WHEREAS, the Trustees desire that such trust qualify as a “qualified REIT subsidiary” as long as it shall remain wholly owned by Health and Retirement Properties Trust (“HRP”) and, thereafter, as a “real estate investment trust” under the REIT Provisions of the Internal Revenue Code, and as a “real estate investment trust” under Title 8 of the Corporations and Associations Article of the Annotated Code of Maryland; and

WHEREAS, in furtherance of such purpose the Trustees intend to acquire certain real property and interests therein and to hold, manage and dispose of all such property as Trustees in the manner hereinafter stated; and

WHEREAS, it is proposed that the beneficial interest in the Trust be divided into transferable Shares of Beneficial Interest, evidenced by certificates therefor, as hereinafter provided;

NOW, THEREFORE, it is hereby agreed and declared that the Trustees will hold any and all property of every type and description which they are acquiring or may hereafter acquire as Trustees, together with the proceeds thereof, in trust, to manage and dispose of the same for the benefit of the holders from time to time of the Shares of Beneficial Interest being issued and to be issued hereunder in the manner and subject to the stipulations contained herein.

ARTICLE I

THE TRUST; DEFINITIONS

1.1. Name.³ The name of the Trust created by this Declaration of Trust shall be “Service Properties Trust” and so far as may be practicable the Trustees shall conduct the Trust’s activities, execute all documents and sue or be sued under that name, which name (and the word “Trust” wherever used in this Declaration of Trust, except where the context otherwise requires) shall refer to the Trustees collectively but not individually or personally nor to the officers, agents, employees or Shareholders of the Trust or of such Trustees. Under circumstances under which the Trustees determine that the use of such name is not practicable or under circumstances in which the Trustees are contractually bound to change that name, they may use such other designation or they may adopt another name under which the Trust may hold property or conduct its activities.

³ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed September 20, 2019.

1.2. Places of Business. The Trust shall maintain an office in Maryland at The Prentice-Hall Corporation System, Maryland, 11 East Chase Street, Baltimore City, Maryland, 21202 or such other place in Maryland as the Trustees may determine from time to time. The Resident Agent of the Trust at such office shall be The Prentice-Hall Corporation System, Maryland. The Trust may change such Resident Agent from time to time as the Trustees shall determine. The Trust may have such other offices or places of business within or without the State of Maryland as the Trustees may from time to time determine.

1.3. Nature of Trust. The Trust shall be a real estate investment trust within the meaning of Title 8 of the Corporations and Associations Article of the Annotated Code of Maryland. It is also intended that the Trust shall carry on a business as a “qualified REIT subsidiary” as described in the REIT Provisions of the Internal Revenue Code for so long as it is wholly owned by HRP and thereafter shall qualify and carry on business as a “real estate investment trust” as described therein. The Trust is not intended to be, shall not be deemed to be, and shall not be treated as a general partnership, limited partnership, joint venture, corporation or joint stock company (but nothing herein shall preclude the Trust from being treated for tax purposes as an association under the Internal Revenue Code); nor shall the Trustees or Shareholders or any of them for any purpose be, nor be deemed to be, nor be treated in any way whatsoever as, liable or responsible hereunder as partners or joint venturers. The relationship of the Shareholders to the Trustees shall be solely that of beneficiaries of the Trust in accordance with the rights conferred upon them by this Declaration.

1.4. Definitions. The terms defined in this Section 1.4, wherever used in this Declaration, shall, unless the context otherwise requires, have the respective meanings hereinafter specified. Whenever the singular number is used in this Declaration and when permitted by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa. Where applicable, calculations to be made pursuant to any such definition shall be made in accordance with generally accepted accounting principles as in effect from time to time except as otherwise provided in such definition.

(a) Advisor. “Advisor” shall mean HRPT Advisors, Inc., a Delaware corporation, or such other Person as the Trustees shall from time to time engage to supervise the operation of the Trust and to provide the Trust with a program of investments.

(b) Affiliate. “Affiliate” shall mean, as to any Person, (i) any other Person who, at the time of determination, is directly or indirectly controlling, controlled by or under common control with such Person, (ii) any other Person who, at such time, owns beneficially, directly or indirectly, five percent (5%) or more of the outstanding capital stock, shares or equity interests of such Person, or (iii) any Person who is at the time of determination an officer, director, employee, general partner or trustee of any such Person or of any Person who, at such time, is controlling, controlled by or under common control with such Person (excluding any trustee who is not otherwise an Affiliate of such Person).

(c) Annual Meeting of Shareholders. “Annual Meeting of Shareholders” shall mean the meeting described in the first sentence of Section 5.9.

(d) Annual Report. “Annual Report” shall have the meaning set forth in Section 5.11(a).

(e) Book Value. “Book Value” of an asset or assets shall mean the value of such asset or assets of the Trust on the books of the Trust, without deduction for depreciation or other asset valuation reserves and without deduction for mortgages or other security interests to which such asset or assets are subject, except that no asset shall be valued at more than its fair market value as determined by or under procedures adopted by the Trustees, and the underlying assets of a partnership, joint venture or other form of indirect ownership, to the extent of the Trust’s interest therein, shall be valued as if owned directly by the Trust.

(f) Bylaws. “Bylaws” shall have the meaning set forth in Section 3.3.

(g) Declaration. “Declaration” or “this Declaration” shall mean this Declaration of Trust, as amended, restated or modified from time to time. The use in this Declaration of “herein” and “hereunder” shall be deemed to refer to this Declaration and shall not be limited to the particular text, article or section in which such words appear.

(h) Independent Trustee. “Independent Trustee” shall mean a Trustee who is not then an officer of the Trust or an Affiliate of the Advisor.⁴

(i) Internal Revenue Code. “Internal Revenue Code” shall mean the Internal Revenue Code of 1986, as now enacted or hereafter amended, or successor statutes and applicable rules and regulations thereunder.

(j) Invested Assets. “Invested Assets” shall mean the Book Value of all the Real Estate Investments of the Trust.

(k) Mortgage Loans. “Mortgage Loans” shall mean notes, debentures, bonds and other evidences of indebtedness or obligations, whether negotiable or non-negotiable, which are secured or collateralized by Mortgages.

(l) Mortgages. “Mortgages” shall mean mortgages, deeds of trust or other security interests in Real Property.

(m) Person. “Person” shall mean and include individuals, corporations, limited partnerships, general partnerships, joint stock companies or associations, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts and other entities and governments and agencies and political subdivisions thereof.

(n) Real Estate Investment. “Real Estate Investment” shall mean any direct or indirect investment in any interest in Real Property or in any Mortgage Loan, or in any Person whose principal purpose is to make any such investment.

(o) Real Property. “Real Property” shall mean and include land, leasehold interests (including but not limited to interests of a lessor or lessee therein), rights and interests in land, and in any buildings, structures, improvements, furnishings and fixtures located on or used in connection with land or interests therein, but does not include investments in Mortgages, Mortgage Loans or interests therein.

⁴ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed May 24, 2006.

(p) REIT. “REIT” shall mean a real estate investment trust as defined in the REIT Provisions of the Internal Revenue Code.

(q) REIT Provisions of the Internal Revenue Code. “REIT Provisions of the Internal Revenue Code” shall mean Parts II and III of Subchapter M of Chapter 1 of Subtitle A of the Internal Revenue Code or any successor provision.

(r) Securities. “Securities” shall mean any stock, shares, voting trust certificates, bonds, debentures, notes or other evidences of indebtedness or in general any instruments commonly known as “securities” or any certificates of interest, shares or participations in, temporary or interim certificates for, receipts for, guarantees of, or warrants, options or rights to subscribe to, purchase or acquire any of the foregoing.

(s) Shareholders. “Shareholders” shall mean as of any particular time all holders of record of outstanding Shares at such time.

(t) Shares. “Shares” or, as the context may require, “shares” shall mean the shares of beneficial interest of the Trust as described in Section 5.1 hereof.

(u) Trust. “Trust” shall mean the Trust created by this Declaration.

(v) Trustees. “Trustees” shall mean, as of any particular time, the original signatories hereto as long as they hold office hereunder and additional and successor Trustees, and shall not include the officers, employees or agents of the Trust or the Shareholders. Nothing herein shall be deemed to preclude the Trustees from also serving as officers, employees or agents of the Trust or owning Shares.

(w) Trust Estate. “Trust Estate” shall mean as of any particular time any and all property, real, personal or otherwise, tangible or intangible, which is transferred, conveyed or paid to or purchased by the Trust or Trustees and all rents, income, profits and gains therefrom and which at such time is owned or held by or for the Trust or the Trustees.

ARTICLE II

TRUSTEES

2.1. Number, Term of Office and Qualifications of Trustees.⁵ The Trustees are and shall remain divided into three classes until the Trust’s annual meeting of shareholders of the Trust held in calendar year 2023 (the “2023 Annual Meeting”). The terms of the Trustees shall be determined as follows: (i) at the annual meeting of shareholders of the Trust that is held in calendar year 2020 (the “2020 Annual Meeting”), the Trustees whose terms expire at the 2020 Annual Meeting (or such Trustees’ successor) shall be elected to hold office for a three-year term expiring at the 2023 Annual Meeting; (ii) at the annual meeting of shareholders of the Trust that is held in calendar year 2021 (the “2021 Annual Meeting”), the Trustees whose terms expire at the 2021 Annual Meeting (or such Trustees’ successors) shall be elected to hold office for one-year terms expiring at the annual meeting of shareholders of the Trust that is held in calendar year 2022 (the “2022 Annual Meeting”); (iii) at the 2022 Annual Meeting, the Trustees whose terms expire at the 2022 Annual Meeting (or such Trustees’ successors) shall be elected to hold office for one-year terms expiring at the 2023 Annual Meeting; and (iv) at the 2023 Annual Meeting, and at each annual meeting of shareholders of the Trust thereafter, all Trustees shall be elected to hold office for one-year terms expiring at the next annual meeting of shareholders following his or her election. For the avoidance

⁵ This provision has been revised to reflect changes effectuated by the Articles Supplementary filed May 16, 2000; and by the Articles of Amendment filed June 10, 2014, as superseded by the Articles Supplementary filed April 20, 2017; and as further superseded by the Articles of Amendment filed June 10, 2020 and the Articles Supplementary filed June 10, 2020.

of doubt, each Trustee elected or appointed to the Board of Trustees to serve a term that commenced before the 2021 Annual Meeting (an “Existing Trustee”), and each Trustee elected or appointed to the Board of Trustees to fill a vacancy resulting from the death, resignation or removal of an Existing Trustee, shall serve for the full term to which the Existing Trustee was elected or appointed.

2.2. Compensation and Other Remuneration. The Trustees shall be entitled to receive such reasonable compensation for their services as Trustees as the Trustees may determine from time to time. The Trustees and Trust officers shall be entitled to receive remuneration for services rendered to the Trust in any other capacity. Subject to Sections 6.6 and 6.7, such services may include, without limitation, services as an officer of the Trust, legal, accounting or other professional services, or services as a broker, transfer agent or underwriter, whether performed by a Trustee or any Person affiliated with a Trustee.

2.3. Resignation, Removal and Death of Trustees.⁶ A Trustee may resign at any time by giving written notice to the remaining Trustees at the principal office of the Trust. Such resignation shall take effect on the date specified in such notice, without need for prior accounting. A Trustee may be removed at any time with cause by the affirmative vote either of all the remaining Trustees or of the holders of Shares representing two-thirds of the total votes authorized to be cast by Shares then outstanding and entitled to vote thereon, voting as a single class. A Trustee judged incompetent or for whom a guardian or conservator has been appointed shall be deemed to have resigned as of the date of such adjudication or appointment. Upon the resignation or removal of any Trustee, or his otherwise ceasing to be a Trustee, he shall execute and deliver such documents as the remaining Trustees shall require for the conveyance of any Trust property held in his name, shall account to the remaining Trustees as they require for all property which he holds as Trustee and shall thereupon be discharged as Trustee. Upon the incapacity or death of any Trustee, his legal representative shall perform the acts set forth in the preceding sentence and the discharge mentioned therein shall run to such legal representative and to the incapacitated Trustee or the estate of the deceased Trustee, as the case may be.

2.4. Vacancies.⁷ If any or all the Trustees cease to be Trustees hereunder, whether by reason of resignation, removal, incapacity, death or otherwise, such event shall not terminate the Trust or affect its continuity. Until vacancies are filled, the remaining Trustee or Trustees (even though fewer than three (3)) may exercise the powers of the Trustees hereunder. A vacancy that results from an increase in the size of the Board of Trustees or the death, resignation, or removal of a Trustee may be filled only by the affirmative vote of a majority of the remaining Trustee in office, even if the remaining Trustees do not constitute a quorum. Any director elected to fill a vacancy shall hold office for the remainder of the full term of the class of Trustees in which the vacancy occurred and until a successor is elected and qualifies. If at any time there shall be no Trustees in office, successor Trustees shall be elected by the Shareholders as provided in Section 5.9.

2.5. Successor and Additional Trustees. The right, title and interest of the Trustees in and to the Trust Estate shall also vest in successor and additional Trustees upon their qualification, and they shall thereupon have all the rights and obligations of Trustees hereunder. Such right, title and interest shall vest in the Trustees whether or not conveyancing documents have been executed and delivered pursuant to Section 2.3 or otherwise. Appropriate written evidence of the election and qualification of successor and additional Trustees shall be filed with the records of the Trust and in such other offices or places as the Trustees may deem necessary, appropriate or desirable.

2.6. Actions by Trustees. The Trustees may act with or without a meeting. A quorum for all meetings of the Trustees shall be a majority of the Trustees; provided, however, that, whenever pursuant to Section 6.7 or otherwise the vote of a majority of a particular group of Trustees is required at a meeting, a quorum for such meeting shall be a majority of the Trustees which shall include a majority of such group. Unless specifically provided otherwise in this Declaration, any action of the Trustees may be taken at a meeting by vote of a majority of the Trustees present (a quorum being present) or without a meeting by written consents of a majority of the Trustees, which consents shall be filed with the records of meetings of the Trustees. Any action or actions permitted to be taken by the Trustees in connection with the business of the Trust may be taken pursuant to authority granted by a meeting of the Trustees conducted by a telephone conference call, and the transaction of Trust business represented thereby shall be of the same authority and validity as if transacted at a meeting of the Trustees held in person or by written consent. The minutes of any Trustees' meeting held by telephone shall be prepared in the same manner as a meeting of the Trustees held in person. The acquisition or disposition of any investment (other than investments in short-term investment Securities described in Section 4.1) shall require the approval of a majority of Trustees, except as otherwise provided in Section 6.7. Any agreement, deed, mortgage, lease or other instrument or writing

⁶ This provision has been revised to reflect changes effectuated by the Articles Supplementary filed April 20, 2017.

⁷ This provision has been revised to reflect changes effectuated by the Articles Supplementary filed May 16, 2000.

executed by one or more of the Trustees or by any authorized Person shall be valid and binding upon the Trustees and upon the Trust when authorized or ratified by action of the Trustees or as provided in the Bylaws.

With respect to the actions of the Trustees, Trustees who have, or are Affiliates of Persons who have, any direct or indirect interest in or connection with any matter being acted upon may be counted for all quorum purposes under this Section 2.6 and, subject to the provisions of Section 6.7, may vote on the matter as to which they or their Affiliates have such interest or connection.

2.7. Committees. The Trustees may appoint an audit committee and such other standing committees as the Trustees determine. Each standing committee shall consist of two (2) or more members; provided, however, that the Trustees may appoint a standing committee consisting of at least one Trustee and two non- Trustees. Each committee shall have such powers, duties and obligations as the Trustees may deem necessary or appropriate. The standing committees shall report their activities periodically to the Trustees.

ARTICLE III

TRUSTEES' POWERS

3.1. Power and Authority of Trustees. The Trustees, subject only to the specific limitations contained in this Declaration, shall have, without further or other authorization, and free from any power or control on the part of the Shareholders, full, absolute and exclusive power, control and authority over the Trust Estate and over the business and affairs of the Trust to the same extent as if the Trustees were the sole owners thereof in their own right, and may do all such acts and things as in their sole judgment and discretion are necessary for or incidental to or desirable for carrying out or conducting the business of the Trust. Any construction of this Declaration or any determination made in good faith by the Trustees as to the purposes of the Trust or the existence of any power or authority hereunder shall be conclusive. In construing the provisions of this Declaration, the presumption shall be in favor of the grant of powers and authority to the Trustees. The enumeration of any specific power or authority herein shall not be construed as limiting the aforesaid powers or the general powers or authority or any other specified power or authority conferred herein upon the Trustees.

3.2. Specific Powers and Authority. Subject only to the express limitations contained in this Declaration and in addition to any powers and authority conferred by this Declaration or which the Trustees may have by virtue of any present or future statute or rule or law, the Trustees without any action or consent by the Shareholders shall have and may exercise at any time and from time to time the following powers and authorities which may or may not be exercised by them in their sole judgment and discretion and in such manner and upon such terms and conditions as they may from time to time deem proper:

(a) to retain, invest and reinvest the capital or other funds of the Trust in, and to acquire, purchase, or own, real or personal property of any kind, whether tangible or intangible, wherever located in the world, and make commitments for such investments, all without regard to whether any such property is authorized by law for the investment of trust funds or produces or may produce income; to possess and exercise all the rights, powers and privileges appertaining to the ownership of the Trust Estate; and to increase the capital of the Trust at any time by the issuance of any additional authorized Shares or other Securities of the Trust for such consideration as they deem advisable;

(b) without limitation of the powers set forth in subsection (a) above, to invest in, purchase or otherwise acquire for such consideration as they deem proper, in cash or other property or through the issuance of shares or through the issuance of notes, debentures, bonds or other obligations of the Trust, and to hold for investment, the entire or any participating interests in any Mortgage Loans or interest in Real Property, including ownership of, or participations in the ownership of, or rights to acquire, equity interests in Real Property or in Persons owning, developing, improving, operating or managing Real Property, which interests may be acquired independently of or in connection with other investment activities of the Trust and, in the latter case, may include rights to receive additional payments based on gross income or rental or other income from the Real Property or improvements thereon; and to invest in loans secured by the pledge or transfer of Mortgage Loans;

(c) to sell, rent, lease, hire, exchange, release, partition, assign, mortgage, pledge, hypothecate, grant security interests in, encumber, negotiate, convey, transfer or otherwise dispose of any and all the Trust Estate by deeds (including deeds in lieu of foreclosure), trust deeds, assignments, bills of sale, transfers, leases, mortgages, financing statements, security agreements and other instruments for any of such purposes executed and delivered for and on behalf of the Trust or the Trustees by one or more of the Trustees or by a duly authorized officer, employee, agent or nominee of the Trust;

(d) to issue Shares, bonds, debentures, notes or other evidences of indebtedness, which may be secured or unsecured and may be subordinated to any indebtedness of the Trust, to such Persons for such cash, property or other consideration (including Securities issued or created by, or interests in, any Person) at such time or times and on such terms as the Trustees may deem advisable and to list any of the foregoing Securities issued by the Trust on any securities exchange and to purchase or otherwise acquire, hold, cancel, reissue, sell and transfer any of such Securities, and to cause the instruments evidencing such Securities to bear an actual or facsimile imprint of the seal of the Trust (if the Trustees shall have adopted such a seal) and to be signed by manual or facsimile signature or signatures (and to issue such Securities, whether or not any Person whose manual or facsimile signature shall be imprinted thereon shall have ceased to occupy the office with respect to which such signature was authorized), provided that, where only facsimile signatures for the Trust are used, the instrument shall be countersigned manually by a transfer agent, registrar or other authentication agent; and to issue any of such Securities of different types in combinations or units with such restrictions on the separate transferability thereof as the Trustees shall determine;

(e) to enter into leases of real and personal property as lessor or lessee and to enter into contracts, obligations and other agreements for a term, and to invest in obligations having a term, extending beyond the term of office of the Trustees and beyond the possible termination of the Trust, or having a lesser term;

(f) to borrow money and give negotiable or non negotiable instruments therefor; or guarantee, indemnify or act as surety with respect to payment or performance of obligations of third parties; to enter into other obligations on behalf of the Trust; and to assign, convey, transfer, mortgage, subordinate, pledge, grant security interest in, encumber or hypothecate the Trust Estate to secure any indebtedness of the Trust or any other of the foregoing obligations of the Trust;

- (g) to lend money, whether secured or unsecured;
- (h) to create reserve funds for any purpose;
- (i) to incur and pay out of the Trust Estate any charges or expenses, and to disburse any funds of the Trust, which charges, expenses or disbursements are, in the opinion of the Trustees, necessary or incidental to or desirable for the carrying out of any of the purposes of the Trust or conducting the business of the Trust, including without limitation taxes and other governmental levies, charges and assessments, of whatever kind or nature, imposed upon or against the Trustees in connection with the Trust or the Trust Estate or upon or against the Trust Estate or any part hereof, and for any of the purposes herein;
- (j) to deposit funds of the Trust in banks, trust companies, savings and loan associations and other depositories, whether or not such deposits will draw interest, the same to be subject to withdrawal on such terms and in such manner and by such Person or Persons (including any one or more Trustees or officers, employees or agents, of the Trust) as the Trustees may determine;
- (k) to possess and exercise all the rights, powers and privileges pertaining to the ownership of all or any Mortgages or Securities issued or created by, or interests in, any Person, forming part of the Trust Estate, to the same extent that an individual might do so, and, without limiting the generality of the foregoing, to vote or give any consent, request or notice, or waive any notice, either in person or by proxy or power of attorney, with or without power of substitution, to one or more Persons, which proxies and powers of attorney may be for meetings or action generally or for any particular meeting or action, and may include the exercise of discretionary powers;
- (l) to cause to be organized or assist in organizing any Person under the laws of any jurisdiction to acquire the Trust Estate or any part or parts thereof or to carry on any business in which the Trust shall directly or indirectly have any interest, and to sell, rent, lease, hire, convey, negotiate, assign, exchange or transfer the Trust Estate or any part or parts thereof to or with any such Person or any existing Person in exchange for the Securities thereof or otherwise, and to merge or consolidate the Trust with or into any Person or merge or consolidate any Person into the Trust, and to lend money to, subscribe for the Securities of, and enter into any contracts with, any Person in which the Trust holds or is about to acquire Securities or any other interest;
- (m) to enter into joint ventures, general or limited partnerships, participation or agency arrangements and any other lawful combinations or associations, and to act as a general or limited partner;
- (n) to elect, appoint, engage or employ such officers for the Trust as the Trustees may determine, who may be removed or discharged at the discretion of the Trustees, such officers to have such powers and duties, and to serve such terms, as may be prescribed by the Trustees or by the Bylaws; to engage or employ any Persons (including, subject to the provisions of Sections 6.6 and 6.7, any Trustee or officer, agent or employee of the Trust and any Person in which any Trustee, officer or agent is directly or indirectly interested or with which he is directly or indirectly connected) as agents, representatives, employees, or independent contractors (including without limitation real estate advisors, investment advisors, transfer agents, registrars, underwriters, accountants, attorneys at law, real estate agents, managers, appraisers, brokers, architects, engineers, construction managers, general contractors or otherwise) in one or more capacities, and to pay compensation from the Trust for services in as many capacities as such Person may be so engaged or employed; and to delegate any of the powers and duties of the Trustees to any one or more Trustees, agents, representatives, officers, employees, independent contractors or other Persons;

(o) to determine or cause to be determined from time to time the value of all or any part of the Trust Estate and of any services, Securities, property or other consideration to be furnished to or acquired by the Trust, and from time to time to revalue or cause to be revalued all or any part of the Trust Estate in accordance with such appraisals or other information as are, in the Trustees' sole judgment, necessary and/or satisfactory;

(p) to collect, sue for and receive all sums of money coming due to the Trust, and to engage in, intervene in, prosecute, join, defend, compromise, abandon or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, controversies, demands or other litigation relating to the Trust, the Trust Estate or the Trust's affairs, to enter into agreements therefor, whether or not any suit is commenced or claim accrued or asserted and, in advance of any controversy, to enter into agreements regarding arbitration, adjudication or settlement thereof;

(q) to renew, modify, release, compromise, extend, consolidate or cancel, in whole or in part, any obligation to or of the Trust or participate in any reorganization of obligors to the Trust;

(r) to self-insure or to purchase and pay for out of the Trust Estate insurance contracts and policies, including contracts of indemnity, insuring the Trust Estate against any and all risks and insuring the Trust and/or all or any of the Trustees, the Shareholders, or the officers, employees or agents of the Trust or Persons who may directly or indirectly control the Trust against any and all claims and liabilities of every nature asserted by any Person arising by reason of any action alleged to have been taken or omitted by the Trust or by the Trustees, Shareholders, officers, employees agents or controlling Persons whether or not the Trust would have the power to indemnify such Person or Persons against any such claim or liability;

(s) to cause legal title to any of the Trust Estate to be held by and/or in the name of the Trustees, or, except as prohibited by law, by and/or in the name of the Trust or one or more of the Trustees or any other Person, on such terms, in such manner and with such powers in such Person as the Trustees may determine, and with or without disclosure that the Trust or Trustees are interested therein;

(t) to adopt a fiscal year for the Trust, and from time to time to change such fiscal year;

(u) to adopt and use a seal (but the use of a seal shall not be required for the execution of instruments or obligations of the Trust);

(v) to the extent permitted by law, to indemnify or enter into agreements with respect to indemnification with any Person with which the Trust has dealings, including without limitation any broker/dealer, investment bank, investment advisor or independent contractor, to such extent as the Trustees shall determine;

(w) to confess judgment against the Trust;

(x) to discontinue the operations of the Trust;

(y) to repurchase or redeem Shares and other Securities issued by the Trust;

(z) to declare and pay dividends or distributions, consisting of cash, property or Securities, to the holders of Shares of the Trust out of any funds legally available therefor; and

(aa) to do all other such acts and things as are incident to the foregoing, and to exercise all powers which are necessary or useful to carry on the business of the Trust and to carry out the provisions of this Declaration.

3.3. Bylaws. The Trustees may make or adopt and from time to time amend or repeal Bylaws (the “Bylaws”) not inconsistent with law or with this Declaration, containing provisions relating to the business of the Trust and the conduct of its affairs and in such Bylaws may define the duties of the officers, employees and agents of the Trust.

ARTICLE IV

INVESTMENT POLICY AND POLICIES WITH RESPECT TO CERTAIN DISTRIBUTIONS TO SHAREHOLDERS

4.1. Statement of Policy. It shall be the general objectives of the Trust (i) to provide current income for distribution to Shareholders through investments in income-producing hotels and hospitality-related facilities and other real estate investments and (ii) to provide Shareholders with the opportunity for additional returns from a percentage of gross revenues generated by the investment properties.

The Trust may make secured borrowings to make permitted additional Real Estate Investments and secured or unsecured borrowings for normal working capital needs, including the repair and maintenance of properties in which it has invested, tenant improvements and leasing commissions. The Trust may make such borrowings from third parties or from Affiliates of the Advisor. Interest and other financing charges or fees to be paid on loans from such Affiliates will not exceed the interest and other financing charges or fees which would be charged by third party financing institutions on comparable loans for the same purpose in the same geographic area.

To the extent that the Trust Estate has assets not otherwise invested in accordance with this Section 4.1, it shall be the policy of the Trustees to invest such assets in investments selected by the Trustees or the Advisor which are consistent with the Trust’s intention to qualify as a REIT under the Internal Revenue Code.

It shall be the policy of the Trustees to make investments and to conduct the business of the Trust in such manner as to qualify as a REIT and to comply with the requirements of the Internal Revenue Code with respect to the composition of investments and the derivation of the income of a real estate investment trust as defined in the REIT Provisions of the Internal Revenue Code; provided, however, that no Trustee, officer, employee or agent of the Trust shall be liable for any act or omission resulting in the loss of tax benefits under the Internal Revenue Code, except for that arising from his own wilful misfeasance, bad faith, gross negligence or reckless disregard of duty.

4.2. Prohibited Investments and Activities. The Trustees shall not:

(a) engage in any undertaking or activity that would disqualify the Trust as a real estate investment trust under the provisions of the Internal Revenue Code as long as a real estate investment trust is accorded substantially the same treatment or benefits under the United States tax laws from time to time in effect as under Sections 856-860 of the Internal Revenue Code at the date of adoption of this Declaration; and/or

(b) use or apply land for farming, agriculture, horticulture or similar purposes in violation of Section 8-302(b) of the Corporations and Associations Article of the Annotated Code of Maryland.

4.3. Change in Investment Policies. The investment policies set out in this Article IV may be changed by a vote of a majority of the Trustees.

ARTICLE V

THE SHARES AND SHAREHOLDERS

5.1. Description of Shares.⁸ The interest of the Shareholders shall be divided into 1,000,000,000 shares of beneficial interest which shall be known collectively as “Shares”, all of which shall be validly issued, fully paid and non-assessable by the Trust upon receipt of full consideration for which they have been issued or without additional consideration if issued by way of share dividend or share split. There shall be two classes of Shares: 900,000,000 shares of one such class shall be known as “Common Shares”, \$.01 par value per share, and 100,000,000 shares of the other such class shall be known as “Preferred Shares”. Each holder of Shares shall as a result thereof be deemed to have agreed to and be bound by the terms of this Declaration. The Shares may be issued for such consideration as the Trustees shall deem advisable. The Trustees are hereby expressly authorized at any time, and from time to time, to provide for issuance of Shares upon such terms and conditions and pursuant to such arrangements as the Trustees may determine. The Trustees are hereby expressly authorized at any time, and from time to time, without Shareholder approval, to amend this Declaration to increase or decrease the aggregate number of Shares or the number of Shares of any class that the Trust has the authority to issue.

The Trustees are hereby expressly authorized at any time, and from time to time, without Shareholder approval, to set (or change if such class has previously been established) the par value, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms, or conditions of redemption, of the Preferred Shares, and such Preferred Shares may further be divided by the Trustees into classes or series.

⁸ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed March 5, 2007, as superseded by the Articles of Amendment filed January 18, 2012, as superseded by the Articles of Amendment filed March 30, 2026; and by the Articles of Amendment filed June 2, 1997.

Except as otherwise determined by the Trustees with respect to any class or series of Preferred Shares, the holders of Shares shall be entitled to the rights and powers hereinafter set forth in this Section 5.1: The holders of Shares shall be entitled to receive, when and as declared from time to time by the Trustees out of any funds legally available for the purpose, such dividends or distributions as may be declared from time to time by the Trustees. In the event of the termination of the Trust pursuant to Section 7.1 or otherwise, or upon the distribution of its assets, the assets of the Trust available for payment and distribution to Shareholders shall be distributed ratably among the holders of Shares at the time outstanding in accordance with Section 7.2. All Shares shall have equal non-cumulative voting rights at the rate of one vote per Share, and equal dividend, distribution, liquidation and other rights, and shall have no preference, conversion, exchange, sinking fund or redemption rights. Absent a contrary written agreement of the Trust authorized by the Trustees, and notwithstanding any other determination by the Trustees with respect to any class or series of Preferred Shares, no holder of Shares or Preferred Shares shall be entitled as a matter of right to subscribe for or purchase any part of any new or additional issue of Shares of any class whatsoever of the Trust, or of securities convertible into any shares of any class whatsoever of the Trust, whether now or hereafter authorized and whether issued for cash or other consideration or by way of dividend.

5.2. Certificates.⁹ At the election of the Trust, ownership of Shares may be evidenced by certificates in such form as the Trustees shall from time to time approve, specifying the number of Shares of the applicable class held by such Shareholder. Subject to Sections 5.6 and 5.14(c) hereof, such certificates shall be treated as negotiable and title thereto and to the Shares represented thereby shall be transferred by delivery thereof to the same extent in all respects as a stock certificate, and the Shares represented thereby, of a Maryland business corporation. Unless otherwise determined by the Trustees, such certificates shall be signed by the Chairman, if any, and the President and shall be countersigned by a transfer agent, and registered by a registrar if any, and such signatures may be facsimile signatures in accordance with Section 3.2(d) hereof. There shall be filed with each transfer agent a copy of the form of certificate so approved by the Trustees, certified by the Chairman, President, or Secretary, and such form shall continue to be used unless and until the Trustees approve some other form.

In furtherance of the provisions of Sections 5.1 and 5.14(c) hereof, each Certificate evidencing Shares shall contain a legend imprinted thereon to substantially the following effect or such other legend as the Trustees may from time to time adopt:

REFERENCE IS MADE TO THE DECLARATION OF TRUST OF THE TRUST FOR A STATEMENT OF ALL THE DESIGNATIONS, PREFERENCES, LIMITATIONS, AND RELATIVE RIGHTS OF EACH CLASS OR SERIES OF SHARES THAT THE TRUST IS AUTHORIZED TO ISSUE, THE VARIATIONS IN THE RELATIVE RIGHTS AND PREFERENCES OF ANY PREFERRED OR SPECIAL CLASS OF SHARES IN SERIES, TO THE EXTENT THEY HAVE BEEN FIXED AND DETERMINED, AND THE AUTHORITY OF THE TRUSTEES TO FIX AND DETERMINE THE RELATIVE RIGHTS AND PREFERENCES OF SUBSEQUENT SERIES. ANY SUCH STATEMENT SHALL BE FURNISHED WITHOUT CHARGE ON REQUEST TO THE TRUST AT ITS PRINCIPAL PLACE OF BUSINESS OR REGISTERED OFFICE.

IF NECESSARY TO EFFECT COMPLIANCE BY THE TRUST WITH REQUIREMENTS OF THE INTERNAL REVENUE CODE RELATING TO REAL ESTATE INVESTMENT TRUSTS, THE PURPORTED TRANSFER OF THE SHARES EVIDENCED BY THIS CERTIFICATE MAY BE PROHIBITED AND OR INVALIDATED UPON THE TERMS AND CONDITIONS SET FORTH IN THE DECLARATION OF TRUST. THE TRUST WILL FURNISH A COPY OF SUCH TERMS AND CONDITIONS TO THE REGISTERED HOLDER OF THIS CERTIFICATE UPON REQUEST AND WITHOUT CHARGE.

⁹ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed May 24, 2006.

5.3. Fractional Shares. In connection with any issuance of Shares, the Trustees may issue fractional Shares or may adopt provisions for the issuance of scrip including, without limitation, the time within which any such scrip must be surrendered for exchange into full Shares and the rights, if any, of holders of scrip upon the expiration of the time so fixed, the rights, if any, to receive proportional distributions, and the rights, if any, to redeem scrip for cash, or the Trustees may in their discretion, or if they see fit at the option of, each holder, provide in lieu of scrip for the adjustment of the fractions in cash. The provisions of Section 5.2 hereof relative to certificates for Shares shall apply so far as applicable to such scrip, except that such scrip may in the discretion of the Trustees be signed by a transfer agent alone.

5.4. Legal Ownership of Trust Estate. The legal ownership of the Trust Estate and the right to conduct the business of the Trust are vested exclusively in the Trustees (subject to Section 3.2(s)), and the Shareholders shall have no interest therein (other than beneficial interest in the Trust conferred by their Shares issued hereunder) and they shall have no right to compel any partition, division, dividend or distribution of the Trust or any of the Trust Estate.

5.5. Shares Deemed Personal Property. The Shares shall be personal property and shall confer upon the holders thereof only the interest and rights specifically set forth or provided for in this Declaration. The death, insolvency or incapacity of a Shareholder shall not dissolve or terminate the Trust or affect its continuity nor give his legal representative any rights whatsoever, whether against or in respect of other Shareholders, the Trustees or the Trust Estate or otherwise, except the sole right to demand and, subject to the provisions of this Declaration, the Bylaws and any requirements of law, to receive a new certificate for Shares registered in the name of such legal representative, in exchange for the certificate held by such Shareholder.

5.6. Share Record; Issuance and Transferability of Shares. Records shall be kept by or on behalf of and under the direction of the Trustees, which shall contain the names and addresses of the Shareholders, the number of Shares held by them respectively, and the numbers of the certificates representing the Shares, and in which there shall be recorded all transfers of Shares. The Trust, the Trustees and the officers, employees and agents of the Trust shall be entitled to deem the Persons in whose names certificates are registered on the records of the Trust to be the absolute owners of the Shares represented thereby for all purposes of the Trust; but nothing herein shall be deemed to preclude the Trustees or officers, employees or agents of the Trust from inquiring as to the actual ownership of Shares. Until a transfer is duly effected on the records of the Trust, the Trustees shall not be affected by any notice of such transfer, either actual or constructive.

Shares shall be transferable on the records of the Trust only by the record holder thereof or by his agent thereunto duly authorized in writing upon delivery to the Trustees or a transfer agent of the certificate or certificates therefor, properly endorsed or accompanied by duly executed instruments of transfer and accompanied by all necessary documentary stamps together with such evidence of the genuineness of each such endorsement, execution or authorization and of other matters as may reasonably be required by the Trustees or such transfer agent. Upon such delivery, the transfer shall be recorded in the records of the Trust and a new certificate for the Shares so transferred shall be issued to the transferee and in case of a transfer of only a part of the Shares represented by any certificate, a new certificate for the balance shall be issued to the transferor. Any Person becoming entitled to any Shares in consequence of the death of a Shareholder or otherwise by operation of law shall be recorded as the holder of such Shares and shall receive a new certificate therefor but only upon delivery to the Trustees or a transfer agent of instruments and other evidence required by the Trustees or the transfer agent to demonstrate such entitlement, the existing certificate for such Shares and such releases from applicable governmental authorities as may be required by the Trustees or transfer agent. In case of the loss, mutilation or destruction of any certificate for shares, the Trustees may issue or cause to be issued a replacement certificate on such terms and subject to such rules and regulations as the Trustees may from time to time prescribe. Nothing in this Declaration shall impose upon the Trustees or a transfer agent a duty, or limit their rights, to inquire into adverse claims.

5.7. Dividends or Distributions to Shareholders. Subject to Section 5.1, the Trustees may from time to time declare and pay to Shareholders such dividends or distributions in cash, property or assets of the Trust or Securities issued by the Trust, out of current or accumulated income, capital, capital gains, principal, interest, surplus, proceeds from the increase or financing or refinancing of Trust obligations, or from the sale of portions of the Trust Estate or from any other source as the Trustees in their discretion shall determine. Shareholders shall have no right to any dividend or distribution unless and until declared by the Trustees. The Trustees shall furnish the Shareholders with a statement in writing advising as to the source of the funds so distributed not later than ninety (90) days after the close of the fiscal year in which the distribution was made.

5.8. Transfer Agent, Dividend Disbursing Agent and Registrar. The Trustees shall have power to employ one or more transfer agents, dividend disbursing agents and registrars (including the Advisor or its Affiliates) and to authorize them on behalf of the Trust to keep records to hold and to disburse any dividends or distributions and to have and perform, in respect of all original issues and transfers of Shares, dividends and distributions and reports and communications to Shareholders, the powers and duties usually had and performed by transfer agents, dividend disbursing agents and registrars of a Maryland business corporation.

5.9. Shareholders' Meetings.¹⁰ There shall be an annual meeting of the Shareholders, at such time and place as shall be determined by or in the manner prescribed in the Bylaws, at which the Trustees shall be elected and any other proper business may be conducted. The Annual Meeting of Shareholders shall be held no fewer than 30 days after delivery to the Shareholders of the Annual Report and within six (6) months after the end of each fiscal year, commencing with the fiscal year ending December 31, 1995. Special meetings of Shareholders may only be called by a majority of the Trustees. If there shall be no Trustees, the officers of the Trust shall promptly call a special meeting of the Shareholders entitled to vote for the election of successor Trustees.

No business shall be transacted by the Shareholders at a special meeting other than business that is either (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Trustees (or any duly authorized committee thereof) or (ii) otherwise properly brought before the Shareholders by or at the direction of the Trustees.

The holders of Shares entitled to vote at the meeting representing a majority of the total number of votes authorized to be cast by Shares then outstanding and entitled to vote on any question present in person or by proxy shall constitute a quorum at any such meeting for action on such question. Any meeting may be adjourned from time to time by a majority of the votes properly cast upon the question, without regard to class, whether or not a quorum is present, and, except as otherwise provided in the Bylaws, the meeting may be reconvened without further notice. At any reconvened session of the meeting at which there shall be a quorum, any business may be transacted at the meeting as originally noticed.

¹⁰ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed April 15, 2010.

Except as otherwise clearly indicated in this Declaration or the Bylaws, whenever any action is to be taken by the Shareholders, it shall be authorized by the affirmative vote of the holders of Shares representing a majority of the total number of votes authorized to be cast by shares then outstanding and entitled to vote thereon. At all elections of Trustees, voting by Shareholders shall be conducted under the non-cumulative method and 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 and the election of a Trustee in a contested election shall be by a plurality of the votes cast by Shares then outstanding and entitled to vote thereon.¹¹

Whenever Shareholders are required or permitted to take any action by a vote at a meeting of Shareholders, at any time any of the outstanding Shares are held by a Person other than HRP, such action shall not be taken except by such a vote at such a meeting of Shareholders and the Shareholders shall have no power or right to take any action by executing written consents in lieu thereof.

5.10. Proxies. Whenever the vote or consent of a Shareholder entitled to vote is required or permitted under this Declaration, such vote or consent may be given either directly by such Shareholder or by a proxy in the form prescribed in, and subject to the provisions of, the Bylaws. The Trustees may solicit such proxies from the Shareholders or any of them entitled to vote in any matter requiring or permitting the Shareholders' vote or consent.

5.11. [Reserved.]¹²

5.12. Fixing Record Date.¹³ The Bylaws may provide for fixing or, in the absence of such provision, the Trustees may fix, in advance, a date as the record date for determining the Shareholders entitled to notice of or to vote at any meeting of Shareholders or to express consent to any proposal without a meeting or for the purpose of determining Shareholders entitled to receive payment of any dividend or distribution (whether before or after termination of the Trust) or any Annual Report or other communication from the Trustees, or for any other purpose.

5.13. Notice to Shareholders. Any notice of meeting or other notice, communication or report to any Shareholder shall be deemed duly delivered to such Shareholder when such notice, communication or report is deposited, with postage thereon prepaid, in the United States mail, addressed to such Shareholder at his address as it appears on the records of the Trust or is delivered in person to such Shareholder.

5.14. Shareholders' Disclosure; Restrictions on Share Transfer; Limitation on Holdings. At such time as any Person other than HRP shall hold any Shares of Beneficial Interest and thereafter:

(a) Every Shareholder shall upon demand disclose to the Trustees in writing such information with respect to direct and indirect ownership of any Shares as the Trustees deem necessary or appropriate, in their discretion, to comply with the REIT Provisions of the Internal Revenue Code, or to comply with the requirements of any taxing authority or governmental agency.

(b) Whenever in good faith the Trustees deem it reasonably necessary to protect the status of the Trust as a REIT under the Internal Revenue Code, they may require a statement or affidavit from each Shareholder or proposed transferee of Shares setting forth the number of Shares already owned, directly or indirectly, by such Shareholder or proposed transferee and any related Person specified in the form prescribed by the Trustees for that purpose. If, in the opinion of the Trustees, which shall be binding upon any Shareholder and any proposed transferee of Shares, but subject to subsection (i) of this Section 5.14, any proposed transfer of Shares

¹¹ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed June 13, 2019.

¹² This provision was deleted by the Articles of Amendment filed May 24, 2006.

¹³ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed April 15, 2010.

would jeopardize the status of the Trust as a REIT under the Internal Revenue Code, the Trustees shall have the right, but not the duty, to refuse to permit such transfer.

(c) As a condition to the transfer (including, without limitation, any sale, transfer, gift, assignment, devise or other disposition of Shares, whether voluntary or involuntary, whether beneficially or of record, and whether effected constructively, by operation of law or otherwise) and/or registration of transfer of any Shares (“Excess Shares”) which could in the opinion of the Trustees result in

(i) direct or indirect ownership (as hereafter defined) of Shares representing more than 9.8% in number, value or voting power of the total Shares outstanding becoming concentrated in the hands of one owner other than an Excepted Person (as such term is defined hereafter),

(ii) the outstanding Shares of the Trust being owned by fewer than one hundred (100) persons or

(iii) the Trust being “closely held” within the meaning of Section 856(h) of the Internal Revenue Code, such potential owner (a “Proposed Transferee”) shall file with the Trust the statement or affidavit described in subsection (b) of this Section 5.14 no later than the fifteenth (15th) day prior to any proposed transfer, registration of transfer or transaction which, if consummated, would have any of the results set forth above; provided, however, that the Trustees may waive such requirement of prior notice upon determination that such waiver is in the best interests of the Trust. Subject to the subsection (i) of this Section 5.14, the Trustees shall have the power and right (i) to refuse to transfer or issue Excess Shares or share certificates to any Proposed Transferee whose acquisition of such Excess Shares would, in the opinion of the Trustees, result in the direct or indirect beneficial ownership of any Excess Shares by a Person other than an Excepted Person and (ii) to treat such Excess Shares as having been transferred not to the Proposed Transferee but rather to a trustee, who shall be designated by the Trustees but unaffiliated with either the Trust or the Proposed Transferee, for the benefit of one or more organizations described in Sections 170(b)(1)(a) and 170(c) of the Internal Revenue Code (each such organization being referred to herein as a “Charitable Beneficiary”) that have been designated by the Trustees. Any such trust shall be deemed to have been established by the Shareholder for the benefit of the Charitable Beneficiary on the day prior to the date of the purported transfer to the Proposed Transferee, which purported transfer shall be void ab initio and the Proposed Transferee shall be deemed never to have acquired any interest in or with respect to the Excess Shares purportedly transferred.

Any dividends paid or other distributions made with respect to any Excess Shares prior to the Trust discovering that such Excess Shares have been transferred into trust for the Charitable Beneficiary as set forth above shall be repaid and disgorged by the Proposed Transferee to the Trust and any dividend or other distribution declared but still unpaid or unmade shall be rescinded as void ab initio with respect to the Proposed Transferee. Any dividends or other distributions so repaid, disgorged or rescinded shall then be paid over to the trustee and held in trust for the Charitable Beneficiary. Any vote cast by the Proposed Transferee prior to the Trust discovering that such Excess Shares had been transferred to the trustee shall be rescinded as being void ab initio and the Proposed Transferee shall be deemed to have given an irrevocable proxy to the trustee to vote the Excess Shares held for the benefit of the Charitable Beneficiary.

All Excess Shares shall be deemed to be offered by the trustee for sale to the Trust or a Person or Persons designated by the Trust for a period of ninety (90) days following the receipt by the Trust of notice of the event that has caused the Excess Shares to be transferred into trust as set forth above at a price equal to the lesser of (i) the price that was paid for the Excess Shares by the Proposed Transferee and (ii) the market price of the Excess Shares on the date that the Trust or its designee accepts the trustee's offer to sell.

At the direction of the Trust, the trustee of any such trust shall sell any Excess Shares held by the trust to a Person whose ownership of such shares will not, in the judgment of the Trustees, jeopardize the Trust's status as a REIT (a "Permitted Transferee"). If such a transfer is made, the interests of the Charitable Beneficiary with respect to the Excess Shares shall cease and the proceeds of the sale to the Permitted Transferee shall be payable to the Proposed Transferee and to the Charitable Beneficiary as follows: The Proposed Transferee shall be entitled to receive the lesser of (i) the price paid by the Proposed Transferee for the Excess Shares or, if the Proposed Transferee did not give value for the Excess Shares, the market price of the Excess Shares on the day of the event that resulted in the Excess Shares being transferred into trust as set forth above, and (ii) the price received by the trustee from the sale of the Excess Shares. Any proceeds from the sale of Excess Shares in excess of the amount payable to the Proposed Transferee as set forth above shall be payable to the Charitable Beneficiary.

The following Persons are "Excepted Persons": (i) HRP, (ii) HRPT Advisors, Inc., a Delaware corporation ("Advisors"), (iii) Affiliates of HRP or Advisors, (iv) Persons to whom HRP's or Advisor's share ownership is attributable or whose share ownership is attributable to HRP or Advisors and (v) other Persons approved by the Trustees, at their option and in their sole discretion; provided, however, that such approval shall not be granted to any Person (and shall not extend to any Person described in clause (iii) above) whose ownership of more than 9.8% (individually or by attribution) in number or value of the total Shares outstanding would result, directly, indirectly or as a result of attribution of ownership, in termination of the status of the Trust as a REIT under the Internal Revenue Code.

If the foregoing provisions shall be determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the Proposed Transferee of such Excess Shares shall be deemed, at the option of the Trust, to have acted as agent on behalf of the Trust in acquiring such Excess Shares and to hold such Excess Shares on behalf of the Trust.

(d) Notwithstanding any other provision of this Declaration to the contrary, but subject to subsection (i) of this Section 5.14, any purported acquisition of shares of the Trust (whether such purported acquisition results from the direct or indirect acquisition or ownership (as hereafter defined) of Shares) which would result in the disqualification of the Trust as a REIT shall be null and void. Any such shares may be treated by the Trustees in the manner prescribed for Excess Shares in subsection (c) of this Section 5.14.

(e) Subject only to subsection (i) of this Section 5.14, nothing contained in this Section 5.14 or in any other provision of this Declaration shall limit the authority of the Trustees to take such other action as they deem necessary or advisable to protect the Trust and the interests of the Shareholders by preserving the Trust's status as a REIT.

(f) If any provision of this Section 5.14 or any application of any such provision is determined to be invalid by any federal or state court having jurisdiction over the issues, the validity of the remaining provision shall not be affected and other applications of such provision shall be affected only to the extent necessary to comply with the determination of such court. To the extent this Section 5.14 may be inconsistent with any other provision of this Declaration, this Section 5.14 shall be controlling.

(g) It shall be the policy of the Trustees to consult with the appropriate officials of any stock exchange on which the relevant Shares of the Trust are listed as far as reasonably possible in advance of the final exercise (at any time when the shares are listed on such exchange) of any powers granted by sections (b) or (c) of this Section 5.14.

(h) For purposes of this Declaration, Shares not owned directly shall be deemed to be owned indirectly by a Person if that Person or a group including that Person would be the beneficial owner of such shares, as defined as of May 1, 1995, in Rule 13d-3 under the Securities Exchange Act of 1934 and/or would be considered to own such shares by reason of the attribution rules of Section 544 or Section 856(h) of the Internal Revenue Code.

(i) Nothing in this Section 5.14 shall preclude the settlement of any transaction entered into through the facilities of the New York Stock Exchange.

5.15. Special Voting Provisions relating to Certain Business Combinations and Control Shares. The Trust elects not to be governed by the provisions of Subtitles 6 and 7 of Title 3 of the Corporations and Associations Article of the Annotated Code of Maryland.

ARTICLE VI

LIABILITY OF TRUSTEES, SHAREHOLDERS, OFFICERS, EMPLOYEES AND AGENTS, AND OTHER MATTERS

6.1. Limitation of Liability of Shareholders, Trustees, Officers, Employees and Agents for Obligations of the Trust. The Trustees and the officers, employees and agents (including the Advisor) of the Trust, in incurring any debts, liabilities or obligations or in taking or omitting any other actions for or in connection with the Trust, are, and shall be deemed to be, acting as trustees, officers, employees or agents of the Trust and not in their own individual capacities. Except as otherwise provided in Sections 6.3 hereof with respect to liability of Trustees or officers, agents or employees of the Trust to the Trust or to Shareholders, no Shareholder, Trustee or officer, employee or agent (including the Advisor) of the Trust shall be liable for any debt, claim, demand, judgment decree, liability or obligation of any kind (in tort, contract or otherwise) of, against or with respect to the Trust or arising out of any action taken or omitted for or on behalf of the Trust, and the Trust shall be solely liable therefor and resort shall be had solely to the Trust Estate for the payment or performance thereof, and no Shareholder, Trustee or officer, employee or agent (including the Advisor) of the Trust shall be subject to any personal liability whatsoever, in tort, contract or otherwise, to any other Person or Persons in connection with the Trust Estate or the affairs of the Trust (or any actions taken or omitted for or on behalf of the Trust), and all such other Persons shall look solely to the Trust Estate for satisfaction of claims of any nature arising in connection with the Trust Estate or the affairs of the Trust (or any action taken or omitted for or on behalf of the Trust).

6.2. Express Exculpatory Clauses and Instruments. Any written instrument creating an obligation of the Trust shall, to the extent practicable, include a reference to this Declaration and provide that neither the Shareholders nor the Trustees nor any officers, employees or agents (including the Advisor) of the Trust shall be liable thereunder and that all Persons shall look solely to the Trust Estate for the payment of any claim thereunder or for the performance thereof; however, the omission of such provision from any such instrument shall not render the Shareholders, any Trustee, or any officer, employee or agent (including the Advisor) of the Trust liable nor shall the Shareholders, any Trustee or any officer, employee or agent (including the Advisor) of the Trust be liable to any one for such omission.

6.3. Limitation of Liability of Trustees, Officers, Employees and Agents to the Trust and to Shareholders for Acts and Omissions. To the fullest extent permitted by Maryland statutory and decisional law, as amended or interpreted, no Trustee, officer, employee or agent of the Trust (a) shall be personally liable to the Trust or its Shareholders and (b) shall have any greater duties than those established by this Declaration of Trust or, in cases as to which such duties are not so established, than those to which the directors, officers, employees and agents of a Maryland business corporation are subject from time to time. No amendment of this Declaration or repeal of any of its provisions shall limit or eliminate the limitation on liability provided to Trustees, officers, employees and agents of the Trust hereunder with respect to any act or omission occurring prior to such amendment or repeal.

6.4. Indemnification and Reimbursement of Trustees, Officers, Employees, Agents and Certain Other Persons.

(a) The Trust shall indemnify (i) its Trustees and officers, whether serving the Trust or at its request any other entity, to the full extent required or permitted by the General Laws of the State of Maryland now or hereafter in force, including the advance of expenses under the procedures and to the full extent permitted by law and (ii) other employees and agents to such extent as shall be authorized by the Trustees of the Trust or the Bylaws and be permitted by law. The foregoing rights of indemnification shall not be exclusive of any other rights to which those seeking indemnification may be entitled. The Trustees may take such action as is necessary to carry out these indemnification provisions and is expressly empowered to adopt, approve and amend from time to time such Bylaws, resolutions or contracts implementing such provisions or such further indemnification arrangements as may be permitted by law. No amendment of this Declaration of Trust or repeal of any of its provisions shall limit or eliminate the right to indemnification provided hereunder with respect to acts or omissions occurring prior to such amendment or repeal.

(b) Notwithstanding anything herein to the contrary, and to the fullest extent permitted by Maryland statutory or decisional law, as amended or interpreted, no Trustee or officer of the Trust shall be personally liable to the Trust or its shareholders for money damages. No amendment of this Declaration or repeal of any of its provisions shall limit or eliminate the limitation on liability provided to Trustees and officers hereunder with respect to any act or omission occurring prior to such amendment or repeal.

6.5. Indemnification and Reimbursement of Shareholders. Any Shareholder made a party to any action, suit or proceeding or against him a claim or liabilities asserted by reason of the fact that he, his testate or intestate was or is a Shareholder shall be indemnified and held harmless by the Trust against judgments, fines, amounts paid on account thereof (whether in settlement or otherwise) and reasonable expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense of such action, suit, proceeding, claim or alleged liability or in connection with any appeal therein, whether or not the same proceeds to judgment or is settled or otherwise brought to a conclusion; provided, however, that such Shareholder gives prompt notice thereof, executes such documents and takes such action as will permit the Trust to conduct the defense or settlement thereof and cooperates therein. In the event that the assets of the Trust Estate are insufficient to satisfy the Trust's indemnity obligations hereunder, each Shareholder shall be entitled to such indemnification pro rata from the Trust Estate.

6.6. Right of Trustees, Officers, Employees and Agents to Own Shares or Other Property and to Engage in Other Business. Any Trustee or officer, employee or agent of the Trust may acquire, own, hold and dispose of Shares in the Trust, for his individual account, and may exercise all rights of a Shareholder to the same extent and in the same manner as if he were not a Trustee or officer, employee or agent of the Trust. Any Trustee or officer, employee or agent of the Trust may, in his personal capacity or in the capacity of trustee, officer, director, stockholder, partner, member, advisor or employee of any Person or otherwise, have business interests and engage in business activities similar to or in addition to those relating to the Trust, which interests and activities may be similar to and competitive with those of the Trust and may include the acquisition, syndication, holding, management, development, operation or disposition, for his own account, or for the account of such Person or others, of interests in Mortgages, interests in Real Property, or interests in Persons engaged in the real estate business.

Each Trustee, officer, employee and agent of the Trust shall be free of any obligation to present to the Trust any investment opportunity which comes to him in any capacity other than solely as Trustee, officer, employee or agent of the Trust even if such opportunity is of a character which, if presented to the Trust, could be taken by the Trust. Subject to the provisions of Section 6.8, any Trustee or officer, employee or agent of the Trust may be interested as trustee, officer, director, stockholder, partner, member, advisor or employee of, or otherwise have a direct or indirect interest in, any Person who may be engaged to render advice or services to the Trust, and may receive compensation from such Person as well as compensation as Trustee, officer, employee or agent or otherwise hereunder. None of these activities shall be deemed to conflict with his duties and powers as Trustee or officer, employee or agent of the Trust.

6.7. Transactions Between Trustees, Officers, Employees or Agents and the Trust. Except as otherwise provided by this Declaration, and in the absence of fraud, a contract, act or other transaction between the Trust and any other Person in which the Trust is interested, shall be valid, and no Trustee or officer, employee or agent of the Trust shall have any liability as a result of entering into any such contract, act or transaction, even though (a) one or more of the Trustees or officers, employees or agents of the Trust are directly or indirectly interested in or connected with or are trustees, partners, directors, employees, officers or agents of such other Person, or (b) one or more of the Trustees or officers, employees or agents of the Trust individually or jointly with others, is a party or are parties to, or are directly or indirectly interested in or connected with, such contract, act or transaction; provided that in each such case (i) such interest or connection is disclosed or known to the Trustees and thereafter the Trustees authorize or ratify such contract, act or other transaction by affirmative vote of a majority of the Trustees who are not so interested or (ii) such interest or connection is disclosed or known to the Shareholders, and thereafter such contract, act or transaction is approved by Shareholders holding a majority of the Shares then outstanding and entitled to vote thereon.

Notwithstanding any other provision of this Declaration, the Trust may engage in a transaction with (a) any Trustee, officer, employee or agent of the Trust (acting in his individual capacity), (b) any director, trustee, partner, officer, employee or agent (acting in his individual capacity) of the Advisor or any other investment advisor of the Trust, (c) the Advisor or any other investment advisor of the Trust or (d) an Affiliate of any of the foregoing, provided that such transaction has, after disclosure of such affiliation, been approved or ratified by the affirmative vote of a majority of the Trustees not having any interest in such transaction and not Affiliates of any party to the transaction after a determination by them that such transaction is fair and reasonable to the Trust and the Shareholders.

This Section 6.7 shall not prevent any sale of Shares issued by the Trust for the public offering thereof in accordance with a registration statement filed with the Securities and Exchange Commission under the Securities Act of 1933. The Trustees are not restricted by this Section 6.7 from forming a corporation, partnership, trust or other business association owned by any Trustee, officer, employee or agent or by their nominees for the purpose of holding title to property of the Trust or managing property of the Trust, provided that the Trustees make a determination that the creation of such entity for such purpose is in the best interest of the Trust.

6.8. Persons Dealing with Trustees, Officers, Employees or Agents. Any act of the Trustees or of the officers, employees or agents of the Trust purporting to be done in their capacity as such, shall, as to any Persons dealing with such Trustees, officers, employees or agents, be conclusively deemed to be within the purposes of this Trust and within the powers of such Trustees or officers, employees or agents. No Person dealing with the Trustees or any of them or with the officers, employees or agents of the Trust shall be bound to see to the application of any funds or property passing into their hands or control. The receipt of the Trustees or any of them, or of authorized officers, employees or agents of the Trust, for moneys or other consideration, shall be binding upon the Trust.

6.9. Reliance. The Trustees and the officers, employees and agents of the Trust may consult with counsel (which may be a firm in which one or more of the Trustees or the officers, employees or agents of the Trust is or are members) and the advice or opinion of such counsel shall be full and complete personal protection to all the Trustees and the officers, employees and agents of the Trust in respect of any action taken or suffered by them in good faith and in reliance on or in accordance with such advice or opinion. In discharging their duties, Trustees or officers, employees or agents of the Trust, when acting in good faith, may rely upon financial statements of the Trust represented to them to fairly present the financial position or results of operations of the Trust by the chief financial officer of the Trust or the officer of the Trust having charge of its books of account, or stated in a written report by an independent certified public accountant fairly to present the financial position or results of operations of the Trust. The Trustees and the officers, employees and agents of the Trust may rely, and shall be personally protected in acting, upon any instrument or other document believed by them to be genuine.

ARTICLE VII

DURATION, AMENDMENT AND TERMINATION OF TRUST

7.1. Duration of Trust. The duration of the Trust shall be perpetual; provided, however, the Trust may be terminated at any time by the affirmative vote at a meeting of Shareholders of the holders of Shares representing two-thirds of the total number of Shares then outstanding and entitled to vote thereon.

7.2. Termination of Trust.

(a) Upon the termination of the Trust:

(i) the Trust shall carry on no business except for the purpose of winding up its affairs;

(ii) the Trustees shall proceed to wind up the affairs of the Trust and all the powers of the Trustees under this Declaration shall continue until the affairs of the Trust shall have been wound up, including the power to fulfill or discharge the contracts of the Trust, collect its assets, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining Trust Estate to one or more Persons at public or private sale (for consideration which may consist in whole or in part of cash, Securities or other property of any kind), discharge or pay its liabilities, and do all other acts appropriate to liquidate its business; and

(iii) after paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities and refunding agreements, as they deem necessary for their protection, the Trustees may distribute the remaining Trust Estate (in cash or in kind or partly each) among the Shareholders according to their respective rights.

(b) After termination of the Trust and distribution of the Trust Estate to the Shareholders as herein provided, the Trustees shall execute and lodge among the records of the Trust an instrument in writing setting forth the fact of such termination and such distribution, a copy of which instrument shall be filed with the Maryland Department of Assessments and Taxation, and the Trustees shall thereupon be discharged from all further liabilities and duties hereunder and the rights and interests of all Shareholders shall thereupon cease.

7.3. Amendment Procedure. This Declaration may be amended (except that the provisions governing the personal liability of the Shareholders, Trustees and of the officers, employees and agents of the Trust and the prohibition of assessments upon Shareholders may not be amended in any respect that could increase the personal liability of such Shareholders, Trustees or officers, employees and agents of the Trust) at a meeting of Shareholders by holders of Shares representing a majority (or, with respect to amendments of Article IV, the second paragraph of Section 5.1, Section 7.1 or this Section 7.3, and amendments inconsistent with Sections 2.1 and 5.14, at least two-thirds (2/3)) of the total number of votes authorized to be cast in respect of Shares then outstanding and entitled to vote thereon. The approval of a two-thirds (2/3) majority of the Trustees shall also be required for any such amendment. A two-thirds (2/3) majority of the Trustees may, after fifteen (15) days written notice to the Shareholders, also amend this Declaration without the vote or consent of Shareholders if in good faith they deem it necessary to conform this Declaration to the requirements of the REIT Provisions of the Internal Revenue Code, but the Trustees shall not be liable for failing to do so. Actions by the Trustees pursuant to Section 5.1 or pursuant to Section 8.6(a) that result in an amendment to this Declaration shall be effected without vote or consent of Shareholders.

7.4. Amendments Effective. Any amendment pursuant to any Section of this Declaration shall not become effective until it is duly filed with the Maryland Department of Assessments and Taxation.

7.5. Transfer to Successor. The Trustees, with the affirmative vote, at a meeting approving a plan for this purpose, of the holders of Shares representing two-thirds (2/3) of all votes cast at a meeting at which a quorum is present, may (a) cause the organization of a limited partnership, partnership, corporation, association, trust or other organization to take over the Trust Estate and carry on the affairs of the Trust, (b) merge the Trust into, or sell, convey and transfer the Trust Estate to, any such limited partnership, partnership, corporation, association, trust or organization in exchange for Securities thereof, or beneficial interests therein, and the assumption by such transferee of the liabilities of the Trust and (c) thereupon terminate this Declaration and deliver such shares, Securities or beneficial interests among the Shareholders in accordance with such plan.

ARTICLE VIII

MISCELLANEOUS

8.1. Applicable Law. This Declaration is executed and acknowledged by the Trustees with reference to the statutes and laws of the State of Maryland, and the rights of all parties and the construction and effect of every provision hereof shall be subject to and construed according to the statutes and laws of such State.

8.2. Index and Headings for Reference Only. The index and headings preceding the text, articles and sections hereof have been inserted for convenience and reference only and shall not be construed to affect the meaning, construction or effect of this Declaration.

8.3. Successors in Interest. This Declaration and the Bylaws shall be binding upon and inure to the benefit of the undersigned Trustees and their successors, assigns, heirs, distributees and legal representatives, and every Shareholder and his successors, assigns, heirs, distributees and legal representatives.

8.4. Inspection of Records. Trust records shall be available for inspection by Shareholders at the same time and in the same manner and to the extent that comparable records of a Maryland business corporation would be available for inspection by shareholders under the laws of the State of Maryland. Except as specifically provided for in this Declaration or in Title 8 of the Annotated Code of Maryland, Shareholders shall have no greater right than shareholders of a Maryland business corporation to require financial or other information from the Trust, Trustees or officers of the Trust. Any Federal or state securities administrator or the Maryland Department of Assessments and Taxation shall have the right, at reasonable times during business hours and for proper purposes, to inspect the books and records of the Trust.

8.5. Counterparts. This Declaration may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

8.6. Provisions of the Trust in Conflict with Law or Regulations; Severability.

(a) The provisions of this Declaration are severable, and if the Trustees shall determine, with the advice of counsel, that any one or more of such provisions (the "Conflicting Provisions") are in conflict with the REIT Provisions of the Internal Revenue Code, the Conflicting Provisions shall be deemed never to have constituted a part of the Declaration; provided, however, that such determination by the Trustees shall not affect or impair any of the remaining provisions of this Declaration or render invalid or improper any action taken or omitted (including but not limited to the election of Trustees) prior to such determination. An amendment in recordable form signed by a majority of the Trustees setting forth any such determination and reciting that it was duly adopted by the Trustees, or a copy of this Declaration, with the Conflicting Provisions removed pursuant to such a determination, in recordable form, signed by a majority of the Trustees, shall be conclusive evidence of such determination when filed with the Maryland Department of Assessments and Taxation. The Trustees shall not be liable for failure to make any determination under this Section 8.6(a). Nothing in this Section 8.6(a) shall in any way limit or affect the right of the Trustees to amend this Declaration as provided in Section 7.3.

(b) If any provision of this Declaration shall be held invalid or unenforceable, such invalidity or unenforceability shall attach only to such provision and shall not in any manner affect or render invalid or unenforceable any other provision of this Declaration, and this Declaration shall be carried out as if any such invalid or unenforceable provision were not contained herein.

8.7. Certifications. The following certifications shall be final and conclusive as to any Persons dealing with the Trust:

- (a) a certification of a vacancy among the Trustees by reason of resignation, removal, increase in the number of Trustees, incapacity, death or otherwise, when made in writing by a majority of the remaining Trustees;
- (b) a certification as to the individuals holding office as Trustees or officers at any particular time, when made in writing by the secretary of the Trust;
- (c) a certification that a copy of this Declaration or of the Bylaws is a true and correct copy thereof as then in force, when made in writing by the secretary of the Trust;
- (d) a certification as to any actions by Trustees, other than the above, when made in writing by the secretary of the Trust or by any Trustee.

These amendments do not affect the total number of common shares of beneficial interest, \$.01 par value ("Common Shares"), authorized or issued by the Trust. The amendment and restatement of the Declaration was authorized by the Board of Trustees of the Trust acting by unanimous written consent on August 18, 1995 and by at least two-thirds of the stockholders of the Trust by means of unanimous written consent obtained on August 18, 1995.

8.8. Indemnification of the Trust.¹⁴ Each shareholder will indemnify and hold harmless the Trust from and against all costs, expenses, penalties, fines and other amounts, including, without limitation, attorneys' and other professional fees, whether third party or internal, arising from such shareholder's violation of any provision of this Declaration or the Bylaws, including, without limitation, Section 5.14, and shall pay such sums to the Trust upon demand, together with interest on such amounts, which interest will accrue at the lesser of 15% per annum and the maximum amount permitted by law, from the date such costs or the like are incurred until the receipt of repayment by the Trust. Nothing in this Section shall create or increase the liability of any shareholders, trustees, officers, employees or agents of the Trust for actions taken on behalf of the Trust.

¹⁴ This provision was added by the Articles of Amendment filed May 16, 2007.

SERVICE PROPERTIES TRUST
COMPOSITE DECLARATION OF TRUST
INCORPORATING:

Declaration of Trust filed May 12, 1995
Articles of Amendment and Restatement filed August 21, 1995
Articles of Amendment filed June 2, 1997
Articles Supplementary filed May 16, 2000
Articles of Amendment filed May 24, 2006
Articles of Amendment filed March 5, 2007
Articles of Amendment filed May 16, 2007
Articles of Amendment filed April 15, 2010
Articles of Amendment filed April 15, 2010
Articles of Amendment filed January 18, 2012
Articles of Amendment filed June 10, 2014
Articles Supplementary filed April 20, 2017¹
Articles of Amendment filed June 13, 2019
Articles of Amendment filed September 20, 2019
Articles Supplementary filed June 10, 2020
Articles of Amendment filed June 10, 2020
[Articles of Amendment filed March 30, 2026](#)

¹ This Composite Declaration of Trust does not incorporate the following Articles Supplementary which establish various classes of Preferred Shares and include provisions relevant only to those issues: (i) Articles Supplementary filed June 2, 1997; (ii) Articles Supplementary filed April 8, 1999; (iii) Articles Supplementary filed December 9, 2002; (iv) Articles Supplementary filed February 16, 2007; (v) Articles Supplementary filed March 5, 2007; (vi) Articles Supplementary filed January 18, 2012; and (vii) Articles Supplementary filed June 10, 2014.

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The Declaration of Service Properties Trust, as filed with the Maryland Department of Assessments and Taxation on May 12, 1995 is hereby amended and restated as follows:

DECLARATION OF TRUST made as of the date set forth above by the undersigned Trustees.

WITNESSETH:

WHEREAS, the Trustees desire to create a trust for the principal purpose of investing in real property and interests therein; and

WHEREAS, the Trustees desire that such trust qualify as a “qualified REIT subsidiary” as long as it shall remain wholly owned by Health and Retirement Properties Trust (“HRP”) and, thereafter, as a “real estate investment trust” under the REIT Provisions of the Internal Revenue Code, and as a “real estate investment trust” under Title 8 of the Corporations and Associations Article of the Annotated Code of Maryland; and

WHEREAS, in furtherance of such purpose the Trustees intend to acquire certain real property and interests therein and to hold, manage and dispose of all such property as Trustees in the manner hereinafter stated; and

WHEREAS, it is proposed that the beneficial interest in the Trust be divided into transferable Shares of Beneficial Interest, evidenced by certificates therefor, as hereinafter provided;

NOW, THEREFORE, it is hereby agreed and declared that the Trustees will hold any and all property of every type and description which they are acquiring or may hereafter acquire as Trustees, together with the proceeds thereof, in trust, to manage and dispose of the same for the benefit of the holders from time to time of the Shares of Beneficial Interest being issued and to be issued hereunder in the manner and subject to the stipulations contained herein.

ARTICLE I

THE TRUST; DEFINITIONS

1.1. Name.³ The name of the Trust created by this Declaration of Trust shall be “Service Properties Trust” and so far as may be practicable the Trustees shall conduct the Trust’s activities, execute all documents and sue or be sued under that name, which name (and the word “Trust” wherever used in this Declaration of Trust, except where the context otherwise requires) shall refer to the Trustees collectively but not individually or personally nor to the officers, agents, employees or Shareholders of the Trust or of such Trustees. Under circumstances under which the Trustees determine that the use of such name is not practicable or under circumstances in which the Trustees are contractually bound to change that name, they may use such other designation or they may adopt another name under which the Trust may hold property or conduct its activities.

³ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed September 20, 2019.

1.2. Places of Business. The Trust shall maintain an office in Maryland at The Prentice-Hall Corporation System, Maryland, 11 East Chase Street, Baltimore City, Maryland, 21202 or such other place in Maryland as the Trustees may determine from time to time. The Resident Agent of the Trust at such office shall be The Prentice-Hall Corporation System, Maryland. The Trust may change such Resident Agent from time to time as the Trustees shall determine. The Trust may have such other offices or places of business within or without the State of Maryland as the Trustees may from time to time determine.

1.3. Nature of Trust. The Trust shall be a real estate investment trust within the meaning of Title 8 of the Corporations and Associations Article of the Annotated Code of Maryland. It is also intended that the Trust shall carry on a business as a “qualified REIT subsidiary” as described in the REIT Provisions of the Internal Revenue Code for so long as it is wholly owned by HRP and thereafter shall qualify and carry on business as a “real estate investment trust” as described therein. The Trust is not intended to be, shall not be deemed to be, and shall not be treated as a general partnership, limited partnership, joint venture, corporation or joint stock company (but nothing herein shall preclude the Trust from being treated for tax purposes as an association under the Internal Revenue Code); nor shall the Trustees or Shareholders or any of them for any purpose be, nor be deemed to be, nor be treated in any way whatsoever as, liable or responsible hereunder as partners or joint venturers. The relationship of the Shareholders to the Trustees shall be solely that of beneficiaries of the Trust in accordance with the rights conferred upon them by this Declaration.

1.4. Definitions. The terms defined in this Section 1.4, wherever used in this Declaration, shall, unless the context otherwise requires, have the respective meanings hereinafter specified. Whenever the singular number is used in this Declaration and when permitted by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa. Where applicable, calculations to be made pursuant to any such definition shall be made in accordance with generally accepted accounting principles as in effect from time to time except as otherwise provided in such definition.

(a) Advisor. “Advisor” shall mean HRPT Advisors, Inc., a Delaware corporation, or such other Person as the Trustees shall from time to time engage to supervise the operation of the Trust and to provide the Trust with a program of investments.

(b) Affiliate. “Affiliate” shall mean, as to any Person, (i) any other Person who, at the time of determination, is directly or indirectly controlling, controlled by or under common control with such Person, (ii) any other Person who, at such time, owns beneficially, directly or indirectly, five percent (5%) or more of the outstanding capital stock, shares or equity interests of such Person, or (iii) any Person who is at the time of determination an officer, director, employee, general partner or trustee of any such Person or of any Person who, at such time, is controlling, controlled by or under common control with such Person (excluding any trustee who is not otherwise an Affiliate of such Person).

(c) Annual Meeting of Shareholders. “Annual Meeting of Shareholders” shall mean the meeting described in the first sentence of Section 5.9.

(d) Annual Report. “Annual Report” shall have the meaning set forth in Section 5.11(a).

(e) Book Value. “Book Value” of an asset or assets shall mean the value of such asset or assets of the Trust on the books of the Trust, without deduction for depreciation or other asset valuation reserves and without deduction for mortgages or other security interests to which such asset or assets are subject, except that no asset shall be valued at more than its fair market value as determined by or under procedures adopted by the Trustees, and the underlying assets of a partnership, joint venture or other form of indirect ownership, to the extent of the Trust’s interest therein, shall be valued as if owned directly by the Trust.

(f) Bylaws. “Bylaws” shall have the meaning set forth in Section 3.3.

(g) Declaration. “Declaration” or “this Declaration” shall mean this Declaration of Trust, as amended, restated or modified from time to time. The use in this Declaration of “herein” and “hereunder” shall be deemed to refer to this Declaration and shall not be limited to the particular text, article or section in which such words appear.

(h) Independent Trustee. “Independent Trustee” shall mean a Trustee who is not then an officer of the Trust or an Affiliate of the Advisor.⁴

(i) Internal Revenue Code. “Internal Revenue Code” shall mean the Internal Revenue Code of 1986, as now enacted or hereafter amended, or successor statutes and applicable rules and regulations thereunder.

(j) Invested Assets. “Invested Assets” shall mean the Book Value of all the Real Estate Investments of the Trust.

(k) Mortgage Loans. “Mortgage Loans” shall mean notes, debentures, bonds and other evidences of indebtedness or obligations, whether negotiable or non-negotiable, which are secured or collateralized by Mortgages.

(l) Mortgages. “Mortgages” shall mean mortgages, deeds of trust or other security interests in Real Property.

(m) Person. “Person” shall mean and include individuals, corporations, limited partnerships, general partnerships, joint stock companies or associations, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts and other entities and governments and agencies and political subdivisions thereof.

(n) Real Estate Investment. “Real Estate Investment” shall mean any direct or indirect investment in any interest in Real Property or in any Mortgage Loan, or in any Person whose principal purpose is to make any such investment.

(o) Real Property. “Real Property” shall mean and include land, leasehold interests (including but not limited to interests of a lessor or lessee therein), rights and interests in land, and in any buildings, structures, improvements, furnishings and fixtures located on or used in connection with land or interests therein, but does not include investments in Mortgages, Mortgage Loans or interests therein.

⁴ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed May 24, 2006.

(p) REIT. “REIT” shall mean a real estate investment trust as defined in the REIT Provisions of the Internal Revenue Code.

(q) REIT Provisions of the Internal Revenue Code. “REIT Provisions of the Internal Revenue Code” shall mean Parts II and III of Subchapter M of Chapter 1 of Subtitle A of the Internal Revenue Code or any successor provision.

(r) Securities. “Securities” shall mean any stock, shares, voting trust certificates, bonds, debentures, notes or other evidences of indebtedness or in general any instruments commonly known as “securities” or any certificates of interest, shares or participations in, temporary or interim certificates for, receipts for, guarantees of, or warrants, options or rights to subscribe to, purchase or acquire any of the foregoing.

(s) Shareholders. “Shareholders” shall mean as of any particular time all holders of record of outstanding Shares at such time.

(t) Shares. “Shares” or, as the context may require, “shares” shall mean the shares of beneficial interest of the Trust as described in Section 5.1 hereof.

(u) Trust. “Trust” shall mean the Trust created by this Declaration.

(v) Trustees. “Trustees” shall mean, as of any particular time, the original signatories hereto as long as they hold office hereunder and additional and successor Trustees, and shall not include the officers, employees or agents of the Trust or the Shareholders. Nothing herein shall be deemed to preclude the Trustees from also serving as officers, employees or agents of the Trust or owning Shares.

(w) Trust Estate. “Trust Estate” shall mean as of any particular time any and all property, real, personal or otherwise, tangible or intangible, which is transferred, conveyed or paid to or purchased by the Trust or Trustees and all rents, income, profits and gains therefrom and which at such time is owned or held by or for the Trust or the Trustees.

ARTICLE II

TRUSTEES

2.1. Number, Term of Office and Qualifications of Trustees.⁵ The Trustees are and shall remain divided into three classes until the Trust’s annual meeting of shareholders of the Trust held in calendar year 2023 (the “2023 Annual Meeting”). The terms of the Trustees shall be determined as follows: (i) at the annual meeting of shareholders of the Trust that is held in calendar year 2020 (the “2020 Annual Meeting”), the Trustees whose terms expire at the 2020 Annual Meeting (or such Trustees’ successor) shall be elected to hold office for a three-year term expiring at the 2023 Annual Meeting; (ii) at the annual meeting of shareholders of the Trust that is held in calendar year 2021 (the “2021 Annual Meeting”), the Trustees whose terms expire at the 2021 Annual Meeting (or such Trustees’ successors) shall be elected to hold office for one-year terms expiring at the annual meeting of shareholders of the Trust that is held in calendar year 2022 (the “2022 Annual Meeting”); (iii) at the 2022 Annual Meeting, the Trustees whose terms expire at the 2022 Annual Meeting (or such Trustees’ successors) shall be elected to hold office for one-year terms expiring at the 2023 Annual Meeting; and (iv) at the 2023 Annual Meeting, and at each annual meeting of shareholders of the Trust thereafter, all Trustees shall be elected to hold office for one-year terms expiring at the next annual meeting of shareholders following his or her election. For the avoidance

⁵ This provision has been revised to reflect changes effectuated by the Articles Supplementary filed May 16, 2000; and by the Articles of Amendment filed June 10, 2014, as superseded by the Articles Supplementary filed April 20, 2017; and as further superseded by the Articles of Amendment filed June 10, 2020 and the Articles Supplementary filed June 10, 2020.

of doubt, each Trustee elected or appointed to the Board of Trustees to serve a term that commenced before the 2021 Annual Meeting (an “Existing Trustee”), and each Trustee elected or appointed to the Board of Trustees to fill a vacancy resulting from the death, resignation or removal of an Existing Trustee, shall serve for the full term to which the Existing Trustee was elected or appointed.

2.2. Compensation and Other Remuneration. The Trustees shall be entitled to receive such reasonable compensation for their services as Trustees as the Trustees may determine from time to time. The Trustees and Trust officers shall be entitled to receive remuneration for services rendered to the Trust in any other capacity. Subject to Sections 6.6 and 6.7, such services may include, without limitation, services as an officer of the Trust, legal, accounting or other professional services, or services as a broker, transfer agent or underwriter, whether performed by a Trustee or any Person affiliated with a Trustee.

2.3. Resignation, Removal and Death of Trustees.⁶ A Trustee may resign at any time by giving written notice to the remaining Trustees at the principal office of the Trust. Such resignation shall take effect on the date specified in such notice, without need for prior accounting. A Trustee may be removed at any time with cause by the affirmative vote either of all the remaining Trustees or of the holders of Shares representing two-thirds of the total votes authorized to be cast by Shares then outstanding and entitled to vote thereon, voting as a single class. A Trustee judged incompetent or for whom a guardian or conservator has been appointed shall be deemed to have resigned as of the date of such adjudication or appointment. Upon the resignation or removal of any Trustee, or his otherwise ceasing to be a Trustee, he shall execute and deliver such documents as the remaining Trustees shall require for the conveyance of any Trust property held in his name, shall account to the remaining Trustees as they require for all property which he holds as Trustee and shall thereupon be discharged as Trustee. Upon the incapacity or death of any Trustee, his legal representative shall perform the acts set forth in the preceding sentence and the discharge mentioned therein shall run to such legal representative and to the incapacitated Trustee or the estate of the deceased Trustee, as the case may be.

2.4. Vacancies.⁷ If any or all the Trustees cease to be Trustees hereunder, whether by reason of resignation, removal, incapacity, death or otherwise, such event shall not terminate the Trust or affect its continuity. Until vacancies are filled, the remaining Trustee or Trustees (even though fewer than three (3)) may exercise the powers of the Trustees hereunder. A vacancy that results from an increase in the size of the Board of Trustees or the death, resignation, or removal of a Trustee may be filled only by the affirmative vote of a majority of the remaining Trustee in office, even if the remaining Trustees do not constitute a quorum. Any director elected to fill a vacancy shall hold office for the remainder of the full term of the class of Trustees in which the vacancy occurred and until a successor is elected and qualifies. If at any time there shall be no Trustees in office, successor Trustees shall be elected by the Shareholders as provided in Section 5.9.

2.5. Successor and Additional Trustees. The right, title and interest of the Trustees in and to the Trust Estate shall also vest in successor and additional Trustees upon their qualification, and they shall thereupon have all the rights and obligations of Trustees hereunder. Such right, title and interest shall vest in the Trustees whether or not conveyancing documents have been executed and delivered pursuant to Section 2.3 or otherwise. Appropriate written evidence of the election and qualification of successor and additional Trustees shall be filed with the records of the Trust and in such other offices or places as the Trustees may deem necessary, appropriate or desirable.

2.6. Actions by Trustees. The Trustees may act with or without a meeting. A quorum for all meetings of the Trustees shall be a majority of the Trustees; provided, however, that, whenever pursuant to Section 6.7 or otherwise the vote of a majority of a particular group of Trustees is required at a meeting, a quorum for such meeting shall be a majority of the Trustees which shall include a majority of such group. Unless specifically provided otherwise in this Declaration, any action of the Trustees may be taken at a meeting by vote of a majority of the Trustees present (a quorum being present) or without a meeting by written consents of a majority of the Trustees, which consents shall be filed with the records of meetings of the Trustees. Any action or actions permitted to be taken by the Trustees in connection with the business of the Trust may be taken pursuant to authority granted by a meeting of the Trustees conducted by a telephone conference call, and the transaction of Trust business represented thereby shall be of the same authority and validity as if transacted at a meeting of the Trustees held in person or by written consent. The minutes of any Trustees' meeting held by telephone shall be prepared in the same manner as a meeting of the Trustees held in person. The acquisition or disposition of any investment (other than investments in short-term investment Securities described in Section 4.1) shall require the approval of a majority of Trustees, except as otherwise provided in Section 6.7. Any agreement, deed, mortgage, lease or other instrument or writing

⁶ This provision has been revised to reflect changes effectuated by the Articles Supplementary filed April 20, 2017.

⁷ This provision has been revised to reflect changes effectuated by the Articles Supplementary filed May 16, 2000.

executed by one or more of the Trustees or by any authorized Person shall be valid and binding upon the Trustees and upon the Trust when authorized or ratified by action of the Trustees or as provided in the Bylaws.

With respect to the actions of the Trustees, Trustees who have, or are Affiliates of Persons who have, any direct or indirect interest in or connection with any matter being acted upon may be counted for all quorum purposes under this Section 2.6 and, subject to the provisions of Section 6.7, may vote on the matter as to which they or their Affiliates have such interest or connection.

2.7. Committees. The Trustees may appoint an audit committee and such other standing committees as the Trustees determine. Each standing committee shall consist of two (2) or more members; provided, however, that the Trustees may appoint a standing committee consisting of at least one Trustee and two non- Trustees. Each committee shall have such powers, duties and obligations as the Trustees may deem necessary or appropriate. The standing committees shall report their activities periodically to the Trustees.

ARTICLE III

TRUSTEES' POWERS

3.1. Power and Authority of Trustees. The Trustees, subject only to the specific limitations contained in this Declaration, shall have, without further or other authorization, and free from any power or control on the part of the Shareholders, full, absolute and exclusive power, control and authority over the Trust Estate and over the business and affairs of the Trust to the same extent as if the Trustees were the sole owners thereof in their own right, and may do all such acts and things as in their sole judgment and discretion are necessary for or incidental to or desirable for carrying out or conducting the business of the Trust. Any construction of this Declaration or any determination made in good faith by the Trustees as to the purposes of the Trust or the existence of any power or authority hereunder shall be conclusive. In construing the provisions of this Declaration, the presumption shall be in favor of the grant of powers and authority to the Trustees. The enumeration of any specific power or authority herein shall not be construed as limiting the aforesaid powers or the general powers or authority or any other specified power or authority conferred herein upon the Trustees.

3.2. Specific Powers and Authority. Subject only to the express limitations contained in this Declaration and in addition to any powers and authority conferred by this Declaration or which the Trustees may have by virtue of any present or future statute or rule or law, the Trustees without any action or consent by the Shareholders shall have and may exercise at any time and from time to time the following powers and authorities which may or may not be exercised by them in their sole judgment and discretion and in such manner and upon such terms and conditions as they may from time to time deem proper:

(a) to retain, invest and reinvest the capital or other funds of the Trust in, and to acquire, purchase, or own, real or personal property of any kind, whether tangible or intangible, wherever located in the world, and make commitments for such investments, all without regard to whether any such property is authorized by law for the investment of trust funds or produces or may produce income; to possess and exercise all the rights, powers and privileges appertaining to the ownership of the Trust Estate; and to increase the capital of the Trust at any time by the issuance of any additional authorized Shares or other Securities of the Trust for such consideration as they deem advisable;

(b) without limitation of the powers set forth in subsection (a) above, to invest in, purchase or otherwise acquire for such consideration as they deem proper, in cash or other property or through the issuance of shares or through the issuance of notes, debentures, bonds or other obligations of the Trust, and to hold for investment, the entire or any participating interests in any Mortgage Loans or interest in Real Property, including ownership of, or participations in the ownership of, or rights to acquire, equity interests in Real Property or in Persons owning, developing, improving, operating or managing Real Property, which interests may be acquired independently of or in connection with other investment activities of the Trust and, in the latter case, may include rights to receive additional payments based on gross income or rental or other income from the Real Property or improvements thereon; and to invest in loans secured by the pledge or transfer of Mortgage Loans;

(c) to sell, rent, lease, hire, exchange, release, partition, assign, mortgage, pledge, hypothecate, grant security interests in, encumber, negotiate, convey, transfer or otherwise dispose of any and all the Trust Estate by deeds (including deeds in lieu of foreclosure), trust deeds, assignments, bills of sale, transfers, leases, mortgages, financing statements, security agreements and other instruments for any of such purposes executed and delivered for and on behalf of the Trust or the Trustees by one or more of the Trustees or by a duly authorized officer, employee, agent or nominee of the Trust;

(d) to issue Shares, bonds, debentures, notes or other evidences of indebtedness, which may be secured or unsecured and may be subordinated to any indebtedness of the Trust, to such Persons for such cash, property or other consideration (including Securities issued or created by, or interests in, any Person) at such time or times and on such terms as the Trustees may deem advisable and to list any of the foregoing Securities issued by the Trust on any securities exchange and to purchase or otherwise acquire, hold, cancel, reissue, sell and transfer any of such Securities, and to cause the instruments evidencing such Securities to bear an actual or facsimile imprint of the seal of the Trust (if the Trustees shall have adopted such a seal) and to be signed by manual or facsimile signature or signatures (and to issue such Securities, whether or not any Person whose manual or facsimile signature shall be imprinted thereon shall have ceased to occupy the office with respect to which such signature was authorized), provided that, where only facsimile signatures for the Trust are used, the instrument shall be countersigned manually by a transfer agent, registrar or other authentication agent; and to issue any of such Securities of different types in combinations or units with such restrictions on the separate transferability thereof as the Trustees shall determine;

(e) to enter into leases of real and personal property as lessor or lessee and to enter into contracts, obligations and other agreements for a term, and to invest in obligations having a term, extending beyond the term of office of the Trustees and beyond the possible termination of the Trust, or having a lesser term;

(f) to borrow money and give negotiable or non negotiable instruments therefor; or guarantee, indemnify or act as surety with respect to payment or performance of obligations of third parties; to enter into other obligations on behalf of the Trust; and to assign, convey, transfer, mortgage, subordinate, pledge, grant security interest in, encumber or hypothecate the Trust Estate to secure any indebtedness of the Trust or any other of the foregoing obligations of the Trust;

(g) to lend money, whether secured or unsecured;

(h) to create reserve funds for any purpose;

(i) to incur and pay out of the Trust Estate any charges or expenses, and to disburse any funds of the Trust, which charges, expenses or disbursements are, in the opinion of the Trustees, necessary or incidental to or desirable for the carrying out of any of the purposes of the Trust or conducting the business of the Trust, including without limitation taxes and other governmental levies, charges and assessments, of whatever kind or nature, imposed upon or against the Trustees in connection with the Trust or the Trust Estate or upon or against the Trust Estate or any part hereof, and for any of the purposes herein;

(j) to deposit funds of the Trust in banks, trust companies, savings and loan associations and other depositories, whether or not such deposits will draw interest, the same to be subject to withdrawal on such terms and in such manner and by such Person or Persons (including any one or more Trustees or officers, employees or agents, of the Trust) as the Trustees may determine;

(k) to possess and exercise all the rights, powers and privileges pertaining to the ownership of all or any Mortgages or Securities issued or created by, or interests in, any Person, forming part of the Trust Estate, to the same extent that an individual might do so, and, without limiting the generality of the foregoing, to vote or give any consent, request or notice, or waive any notice, either in person or by proxy or power of attorney, with or without power of substitution, to one or more Persons, which proxies and powers of attorney may be for meetings or action generally or for any particular meeting or action, and may include the exercise of discretionary powers;

(l) to cause to be organized or assist in organizing any Person under the laws of any jurisdiction to acquire the Trust Estate or any part or parts thereof or to carry on any business in which the Trust shall directly or indirectly have any interest, and to sell, rent, lease, hire, convey, negotiate, assign, exchange or transfer the Trust Estate or any part or parts thereof to or with any such Person or any existing Person in exchange for the Securities thereof or otherwise, and to merge or consolidate the Trust with or into any Person or merge or consolidate any Person into the Trust, and to lend money to, subscribe for the Securities of, and enter into any contracts with, any Person in which the Trust holds or is about to acquire Securities or any other interest;

(m) to enter into joint ventures, general or limited partnerships, participation or agency arrangements and any other lawful combinations or associations, and to act as a general or limited partner;

(n) to elect, appoint, engage or employ such officers for the Trust as the Trustees may determine, who may be removed or discharged at the discretion of the Trustees, such officers to have such powers and duties, and to serve such terms, as may be prescribed by the Trustees or by the Bylaws; to engage or employ any Persons (including, subject to the provisions of Sections 6.6 and 6.7, any Trustee or officer, agent or employee of the Trust and any Person in which any Trustee, officer or agent is directly or indirectly interested or with which he is directly or indirectly connected) as agents, representatives, employees, or independent contractors (including without limitation real estate advisors, investment advisors, transfer agents, registrars, underwriters, accountants, attorneys at law, real estate agents, managers, appraisers, brokers, architects, engineers, construction managers, general contractors or otherwise) in one or more capacities, and to pay compensation from the Trust for services in as many capacities as such Person may be so engaged or employed; and to delegate any of the powers and duties of the Trustees to any one or more Trustees, agents, representatives, officers, employees, independent contractors or other Persons;

(o) to determine or cause to be determined from time to time the value of all or any part of the Trust Estate and of any services, Securities, property or other consideration to be furnished to or acquired by the Trust, and from time to time to revalue or cause to be revalued all or any part of the Trust Estate in accordance with such appraisals or other information as are, in the Trustees' sole judgment, necessary and/or satisfactory;

(p) to collect, sue for and receive all sums of money coming due to the Trust, and to engage in, intervene in, prosecute, join, defend, compromise, abandon or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, controversies, demands or other litigation relating to the Trust, the Trust Estate or the Trust's affairs, to enter into agreements therefor, whether or not any suit is commenced or claim accrued or asserted and, in advance of any controversy, to enter into agreements regarding arbitration, adjudication or settlement thereof;

(q) to renew, modify, release, compromise, extend, consolidate or cancel, in whole or in part, any obligation to or of the Trust or participate in any reorganization of obligors to the Trust;

(r) to self-insure or to purchase and pay for out of the Trust Estate insurance contracts and policies, including contracts of indemnity, insuring the Trust Estate against any and all risks and insuring the Trust and/or all or any of the Trustees, the Shareholders, or the officers, employees or agents of the Trust or Persons who may directly or indirectly control the Trust against any and all claims and liabilities of every nature asserted by any Person arising by reason of any action alleged to have been taken or omitted by the Trust or by the Trustees, Shareholders, officers, employees agents or controlling Persons whether or not the Trust would have the power to indemnify such Person or Persons against any such claim or liability;

(s) to cause legal title to any of the Trust Estate to be held by and/or in the name of the Trustees, or, except as prohibited by law, by and/or in the name of the Trust or one or more of the Trustees or any other Person, on such terms, in such manner and with such powers in such Person as the Trustees may determine, and with or without disclosure that the Trust or Trustees are interested therein;

(t) to adopt a fiscal year for the Trust, and from time to time to change such fiscal year;

(u) to adopt and use a seal (but the use of a seal shall not be required for the execution of instruments or obligations of the Trust);

(v) to the extent permitted by law, to indemnify or enter into agreements with respect to indemnification with any Person with which the Trust has dealings, including without limitation any broker/dealer, investment bank, investment advisor or independent contractor, to such extent as the Trustees shall determine;

(w) to confess judgment against the Trust;

(x) to discontinue the operations of the Trust;

(y) to repurchase or redeem Shares and other Securities issued by the Trust;

(z) to declare and pay dividends or distributions, consisting of cash, property or Securities, to the holders of Shares of the Trust out of any funds legally available therefor; and

(aa) to do all other such acts and things as are incident to the foregoing, and to exercise all powers which are necessary or useful to carry on the business of the Trust and to carry out the provisions of this Declaration.

3.3. Bylaws. The Trustees may make or adopt and from time to time amend or repeal Bylaws (the “Bylaws”) not inconsistent with law or with this Declaration, containing provisions relating to the business of the Trust and the conduct of its affairs and in such Bylaws may define the duties of the officers, employees and agents of the Trust.

ARTICLE IV

INVESTMENT POLICY AND POLICIES WITH RESPECT TO CERTAIN DISTRIBUTIONS TO SHAREHOLDERS

4.1. Statement of Policy. It shall be the general objectives of the Trust (i) to provide current income for distribution to Shareholders through investments in income-producing hotels and hospitality-related facilities and other real estate investments and (ii) to provide Shareholders with the opportunity for additional returns from a percentage of gross revenues generated by the investment properties.

The Trust may make secured borrowings to make permitted additional Real Estate Investments and secured or unsecured borrowings for normal working capital needs, including the repair and maintenance of properties in which it has invested, tenant improvements and leasing commissions. The Trust may make such borrowings from third parties or from Affiliates of the Advisor. Interest and other financing charges or fees to be paid on loans from such Affiliates will not exceed the interest and other financing charges or fees which would be charged by third party financing institutions on comparable loans for the same purpose in the same geographic area.

To the extent that the Trust Estate has assets not otherwise invested in accordance with this Section 4.1, it shall be the policy of the Trustees to invest such assets in investments selected by the Trustees or the Advisor which are consistent with the Trust’s intention to qualify as a REIT under the Internal Revenue Code.

It shall be the policy of the Trustees to make investments and to conduct the business of the Trust in such manner as to qualify as a REIT and to comply with the requirements of the Internal Revenue Code with respect to the composition of investments and the derivation of the income of a real estate investment trust as defined in the REIT Provisions of the Internal Revenue Code; provided, however, that no Trustee, officer, employee or agent of the Trust shall be liable for any act or omission resulting in the loss of tax benefits under the Internal Revenue Code, except for that arising from his own wilful misfeasance, bad faith, gross negligence or reckless disregard of duty.

4.2. Prohibited Investments and Activities. The Trustees shall not:

(a) engage in any undertaking or activity that would disqualify the Trust as a real estate investment trust under the provisions of the Internal Revenue Code as long as a real estate investment trust is accorded substantially the same treatment or benefits under the United States tax laws from time to time in effect as under Sections 856-860 of the Internal Revenue Code at the date of adoption of this Declaration; and/or

(b) use or apply land for farming, agriculture, horticulture or similar purposes in violation of Section 8-302(b) of the Corporations and Associations Article of the Annotated Code of Maryland.

4.3. Change in Investment Policies. The investment policies set out in this Article IV may be changed by a vote of a majority of the Trustees.

ARTICLE V

THE SHARES AND SHAREHOLDERS

5.1. Description of Shares.⁸ The interest of the Shareholders shall be divided into ~~300,000,000~~ 1,000,000,000 shares of beneficial interest which shall be known collectively as “Shares”, all of which shall be validly issued, fully paid and non-assessable by the Trust upon receipt of full consideration for which they have been issued or without additional consideration if issued by way of share dividend or share split. There shall be two classes of Shares: ~~200,000,000~~ 900,000,000 shares of one such class shall be known as “Common Shares”, \$.01 par value per share, and 100,000,000 shares of the other such class shall be known as “Preferred Shares”. Each holder of Shares shall as a result thereof be deemed to have agreed to and be bound by the terms of this Declaration. The Shares may be issued for such consideration as the Trustees shall deem advisable. The Trustees are hereby expressly authorized at any time, and from time to time, to provide for issuance of Shares upon such terms and conditions and pursuant to such arrangements as the Trustees may determine. The Trustees are hereby expressly authorized at any time, and from time to time, without Shareholder approval, to amend this Declaration to increase or decrease the aggregate number of Shares or the number of Shares of any class that the Trust has the authority to issue.

The Trustees are hereby expressly authorized at any time, and from time to time, without Shareholder approval, to set (or change if such class has previously been established) the par value, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms, or conditions of redemption, of the Preferred Shares, and such Preferred Shares may further be divided by the Trustees into classes or series.

⁸ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed March 5, 2007, as superseded by the Articles of Amendment filed January 18, 2012, as superseded by the Articles of Amendment filed March 30, 2026; and by the Articles of Amendment filed June 2, 1997.

Except as otherwise determined by the Trustees with respect to any class or series of Preferred Shares, the holders of Shares shall be entitled to the rights and powers hereinafter set forth in this Section 5.1: The holders of Shares shall be entitled to receive, when and as declared from time to time by the Trustees out of any funds legally available for the purpose, such dividends or distributions as may be declared from time to time by the Trustees. In the event of the termination of the Trust pursuant to Section 7.1 or otherwise, or upon the distribution of its assets, the assets of the Trust available for payment and distribution to Shareholders shall be distributed ratably among the holders of Shares at the time outstanding in accordance with Section 7.2. All Shares shall have equal non-cumulative voting rights at the rate of one vote per Share, and equal dividend, distribution, liquidation and other rights, and shall have no preference, conversion, exchange, sinking fund or redemption rights. Absent a contrary written agreement of the Trust authorized by the Trustees, and notwithstanding any other determination by the Trustees with respect to any class or series of Preferred Shares, no holder of Shares or Preferred Shares shall be entitled as a matter of right to subscribe for or purchase any part of any new or additional issue of Shares of any class whatsoever of the Trust, or of securities convertible into any shares of any class whatsoever of the Trust, whether now or hereafter authorized and whether issued for cash or other consideration or by way of dividend.

5.2. Certificates.⁹ At the election of the Trust, ownership of Shares may be evidenced by certificates in such form as the Trustees shall from time to time approve, specifying the number of Shares of the applicable class held by such Shareholder. Subject to Sections 5.6 and 5.14(c) hereof, such certificates shall be treated as negotiable and title thereto and to the Shares represented thereby shall be transferred by delivery thereof to the same extent in all respects as a stock certificate, and the Shares represented thereby, of a Maryland business corporation. Unless otherwise determined by the Trustees, such certificates shall be signed by the Chairman, if any, and the President and shall be countersigned by a transfer agent, and registered by a registrar if any, and such signatures may be facsimile signatures in accordance with Section 3.2(d) hereof. There shall be filed with each transfer agent a copy of the form of certificate so approved by the Trustees, certified by the Chairman, President, or Secretary, and such form shall continue to be used unless and until the Trustees approve some other form.

In furtherance of the provisions of Sections 5.1 and 5.14(c) hereof, each Certificate evidencing Shares shall contain a legend imprinted thereon to substantially the following effect or such other legend as the Trustees may from time to time adopt:

REFERENCE IS MADE TO THE DECLARATION OF TRUST OF THE TRUST FOR A STATEMENT OF ALL THE DESIGNATIONS, PREFERENCES, LIMITATIONS, AND RELATIVE RIGHTS OF EACH CLASS OR SERIES OF SHARES THAT THE TRUST IS AUTHORIZED TO ISSUE, THE VARIATIONS IN THE RELATIVE RIGHTS AND PREFERENCES OF ANY PREFERRED OR SPECIAL CLASS OF SHARES IN SERIES, TO THE EXTENT THEY HAVE BEEN FIXED AND DETERMINED, AND THE AUTHORITY OF THE TRUSTEES TO FIX AND DETERMINE THE RELATIVE RIGHTS AND PREFERENCES OF SUBSEQUENT SERIES. ANY SUCH STATEMENT SHALL BE FURNISHED WITHOUT CHARGE ON REQUEST TO THE TRUST AT ITS PRINCIPAL PLACE OF BUSINESS OR REGISTERED OFFICE.

IF NECESSARY TO EFFECT COMPLIANCE BY THE TRUST WITH REQUIREMENTS OF THE INTERNAL REVENUE CODE RELATING TO REAL ESTATE INVESTMENT TRUSTS, THE PURPORTED TRANSFER OF THE SHARES EVIDENCED BY THIS CERTIFICATE MAY BE PROHIBITED AND OR INVALIDATED UPON THE TERMS AND CONDITIONS SET FORTH IN THE DECLARATION OF TRUST. THE TRUST WILL FURNISH A COPY OF SUCH TERMS AND CONDITIONS TO THE REGISTERED HOLDER OF THIS CERTIFICATE UPON REQUEST AND WITHOUT CHARGE.

⁹ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed May 24, 2006.

5.3. Fractional Shares. In connection with any issuance of Shares, the Trustees may issue fractional Shares or may adopt provisions for the issuance of scrip including, without limitation, the time within which any such scrip must be surrendered for exchange into full Shares and the rights, if any, of holders of scrip upon the expiration of the time so fixed, the rights, if any, to receive proportional distributions, and the rights, if any, to redeem scrip for cash, or the Trustees may in their discretion, or if they see fit at the option of, each holder, provide in lieu of scrip for the adjustment of the fractions in cash. The provisions of Section 5.2 hereof relative to certificates for Shares shall apply so far as applicable to such scrip, except that such scrip may in the discretion of the Trustees be signed by a transfer agent alone.

5.4. Legal Ownership of Trust Estate. The legal ownership of the Trust Estate and the right to conduct the business of the Trust are vested exclusively in the Trustees (subject to Section 3.2(s)), and the Shareholders shall have no interest therein (other than beneficial interest in the Trust conferred by their Shares issued hereunder) and they shall have no right to compel any partition, division, dividend or distribution of the Trust or any of the Trust Estate.

5.5. Shares Deemed Personal Property. The Shares shall be personal property and shall confer upon the holders thereof only the interest and rights specifically set forth or provided for in this Declaration. The death, insolvency or incapacity of a Shareholder shall not dissolve or terminate the Trust or affect its continuity nor give his legal representative any rights whatsoever, whether against or in respect of other Shareholders, the Trustees or the Trust Estate or otherwise, except the sole right to demand and, subject to the provisions of this Declaration, the Bylaws and any requirements of law, to receive a new certificate for Shares registered in the name of such legal representative, in exchange for the certificate held by such Shareholder.

5.6. Share Record; Issuance and Transferability of Shares. Records shall be kept by or on behalf of and under the direction of the Trustees, which shall contain the names and addresses of the Shareholders, the number of Shares held by them respectively, and the numbers of the certificates representing the Shares, and in which there shall be recorded all transfers of Shares. The Trust, the Trustees and the officers, employees and agents of the Trust shall be entitled to deem the Persons in whose names certificates are registered on the records of the Trust to be the absolute owners of the Shares represented thereby for all purposes of the Trust; but nothing herein shall be deemed to preclude the Trustees or officers, employees or agents of the Trust from inquiring as to the actual ownership of Shares. Until a transfer is duly effected on the records of the Trust, the Trustees shall not be affected by any notice of such transfer, either actual or constructive.

Shares shall be transferable on the records of the Trust only by the record holder thereof or by his agent thereunto duly authorized in writing upon delivery to the Trustees or a transfer agent of the certificate or certificates therefor, properly endorsed or accompanied by duly executed instruments of transfer and accompanied by all necessary documentary stamps together with such evidence of the genuineness of each such endorsement, execution or authorization and of other matters as may reasonably be required by the Trustees or such transfer agent. Upon such delivery, the transfer shall be recorded in the records of the Trust and a new certificate for the Shares so transferred shall be issued to the transferee and in case of a transfer of only a part of the Shares represented by any certificate, a new certificate for the balance shall be issued to the transferor. Any Person becoming entitled to any Shares in consequence of the death of a Shareholder or otherwise by operation of law shall be recorded as the holder of such Shares and shall receive a new certificate therefor but only upon delivery to the Trustees or a transfer agent of instruments and other evidence required by the Trustees or the transfer agent to demonstrate such entitlement, the existing certificate for such Shares and such releases from applicable governmental authorities as may be required by the Trustees or transfer agent. In case of the loss, mutilation or destruction of any certificate for shares, the Trustees may issue or cause to be issued a replacement certificate on such terms and subject to such rules and regulations as the Trustees may from time to time prescribe. Nothing in this Declaration shall impose upon the Trustees or a transfer agent a duty, or limit their rights, to inquire into adverse claims.

5.7. Dividends or Distributions to Shareholders. Subject to Section 5.1, the Trustees may from time to time declare and pay to Shareholders such dividends or distributions in cash, property or assets of the Trust or Securities issued by the Trust, out of current or accumulated income, capital, capital gains, principal, interest, surplus, proceeds from the increase or financing or refinancing of Trust obligations, or from the sale of portions of the Trust Estate or from any other source as the Trustees in their discretion shall determine. Shareholders shall have no right to any dividend or distribution unless and until declared by the Trustees. The Trustees shall furnish the Shareholders with a statement in writing advising as to the source of the funds so distributed not later than ninety (90) days after the close of the fiscal year in which the distribution was made.

5.8. Transfer Agent, Dividend Disbursing Agent and Registrar. The Trustees shall have power to employ one or more transfer agents, dividend disbursing agents and registrars (including the Advisor or its Affiliates) and to authorize them on behalf of the Trust to keep records to hold and to disburse any dividends or distributions and to have and perform, in respect of all original issues and transfers of Shares, dividends and distributions and reports and communications to Shareholders, the powers and duties usually had and performed by transfer agents, dividend disbursing agents and registrars of a Maryland business corporation.

5.9. Shareholders' Meetings.¹⁰ There shall be an annual meeting of the Shareholders, at such time and place as shall be determined by or in the manner prescribed in the Bylaws, at which the Trustees shall be elected and any other proper business may be conducted. The Annual Meeting of Shareholders shall be held no fewer than 30 days after delivery to the Shareholders of the Annual Report and within six (6) months after the end of each fiscal year, commencing with the fiscal year ending December 31, 1995. Special meetings of Shareholders may only be called by a majority of the Trustees. If there shall be no Trustees, the officers of the Trust shall promptly call a special meeting of the Shareholders entitled to vote for the election of successor Trustees.

No business shall be transacted by the Shareholders at a special meeting other than business that is either (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Trustees (or any duly authorized committee thereof) or (ii) otherwise properly brought before the Shareholders by or at the direction of the Trustees.

The holders of Shares entitled to vote at the meeting representing a majority of the total number of votes authorized to be cast by Shares then outstanding and entitled to vote on any question present in person or by proxy shall constitute a quorum at any such meeting for action on such question. Any meeting may be adjourned from time to time by a majority of the votes properly cast upon the question, without regard to class, whether or not a quorum is present, and, except as otherwise provided in the Bylaws, the meeting may be reconvened without further notice. At any reconvened session of the meeting at which there shall be a quorum, any business may be transacted at the meeting as originally noticed.

¹⁰ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed April 15, 2010.

Except as otherwise clearly indicated in this Declaration or the Bylaws, whenever any action is to be taken by the Shareholders, it shall be authorized by the affirmative vote of the holders of Shares representing a majority of the total number of votes authorized to be cast by shares then outstanding and entitled to vote thereon. At all elections of Trustees, voting by Shareholders shall be conducted under the non-cumulative method and 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 and the election of a Trustee in a contested election shall be by a plurality of the votes cast by Shares then outstanding and entitled to vote thereon.¹¹

Whenever Shareholders are required or permitted to take any action by a vote at a meeting of Shareholders, at any time any of the outstanding Shares are held by a Person other than HRP, such action shall not be taken except by such a vote at such a meeting of Shareholders and the Shareholders shall have no power or right to take any action by executing written consents in lieu thereof.

5.10. Proxies. Whenever the vote or consent of a Shareholder entitled to vote is required or permitted under this Declaration, such vote or consent may be given either directly by such Shareholder or by a proxy in the form prescribed in, and subject to the provisions of, the Bylaws. The Trustees may solicit such proxies from the Shareholders or any of them entitled to vote in any matter requiring or permitting the Shareholders' vote or consent.

5.11. [Reserved.]¹²

5.12. Fixing Record Date.¹³ The Bylaws may provide for fixing or, in the absence of such provision, the Trustees may fix, in advance, a date as the record date for determining the Shareholders entitled to notice of or to vote at any meeting of Shareholders or to express consent to any proposal without a meeting or for the purpose of determining Shareholders entitled to receive payment of any dividend or distribution (whether before or after termination of the Trust) or any Annual Report or other communication from the Trustees, or for any other purpose.

5.13. Notice to Shareholders. Any notice of meeting or other notice, communication or report to any Shareholder shall be deemed duly delivered to such Shareholder when such notice, communication or report is deposited, with postage thereon prepaid, in the United States mail, addressed to such Shareholder at his address as it appears on the records of the Trust or is delivered in person to such Shareholder.

5.14. Shareholders' Disclosure; Restrictions on Share Transfer; Limitation on Holdings. At such time as any Person other than HRP shall hold any Shares of Beneficial Interest and thereafter:

(a) Every Shareholder shall upon demand disclose to the Trustees in writing such information with respect to direct and indirect ownership of any Shares as the Trustees deem necessary or appropriate, in their discretion, to comply with the REIT Provisions of the Internal Revenue Code, or to comply with the requirements of any taxing authority or governmental agency.

(b) Whenever in good faith the Trustees deem it reasonably necessary to protect the status of the Trust as a REIT under the Internal Revenue Code, they may require a statement or affidavit from each Shareholder or proposed transferee of Shares setting forth the number of Shares already owned, directly or indirectly, by such Shareholder or proposed transferee and any related Person specified in the form prescribed by the Trustees for that purpose. If, in the opinion of the Trustees, which shall be binding upon any Shareholder and any proposed transferee of Shares, but subject to subsection (i) of this Section 5.14, any proposed transfer of Shares

¹¹ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed June 13, 2019.

¹² This provision was deleted by the Articles of Amendment filed May 24, 2006.

¹³ This provision has been revised to reflect changes effectuated by the Articles of Amendment filed April 15, 2010.

would jeopardize the status of the Trust as a REIT under the Internal Revenue Code, the Trustees shall have the right, but not the duty, to refuse to permit such transfer.

(c) As a condition to the transfer (including, without limitation, any sale, transfer, gift, assignment, devise or other disposition of Shares, whether voluntary or involuntary, whether beneficially or of record, and whether effected constructively, by operation of law or otherwise) and/or registration of transfer of any Shares (“Excess Shares”) which could in the opinion of the Trustees result in

(i) direct or indirect ownership (as hereafter defined) of Shares representing more than 9.8% in number, value or voting power of the total Shares outstanding becoming concentrated in the hands of one owner other than an Excepted Person (as such term is defined hereafter),

(ii) the outstanding Shares of the Trust being owned by fewer than one hundred (100) persons or

(iii) the Trust being “closely held” within the meaning of Section 856(h) of the Internal Revenue Code, such potential owner (a “Proposed Transferee”) shall file with the Trust the statement or affidavit described in subsection (b) of this Section 5.14 no later than the fifteenth (15th) day prior to any proposed transfer, registration of transfer or transaction which, if consummated, would have any of the results set forth above; provided, however, that the Trustees may waive such requirement of prior notice upon determination that such waiver is in the best interests of the Trust. Subject to the subsection (i) of this Section 5.14, the Trustees shall have the power and right (i) to refuse to transfer or issue Excess Shares or share certificates to any Proposed Transferee whose acquisition of such Excess Shares would, in the opinion of the Trustees, result in the direct or indirect beneficial ownership of any Excess Shares by a Person other than an Excepted Person and (ii) to treat such Excess Shares as having been transferred not to the Proposed Transferee but rather to a trustee, who shall be designated by the Trustees but unaffiliated with either the Trust or the Proposed Transferee, for the benefit of one or more organizations described in Sections 170(b)(1)(a) and 170(c) of the Internal Revenue Code (each such organization being referred to herein as a “Charitable Beneficiary”) that have been designated by the Trustees. Any such trust shall be deemed to have been established by the Shareholder for the benefit of the Charitable Beneficiary on the day prior to the date of the purported transfer to the Proposed Transferee, which purported transfer shall be void ab initio and the Proposed Transferee shall be deemed never to have acquired any interest in or with respect to the Excess Shares purportedly transferred.

Any dividends paid or other distributions made with respect to any Excess Shares prior to the Trust discovering that such Excess Shares have been transferred into trust for the Charitable Beneficiary as set forth above shall be repaid and disgorged by the Proposed Transferee to the Trust and any dividend or other distribution declared but still unpaid or unmade shall be rescinded as void ab initio with respect to the Proposed Transferee. Any dividends or other distributions so repaid, disgorged or rescinded shall then be paid over to the trustee and held in trust for the Charitable Beneficiary. Any vote cast by the Proposed Transferee prior to the Trust discovering that such Excess Shares had been transferred to the trustee shall be rescinded as being void ab initio and the Proposed Transferee shall be deemed to have given an irrevocable proxy to the trustee to vote the Excess Shares held for the benefit of the Charitable Beneficiary.

All Excess Shares shall be deemed to be offered by the trustee for sale to the Trust or a Person or Persons designated by the Trust for a period of ninety (90) days following the receipt by the Trust of notice of the event that has caused the Excess Shares to be transferred into trust as set forth above at a price equal to the lesser of (i) the price that was paid for the Excess Shares by the Proposed Transferee and (ii) the market price of the Excess Shares on the date that the Trust or its designee accepts the trustee's offer to sell.

At the direction of the Trust, the trustee of any such trust shall sell any Excess Shares held by the trust to a Person whose ownership of such shares will not, in the judgment of the Trustees, jeopardize the Trust's status as a REIT (a "Permitted Transferee"). If such a transfer is made, the interests of the Charitable Beneficiary with respect to the Excess Shares shall cease and the proceeds of the sale to the Permitted Transferee shall be payable to the Proposed Transferee and to the Charitable Beneficiary as follows: The Proposed Transferee shall be entitled to receive the lesser of (i) the price paid by the Proposed Transferee for the Excess Shares or, if the Proposed Transferee did not give value for the Excess Shares, the market price of the Excess Shares on the day of the event that resulted in the Excess Shares being transferred into trust as set forth above, and (ii) the price received by the trustee from the sale of the Excess Shares. Any proceeds from the sale of Excess Shares in excess of the amount payable to the Proposed Transferee as set forth above shall be payable to the Charitable Beneficiary.

The following Persons are "Excepted Persons": (i) HRP, (ii) HRPT Advisors, Inc., a Delaware corporation ("Advisors"), (iii) Affiliates of HRP or Advisors, (iv) Persons to whom HRP's or Advisor's share ownership is attributable or whose share ownership is attributable to HRP or Advisors and (v) other Persons approved by the Trustees, at their option and in their sole discretion; provided, however, that such approval shall not be granted to any Person (and shall not extend to any Person described in clause (iii) above) whose ownership of more than 9.8% (individually or by attribution) in number or value of the total Shares outstanding would result, directly, indirectly or as a result of attribution of ownership, in termination of the status of the Trust as a REIT under the Internal Revenue Code.

If the foregoing provisions shall be determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the Proposed Transferee of such Excess Shares shall be deemed, at the option of the Trust, to have acted as agent on behalf of the Trust in acquiring such Excess Shares and to hold such Excess Shares on behalf of the Trust.

(d) Notwithstanding any other provision of this Declaration to the contrary, but subject to subsection (i) of this Section 5.14, any purported acquisition of shares of the Trust (whether such purported acquisition results from the direct or indirect acquisition or ownership (as hereafter defined) of Shares) which would result in the disqualification of the Trust as a REIT shall be null and void. Any such shares may be treated by the Trustees in the manner prescribed for Excess Shares in subsection (c) of this Section 5.14.

(e) Subject only to subsection (i) of this Section 5.14, nothing contained in this Section 5.14 or in any other provision of this Declaration shall limit the authority of the Trustees to take such other action as they deem necessary or advisable to protect the Trust and the interests of the Shareholders by preserving the Trust's status as a REIT.

(f) If any provision of this Section 5.14 or any application of any such provision is determined to be invalid by any federal or state court having jurisdiction over the issues, the validity of the remaining provision shall not be affected and other applications of such provision shall be affected only to the extent necessary to comply with the determination of such court. To the extent this Section 5.14 may be inconsistent with any other provision of this Declaration, this Section 5.14 shall be controlling.

(g) It shall be the policy of the Trustees to consult with the appropriate officials of any stock exchange on which the relevant Shares of the Trust are listed as far as reasonably possible in advance of the final exercise (at any time when the shares are listed on such exchange) of any powers granted by sections (b) or (c) of this Section 5.14.

(h) For purposes of this Declaration, Shares not owned directly shall be deemed to be owned indirectly by a Person if that Person or a group including that Person would be the beneficial owner of such shares, as defined as of May 1, 1995, in Rule 13d-3 under the Securities Exchange Act of 1934 and/or would be considered to own such shares by reason of the attribution rules of Section 544 or Section 856(h) of the Internal Revenue Code.

(i) Nothing in this Section 5.14 shall preclude the settlement of any transaction entered into through the facilities of the New York Stock Exchange.

5.15. Special Voting Provisions relating to Certain Business Combinations and Control Shares. The Trust elects not to be governed by the provisions of Subtitles 6 and 7 of Title 3 of the Corporations and Associations Article of the Annotated Code of Maryland.

ARTICLE VI

LIABILITY OF TRUSTEES, SHAREHOLDERS, OFFICERS, EMPLOYEES AND AGENTS, AND OTHER MATTERS

6.1. Limitation of Liability of Shareholders, Trustees, Officers, Employees and Agents for Obligations of the Trust. The Trustees and the officers, employees and agents (including the Advisor) of the Trust, in incurring any debts, liabilities or obligations or in taking or omitting any other actions for or in connection with the Trust, are, and shall be deemed to be, acting as trustees, officers, employees or agents of the Trust and not in their own individual capacities. Except as otherwise provided in Sections 6.3 hereof with respect to liability of Trustees or officers, agents or employees of the Trust to the Trust or to Shareholders, no Shareholder, Trustee or officer, employee or agent (including the Advisor) of the Trust shall be liable for any debt, claim, demand, judgment decree, liability or obligation of any kind (in tort, contract or otherwise) of, against or with respect to the Trust or arising out of any action taken or omitted for or on behalf of the Trust, and the Trust shall be solely liable therefor and resort shall be had solely to the Trust Estate for the payment or performance thereof, and no Shareholder, Trustee or officer, employee or agent (including the Advisor) of the Trust shall be subject to any personal liability whatsoever, in tort, contract or otherwise, to any other Person or Persons in connection with the Trust Estate or the affairs of the Trust (or any actions taken or omitted for or on behalf of the Trust), and all such other Persons shall look solely to the Trust Estate for satisfaction of claims of any nature arising in connection with the Trust Estate or the affairs of the Trust (or any action taken or omitted for or on behalf of the Trust).

6.2. Express Exculpatory Clauses and Instruments. Any written instrument creating an obligation of the Trust shall, to the extent practicable, include a reference to this Declaration and provide that neither the Shareholders nor the Trustees nor any officers, employees or agents (including the Advisor) of the Trust shall be liable thereunder and that all Persons shall look solely to the Trust Estate for the payment of any claim thereunder or for the performance thereof; however, the omission of such provision from any such instrument shall not render the Shareholders, any Trustee, or any officer, employee or agent (including the Advisor) of the Trust liable nor shall the Shareholders, any Trustee or any officer, employee or agent (including the Advisor) of the Trust be liable to any one for such omission.

6.3. Limitation of Liability of Trustees, Officers, Employees and Agents to the Trust and to Shareholders for Acts and Omissions. To the fullest extent permitted by Maryland statutory and decisional law, as amended or interpreted, no Trustee, officer, employee or agent of the Trust (a) shall be personally liable to the Trust or its Shareholders and (b) shall have any greater duties than those established by this Declaration of Trust or, in cases as to which such duties are not so established, than those to which the directors, officers, employees and agents of a Maryland business corporation are subject from time to time. No amendment of this Declaration or repeal of any of its provisions shall limit or eliminate the limitation on liability provided to Trustees, officers, employees and agents of the Trust hereunder with respect to any act or omission occurring prior to such amendment or repeal.

6.4. Indemnification and Reimbursement of Trustees, Officers, Employees, Agents and Certain Other Persons.

(a) The Trust shall indemnify (i) its Trustees and officers, whether serving the Trust or at its request any other entity, to the full extent required or permitted by the General Laws of the State of Maryland now or hereafter in force, including the advance of expenses under the procedures and to the full extent permitted by law and (ii) other employees and agents to such extent as shall be authorized by the Trustees of the Trust or the Bylaws and be permitted by law. The foregoing rights of indemnification shall not be exclusive of any other rights to which those seeking indemnification may be entitled. The Trustees may take such action as is necessary to carry out these indemnification provisions and is expressly empowered to adopt, approve and amend from time to time such Bylaws, resolutions or contracts implementing such provisions or such further indemnification arrangements as may be permitted by law. No amendment of this Declaration of Trust or repeal of any of its provisions shall limit or eliminate the right to indemnification provided hereunder with respect to acts or omissions occurring prior to such amendment or repeal.

(b) Notwithstanding anything herein to the contrary, and to the fullest extent permitted by Maryland statutory or decisional law, as amended or interpreted, no Trustee or officer of the Trust shall be personally liable to the Trust or its shareholders for money damages. No amendment of this Declaration or repeal of any of its provisions shall limit or eliminate the limitation on liability provided to Trustees and officers hereunder with respect to any act or omission occurring prior to such amendment or repeal.

6.5. Indemnification and Reimbursement of Shareholders. Any Shareholder made a party to any action, suit or proceeding or against him a claim or liabilities asserted by reason of the fact that he, his testate or intestate was or is a Shareholder shall be indemnified and held harmless by the Trust against judgments, fines, amounts paid on account thereof (whether in settlement or otherwise) and reasonable expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense of such action, suit, proceeding, claim or alleged liability or in connection with any appeal therein, whether or not the same proceeds to judgment or is settled or otherwise brought to a conclusion; provided, however, that such Shareholder gives prompt notice thereof, executes such documents and takes such action as will permit the Trust to conduct the defense or settlement thereof and cooperates therein. In the event that the assets of the Trust Estate are insufficient to satisfy the Trust's indemnity obligations hereunder, each Shareholder shall be entitled to such indemnification pro rata from the Trust Estate.

6.6. Right of Trustees, Officers, Employees and Agents to Own Shares or Other Property and to Engage in Other Business. Any Trustee or officer, employee or agent of the Trust may acquire, own, hold and dispose of Shares in the Trust, for his individual account, and may exercise all rights of a Shareholder to the same extent and in the same manner as if he were not a Trustee or officer, employee or agent of the Trust. Any Trustee or officer, employee or agent of the Trust may, in his personal capacity or in the capacity of trustee, officer, director, stockholder, partner, member, advisor or employee of any Person or otherwise, have business interests and engage in business activities similar to or in addition to those relating to the Trust, which interests and activities may be similar to and competitive with those of the Trust and may include the acquisition, syndication, holding, management, development, operation or disposition, for his own account, or for the account of such Person or others, of interests in Mortgages, interests in Real Property, or interests in Persons engaged in the real estate business.

Each Trustee, officer, employee and agent of the Trust shall be free of any obligation to present to the Trust any investment opportunity which comes to him in any capacity other than solely as Trustee, officer, employee or agent of the Trust even if such opportunity is of a character which, if presented to the Trust, could be taken by the Trust. Subject to the provisions of Section 6.8, any Trustee or officer, employee or agent of the Trust may be interested as trustee, officer, director, stockholder, partner, member, advisor or employee of, or otherwise have a direct or indirect interest in, any Person who may be engaged to render advice or services to the Trust, and may receive compensation from such Person as well as compensation as Trustee, officer, employee or agent or otherwise hereunder. None of these activities shall be deemed to conflict with his duties and powers as Trustee or officer, employee or agent of the Trust.

6.7. Transactions Between Trustees, Officers, Employees or Agents and the Trust. Except as otherwise provided by this Declaration, and in the absence of fraud, a contract, act or other transaction between the Trust and any other Person in which the Trust is interested, shall be valid, and no Trustee or officer, employee or agent of the Trust shall have any liability as a result of entering into any such contract, act or transaction, even though (a) one or more of the Trustees or officers, employees or agents of the Trust are directly or indirectly interested in or connected with or are trustees, partners, directors, employees, officers or agents of such other Person, or (b) one or more of the Trustees or officers, employees or agents of the Trust individually or jointly with others, is a party or are parties to, or are directly or indirectly interested in or connected with, such contract, act or transaction; provided that in each such case (i) such interest or connection is disclosed or known to the Trustees and thereafter the Trustees authorize or ratify such contract, act or other transaction by affirmative vote of a majority of the Trustees who are not so interested or (ii) such interest or connection is disclosed or known to the Shareholders, and thereafter such contract, act or transaction is approved by Shareholders holding a majority of the Shares then outstanding and entitled to vote thereon.

Notwithstanding any other provision of this Declaration, the Trust may engage in a transaction with (a) any Trustee, officer, employee or agent of the Trust (acting in his individual capacity), (b) any director, trustee, partner, officer, employee or agent (acting in his individual capacity) of the Advisor or any other investment advisor of the Trust, (c) the Advisor or any other investment advisor of the Trust or (d) an Affiliate of any of the foregoing, provided that such transaction has, after disclosure of such affiliation, been approved or ratified by the affirmative vote of a majority of the Trustees not having any interest in such transaction and not Affiliates of any party to the transaction after a determination by them that such transaction is fair and reasonable to the Trust and the Shareholders.

This Section 6.7 shall not prevent any sale of Shares issued by the Trust for the public offering thereof in accordance with a registration statement filed with the Securities and Exchange Commission under the Securities Act of 1933. The Trustees are not restricted by this Section 6.7 from forming a corporation, partnership, trust or other business association owned by any Trustee, officer, employee or agent or by their nominees for the purpose of holding title to property of the Trust or managing property of the Trust, provided that the Trustees make a determination that the creation of such entity for such purpose is in the best interest of the Trust.

6.8. Persons Dealing with Trustees, Officers, Employees or Agents. Any act of the Trustees or of the officers, employees or agents of the Trust purporting to be done in their capacity as such, shall, as to any Persons dealing with such Trustees, officers, employees or agents, be conclusively deemed to be within the purposes of this Trust and within the powers of such Trustees or officers, employees or agents. No Person dealing with the Trustees or any of them or with the officers, employees or agents of the Trust shall be bound to see to the application of any funds or property passing into their hands or control. The receipt of the Trustees or any of them, or of authorized officers, employees or agents of the Trust, for moneys or other consideration, shall be binding upon the Trust.

6.9. Reliance. The Trustees and the officers, employees and agents of the Trust may consult with counsel (which may be a firm in which one or more of the Trustees or the officers, employees or agents of the Trust is or are members) and the advice or opinion of such counsel shall be full and complete personal protection to all the Trustees and the officers, employees and agents of the Trust in respect of any action taken or suffered by them in good faith and in reliance on or in accordance with such advice or opinion. In discharging their duties, Trustees or officers, employees or agents of the Trust, when acting in good faith, may rely upon financial statements of the Trust represented to them to fairly present the financial position or results of operations of the Trust by the chief financial officer of the Trust or the officer of the Trust having charge of its books of account, or stated in a written report by an independent certified public accountant fairly to present the financial position or results of operations of the Trust. The Trustees and the officers, employees and agents of the Trust may rely, and shall be personally protected in acting, upon any instrument or other document believed by them to be genuine.

ARTICLE VII

DURATION, AMENDMENT AND TERMINATION OF TRUST

7.1. Duration of Trust. The duration of the Trust shall be perpetual; provided, however, the Trust may be terminated at any time by the affirmative vote at a meeting of Shareholders of the holders of Shares representing two-thirds of the total number of Shares then outstanding and entitled to vote thereon.

7.2. Termination of Trust.

(a) Upon the termination of the Trust:

(i) the Trust shall carry on no business except for the purpose of winding up its affairs;

(ii) the Trustees shall proceed to wind up the affairs of the Trust and all the powers of the Trustees under this Declaration shall continue until the affairs of the Trust shall have been wound up, including the power to fulfill or discharge the contracts of the Trust, collect its assets, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining Trust Estate to one or more Persons at public or private sale (for consideration which may consist in whole or in part of cash, Securities or other property of any kind), discharge or pay its liabilities, and do all other acts appropriate to liquidate its business; and

(iii) after paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities and refunding agreements, as they deem necessary for their protection, the Trustees may distribute the remaining Trust Estate (in cash or in kind or partly each) among the Shareholders according to their respective rights.

(b) After termination of the Trust and distribution of the Trust Estate to the Shareholders as herein provided, the Trustees shall execute and lodge among the records of the Trust an instrument in writing setting forth the fact of such termination and such distribution, a copy of which instrument shall be filed with the Maryland Department of Assessments and Taxation, and the Trustees shall thereupon be discharged from all further liabilities and duties hereunder and the rights and interests of all Shareholders shall thereupon cease.

7.3. Amendment Procedure. This Declaration may be amended (except that the provisions governing the personal liability of the Shareholders, Trustees and of the officers, employees and agents of the Trust and the prohibition of assessments upon Shareholders may not be amended in any respect that could increase the personal liability of such Shareholders, Trustees or officers, employees and agents of the Trust) at a meeting of Shareholders by holders of Shares representing a majority (or, with respect to amendments of Article IV, the second paragraph of Section 5.1, Section 7.1 or this Section 7.3, and amendments inconsistent with Sections 2.1 and 5.14, at least two-thirds (2/3)) of the total number of votes authorized to be cast in respect of Shares then outstanding and entitled to vote thereon. The approval of a two-thirds (2/3) majority of the Trustees shall also be required for any such amendment. A two-thirds (2/3) majority of the Trustees may, after fifteen (15) days written notice to the Shareholders, also amend this Declaration without the vote or consent of Shareholders if in good faith they deem it necessary to conform this Declaration to the requirements of the REIT Provisions of the Internal Revenue Code, but the Trustees shall not be liable for failing to do so. Actions by the Trustees pursuant to Section 5.1 or pursuant to Section 8.6(a) that result in an amendment to this Declaration shall be effected without vote or consent of Shareholders.

7.4. Amendments Effective. Any amendment pursuant to any Section of this Declaration shall not become effective until it is duly filed with the Maryland Department of Assessments and Taxation.

7.5. Transfer to Successor. The Trustees, with the affirmative vote, at a meeting approving a plan for this purpose, of the holders of Shares representing two-thirds (2/3) of all votes cast at a meeting at which a quorum is present, may (a) cause the organization of a limited partnership, partnership, corporation, association, trust or other organization to take over the Trust Estate and carry on the affairs of the Trust, (b) merge the Trust into, or sell, convey and transfer the Trust Estate to, any such limited partnership, partnership, corporation, association, trust or organization in exchange for Securities thereof, or beneficial interests therein, and the assumption by such transferee of the liabilities of the Trust and (c) thereupon terminate this Declaration and deliver such shares, Securities or beneficial interests among the Shareholders in accordance with such plan.

ARTICLE VIII

MISCELLANEOUS

8.1. Applicable Law. This Declaration is executed and acknowledged by the Trustees with reference to the statutes and laws of the State of Maryland, and the rights of all parties and the construction and effect of every provision hereof shall be subject to and construed according to the statutes and laws of such State.

8.2. Index and Headings for Reference Only. The index and headings preceding the text, articles and sections hereof have been inserted for convenience and reference only and shall not be construed to affect the meaning, construction or effect of this Declaration.

8.3. Successors in Interest. This Declaration and the Bylaws shall be binding upon and inure to the benefit of the undersigned Trustees and their successors, assigns, heirs, distributees and legal representatives, and every Shareholder and his successors, assigns, heirs, distributees and legal representatives.

8.4. Inspection of Records. Trust records shall be available for inspection by Shareholders at the same time and in the same manner and to the extent that comparable records of a Maryland business corporation would be available for inspection by shareholders under the laws of the State of Maryland. Except as specifically provided for in this Declaration or in Title 8 of the Annotated Code of Maryland, Shareholders shall have no greater right than shareholders of a Maryland business corporation to require financial or other information from the Trust, Trustees or officers of the Trust. Any Federal or state securities administrator or the Maryland Department of Assessments and Taxation shall have the right, at reasonable times during business hours and for proper purposes, to inspect the books and records of the Trust.

8.5. Counterparts. This Declaration may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

8.6. Provisions of the Trust in Conflict with Law or Regulations; Severability.

(a) The provisions of this Declaration are severable, and if the Trustees shall determine, with the advice of counsel, that any one or more of such provisions (the "Conflicting Provisions") are in conflict with the REIT Provisions of the Internal Revenue Code, the Conflicting Provisions shall be deemed never to have constituted a part of the Declaration; provided, however, that such determination by the Trustees shall not affect or impair any of the remaining provisions of this Declaration or render invalid or improper any action taken or omitted (including but not limited to the election of Trustees) prior to such determination. An amendment in recordable form signed by a majority of the Trustees setting forth any such determination and reciting that it was duly adopted by the Trustees, or a copy of this Declaration, with the Conflicting Provisions removed pursuant to such a determination, in recordable form, signed by a majority of the Trustees, shall be conclusive evidence of such determination when filed with the Maryland Department of Assessments and Taxation. The Trustees shall not be liable for failure to make any determination under this Section 8.6(a). Nothing in this Section 8.6(a) shall in any way limit or affect the right of the Trustees to amend this Declaration as provided in Section 7.3.

(b) If any provision of this Declaration shall be held invalid or unenforceable, such invalidity or unenforceability shall attach only to such provision and shall not in any manner affect or render invalid or unenforceable any other provision of this Declaration, and this Declaration shall be carried out as if any such invalid or unenforceable provision were not contained herein.

8.7. Certifications. The following certifications shall be final and conclusive as to any Persons dealing with the Trust:

- (a) a certification of a vacancy among the Trustees by reason of resignation, removal, increase in the number of Trustees, incapacity, death or otherwise, when made in writing by a majority of the remaining Trustees;
- (b) a certification as to the individuals holding office as Trustees or officers at any particular time, when made in writing by the secretary of the Trust;
- (c) a certification that a copy of this Declaration or of the Bylaws is a true and correct copy thereof as then in force, when made in writing by the secretary of the Trust;
- (d) a certification as to any actions by Trustees, other than the above, when made in writing by the secretary of the Trust or by any Trustee.

These amendments do not affect the total number of common shares of beneficial interest, \$.01 par value ("Common Shares"), authorized or issued by the Trust. The amendment and restatement of the Declaration was authorized by the Board of Trustees of the Trust acting by unanimous written consent on August 18, 1995 and by at least two-thirds of the stockholders of the Trust by means of unanimous written consent obtained on August 18, 1995.

8.8. Indemnification of the Trust.¹⁴ Each shareholder will indemnify and hold harmless the Trust from and against all costs, expenses, penalties, fines and other amounts, including, without limitation, attorneys' and other professional fees, whether third party or internal, arising from such shareholder's violation of any provision of this Declaration or the Bylaws, including, without limitation, Section 5.14, and shall pay such sums to the Trust upon demand, together with interest on such amounts, which interest will accrue at the lesser of 15% per annum and the maximum amount permitted by law, from the date such costs or the like are incurred until the receipt of repayment by the Trust. Nothing in this Section shall create or increase the liability of any shareholders, trustees, officers, employees or agents of the Trust for actions taken on behalf of the Trust.

¹⁴ This provision was added by the Articles of Amendment filed May 16, 2007.

List of Subsidiary Guarantors

The following subsidiaries of Service Properties Trust, a Maryland real estate investment trust (the “Trust”), jointly and severally and fully and unconditionally, guaranteed the Trust’s 8.875% Senior Guaranteed Unsecured Notes due 2032:

<u>Exact Name of Subsidiary Guarantor</u>	<u>Jurisdiction</u>
Cambridge TRS, Inc.	Maryland
Harbor Court Associates, LLC	Maryland
Highway Ventures Borrower LLC	Delaware
Highway Ventures LLC	Delaware
HPT Cambridge LLC	Massachusetts
HPT Clift TRS LLC	Maryland
HPT CW MA Realty LLC	Maryland
HPT CW MA Realty Trust	Massachusetts
HPT CY TRS, Inc.	Maryland
HPT Geary ABC Holdings LLC	Maryland
HPT Geary Properties Trust	Maryland
HPT IHG Chicago Property LLC	Maryland
HPT IHG GA Properties LLC	Maryland
HPT IHG-2 Properties Trust	Maryland
HPT IHG-3 Properties LLC	Maryland
HPT SN Holding, Inc.	New York
HPT State Street TRS LLC	Maryland
HPT TA Properties LLC	Maryland
HPT TA Properties Trust	Maryland
HPT TRS IHG-2, Inc.	Maryland
HPT TRS Inc.	Maryland
HPT TRS MRP, Inc.	Maryland
HPT TRS SPES II, Inc.	Maryland
HPT TRS WYN, Inc.	Maryland
HPT Wacker Drive TRS LLC	Maryland
HPTCY Properties Trust	Maryland
HPTMI Hawaii, Inc.	Delaware
HPTMI Properties Trust	Maryland
HPTWN Properties Trust	Maryland
Royal Sonesta, Inc.	Louisiana
SVC Gatehall Drive TRS LLC	Maryland
SVC Higgins Road TRS LLC	Maryland
SVC Holdings LLC	Maryland
SVC Jersey City TRS LLC	Maryland
SVC Mannheim Road TRS LLC	Maryland
SVC Minneapolis TRS LLC	Maryland
SVC Morris Plains TRS LLC	Maryland

SVC Nanuet TRS LLC	Maryland
SVC NJ TRS LLC	Maryland
SVC Randolph Street TRS LLC	Maryland
SVC Redondo Beach TRS LLC	Maryland
SVCN 1 LLC	Delaware
SVCN 2 LLC	Delaware
SVCN 3 LLC	Delaware
SVCN 4 LLC	Delaware
SVCN 5 LLC	Delaware

CERTIFICATION PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)

I, Christopher J. Bilotto, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Service Properties Trust;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2026

/s/ Christopher J. Bilotto

Christopher J. Bilotto

President and Chief Executive Officer

CERTIFICATION PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)

I, Brian E. Donley, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Service Properties Trust;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2026

/s/ Brian E. Donley

Brian E. Donley

Chief Financial Officer and Treasurer

Certification Pursuant to 18 U.S.C. Sec. 1350

In connection with the filing by Service Properties Trust (the “Company”) of the Quarterly Report on Form 10-Q for the period ended March 31, 2026 (the “Report”), each of the undersigned hereby certifies, to the best of his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Christopher J. Bilotto

Christopher J. Bilotto

President and Chief Executive Officer

/s/ Brian E. Donley

Brian E. Donley

Chief Financial Officer and Treasurer

Date: May 6, 2026