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 June 30, 2026

OR

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

Commission File Number 001-38342

INDUSTRIAL LOGISTICS PROPERTIES TRUST

(Exact Name of Registrant as Specified in Its Charter)

Maryland	**82-2809631**
(State or Other Jurisdiction of Incorporation or Organization)	(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)

617-219-1460
(Registrant's Telephone Number, Including Area Code)

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name Of Each Exchange On Which Registered
Common Shares of Beneficial Interest	ILPT	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 July 27, 2026: 66,745,881.

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

PART I. Financial Information

Item 1. Financial Statements

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

	June 30, 2026	December 31, 2025
ASSETS		
Real estate properties:		
Land	$ 1,112,238	$ 1,112,238
Buildings and improvements	4,072,473	4,067,721
Total real estate properties, gross	5,184,711	5,179,959
Accumulated depreciation	(711,504)	(648,310)
Total real estate properties, net	4,473,207	4,531,649
Investment in unconsolidated joint venture	135,950	132,753
Acquired real estate leases, net	148,388	164,186
Cash and cash equivalents	135,326	94,812
Restricted cash and cash equivalents	46,487	88,219
Rents receivable, including straight line rents of $119,290 and $114,199, respectively	138,960	136,669
Other assets, net	44,520	41,656
Total assets	$ 5,122,838	$ 5,189,944
LIABILITIES AND EQUITY		
Mortgage notes payable, net	$ 4,183,749	$ 4,193,194
Accounts payable and other liabilities	78,052	74,571
Assumed real estate lease obligations, net	10,305	11,679
Due to related persons	9,564	9,802
Total liabilities	4,281,670	4,289,246
Commitments and contingencies		
Equity:		
Equity attributable to common shareholders:		
Common shares of beneficial interest, $.01 par value: 100,000,000 shares authorized; 66,762,231 and 66,653,129 shares issued and outstanding, respectively	668	667
Additional paid in capital	1,020,667	1,018,985
Cumulative net deficit	(176,550)	(152,660)
Cumulative other comprehensive loss	—	(836)
Cumulative common distributions	(383,125)	(376,459)
Total equity attributable to common shareholders	461,660	489,697
Noncontrolling interests	379,508	411,001
Total equity	841,168	900,698
Total liabilities and equity	$ 5,122,838	$ 5,189,944

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Rental income	$ 114,123	$ 112,097	$ 230,542	$ 224,002
Expenses:				
Real estate taxes	16,908	15,662	32,922	29,816
Other operating expenses	8,619	8,878	18,717	19,127
Depreciation and amortization	40,766	41,443	81,567	82,961
General and administrative	11,998	9,662	21,462	17,900
Total expenses	78,291	75,645	154,668	149,804
Interest and other income	3,379	2,024	4,423	3,992
Interest expense	(61,112)	(67,914)	(122,814)	(137,727)
Loss on extinguishment of debt	(3,830)	(5,070)	(3,830)	(5,070)
Loss before income taxes and equity in earnings of unconsolidated joint venture	(25,731)	(34,508)	(46,347)	(64,607)
Income tax expense	(59)	(30)	(173)	(58)
Equity in earnings of unconsolidated joint venture	2,702	4,144	5,573	3,102
Net loss	(23,088)	(30,394)	(40,947)	(61,563)
Net loss attributable to noncontrolling interests	8,625	9,084	17,057	18,721
Net loss attributable to common shareholders	(14,463)	(21,310)	(23,890)	(42,842)
Other comprehensive (loss) income:				
(Loss) gain on derivatives	(2,616)	1,058	1,370	256
Less: loss (gain) on derivatives attributable to noncontrolling interests	1,020	(346)	(534)	(90)
Other comprehensive (loss) income attributable to common shareholders	(1,596)	712	836	166
Comprehensive loss attributable to common shareholders	$ (16,059)	$ (20,598)	$ (23,054)	$ (42,676)
Weighted average common shares outstanding (basic and diluted)	66,224	65,927	66,201	65,881
Net loss per share attributable to common shareholders (basic and diluted)	$ (0.22)	$ (0.32)	$ (0.36)	$ (0.65)

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

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

	Number of Common Shares	Common Shares	Additional Paid In Capital	Cumulative Net Deficit	Cumulative Other Comprehensive Gain (Loss)	Cumulative Common Distributions	Total Equity Attributable to Common Shareholders	Noncontrolling Interests	Total Equity
Balance at December 31, 2025	66,653,129	$ 667	$ 1,018,985	$ (152,660)	$ (836)	$ (376,459)	$ 489,697	$ 411,001	$ 900,698
Net loss	—	—	—	(9,427)	—	—	(9,427)	(8,432)	(17,859)
Share grants, repurchases and forfeitures	12,921	—	349	—	—	—	349	—	349
Distributions to common shareholders	—	—	—	—	—	(3,333)	(3,333)	—	(3,333)
Other comprehensive gain	—	—	—	—	2,432	—	2,432	1,554	3,986
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(150)	(150)
Balance at March 31, 2026	66,666,050	667	1,019,334	(162,087)	1,596	(379,792)	479,718	403,973	883,691
Net loss	—	—	—	(14,463)	—	—	(14,463)	(8,625)	(23,088)
Share grants, repurchases and forfeitures	96,181	1	1,333	—	—	—	1,334	—	1,334
Distributions to common shareholders	—	—	—	—	—	(3,333)	(3,333)	—	(3,333)
Other comprehensive loss	—	—	—	—	(1,596)	—	(1,596)	(1,020)	(2,616)
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(14,820)	(14,820)
Balance at June 30, 2026	66,762,231	$ 668	$ 1,020,667	$ (176,550)	$ —	$ (383,125)	$ 461,660 $0	$ 379,508 $0	$ 841,168
Balance at December 31, 2024	66,144,308	$ 661	$ 1,017,382	$ (86,473)	$ (1,065)	$ (368,486)	$ 562,019	$ 447,311	$ 1,009,330
Net loss	—	—	—	(21,532)	—	—	(21,532)	(9,637)	(31,169)
Share grants, repurchases and forfeitures	(604)	—	245	—	—	—	245	—	245
Distributions to common shareholders	—	—	—	—	—	(661)	(661)	—	(661)
Other comprehensive loss	—	—	—	—	(546)	—	(546)	(256)	(802)
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(30)	(30)
Balance at March 31, 2025	66,143,704	661	1,017,627	(108,005)	(1,611)	(369,147)	539,525	437,388	976,913
Net loss	—	—	—	(21,310)	—	—	(21,310)	(9,084)	(30,394)
Share grants, repurchases and forfeitures	192,295	2	847	—	—	—	849	—	849
Distributions to common shareholders	—	—	—	—	—	(662)	(662)	—	(662)
Other comprehensive loss	—	—	—	—	712	—	712	346	1,058
Balance at June 30, 2025	66,335,999	$ 663	$ 1,018,474	$ (129,315)	$ (899)	$ (369,809)	$ 519,114	$ 428,650	$ 947,764

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

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

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (40,947)	$ (61,563)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	63,971	63,731
Amortization of interest rate caps	3,624	17,468
Amortization of debt issuance costs, premiums and discounts	2,974	750
Amortization of acquired real estate leases and assumed real estate lease obligations	14,424	16,199
Amortization of deferred leasing costs	2,509	2,112
Straight line rental income	(5,091)	(5,670)
Loss on extinguishment of debt	3,830	5,070
Proceeds from settlement of interest rate caps	(2,932)	(18,841)
General and administrative expenses paid in common shares	1,732	1,124
Distributions of earnings from unconsolidated joint venture	2,376	1,980
Equity in earnings of unconsolidated joint venture	(5,573)	(3,102)
Change in assets and liabilities:		
Rents receivable	2,800	3,589
Other assets	(8,818)	7,228
Accounts payable and other liabilities	3,286	(2,128)
Due to related persons	(238)	1,833
Net cash provided by operating activities	37,927	29,780
CASH FLOWS FROM INVESTING ACTIVITIES:		
Real estate improvements	(5,333)	(9,598)
Purchase of interest rate cap	(3,720)	(15,010)
Proceeds from settlement of interest rate caps	2,932	18,841
Proceeds from sale of interest rate cap	4,912	—
Net cash used in investing activities	(1,209)	(5,767)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of mortgage notes payable	1,620,000	1,160,000
Repayment of mortgage notes payable	(1,616,764)	(1,249,380)
Payment of debt issuance costs	(19,487)	(16,663)
Distributions to common shareholders	(6,666)	(1,323)
Repurchase of common shares	(49)	(32)
Distributions to noncontrolling interests	(14,970)	(30)
Net cash used in financing activities	(37,936)	(107,428)
Decrease in cash and cash equivalents and restricted cash and cash equivalents	(1,218)	(83,415)
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period	183,031	242,480
Cash and cash equivalents and restricted cash and cash equivalents at end of period	$ 181,813	$ 159,065
SUPPLEMENTAL DISCLOSURES:		
Interest paid	$ 117,475	$ 114,755
Income taxes paid	$ —	$ —
NON-CASH INVESTING ACTIVITIES:		
Real estate improvements accrued not paid	$ 1,939	$ 2,455

SUPPLEMENTAL DISCLOSURE OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS:

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

	As of June 30,	
	2026	2025
Cash and cash equivalents	$ 135,326	$ 58,559
Restricted cash and cash equivalents [1]	46,487	100,506
Total cash and cash equivalents and restricted cash	$ 181,813	$ 159,065

(1) Restricted cash and cash equivalents consist of cash held for the operations of our consolidated joint venture and amounts escrowed as required by the agreements governing certain of our mortgage debt.

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

INDUSTRIAL LOGISTICS PROPERTIES TRUST
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands, except per share data)

Note 1. Basis of Presentation

The accompanying condensed consolidated financial statements of Industrial Logistics Properties Trust and its consolidated subsidiaries, or the Company, or ILPT, 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. Certain prior period amounts have been reclassified to conform to current period presentation. 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. All intercompany transactions and balances with or among our consolidated subsidiaries have been eliminated. Our operating results for interim periods 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. Significant estimates in the condensed consolidated financial statements include purchase price allocations, useful lives of fixed assets and assumptions used in the evaluation of impairment of real estate and related intangibles.

Note 2. Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board issued Accounting Standards Update, or ASU, 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, 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 condensed consolidated financial statements for both interim and annual reporting periods. ASU 2024-03 is required to be applied prospectively but can be applied retrospectively, and is effective for the first annual reporting periods 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 that ASU 2024-03 will have on our condensed consolidated financial statements.

Note 3. Real Estate Investments

As of June 30, 2026, our portfolio was comprised of 409 properties containing approximately 59,609,000 rentable square feet located in 39 states, including 226 buildings, leasable land parcels and easements containing approximately 16,729,000 rentable square feet that were primarily industrial lands located on the island of Oahu, Hawaii, or our Hawaii Properties, and 183 properties containing approximately 42,880,000 rentable square feet that were industrial and logistics properties located in 38 other states, or our Mainland Properties, as well as 94 properties in 27 states totaling approximately 20,978,000 rentable square feet, owned by Mountain Industrial REIT LLC, or our consolidated joint venture, or Mountain JV, in which we own a 61% equity interest. As of June 30, 2026, we also owned a 22% equity interest in The Industrial Fund REIT LLC, or the unconsolidated joint venture.

(dollars in thousands, except per share data)

Capital Expenditures

During the three and six months ended June 30, 2026 and 2025, amounts capitalized at certain of our properties for tenant improvements, leasing costs and building improvements were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Tenant improvements [1]	$ 521	$ 2,393	$ 683	$ 2,396
Leasing costs [1]	10,322	300	11,224	3,522
Building improvements [2]	3,391	2,458	4,845	3,192
Total capital expenditures	$ 14,234	$ 5,151	$ 16,752	$ 9,110

(1) Includes capital expenditures used to improve tenants' space or amounts paid directly to tenants to improve their space and leasing related costs, such as brokerage commissions and tenant inducements.

(2) Includes expenditures to replace obsolete building components and expenditures that extend the useful life of existing assets.

During the three and six months ended June 30, 2026 and 2025, net loss attributable to noncontrolling interests in our condensed consolidated financial statements was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Consolidated joint venture	$ 8,650	$ 9,067	$ 17,125	$ 18,739
Tenancy in common	(25)	17	(68)	(18)
Total net loss attributable to noncontrolling interests	$ 8,625	$ 9,084	$ 17,057	$ 18,721

Consolidated Joint Venture

We own a 61% equity interest in our consolidated joint venture. We control this consolidated joint venture and therefore account for the properties owned by this joint venture on a consolidated basis in our condensed consolidated financial statements. Our consolidated joint venture made cash distributions of $38,000 during the three and six months ended June 30, 2026, of which $14,820 was distributed to the unrelated third party investor. The remaining $23,180 distributed to us was reclassified from restricted cash and cash equivalents to cash and cash equivalents in our condensed consolidated balance sheets. Our consolidated joint venture did not make any cash distributions to the unrelated third party investor or us during the three or six months ended June 30, 2025.

Consolidated Tenancy in Common

An unrelated third party owns an approximate 33% tenancy in common interest in one property located in Somerset, New Jersey with approximately 64,000 rentable square feet, and we own the remaining approximate 67% tenancy in common interest in this property. The tenancy in common did not make any cash distributions to the unrelated third party investor during the three months ended June 30, 2026 and 2025 and made cash distributions of $150 and $30 during the six months ended June 30, 2026 and 2025, respectively.

Unconsolidated Joint Venture

We own a 22% equity interest in the unconsolidated joint venture, which owns 18 industrial properties located in 12 states totaling approximately 11,726,000 rentable square feet. We account for the unconsolidated joint venture using the equity method of accounting under the fair value option. We recognize changes in the fair value of our investment in the unconsolidated joint venture as equity in earnings of unconsolidated joint venture in our condensed consolidated statements of comprehensive income (loss).

Note 4. Leases

We are a lessor of industrial and logistics properties. Our leases provide our tenants with the contractual right to use and economically benefit from the physical space specified in their respective leases and are generally classified as operating leases.

Our leases provide for base rent payments and may also 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 do not include in our measurement of our lease receivables certain variable payments, including payments determined by changes in the index or market-based indices after the inception of the lease, certain tenant reimbursements and other income until the specific events that trigger the variable payments have occurred. Such payments totaled $21,319 and $20,072 for the three months ended June 30, 2026 and 2025, respectively, and $43,603 and $39,929 for the six months ended June 30, 2026 and 2025, respectively.

Generally, payments of ground lease obligations are made by our tenants. However, if a tenant does not pay obligations under a ground lease or does not renew a ground lease, we may have to pay obligations under the ground lease in order to protect our investment in the affected property.

Right of Use Assets and Lease Liabilities

We are the lessee for three of our properties subject to ground leases and one office lease. For leases with a term greater than 12 months under which we are the lessee, we recognize right of use assets and lease liabilities. The values of our right of use assets and related lease liabilities were $3,485 and $3,578, respectively, as of June 30, 2026, and $3,726 and $3,821, respectively, as of December 31, 2025. Our right of use assets and related lease liabilities are included in other assets, net and accounts payable and other liabilities, respectively, in our condensed consolidated balance sheets.

Geographic Concentration

We define annualized rental revenues as the annualized contractual base rents from our tenants pursuant to our lease agreements as of the measurement date, including straight line rent adjustments and estimated recurring expense reimbursements to be paid to us, and excluding amortization of deferred leasing costs.

Our Hawaii Properties represented 28.8% and 27.7% of our annualized rental revenues as of June 30, 2026 and 2025, respectively.

Tenant Concentration

FedEx Corporation and its subsidiaries, or FedEx, and Amazon.com Services, Inc. and its subsidiaries, or Amazon, represented 27.8% and 7.4% of our annualized rental revenues as of June 30, 2026, respectively, and 28.8% and 6.7% as of June 30, 2025, respectively.

(dollars in thousands, except per share data)

Note 5. Indebtedness

Our outstanding indebtedness as of June 30, 2026 and December 31, 2025 is summarized below:

Entity	Number of Properties Secured By	Principal Balance	Interest Rate (1)	Type	Maturity	Carrying Value of Collateral
As of June 30, 2026						
ILPT	186	$ 650,000	4.31%	Fixed	02/07/2029	$ 492,224
ILPT	101	1,160,000	6.40%	Fixed	07/09/2030	950,265
ILPT	17	700,000	4.42%	Fixed	03/09/2032	473,773
Mountain JV	4	91,000	6.25%	Fixed	06/10/2030	171,261
Mountain JV	90	1,620,000	5.71%	Fixed	05/11/2031	2,338,231
Total / weighted average		4,221,000	5.48%			$ 4,425,754
Unamortized debt issuance costs		(37,251)				
Total indebtedness, net		$ 4,183,749				
As of December 31, 2025						
ILPT	186	$ 650,000	4.31%	Fixed	02/07/2029	$ 489,987
ILPT	101	1,160,000	6.40%	Fixed	07/09/2030	976,178
ILPT	17	700,000	4.42%	Fixed	03/09/2032	481,374
Mountain JV	82	1,400,000	5.87%	Floating	03/09/2026	1,749,546
Mountain JV	4	91,000	6.25%	Fixed	06/10/2030	173,992
Mountain JV	1	8,609	3.67%	Fixed	05/01/2031	28,492
Mountain JV	1	10,302	4.14%	Fixed	07/01/2032	40,975
Mountain JV	1	23,678	4.02%	Fixed	10/01/2033	80,094
Mountain JV	1	33,209	4.13%	Fixed	11/01/2033	126,170
Mountain JV	1	20,784	3.10%	Fixed	06/01/2035	43,871
Mountain JV	1	33,817	2.95%	Fixed	01/01/2036	93,533
Mountain JV	1	39,031	4.27%	Fixed	11/01/2037	104,474
Mountain JV	1	43,606	3.25%	Fixed	01/01/2038	107,217
Total / weighted average		4,214,036	5.43%			$ 4,495,903
Unamortized debt issuance costs		(20,842)				
Total indebtedness, net		$ 4,193,194				

(1) Interest rate reflects the impact of interest rate caps, if any.

In June 2025, we obtained a $1,160,000 fixed rate, interest only mortgage loan secured by 101 of our properties. This mortgage loan matures in July 2030 and requires that interest be paid at an annual rate of 6.40%. Subject to the satisfaction of certain conditions, we have the option to prepay our $1,160,000 mortgage loan in full or in part with a premium prior to January 9, 2030 and at par with no premium on or after January 9, 2030. We used the net proceeds from our $1,160,000 mortgage loan and cash on hand to repay in full our $1,235,000 loan, or the ILPT Floating Rate Loan.

(dollars in thousands, except per share data)

In May 2026, our consolidated joint venture obtained a $1,620,000 fixed rate, interest only mortgage loan secured by 90 of its properties. This mortgage loan matures in May 2031 and requires that interest be paid at an annual rate of 5.71%. Subject to a 24 month prepayment lockout period and the satisfaction of certain other conditions, our consolidated joint venture has the option to prepay its $1,620,000 mortgage loan in full or in part with a premium prior to November 2030 and at par with no premium beginning from November 2030. Our consolidated joint venture used the proceeds from this mortgage loan to repay in full its $1,400,000 loan, or the Mountain Floating Rate Loan, and $204,999 of its amortizing fixed rate debt. The Mountain Floating Rate Loan was secured by 82 properties, was scheduled to mature in March 2027 and required that interest be paid at an annual rate of secured overnight financing rate, or SOFR, plus a weighted average premium of 2.77%. The amortizing fixed rate debt repaid was secured by eight properties with a weighted average interest rate of 3.66%. In connection with the repayment of the Mountain Floating Rate Loan and $204,999 of amortizing fixed rate debt, we recognized a $3,830 loss on extinguishment of debt.

The weighted average interest rates under our floating rate loans for the three and six months ended June 30, 2026 and 2025 were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
ILPT Floating Rate Loan (1)	—%	6.71%	—%	6.71%
Mountain Floating Rate Loan (2)	6.06%	5.87%	5.99%	5.84%

(1) In June 2025, we repaid in full the ILPT Floating Rate Loan using proceeds from our $1,160,000 mortgage loan and cash on hand. Reflects the impact of interest rate caps which, prior to the repayment, had a SOFR strike rate equal to 2.78% that replaced the previous strike rate equal to 2.25% in October 2024.

(2) In May 2026, our consolidated joint venture repaid in full the Mountain Floating Rate Loan using proceeds from its $1,620,000 mortgage loan. Reflects the impact of interest rate caps which, prior to the repayment, had a SOFR strike rate equal to 3.29% that replaced the previous strike rate equal to 3.10% in March 2026.

The agreements governing certain of our indebtedness contain customary covenants and provide for acceleration of payment of all amounts due thereunder upon the occurrence and continuation of certain events of default. As of June 30, 2026, we believe that we were in compliance with all of the covenants and other terms under the agreements governing our debt obligations. See Note 10 for further information regarding our former interest rate caps.

The required principal payments due during the next five years and thereafter under all our outstanding debt as of June 30, 2026 are as follows:

	Principal Payment
2026	$ —
2027	—
2028	—
2029	650,000
2030	1,251,000
Thereafter	2,320,000
Total	$ 4,221,000

Note 6. Fair Value of Assets and Liabilities

Our financial instruments include cash and cash equivalents, restricted cash and cash equivalents, mortgage notes payable, accounts payable and interest rate caps. We remeasure our interest rate caps at fair value on a quarterly basis. As of June 30, 2026 and December 31, 2025, the fair value of our other financial instruments approximated their carrying values in our condensed consolidated financial statements due to their short term nature or floating interest rates, except for our fixed rate mortgage notes payable.

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(dollars in thousands, except per share data)

Our fixed rate mortgage notes payable had an aggregate carrying value of $4,183,749 and $2,793,219 as of June 30, 2026 and December 31, 2025, respectively, and a fair value of $4,168,551 and $2,784,286 as of June 30, 2026 and December 31, 2025, respectively. We estimate the fair value of our fixed rate mortgage notes payable using significant unobservable inputs, including discounted cash flow analyses and prevailing market interest rates.

The table below presents certain of our assets measured on a recurring basis at fair value as of June 30, 2026 and December 31, 2025, categorized by the level of inputs, as defined in the fair value hierarchy under GAAP, used in the valuation of each asset:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of June 30, 2026				
Investment in unconsolidated joint venture	$ 135,950	$ —	$ —	$ 135,950
As of December 31, 2025				
Interest rate cap	$ 1,629	$ —	$ 1,629	$ —
Investment in unconsolidated joint venture	$ 132,753	$ —	$ —	$ 132,753

The fair values of our interest rate caps are based on prevailing market prices in secondary markets for similar derivative contracts as of the measurement date. In May 2026, our consolidated joint venture sold its interest rate cap.

The fair value of our investment in the unconsolidated joint venture is determined by applying our ownership percentage to the net asset value of the entity. The net asset value of the unconsolidated joint venture uses similar estimation techniques as those used for consolidated real estate properties, including discounting expected future cash flows of the underlying real estate investments based on prevailing market rents over a holding period and including an exit capitalization rate to determine the final year of cash flows.

The discount rates, exit capitalization rates and holding periods used to determine the fair value of our investment in the unconsolidated joint venture are significant unobservable inputs and are shown in the table below:

	Valuation Technique	Discount Rates	Exit Capitalization Rates	Holding Periods
As of June 30, 2026				
Investment in unconsolidated joint venture	Discounted cash flow	6.25% - 8.00%	5.50% - 6.25%	10 - 11 years
As of December 31, 2025				
Investment in unconsolidated joint venture	Discounted cash flow	6.50% - 8.00%	5.75% - 6.25%	10 - 11 years

The table below presents a summary of the changes in fair value for our investment in the unconsolidated joint venture:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Beginning balance	$ 134,436	$ 114,700	$ 132,753	$ 116,732
Equity in earnings of unconsolidated joint venture	2,702	4,144	5,573	3,102
Distributions from unconsolidated joint venture	(1,188)	(990)	(2,376)	(1,980)
Ending balance	$ 135,950	$ 117,854	$ 135,950	$ 117,854

(dollars in thousands, except per share data)

Note 7. Shareholders' Equity

Common Share Awards

On March 18, 2026, in accordance with our Trustee compensation arrangements, we awarded 15,625 of our common shares in connection with the election of one of our Trustees, valued at $6.08 per share, the closing price of our common shares on The Nasdaq Stock Market LLC, or Nasdaq, on that day.

On June 9, 2026, in accordance with our Trustee compensation arrangements, we awarded to each of our eight Trustees 12,514 of our common shares, valued at $8.79 per share, the closing price of our common shares on Nasdaq on that day.

Common Share Purchases

During the three and six months ended June 30, 2026, we purchased an aggregate of 3,931 and 6,635 of our common shares, respectively, valued at a weighted average share price of $8.30 and $7.39, respectively, from one of our Trustees and certain former employees of The RMR Group LLC, or RMR, in satisfaction of tax withholding and payment obligations in connection with the vesting of 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.

Distributions

During the six months ended June 30, 2026, we declared and paid regular quarterly distributions to common shareholders as follows:

Declaration Date	Record Date	Payment Date	Distribution Per Share	Total Distribution
January 15, 2026	January 26, 2026	February 19, 2026	$ 0.05	$ 3,333
April 9, 2026	April 21, 2026	May 14, 2026	0.05	3,333
			$ 0.10	$ 6,666

On July 9, 2026, we declared a regular quarterly distribution to common shareholders of record on July 20, 2026 of $0.10 per share, or approximately $6,675. We expect to pay this distribution on or about August 13, 2026 using cash on hand.

Note 8. 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.

Business Management Agreement. Pursuant to our business management agreement and in accordance with GAAP, we accrued estimated incentive management fees during the three and six months ended June 30, 2026. The actual amount of incentive management fees incurred 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 to RMR in January 2027. We incurred an incentive management fee of $5,679 for the year ended December 31, 2025.

Property Management Agreement. 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 properties, 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 which are included in other operating expenses and general and administrative expenses, as applicable, in our condensed consolidated statements of comprehensive income (loss).

INDUSTRIAL LOGISTICS PROPERTIES TRUST
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(dollars in thousands, except per share data)

For the three and six months ended June 30, 2026 and 2025, the business management fees, incentive management fees, property management fees, construction supervision fees and expense reimbursements recognized in our condensed consolidated financial statements were as follows:

		Three Months Ended June 30,		Six Months Ended June 30,	
	Financial Statement Line Item	**2026**	**2025**	**2026**	**2025**
Pursuant to business management agreement:					
Business management fees	General and administrative expenses	$ 6,024	$ 5,754	$ 11,816	$ 11,489
Incentive management fees	General and administrative expenses	2,834	1,311	4,401	2,278
Total		$ 8,858	$ 7,065	$ 16,217	$ 13,767
Pursuant to property management agreement:					
Property management fees	Other operating expenses	$ 3,371	$ 3,238	$ 6,720	$ 6,505
Construction supervision fees	Buildings and improvements (1)	159	87	240	117
Total		$ 3,530	$ 3,325	$ 6,960	$ 6,622
Expense reimbursement:					
Other expenses	General and administrative expenses	$ 44	$ 51	$ 88	$ 101
Property level expenses	Other operating expenses	1,498	1,736	3,032	3,306
Total		$ 1,542	$ 1,787	$ 3,120	$ 3,407

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

Management Agreements Between Our Joint Ventures and RMR. We have two separate joint venture arrangements, our consolidated joint venture and the unconsolidated joint venture. RMR provides management services to both of these joint ventures. We are not obligated to pay management fees to RMR under our management agreements with RMR for the services it provides to the unconsolidated joint venture. We are obligated to pay management fees to RMR under our management agreements with RMR for the services it provides to our consolidated joint venture; however, our consolidated joint venture pays management fees directly to RMR, and any such fees paid by our consolidated joint venture are credited against the fees payable by us to RMR.

See Note 9 for further information regarding our relationships, agreements and transactions with RMR.

Note 9. Related Person Transactions

We have relationships and historical and continuing transactions with RMR, The RMR Group Inc., or 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 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. Yael Duffy, our other Managing Trustee and our President and Chief Executive Officer, is also an executive vice president of RMR Inc. and the president and chief executive officer of Office Properties Income Trust, one of the other public companies managed by RMR. Each of our officers is also an officer and employee 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 a trustee of these public companies and as chair of the boards of certain of these public companies. Other officers of RMR, including Ms. Duffy, serve as managing trustees or officers of certain of these public companies.

Our Manager, RMR. We have two agreements with RMR to provide management services to us. See Note 8 for further information regarding our management agreements with RMR.

Joint Ventures. We have two separate joint venture arrangements. RMR provides management services to each of these joint ventures. See Notes 3 and 5 for further information regarding our joint ventures, including our consolidated joint venture's debt.

(dollars in thousands, except per share data)

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

Note 10. Derivatives and Hedging Activities

We are exposed to certain risks relating to our ongoing business operations, including the impact of changes in interest rates. The only risk managed by us using derivative instruments is our interest rate risk. As required under prior loan agreements, we had interest rate cap agreements to manage our interest rate risk exposure on the Mountain Floating Rate Loan and other loans, with interest payable at a rate equal to SOFR plus a premium. The use of derivative financial instruments carries certain risks, including the risk that the counterparties to these contractual arrangements are not able to perform under the agreements. To mitigate this risk, we have only entered into derivative financial instruments with counterparties with high credit ratings and with major financial institutions with which we or our related parties may also have other financial relationships. None of our counterparties has failed to meet their obligations.

Interest rate caps designated as cash flow hedges involve the receipt of variable amounts from a counterparty if interest rates rise above the strike rate on the contract in exchange for an up-front premium. For derivatives designated and qualifying as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in cumulative other comprehensive loss and subsequently reclassified into interest expense in the same period during which the hedged transaction affects earnings. Gains and losses on the derivative representing hedge components excluded from the assessment of effectiveness are recognized over the life of the hedge on a systematic and rational basis, as documented at hedge inception in accordance with our accounting policy election. The earnings recognition of excluded components is presented in interest expense. Amounts reported in cumulative other comprehensive loss related to derivatives are reclassified to interest expense as interest payments are made on our applicable debt.

On May 8, 2026, our consolidated joint venture obtained a $1,620,000 fixed rate mortgage loan and used the proceeds from such loan to repay in full the Mountain Floating Rate Loan and $204,999 of its amortizing fixed rate debt. In connection with the repayment of the Mountain Floating Rate Loan, we discontinued hedge accounting for the related derivative instrument, which had previously been designated as a cash flow hedge of variable interest payments on the Mountain Floating Rate Loan, and we reclassified $1,881 from cumulative other comprehensive loss to interest and other income. On May 11, 2026, our consolidated joint venture sold its interest rate cap for proceeds of $4,912.

The following table summarizes the terms of our outstanding interest rate cap agreements as of June 30, 2026 and December 31, 2025:

Balance Sheet Line Item	Underlying Instrument	Maturity Date	Strike Rate	Notional Amount	Fair Value at June 30, 2026	Fair Value at December 31, 2025
Other assets, net	Mountain Floating Rate Loan	03/15/2026	3.10%	$ 1,400,000	$ —	$ 1,629

The following table summarizes the activity related to our cash flow hedges within cumulative other comprehensive loss for the periods shown:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Amount of (loss) gain recognized on derivatives in other comprehensive (loss) income	$ (559)	$ 2,673	$ 2,123	$ 914
Amount of gain reclassified from cumulative other comprehensive loss into interest expense	$ 2,057	$ 1,615	$ 753	$ 658
Total amount of interest expense presented in the condensed consolidated statements of comprehensive income	$ (61,112)	$ (67,914)	$ (122,814)	$ (137,727)

See Notes 5 and 6 for further information regarding the debt our interest rate caps related to and the fair value of our interest rate caps.

Note 11. Segment Reporting

We manage our business on a consolidated basis and therefore have one reportable segment: ownership and leasing of properties that include industrial and logistics buildings and leased industrial lands. The chief operating decision maker, or CODM, is our President and Chief Executive Officer. The CODM assesses performance, allocates resources and makes strategic decisions based on net income (loss) as shown in our condensed consolidated statements of comprehensive income (loss). The CODM is also regularly provided with information on expenses related to our management agreements with RMR, which are detailed in Note 8. The measure of segment assets is reported as total assets in our condensed consolidated balance sheets.

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

The following information should be read in conjunction with our condensed consolidated financial statements and accompanying notes 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 square foot data)*

We are a real estate investment trust, or REIT, organized under Maryland law. As of June 30, 2026, our portfolio was comprised of 409 properties containing approximately 59,609,000 rentable square feet located in 39 states with 99.1% occupancy, leased to approximately 300 different tenants. As of June 30, 2026, we also owned a 22% equity interest in the unconsolidated joint venture.

We believe consumer expectations, long-term growth of e-commerce and modernization of and demand for supply chain resiliency will keep demand for industrial properties strong for the foreseeable future. This continued demand has contributed to favorable market conditions, resulting in positive mark-to-market rents on our lease renewals and new leases. Currently, there are uncertainties in global and U.S. economic conditions driven by fluctuations in interest rates and inflation, wars and other geopolitical hostilities and tensions and changes in trade policies and tariffs, all of which have impacted financial markets and supply chains. While these factors have not had a significant adverse impact on our results of operations, if continued or if they worsen, they could adversely affect our financial condition primarily through our tenants' financial stability, including their ability or willingness to renew leases, including at increased rental rates, or satisfy lease obligations. Most of our leases require our tenants to be responsible for certain operating expenses, including real estate taxes, insurance and common area maintenance, thereby reducing our exposure to increases in operating expenses resulting from inflation or other factors.

Our portfolio as of June 30, 2026 is summarized below (square feet in thousands):

	Ownership Vehicle	Ownership	Number of Properties	Location	Rentable Square Feet	Occupancy	% of Annualized Rental Revenues	Weighted Average Remaining Lease Term (1)
Mainland Properties	ILPT	100%	88	33 states	21,838	98.2%	33.7%	5.5
Hawaii Properties	ILPT	100%	226	Hawaii	16,729	99.3%	28.8%	14.0
Mainland Properties	Mountain JV	61%	94	27 states	20,978	100.0%	37.2%	5.9
Mainland Properties	Tenancy in common	67%	1	New Jersey	64	100.0%	0.3%	3.7
Total / weighted average			409		59,609	99.1%	100.0%	8.1

(1) Based on annualized rental revenues as of June 30, 2026.

Property Operations

Occupancy data for our portfolio as of June 30, 2026 and 2025 were as follows (square feet in thousands):

	All Properties as of June 30,		Comparable Properties (1) as of June 30,	
	2026	2025	2026	2025
Total properties	409	411	409	409
Total rentable square feet	59,609	59,890	59,609	59,604
Percent leased (2)(3)	99.1%	94.3%	99.1%	94.8%

(1) Consists of properties that we have owned continuously since January 1, 2025.

(2) Leased square feet is pursuant to existing leases as of June 30, 2026, and includes space being fitted out for occupancy, if any, and space which is leased but is not occupied, if any.

(3) During the three months ended June 30, 2026, we executed new leases for two previously vacant properties in Indiana and Hawaii totaling 2,770 square feet with commencement dates in May and July 2026, respectively.

The average effective rental rates per square foot represent total rental income divided by the average rentable square feet leased during the periods specified for our properties. For the three and six months ended June 30, 2026 and 2025, the average effective rental rates per square foot of our properties were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
All properties	$ 8.13	$ 7.94	$ 8.24	$ 7.93
Comparable properties [(1)]	$ 8.13	$ 7.97	$ 8.24	$ 7.99

(1) Consists of properties that we have owned continuously since January 1, 2025.

Mainland Properties. We generally will seek to renew or extend the terms of leases for our Mainland Properties as their expirations approach. A majority of the leases for our Mainland Properties include periodic set dollar amount or percentage increases that increase the cash rent payable to us. Due to the capital that many of the tenants in our Mainland Properties have invested in these properties and because many of these properties appear to be of strategic importance to the tenants' businesses, we believe that it is likely that these tenants will renew or extend their leases prior to their expirations. If we are unable to extend or renew our leases, it may be time consuming and expensive to relet some of these properties and the terms of any new leases we enter into may be less favorable to us than the terms of our existing leases for those properties.

Hawaii Properties. Revenues from our Hawaii Properties have generally increased as rents under the leases for those properties have been reset or renewed. Lease renewals, lease extensions, new leases and rental rates for our Hawaii Properties in the future will depend on prevailing market conditions when these lease renewals, lease extensions, new leases and rental rates are set. As rent reset dates or lease expirations approach at our Hawaii Properties, we generally negotiate with existing or new tenants for new lease terms. If we are unable to reach an agreement with a tenant on a rent reset, our Hawaii Properties' leases typically provide that rent is reset based on an appraisal process. Due to the limited availability of land suitable for industrial uses that might compete with our Hawaii Properties, we believe that our Hawaii Properties offer the potential for future rent growth as a result of periodic rent resets, lease extensions and new leasing. Certain of our Hawaii Properties are lands leased for rents that periodically reset based on fair market values, generally every 10 years.

During the three and six months ended June 30, 2026, we entered into new and renewal leases as summarized in the following table, excluding the impact of rent resets (square feet in thousands):

	Three Months Ended June 30, 2026		
	New Leases	Renewals	Totals
Square feet leased during the period	2,979	2,388	5,367
Weighted average rental rate change (by rentable square feet)	74.5%	16.1%	35.3%
Weighted average lease term by square feet (years)	42.3	6.9	26.5
Total leasing costs and concession commitments [(1)]	$ 25,110	$ 7,181	$ 32,291
Total leasing costs and concession commitments per square foot [(1)]	$ 8.43	$ 3.01	$ 6.02
Total leasing costs and concession commitments per square foot per year [(1)]	$ 0.20	$ 0.43	$ 0.23

	Six Months Ended June 30, 2026		
	New Leases	Renewals	Totals
Square feet leased during the period	3,114	2,993	6,107
Weighted average rental rate change (by rentable square feet)	71.9%	16.0%	33.7%
Weighted average lease term by square feet (years)	41.1	6.2	24.0
Total leasing costs and concession commitments [(1)]	$ 25,727	$ 8,142	$ 33,869
Total leasing costs and concession commitments per square foot [(1)]	$ 8.26	$ 2.72	$ 5.55
Total leasing costs and concession commitments per square foot per year [(1)]	$ 0.20	$ 0.44	$ 0.23

(1) Includes commitments made for leasing expenditures and concessions, such as leasing commissions, tenant improvements or other tenant inducements.

During the six months ended June 30, 2026, we completed rent resets for approximately 153,000 square feet of land at our Hawaii Properties at rental rates that were 33.7% higher than prior rental rates.

The following table provides the annualized rental revenues scheduled to reset at our Hawaii Properties as of June 30, 2026:

	Annualized Rental Revenues Scheduled to Reset
2026	$ 1,656
2027	814
2028	—
2029	8,465
2030	5,900
Thereafter	5,764
Total	$ 22,599

As of June 30, 2026, our remaining lease expirations by year were as follows (square feet in thousands):

Year	No. of Leases	Leased Square Feet Expiring (1)	% of Total Leased Square Feet Expiring (1)	Cumulative % of Total Leased Square Feet Expiring (1)	Annualized Rental Revenues Expiring	% of Total Annualized Rental Revenues Expiring	Cumulative % of Total Annualized Rental Revenues Expiring
2026	11	1,007	1.7%	1.7%	$ 5,024	1.1%	1.1%
2027	41	4,706	8.0%	9.7%	30,469	6.6%	7.7%
2028	47	5,176	8.8%	18.5%	41,300	9.0%	16.7%
2029	37	6,931	11.7%	30.2%	45,518	9.9%	26.6%
2030	34	5,450	9.2%	39.4%	41,076	8.9%	35.5%
Thereafter	218	35,826	60.6%	100.0%	295,930	64.5%	100.0%
Total	388	59,096	100.0%		$ 459,317	100.0%	
Weighted average remaining lease term (years)		8.6			8.1		

(1) Leased square feet is pursuant to existing leases as of June 30, 2026, and includes space being fitted out for occupancy, if any, and space which is leased but is not occupied, if any.

As of June 30, 2026, FedEx and Amazon leased 22.5% and 7.7% of our total leased square feet, respectively, and represented 27.8% and 7.4% of our total annualized rental revenues, respectively.

As of June 30, 2026, $14,211, or 3.1%, of our annualized rental revenues were included in leases scheduled to expire by June 30, 2027 and 0.9% of our rentable square feet were vacant. Rental rates for which available space may be leased in the future will depend on prevailing market conditions when lease extensions, lease renewals or new leases are negotiated. Whenever we extend, renew or enter new leases for our properties, we intend to seek rents that are equal to or higher than our historical rents for the same properties. Despite our prior experience with rent resets, lease extensions and new leases in Hawaii, our ability to increase rents when rents reset, leases are extended or leases expire depends upon market conditions, which are beyond our control. Accordingly, we cannot be sure that the historical increases achieved at our Hawaii Properties will continue in the future.

Tenant Review Process. Our manager, RMR, conducts a tenant review process for us. RMR assesses tenants on an individual basis based on various applicable credit criteria. Depending on facts and circumstances, RMR evaluates the creditworthiness of a tenant based on information that is provided by the tenant and, in some cases, information that is publicly available or obtained from third party sources. RMR also may use a third party service to monitor the credit ratings of debt securities of our existing tenants whose debt securities are rated by a nationally recognized credit rating agency.

RESULTS OF OPERATIONS

Three Months Ended June 30, 2026 Compared to Three Months Ended June 30, 2025 (dollars and share amounts in thousands, except per share data)

	Comparable [(1)] Properties Results Three Months Ended June 30,				Non-Comparable Properties Results Three Months Ended June 30,			Consolidated Properties Results Three Months Ended June 30,			
	2026	2025	$ Change	% Change	2026	2025	$ Change	2026	2025	$ Change	% Change
Rental income	$ 114,123	$ 111,340	$ 2,783	2.5%	$ —	$ 757	$ (757)	$ 114,123	$ 112,097	$ 2,026	1.8%
Operating expenses:											
Real estate taxes	16,908	15,630	1,278	8.2%	—	32	(32)	16,908	15,662	1,246	8.0%
Other operating expenses	8,612	8,795	(183)	(2.1)%	7	83	(76)	8,619	8,878	(259)	(2.9)%
Total operating expenses	25,520	24,425	1,095	4.5%	7	115	(108)	25,527	24,540	987	4.0%
Net operating income [(2)]	$ 88,603	$ 86,915	$ 1,688	1.9%	$ (7)	$ 642	$ (649)	88,596	87,557	1,039	1.2%
Other expenses:											
Depreciation and amortization								40,766	41,443	(677)	(1.6)%
General and administrative								11,998	9,662	2,336	24.2%
Total other expenses								52,764	51,105	1,659	3.2%
Interest and other income								3,379	2,024	1,355	66.9%
Interest expense								(61,112)	(67,914)	6,802	(10.0)%
Loss on extinguishment of debt								(3,830)	(5,070)	1,240	(24.5)%
Loss before income taxes and equity in earnings of unconsolidated joint venture								(25,731)	(34,508)	8,777	25.4%
Income tax expense								(59)	(30)	(29)	96.7%
Equity in earnings of unconsolidated joint venture								2,702	4,144	(1,442)	(34.8)%
Net loss								(23,088)	(30,394)	7,306	24.0%
Net loss attributable to noncontrolling interests								8,625	9,084	(459)	(5.1)%
Net loss attributable to common shareholders								$ (14,463)	$ (21,310)	$ 6,847	32.1%
Weighted average common shares outstanding (basic and diluted)								66,224	65,927	297	0.5%
Net loss per share attributable to common shareholders (basic and diluted)								$ (0.22)	$ (0.32)	$ 0.10	31.3%

(1) Consists of properties that we have owned continuously since April 1, 2025.

(2) See our definition of net operating income, or NOI, and our reconciliation of net loss to NOI below under the heading "Non-GAAP Financial Measures".

References to changes in the income and expense categories below relate to the comparison of results for the three months ended June 30, 2026 compared to the three months ended June 30, 2025.

Rental income. Rental income increased primarily due to increases from our net leasing activity and increases in real estate tax reimbursements at certain of our properties, partially offset by a $2,575 bad debt reserve for six of our Hawaii properties.

Real estate taxes. Real estate taxes increased primarily due to a refund received during the three months ended June 30, 2025 as a result of a successful real estate tax appeal at one of our Mainland Properties and higher tax rates at certain of our properties during the three months ended June 30, 2026.

Other operating expenses. The decrease in other operating expenses is primarily due to decreases in payroll costs reimbursable to RMR during the three months ended June 30, 2026.

Depreciation and amortization. The decrease in depreciation and amortization primarily reflects the impact of certain acquired real estate leases fully amortizing and the disposition of two properties since April 1, 2025, partially offset by increased depreciation related to improvements made to certain of our properties since April 1, 2025.

General and administrative. The increase in general and administrative expenses is primarily due to increases in accrued incentive management fees and trustee and RMR employee share award expenses during the three months ended June 30, 2026 compared to the three months ended June 30, 2025.

Interest and other income. The increase in interest and other income is primarily due to the discontinuation of hedge accounting upon repayment of the Mountain Floating Rate Loan during the three months ended June 30, 2026, partially offset by decreases primarily due to lower average cash balances and lower interest rates during the 2026 period as compared to the 2025 period.

Interest expense. The decrease in interest expense is primarily due to the discontinuation of hedge accounting for interest rate caps related to the ILPT Floating Rate Loan and the Mountain Floating Rate Loan, resulting in no further amortization of interest rate cap costs and a lower outstanding principal balance compared to the 2025 period.

Loss on extinguishment of debt. During the three months ended June 30, 2026, we recognized a loss on extinguishment of debt in connection with the repayment of the Mountain Floating Rate Loan and $204,999 of amortizing fixed rate debt. During the three months ended June 30, 2025, we recognized a loss on extinguishment of debt in connection with the repayment of the ILPT Floating Rate Loan.

Income tax expense. Income tax expense reflects state income taxes payable in certain jurisdictions.

Equity in earnings of unconsolidated joint venture. Equity in earnings of unconsolidated joint venture represents the change in the fair value of our investment in the unconsolidated joint venture.

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025 (dollars and share amounts in thousands, except per share data)

	Comparable [1] Properties Results Six Months Ended June 30,				Non-Comparable Properties Results Six Months Ended June 30,			Consolidated Properties Results Six Months Ended June 30,			
	2026	**2025**	**$ Change**	**% Change**	**2026**	**2025**	**$ Change**	**2026**	**2025**	**$ Change**	**% Change**
Rental income	$ 230,542	$ 223,077	$ 7,465	3.3%	$ —	$ 925	$ (925)	$ 230,542	$ 224,002	$ 6,540	2.9%
Operating expenses:											
Real estate taxes	32,922	29,746	3,176	10.7%	—	70	(70)	32,922	29,816	3,106	10.4%
Other operating expenses	18,668	18,910	(242)	(1.3)%	49	217	(168)	18,717	19,127	(410)	(2.1)%
Total operating expenses	51,590	48,656	2,934	6.0%	49	287	(238)	51,639	48,943	2,696	5.5%
Net operating income [2]	$ 178,952	$ 174,421	$ 4,531	2.6%	$ (49)	$ 638	$ (687)	178,903	175,059	3,844	2.2%
Other expenses:											
Depreciation and amortization								81,567	82,961	(1,394)	(1.7)%
General and administrative								21,462	17,900	3,562	19.9%
Total other expenses								103,029	100,861	2,168	2.1%
Interest and other income								4,423	3,992	431	10.8%
Interest expense								(122,814)	(137,727)	14,913	(10.8)%
Loss on extinguishment of debt								(3,830)	(5,070)	1,240	(24.5)%
Loss before income taxes and equity in earnings of unconsolidated joint venture								(46,347)	(64,607)	18,260	28.3%
Income tax expense								(173)	(58)	(115)	198.3%
Equity in earnings of unconsolidated joint venture								5,573	3,102	2,471	79.7%
Net loss								(40,947)	(61,563)	20,616	33.5%
Net loss attributable to noncontrolling interests								17,057	18,721	(1,664)	(8.9)%
Net loss attributable to common shareholders								$ (23,890)	$ (42,842)	$ 18,952	44.2%
Weighted average common shares outstanding (basic and diluted)								66,201	65,881	320	0.5%
Net loss per share attributable to common shareholders (basic and diluted)								$ (0.36)	$ (0.65)	$ 0.29	44.6%

(1) Consists of properties that we have owned continuously since January 1, 2025.

(2) See our definition of NOI and our reconciliation of net loss to NOI below under the heading "Non-GAAP Financial Measures".

References to changes in the income and expense categories below relate to the comparison of results for the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

Rental income. Rental income increased primarily due to increases from our net leasing activity and increases in real estate tax reimbursements at certain of our properties, partially offset by a $2,575 bad debt reserve for six of our Hawaii properties.

Real estate taxes. Real estate taxes increased primarily due to a refund received during the six months ended June 30, 2025 as a result of a successful real estate tax appeal at one of our Mainland Properties and higher tax rates at certain of our properties during the six months ended June 30, 2026.

Other operating expenses. The decrease in other operating expenses is primarily due to decreases in payroll costs reimbursable to RMR and repairs and maintenance expenses during the six months ended June 30, 2026.

Depreciation and amortization. The decrease in depreciation and amortization primarily reflects the impact of certain acquired real estate leases fully amortizing and the disposition of two properties since January 1, 2025, partially offset by increased depreciation related to improvements made to certain of our properties since January 1, 2025.

General and administrative. The increase in general and administrative expenses is primarily due to increases in accrued incentive management fees, business management fees and trustee and RMR employee share award expenses during the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

Interest and other income. The increase in interest and other income is primarily due to the discontinuation of hedge accounting upon repayment of the Mountain Floating Rate Loan during the six months ended June 30, 2026, partially offset by decreases due to lower average cash balances and lower interest rates during the 2026 period as compared to the 2025 period.

Interest expense. The decrease in interest expense is primarily due to the discontinuation of hedge accounting for interest rate caps related to the ILPT Floating Rate Loan and the Mountain Floating Rate Loan, resulting in no further amortization of interest rate cap costs and a lower outstanding principal balance compared to the 2025 period.

Loss on extinguishment of debt. During the six months ended June 30, 2026, we recognized a loss on extinguishment of debt in connection with the repayment of the Mountain Floating Rate Loan and $204,999 of amortizing loans. During the six months ended June 30, 2025, we recognized a loss on extinguishment of debt in connection with the repayment of the ILPT Floating Rate Loan.

Income tax expense. Income tax expense reflects state income taxes payable in certain jurisdictions.

Equity in earnings of unconsolidated joint venture. Equity in earnings of unconsolidated joint venture represents the change in the fair value of our investment in the unconsolidated joint venture.

Non-GAAP Financial Measures *(dollars in thousands, except per share data)*

We present certain "non-GAAP financial measures" within the meaning of the applicable rules of the Securities and Exchange Commission, or the SEC, including NOI, funds from operations, or FFO, attributable to common shareholders and normalized funds from operations, or Normalized FFO, attributable to common shareholders. These measures do not represent cash generated by operating activities in accordance with GAAP and should not be considered as alternatives to net loss or net loss attributable to common shareholders, as indicators of our operating performance or as measures of our liquidity. These measures should be considered in conjunction with net loss and net loss attributable to common shareholders 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 loss and net loss attributable to common shareholders. We believe these measures provide useful information to investors because by excluding the effects of certain historical amounts, such as depreciation and amortization expense, they may facilitate a comparison of our operating performance between periods and with other REITs and, in the case of NOI, reflecting only those income and expense items that are generated and incurred at the property level may help both investors and management to understand the operations of our properties.

Net Operating Income

We calculate NOI as shown below. We define NOI as income from our rental of real estate less our property operating expenses. The calculation of NOI excludes certain components of net loss in order to provide results that are more closely related to our property level results of operations. NOI excludes depreciation and amortization. We use NOI to evaluate individual and company-wide property level performance. Other real estate companies and REITs may calculate NOI differently than we do.

The following table presents the reconciliation of net loss to NOI for the three and six months ended June 30, 2026 and 2025:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net loss	$ (23,088)	$ (30,394)	$ (40,947)	$ (61,563)
Equity in earnings of unconsolidated joint venture	(2,702)	(4,144)	(5,573)	(3,102)
Income tax expense	59	30	173	58
Loss before income taxes and equity in earnings of unconsolidated joint venture	(25,731)	(34,508)	(46,347)	(64,607)
Loss on extinguishment of debt	3,830	5,070	3,830	5,070
Interest expense	61,112	67,914	122,814	137,727
Interest and other income	(3,379)	(2,024)	(4,423)	(3,992)
General and administrative	11,998	9,662	21,462	17,900
Depreciation and amortization	40,766	41,443	81,567	82,961
NOI	$ 88,596	$ 87,557	$ 178,903	$ 175,059

Funds From Operations Attributable to Common Shareholders and Normalized Funds From Operations Attributable to Common Shareholders

We calculate FFO attributable to common shareholders and Normalized FFO attributable to common shareholders as shown below. FFO attributable to common shareholders is calculated on the basis defined by The National Association of Real Estate Investment Trusts, which is: (1) net loss attributable to common shareholders calculated in accordance with GAAP, excluding (i) any recovery or loss on impairment of real estate, (ii) any gain or loss on sale of real estate and (iii) equity in earnings or losses of unconsolidated joint venture; (2) plus (i) real estate depreciation and amortization and (ii) our proportionate share of FFO from unconsolidated joint venture properties; (3) minus FFO adjustments attributable to noncontrolling interests; and (4) certain other adjustments currently not applicable to us. In calculating Normalized FFO attributable to common shareholders, we adjust for certain nonrecurring items shown below, including adjustments for such items related to the unconsolidated joint venture, if any, loss on extinguishment of debt, if any, and incentive management fees, if any.

FFO attributable to common shareholders and Normalized FFO attributable to common shareholders are among the factors considered by our Board of Trustees when determining the amount of distributions to our shareholders. Other factors include, but are not limited to, requirements to maintain our qualification for taxation as a REIT, the then current and expected needs for and availability of cash to pay our obligations and fund our investments, 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 and our expectation of future capital requirements and operating performance. Other real estate companies and REITs may calculate FFO attributable to common shareholders and Normalized FFO attributable to common shareholders differently than we do.

The following table presents our calculation of FFO attributable to common shareholders and Normalized FFO attributable to common shareholders and reconciliations of net loss attributable to common shareholders to FFO attributable to common shareholders and Normalized FFO attributable to common shareholders for the three and six months ended June 30, 2026 and 2025:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net loss attributable to common shareholders	$ (14,463)	$ (21,310)	$ (23,890)	$ (42,842)
Equity in earnings of unconsolidated joint venture	(2,702)	(4,144)	(5,573)	(3,102)
Depreciation and amortization	40,766	41,443	81,567	82,961
Share of FFO from unconsolidated joint venture	1,926	1,475	3,775	2,980
FFO adjustments attributable to noncontrolling interests	(9,890)	(10,037)	(19,826)	(20,047)
FFO attributable to common shareholders	15,637	7,427	36,053	19,950
Incentive management fees (1)	2,834	1,311	4,401	2,278
Loss on extinguishment of debt	3,830	5,070	3,830	5,070
Normalized FFO adjustments attributable to noncontrolling interest	(1,494)	—	(1,494)	—
Normalized FFO attributable to common shareholders	$ 20,807	$ 13,808	$ 42,790	$ 27,298
Weighted average common shares outstanding (basic and diluted)	66,224	65,927	66,201	65,881
Per common share data (basic and diluted):				
Net loss attributable to common shareholders	$ (0.22)	$ (0.32)	$ (0.36)	$ (0.65)
FFO attributable to common shareholders	$ 0.24	$ 0.11	$ 0.54	$ 0.30
Normalized FFO attributable to common shareholders	$ 0.31	$ 0.21	$ 0.65	$ 0.41

(1) Incentive management fees are estimated and accrued during the applicable measurement period. Actual incentive management fees are calculated based on common share total return, as defined in our business management agreement, for the three year period ending December 31 of the applicable calendar year, are included in general and administrative expenses in our condensed consolidated statements of comprehensive income (loss) and are payable to RMR in January of the following calendar year.

LIQUIDITY AND CAPITAL RESOURCES ***(dollars in thousands, except per share and per square foot data)***

Our principal sources of funds to meet our operating and capital obligations, pay our debt service obligations and make distributions to our shareholders are rents from tenants at our properties. As of June 30, 2026, investment grade rated tenants, subsidiaries of investment grade rated entities or our Hawaii land leases represented 78.7% of our annualized rental revenues and only 3.1% of our annualized rental revenues were from leases expiring over the next 12 months. We believe that these sources of funds will be sufficient to meet our operating and capital obligations, pay our debt service obligations and make distributions to our shareholders for the next 12 months and for the foreseeable future thereafter.

The following is a summary of our sources and uses of cash flows for the periods presented, as reflected in our condensed consolidated statements of cash flows:

	Six Months Ended June 30,	
	2026	2025
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period	$ 183,031	$ 242,480
Net cash provided by (used in):		
Operating activities	37,927	29,780
Investing activities	(1,209)	(5,767)
Financing activities	(37,936)	(107,428)
Total	(1,218)	(83,415)
Cash and cash equivalents and restricted cash and cash equivalents at end of period	$ 181,813	$ 159,065

The increase in net cash from operating activities for the six months ended June 30, 2026 compared to the 2025 period is primarily due to higher cash flows and reimbursements from our properties and lower interest expense, excluding the impact of settlement of our interest rate caps. The decrease in net cash used in investing activities for the six months ended June 30, 2026 compared to the 2025 period is primarily due to reduced interest rate cap purchase costs, decreased real estate improvements and proceeds from the sale of our consolidated joint venture's interest rate cap in 2026. These decreases were partially offset by reduced proceeds from the settlement of our interest rate caps. The change in net cash used in financing activities for the six months ended June 30, 2026, is due to proceeds received from our consolidated joint venture's $1,620,000 fixed rate mortgage loan during the 2026 period compared to the repayment of the ILPT Floating Rate Loan during the 2025 period. Proceeds from the $1,620,000 fixed rate mortgage loan were used to repay the Mountain Floating Rate Loan and $204,999 of our consolidated joint venture's amortizing debt during the 2026 period. During the 2025 period, our consolidated joint venture used proceeds of $1,160,000 from its fixed rate mortgage loan to repay the ILPT Floating Rate Loan. In addition to these debt transactions during the 2026 and 2025 periods, our distributions to noncontrolling interests and common shareholders increased in 2026.

Our Operating Liquidity and Resources

Our future cash flows from operating activities will depend primarily upon our ability to:

- collect rents from our tenants when due;
- maintain the occupancy of, and maintain or increase the rental rates at, our properties; and
- control operating cost increases, including interest and other financing costs.

Our Investing and Financing Liquidity and Resources

As of June 30, 2026, we had cash and cash equivalents, excluding restricted cash and cash equivalents, of $135,326. To maintain our qualification for taxation as a REIT under the Internal Revenue Code of 1986, as amended, we generally are required to distribute at least 90% of our REIT taxable income annually, subject to specified adjustments and excluding any net capital gain. This distribution requirement limits our ability to retain earnings and thereby provide capital for our operations or acquisitions. We may use our cash and cash equivalents on hand, the cash flow from our operations, net proceeds from any sales of assets and net proceeds of any offerings of equity or debt securities to fund our distributions to our shareholders.

As our debt approaches maturity or we desire to reduce our leverage or refinance debt, we may explore refinancing alternatives, property sales or sales of equity interests in joint ventures. Such alternatives may include incurring term debt, obtaining financing secured by mortgages on properties we own, issuing new equity or debt securities or obtaining a revolving credit facility. We may also assume mortgage loans or incur debt in connection with future acquisitions, developments and redevelopments. Although we cannot be sure that we will be successful in completing any particular type of financing, we believe that we will have access to financing, such as debt or equity offerings, to fund capital expenditures, future acquisitions, development, redevelopment and other activities and to pay our obligations.

Capital Expenditures

As of June 30, 2026, committed, but unspent, tenant related obligations based on existing leases were $12,599, of which $12,115 is expected to be spent during the next 12 months.

For further information regarding our capital expenditures, see Note 3 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Joint Ventures

We own a 61% equity interest in our consolidated joint venture. We control this consolidated joint venture and therefore account for the properties owned by this joint venture on a consolidated basis in our condensed consolidated financial statements. Our consolidated joint venture made cash distributions of $38,000 during the three and six months ended June 30, 2026, of which $14,820 was distributed to the unrelated third party investor. The remaining $23,180 distributed to us was reclassified from restricted cash and cash equivalents to cash and cash equivalents in our condensed consolidated balance sheets.

We also own a 22% equity interest in the unconsolidated joint venture. We account for the unconsolidated joint venture using the equity method of accounting under the fair value option. The unconsolidated joint venture made aggregate cash distributions to us of $1,188 and $990 for the three months ended June 30, 2026 and 2025, and $2,376 and $1,980 for the six months ended June 30, 2026 and 2025, respectively.

For further information regarding our consolidated joint venture and the unconsolidated joint venture, see Note 3 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Indebtedness

As of June 30, 2026, we had an aggregate principal amount of $4,221,000 of indebtedness, primarily including: (1) our $1,160,000 mortgage loan; (2) our $700,000 mortgage loan; (3) our $650,000 mortgage loan; and (4) our consolidated joint venture's $1,711,000 in aggregate mortgage loans, with maturity dates between 2029 and 2032.

In June 2025, we obtained a $1,160,000 fixed rate, interest only mortgage loan secured by 101 of our properties. This mortgage loan matures in July 2030 and requires that interest be paid at an annual rate of 6.40%. Subject to the satisfaction of certain conditions, we have the option to prepay our $1,160,000 mortgage loan in full or in part with a premium prior to January 9, 2030 and at par with no premium on or after January 9, 2030. We used the net proceeds from our $1,160,000 mortgage loan and cash on hand to repay in full the ILPT Floating Rate Loan.

In May 2026, our consolidated joint venture obtained a $1,620,000 fixed rate, interest only mortgage loan secured by 90 of its properties. This mortgage loan matures in May 2031 and requires that interest be paid at an annual rate of 5.71%. Subject to a 24 month prepayment lockout period and the satisfaction of certain other conditions, our consolidated joint venture has the option to prepay its $1,620,000 mortgage loan in full or in part with a premium prior to November 2030 and at par with no premium beginning from November 2030. Our consolidated joint venture used the proceeds from this mortgage loan to repay in full the Mountain Floating Rate Loan, and $204,999 of its amortizing fixed rate debt. The Mountain Floating Rate Loan was secured by 82 properties, was scheduled to mature in March 2027 and required that interest be paid at an annual rate of SOFR plus a weighted average premium of 2.77%. The amortizing fixed rate debt repaid was secured by eight properties with a weighted average interest rate of 3.66%. In connection with the repayment of the Mountain Floating Rate Loan and $204,999 of amortizing fixed rate debt, we recognized a $3,830 loss on extinguishment of debt.

The agreements and related documents governing our $1,160,000 mortgage loan, our $700,000 mortgage loan, our $650,000 mortgage loan and our consolidated joint venture's $1,620,000 mortgage loan contain customary covenants, provide for acceleration of payment of all amounts due thereunder upon the occurrence and continuation of certain events of default and, in the case of the $650,000 mortgage loan, also require us to maintain a minimum consolidated net worth of at least $250,000 and liquidity of at least $15,000. As of June 30, 2026, we believe that we were in compliance with all of the covenants and other terms under the agreements governing these loans.

For further information regarding our indebtedness and historical weighted average interest rates of our floating rate loans, see Notes 5 and 6 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Distributions

During the six months ended June 30, 2026, we declared and paid regular quarterly distributions to common shareholders totaling $6,666 using cash on hand.

On July 9, 2026, we declared a regular quarterly distribution to common shareholders of record on July 20, 2026 of $0.10 per share, or approximately $6,675. We expect to pay this distribution on or about August 13, 2026 using cash on hand.

Related Person Transactions

We have relationships and historical and continuing transactions with RMR, RMR Inc. and others related to them. For further information about these and other such relationships and related person transactions, see Notes 8 and 9 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 SEC. In addition, see the section captioned "Risk Factors" of 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. Significant estimates in the condensed consolidated financial statements include purchase price allocations, useful lives of fixed assets and assumptions used in the evaluation of impairment of real estate and related intangibles.

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.

Item 3. Quantitative and Qualitative Disclosures About Market Risk (*dollars in thousands*)

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, including fixed rate debt, and employing derivative instruments, including interest rate caps, to limit our exposure to increasing interest rates. Other than as described below, we do not currently expect 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

As of June 30, 2026, our outstanding fixed rate debt consisted of the following:

Entity	Number of Properties Secured By	Principal Balance	Annual Interest Rate (1)	Annual Interest Expense	Maturity	Interest Payments Due
ILPT	186	$ 650,000	4.31%	$ 28,015	02/07/2029	Monthly
ILPT	101	1,160,000	6.40%	74,240	07/09/2030	Monthly
ILPT	17	700,000	4.42%	30,940	03/09/2032	Monthly
Mountain JV	4	91,000	6.25%	5,688	06/10/2030	Monthly
Mountain JV	90	1,620,000	5.71%	92,502	05/11/2031	Monthly
Total / weighted average		$ 4,221,000	5.48%	$ 231,385		

(1) The annual interest rate is the rate stated in the applicable contract.

All of our $4,221,000 mortgage notes require interest only payments until maturity. Because our mortgage notes require interest to be paid at a fixed rate, changes in market interest rates during the terms of these mortgage notes will not affect our interest obligations. If these mortgage notes are refinanced at an interest rate that is one percentage point higher or lower than shown above, our annual interest cost would increase or decrease by approximately $42,136.

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. Interest rates continue to remain elevated despite reductions in 2025 by the U.S. Federal Reserve. There are uncertainties surrounding interest rates and they may remain at current levels, decrease or increase. As our debt obligations bear interest at fixed rates, decreases in market interest rates may result in our contractual interest payments exceeding those that would be required at prevailing market rates, and we would not benefit from any such decrease in market interest rates. Based on the balances outstanding at June 30, 2026 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 the interest rates would change the fair value of these obligations by approximately $163,036.

Floating Rate Debt

In May 2026, our consolidated joint venture repaid in full the Mountain Floating Rate Loan with the proceeds of a new $1,620,000 fixed rate mortgage loan and sold the related interest rate cap. As a result, as of June 30, 2026, we no longer have any floating rate debt outstanding or interest rate caps, and we are no longer exposed to interest rate risk associated with changes in SOFR on floating rate borrowings. As of December 31, 2025, we had $1,400,000 of floating rate debt outstanding.

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 June 30, 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; our expectations regarding the demand for industrial properties; our future leasing activity; our leverage levels and possible future financings; our liquidity needs and sources; our capital expenditure plans and commitments; our existing and possible future joint venture arrangements; our redevelopment and construction activities and plans; 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:

- Whether our tenants will renew or extend their leases or whether we will obtain replacement tenants on terms as favorable to us as the terms of our existing leases,
- Our ability to successfully compete for tenancies, the likelihood that the rents we realize will increase when we renew or extend our leases, enter new leases, or our rents reset at our properties located in Hawaii,
- Our ability to maintain high occupancy at our properties,
- Our ability to reduce our leverage, generate cash flow and take advantage of mark-to-market leasing opportunities,
- Our ability to cost-effectively raise and balance our use of debt or equity capital,
- Our ability to pay interest on and principal of our debt,
- Our expected capital expenditures and leasing costs,
- Our ability to maintain sufficient liquidity,
- Our ability and the ability of our tenants to operate under unfavorable market and commercial real estate industry conditions, due to uncertainties surrounding interest rates and inflation, changing tariffs and trade policies and related uncertainty, supply chain disruptions, emerging technologies, volatility in the public equity and debt markets, 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,
- Demand for industrial and logistics properties,
- Whether the industrial and logistics sector and the extent to which our tenants’ businesses are critical to sustaining a resilient supply chain and that our business will benefit as a result,
- Competition within the commercial real estate industry, particularly for industrial and logistics properties in those markets in which our properties are located,
- Our tenant and geographic concentrations,
- Our tenants’ ability and willingness to pay their rent obligations to us,
- The credit qualities of our tenants,
- Changes in the security of cash flows from our properties,
- Potential defaults of our leases by our tenants,
- Our ability to pay distributions to our shareholders and to increase or sustain the amount of such distributions,

- Our ability to sell properties at prices or returns we target, and the timing of such sales,
- Our ability to complete sales without delay, or at all, pursuant to existing agreement terms,
- Our ability to sell additional equity interests in, or contribute additional properties to, our existing joint ventures, to enter into additional real estate joint ventures or to attract co-venturers and benefit from our existing joint ventures or any real estate joint ventures we may enter into,
- Risks and uncertainties regarding the development, redevelopment or repositioning of our properties, including as a result of inflation, cost overruns, tariffs, supply chain challenges, labor market conditions, construction delays or our inability to obtain necessary permits, our ability to lease space at these properties at targeted returns and volatility in the commercial real estate markets,
- Our ability to prudently pursue, and successfully and profitably complete, expansion and renovation projects at our properties and to realize our expected returns on those projects,
- The ability of our manager, RMR, to successfully manage us,
- Changes in environmental laws or in their interpretations or enforcement as a result of climate change or otherwise, or our incurring environmental remediation costs or other liabilities,
- Compliance with, and changes to, federal, state and local laws and regulations, accounting rules, tax laws and similar matters,
- 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,
- Actual and potential conflicts of interest with our related parties, including our Managing Trustees, RMR and others affiliated with them,
- Acts of terrorism, war or other hostilities, outbreaks of pandemics or other public health safety events or conditions, global climate change or other manmade 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 our filings with the SEC, including under the caption “Risk Factors” in our periodic reports, or incorporated therein, identifies important factors that could cause differences from our forward-looking statements in this Quarterly Report on Form 10-Q. 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 Industrial Logistics Properties Trust, dated January 11, 2018, as amended, as filed with the State Department of Assessments and Taxation of Maryland, provides that no trustee, officer, shareholder, employee or agent of Industrial Logistics Properties Trust shall be held to any personal liability, jointly or severally, for any obligation of, or claim against, Industrial Logistics Properties Trust. All persons dealing with Industrial Logistics Properties Trust in any way shall look only to the assets of Industrial Logistics Properties Trust for the payment of any sum or the performance of any obligation.

PART II. Other Information

Item 1A. Risk Factors

There have been no material changes to our risk factors from those we previously disclosed in our 2025 Annual Report.

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 June 30, 2026:

Calendar Month	Number of Shares Purchased [(1)]	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
April 1, 2026 - April 30, 2026	579	$ 5.43	—	$ —
June 1, 2026 - June 30, 2026	3,352	8.79	—	—
Total / weighted average	3,931	$ 8.30	—	$ —

(1) These common share withholdings and purchases were made to satisfy tax withholding and payment obligations of one of our Trustees and certain former employees of RMR in connection with the vesting of 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 of the Company, dated as of January 11, 2018, as amended to date. (Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020.)
3.2	Third Amended and Restated Bylaws of the Company, adopted May 30, 2024. (Incorporated by reference to the Company's Current Report on Form 8-K filed on June 3, 2024.)
4.1	Form of Common Share Certificate. (Incorporated by reference to Amendment No. 2 to the Company's Registration Statement on Form S-11, File No. 333-221708.)
10.1	Loan Agreement, dated as of May 8, 2026, among certain subsidiaries of Mountain Industrial REIT LLC, Citi Real Estate Funding Inc., UBS AG New York Branch, Bank of America, N.A., Bank of Montreal, Morgan Stanley Bank, N.A. and Wells Fargo Bank, National Association. (Incorporated by reference to the Company's Current Report on Form 8-K filed on May 8, 2026.)
10.2	Form of Indemnification Agreement. (Filed herewith.)
31.1	Rule 13a-14(a) Certification. (Filed herewith.)
31.2	Rule 13a-14(a) Certification. (Filed herewith.)
32.1	Section 1350 Certification. (Furnished herewith.)
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.
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.

INDUSTRIAL LOGISTICS PROPERTIES TRUST

By: /s/ Yael Duffy
Yael Duffy
President and Chief Executive Officer
Dated: July 29, 2026

By: /s/ Tiffany R. Sy
Tiffany R. Sy
Chief Financial Officer and Treasurer
(Principal Financial Officer and Principal Accounting Officer)
Dated: July 29, 2026

INDUSTRIAL LOGISTICS PROPERTIES TRUST
FORM OF INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this "***Agreement***"), effective as of [**DATE**] (the "***Effective Date***"), by and between Industrial Logistics Properties Trust, a Maryland real estate investment trust (the "***Company***"), and [**TRUSTEE/OFFICER**] ("***Indemnitee***").

WHEREAS, Indemnitee currently serves as a trustee and/or executive officer of the Company and may, in connection therewith, be subjected to claims, suits or proceedings arising from such service; and

WHEREAS, as an inducement to Indemnitee to serve as [a/the] [title(s)] of the Company, the Company has agreed to indemnify and to advance expenses and costs incurred by Indemnitee in connection with any such claims, suits or proceedings, to the maximum extent permitted by law as hereinafter provided; and

WHEREAS, the parties by this Agreement desire to set forth their agreement regarding indemnification and advance of expenses;

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

(a) "***Board***" means the board of trustees of the Company.

(b) "***Bylaws***" means the bylaws of the Company, as they may be amended from time to time.

(c) "***Change in Control***" means a change in control of the Company occurring after the Effective Date of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the "***Act***"), whether or not the Company is then subject to such reporting requirement; *provided, however,* that, without limitation, such a Change in Control shall be deemed to have occurred if after the Effective Date:

(i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing 10% or more of the combined voting power of all the Company's then-outstanding securities entitled to vote generally in the election of trustees without the prior approval of at least two-thirds of the members of the Board in office immediately prior to such person attaining such percentage interest;

(ii) there occurs a proxy contest, or the Company is a party to a merger, consolidation, sale of assets, plan of liquidation or other reorganization not approved by at least two-thirds of the members of the Board then in office, as a consequence of which members of the Board in office immediately prior to such transaction or event constitute less than a majority of the Board thereafter; or

(iii) during any period of two consecutive years, other than as a result of an event described in clause (a)(ii) of this Section 1, individuals who at the beginning of such period constituted the Board (including for this purpose any new trustee whose election or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds of the trustees then still in office who were trustees at the beginning of such period) cease for any reason to constitute at least a majority of the Board.

(d) "***Company Status***" means the status of a Person who is or was a trustee, director, officer, employee, agent or fiduciary of the Company or any of its majority owned subsidiaries and the status of a Person who, while a trustee, director, officer, employee, agent or fiduciary of the Company or any of its majority owned subsidiaries, is or was serving at the request of the Company as a director, trustee, officer, partner, manager or fiduciary of another corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or any other Enterprise.

(e) "***Control***" of an entity, shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities, by contract or otherwise.

(f) "***Declaration of Trust***" means the declaration of trust (as defined in the Maryland REIT Law) of the Company, as it may be in effect from time to time.

(g) "***Disinterested Trustee***" means a trustee of the Company who is not and was not a party to the Proceeding in respect of which indemnification or advance of Expenses is sought by Indemnitee.

(h) "***Enterprise***" shall mean the Company and any other corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express written request of the Company as a director, trustee, officer, partner, manager or fiduciary.

(i) "***Expenses***" means all expenses, including, but not limited to, all attorneys' fees and costs, retainers, court or arbitration costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond or other appeal bond or its equivalent.

(j) "***Independent Counsel***" means a law firm, or a member of a law firm, selected by the Company and acceptable to the Indemnitee, that is experienced in matters of business law. If, within twenty (20) days after submission by Indemnitee of a written demand for indemnification pursuant to <u>Section 7(a)</u> hereof, no Independent Counsel shall have been selected and agreed to by Indemnitee, either the Company or Indemnitee may petition a Chosen Court for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person so appointed shall act as Independent Counsel hereunder.

(k) "***MGCL***" means the Maryland General Corporation Law.

(l) "***Maryland REIT Law***" means Title 8 of the Corporations and Associations Article of the Annotated Code of Maryland.

(m) "***Person***" means an individual, a corporation, a general or limited partnership, an association, a limited liability company, a governmental entity, a trust, a joint venture, a joint stock company or another entity or organization.

(n) "***Proceeding***" means any threatened, pending or completed claim, demand, action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other proceeding, whether civil, criminal, administrative or investigative (including on appeal), whether or not by or in the right of the Company, except one initiated by an Indemnitee pursuant to <u>Section 9</u>.

Section 2. <u>Indemnification - General</u>. The Company shall indemnify, and advance Expenses to, Indemnitee (a) as provided in this Agreement and (b) otherwise to the maximum extent permitted by Maryland law in effect on the Effective Date and as amended from time to time; *provided, however*, that no change in Maryland law shall have the effect of reducing the benefits available to Indemnitee hereunder based on Maryland law as in effect on the Effective Date. The rights of Indemnitee provided in this <u>Section 2</u> shall include, without limitation, the rights set forth in the other sections of this Agreement, including any additional indemnification permitted by Section 2-418(g) of the MGCL, as applicable to a Maryland real estate investment trust by virtue of Section 8-301(15) of the Maryland REIT Law.

Section 3. <u>Proceedings Other Than Derivative Proceedings by or in the Right of the Company</u>. Indemnitee shall be entitled to the rights of indemnification provided in this <u>Section 3</u> if, by reason of Indemnitee's Company Status, Indemnitee is, or is threatened to be, made a party to any Proceeding, other than a derivative Proceeding by or in the right of the Company (or, if applicable, such other Enterprise at which Indemnitee is or was serving at the request of the Company). Pursuant to this <u>Section 3</u>, Indemnitee shall be indemnified against all judgments, penalties, fines and amounts paid in settlement and all Expenses incurred by Indemnitee or on Indemnitee's behalf in connection with a Proceeding by reason of Indemnitee's Company Status unless it is finally determined that such indemnification is not permitted by the MGCL.

Section 4. <u>Derivative Proceedings by or in the Right of the Company</u>. Indemnitee shall be entitled to the rights of indemnification provided in this <u>Section 4</u> if, by reason of Indemnitee's Company Status, Indemnitee is, or is threatened to be, made a party to any derivative Proceeding brought by or in the right of the Company (or, if applicable, such other Enterprise at which Indemnitee is or was serving at the request of the Company). Pursuant to this Section 4, Indemnitee shall be indemnified against all judgments, penalties, fines and amounts paid in settlement and all Expenses incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding unless it is finally determined that such indemnification is not permitted by the MGCL.

Section 5. Indemnification for Expenses of a Party Who is Partly Successful. Without limitation on Section 3 or Section 4, if Indemnitee is not wholly successful in any Proceeding covered by this Agreement, but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee under this Section 5 for all Expenses incurred by Indemnitee or on Indemnitee's behalf in connection with each successfully resolved claim, issue or matter, allocated on a reasonable and proportionate basis. For purposes of this Section 5 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6. Advance of Expenses. The Company, without requiring a preliminary determination of Indemnitee's ultimate entitlement to indemnification hereunder, shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding in which Indemnitee may be involved, or is threatened to be involved, including as a party, a witness or otherwise, by reason of Indemnitee's Company Status, within ten (10) days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall be preceded or accompanied by a written affirmation by Indemnitee of Indemnitee's good faith belief that the standard of conduct necessary for indemnification by the Company as authorized by the MGCL has been met and a written undertaking by or on behalf of Indemnitee, in substantially the form of Exhibit A hereto or in such other form as may be required under applicable law as in effect at the time of the execution thereof, to reimburse the portion of any Expenses advanced to Indemnitee relating to claims, issues or matters in the Proceeding as to which it shall be finally determined that the standard of conduct has not been met and which have not been successfully resolved as described in Section 5. For the avoidance of doubt, the Company shall advance Expenses incurred by Indemnitee or on Indemnitee's behalf in connection with such a Proceeding pursuant to this Section 6 until it is finally determined that the Indemnitee is not entitled to indemnification under law in respect of such Proceeding. To the extent that Expenses advanced to Indemnitee do not relate to a specific claim, issue or matter in the Proceeding, such Expenses shall be allocated on a reasonable and proportionate basis. The undertaking required by this Section 6 shall be an unlimited general obligation by or on behalf of Indemnitee and shall be accepted without reference to Indemnitee's financial ability to repay such advanced Expenses and without any requirement to post security therefor. At Indemnitee's request, advancement of any such Expense shall be made by the Company's direct payment of such Expense instead of reimbursement of Indemnitee's payment of such Expense.

Section 7. Procedure for Determination of Entitlement to Indemnification.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written demand therefor. The Secretary of the Company shall, promptly upon receipt of such a demand for indemnification, provide copies of the demand to the Board.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 7(a), a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall promptly be made in the specific case: (i) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; or (ii) if a Change in Control shall not have occurred or if, after a Change in Control, Indemnitee shall so request, (A) by the Board (or a duly authorized committee thereof) by a majority vote of a quorum consisting of Disinterested Trustees, or (B) if a quorum of the Board consisting of Disinterested Trustees is not obtainable or, even if obtainable, such quorum of Disinterested Trustees so directs, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee, or (C) if so directed by a majority of the members of the Board, by the shareholders of the Company; and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten (10) days after such determination. Any Independent Counsel, member of the Board or shareholder of the Company shall act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement.

(c) The Company shall pay the fees and expenses of Independent Counsel, if one is appointed, and shall agree to fully indemnify such Independent Counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Agreement or the Independent Counsel's engagement as such pursuant hereto.

Section 8. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the Person or Persons making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(b) It shall be presumed that Indemnitee has at all times acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence. Without limitation of the foregoing, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge or actions, or failure to act, of any trustee, director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

(c) Neither the failure to make a determination pursuant to Section 7(b) as to whether indemnification is proper in the circumstances because Indemnitee has met any particular standard of conduct, nor an actual determination by the Company (including by its trustees or Independent Counsel) pursuant to Section 7(b) that Indemnitee has not met such standard of conduct, shall be a defense to Indemnitee's claim that indemnification is proper in the circumstances or create a presumption that Indemnitee has not met any particular standard of conduct.

(d) The termination of any Proceeding by judgment, order, settlement, conviction, a plea of *nolo contendere* or its equivalent, or an entry of an order of probation prior to judgment, shall not in and of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not meet the standard of conduct required for indemnification. The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any Proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such action, claim or proceeding with or without payment of money or other consideration), it shall be presumed that Indemnitee has been successful on the merits or otherwise in such Proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

Section 9. Remedies of Indemnitee.

(a) If (i) a determination is made pursuant to Section 7(b) that Indemnitee is not entitled to indemnification under this Agreement, (ii) advance of Expenses is not timely made pursuant to Section 6, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 7(b) within thirty (30) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 5 within ten (10) days after receipt by the Company of a written request therefor, or (v) payment of indemnification is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall (A) unless the Company demands arbitration as provided by Section 17, be entitled to an adjudication in a Chosen Court or (B) be entitled to seek an award in arbitration as provided by Section 17, in each case of Indemnitee's entitlement to such indemnification or advance of Expenses.

(b) In any judicial proceeding or arbitration commenced pursuant to this Section 9, the Company shall have the burden of proving that Indemnitee is not entitled to indemnification or advance of Expenses, as the case may be. In the event that a determination shall have been made pursuant to Section 7(b) that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 9 shall be conducted in all respects as a de novo trial on the merits, and the Indemnitee shall not be prejudiced by reason of the adverse determination under Section 7(b).

(c) If a determination shall have been made pursuant to Section 7(b) that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 9, absent a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the demand for indemnification.

(d) In the event that Indemnitee, pursuant to this Section 9, seeks a judicial adjudication of or an award in arbitration as provided by Section 17 to enforce Indemnitee's rights under, or to recover damages for breach of, this Agreement by the Company, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall indemnify Indemnitee against any and all Expenses incurred by Indemnitee in such judicial adjudication or arbitration and, if requested by Indemnitee, the Company shall (within ten (10) days after receipt by the Company of a written demand therefore) advance, to the extent not prohibited by law, any and all such Expenses.

(e) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 9 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such judicial proceeding or arbitration that the Company is bound by all the provisions of this Agreement.

(f) To the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

(g) Interest shall be paid by the Company to Indemnitee at the maximum rate allowed to be charged for judgments under the Courts and Judicial Proceedings Article of the Annotated Code of Maryland for amounts which the Company pays or is obligated to pay for the period (i) commencing with either the tenth (10th) day after the date on which the Company was requested to advance Expenses in accordance with Section 6 of this Agreement or the thirtieth (30th) day after the date on which the Company was requested to make the determination of entitlement to indemnification under Section 7(b) of this Agreement, as applicable, and (ii) ending on the date such payment is made to Indemnitee by the Company.

Section 10. Defense of the Underlying Proceeding.

(a) Indemnitee shall notify the Company promptly upon being served with or receiving any summons, citation, subpoena, complaint, indictment, information, notice, request or other document relating to any Proceeding which may result in the right to indemnification or the advance of Expenses hereunder; *provided*, *however*, that the failure to give any such notice shall not disqualify Indemnitee from the right, or otherwise affect in any manner any right of Indemnitee, to indemnification or the advance of Expenses under this Agreement unless the Company's ability to defend in such Proceeding or to obtain proceeds under any insurance policy is materially and adversely prejudiced thereby, and then only to the extent the Company is thereby actually so prejudiced.

(b) Subject to the provisions of the last sentence of this Section 10(b) and of Section 10(c) below, the Company shall have the right to defend Indemnitee in any Proceeding which may give rise to indemnification hereunder; *provided*, *however*, that the Company shall notify Indemnitee of any such decision to defend within fifteen (15) days following receipt of notice of any such Proceeding under Section 10(a) above, and the counsel selected by the Company shall be reasonably satisfactory to Indemnitee. The Company shall not, without the prior written consent of Indemnitee, consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which (i) includes an admission of fault of Indemnitee, (ii) does not include, as an unconditional term thereof, the full release of Indemnitee from all liability in respect of such Proceeding, which release shall be in form and substance reasonably satisfactory to Indemnitee or (iii) has the actual or purported effect of extinguishing, limiting or impairing Indemnitee's rights hereunder. This Section 10(b) shall not apply to a Proceeding brought by Indemnitee under Section 9 above or Section 15.

(c) Notwithstanding the provisions of Section 10(b), if in a Proceeding to which Indemnitee is a party by reason of Indemnitee's Company Status, (i) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that Indemnitee may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with other defendants in such Proceeding, (ii) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that an actual or apparent conflict of interest or potential conflict of interest exists between Indemnitee and the Company, or (iii) the Company fails to assume the defense of such Proceeding in a timely manner, Indemnitee shall be entitled to be represented by separate legal counsel of Indemnitee's choice, subject to the prior approval of the Company, which shall not be unreasonably withheld, at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other Person takes any action to declare this Agreement void or unenforceable, or institutes any Proceeding to deny or to recover from Indemnitee the benefits intended to be provided to Indemnitee hereunder, Indemnitee shall have the right to retain counsel of Indemnitee's choice, at the expense of the Company (subject to Section 9(d)), to represent Indemnitee in connection with any such matter.

Section 11. Liability Insurance.

(a) To the extent the Company maintains an insurance policy or policies providing liability insurance for any of its trustees or officers, Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company trustee or officer during the Indemnitee's tenure as a trustee or officer and, following a termination of Indemnitee's service in connection with a Change in Control, for a period of six (6) years thereafter.

(b) If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) In the event of any payment by the Company under this Agreement the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee with respect to any insurance policy. Indemnitee shall take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights in accordance with the terms of such insurance policy. The Company shall pay or reimburse all expenses actually and reasonably incurred by Indemnitee in connection with such subrogation.

Section 12. Non-Exclusivity; Survival of Rights.

(a) The rights of indemnification and advance of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Declaration of Trust or the Bylaws, any agreement or a resolution of the shareholders entitled to vote generally in the election of trustees or of the Board, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Company Status prior to such amendment, alteration or repeal. To the extent that a change in the Maryland REIT Law or the MGCL permits greater indemnification than would be afforded currently under the Declaration of Trust, Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable or payable or reimbursable as Expenses hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

Section 13. Binding Effect.

(a) The indemnification and advance of Expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be a trustee or executive officer of the Company or a director, officer, partner, member, manager or trustee of another Enterprise which such Person is or was serving at the request of the Company, and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(b) Any successor of the Company (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business or assets of the Company shall be automatically deemed to have assumed and agreed to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place, provided that no such assumption shall relieve the Company of its obligations hereunder. To the extent required by applicable law to give effect to the foregoing sentence and to the extent requested by Indemnitee, the Company shall require and cause any such successor to expressly assume and agree to perform this Agreement by written agreement in form and substance satisfactory to Indemnitee.

Section 14. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 15. Limitation and Exception to Right of Indemnification or Advance of Expenses. Notwithstanding any other provision of this Agreement, (a) any indemnification or advance of Expenses to which Indemnitee is otherwise entitled under the terms of this Agreement shall be made only to the extent such indemnification or advance of Expenses does not conflict with applicable Maryland law and (b) Indemnitee shall not be entitled to indemnification or advance of Expenses under this Agreement with respect to any Proceeding brought by Indemnitee, unless (i) the Proceeding is brought to enforce rights under this Agreement, the Declaration of Trust, the Bylaws, liability insurance policy or policies, if any, or otherwise or (ii) the Declaration of Trust, the Bylaws, a resolution of the shareholders entitled to vote generally in the election of trustees or of the Board or an agreement approved by the Board to which the Company is a party expressly provides otherwise. Notwithstanding any other provision of this Agreement, a court of appropriate jurisdiction, upon application of Indemnitee and such notice as the court shall require, may order indemnification of Indemnitee by the Company in the following circumstances: (a) if such court determines that Indemnitee is entitled to reimbursement under Section 2-418(d)(1) of the MGCL, the court shall order indemnification, in which case Indemnitee shall be entitled to recover the Expenses of securing such reimbursement; or (b) if such court determines that Indemnitee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not Indemnitee (i) has met the standard of conduct set forth in Section 2-418(b) of the MGCL or (ii) has been adjudged liable for receipt of an improper personal benefit under Section 2-418(c) of the MGCL, the court may order such indemnification as the court shall deem proper without regard to any limitation on such court-ordered indemnification contemplated by Section 2-418(d)(2)(ii) of the MGCL.

Section 16. Specific Performance, Etc. The parties hereto recognize that if any provision of this Agreement is violated by the Company, Indemnitee may be without an adequate remedy at law. Accordingly, in the event of any such violation, Indemnitee shall be entitled, if Indemnitee so elects, to institute proceedings, either in law or at equity, to obtain damages, to enforce specific performance, to enjoin such violation, or to obtain any relief or any combination of the foregoing as Indemnitee may elect to pursue.

Section 17. Arbitration.

(a) Any disputes, claims or controversies regarding the Indemnitee's entitlement to indemnification or advancement of Expenses hereunder or otherwise arising out of or relating to this Agreement, including any disputes, claims or controversies brought by or on behalf of a party hereto or any holder of equity interests (which, for purposes of this Section 17, shall mean any holder of record or any beneficial owner of equity interests or any former holder of record or beneficial owner of equity interests) of a party, either on his, her or its own behalf, on behalf of a party or on behalf of any series or class of equity interests of a party or holders of equity interests of a party against a party or any of their respective trustees, directors, members, officers, managers, agents or employees, including any disputes, claims or controversies relating to the meaning, interpretation, effect, validity, performance or enforcement of this Agreement, including this arbitration agreement or the governing documents of a party, (all of which are referred to as "***Disputes***") or relating in any way to such a Dispute or Disputes shall, on the demand of any party to such Dispute or Disputes, be resolved through binding and final arbitration in accordance with the Commercial Arbitration Rules (the "***Rules***") of the American Arbitration Association ("***AAA***") then in effect, except as those Rules may be modified in this Section 17. For the avoidance of doubt, and not as a limitation, Disputes are intended to include derivative actions against the trustees, directors, officers or managers of a party and class actions by a holder of equity interests against those individuals or entities and a party. For the avoidance of doubt, a Dispute shall include a Dispute made derivatively on behalf of one party against another party. For purposes of this Section 17, the term "equity interest" shall mean, in respect of (i) the Company, shares of beneficial interest of the Company, (ii) shares of "membership interests" in an entity that is a limited liability company, (iii) general partnership interests in an entity that is a partnership, (iv) shares of capital stock of an entity that is a corporation and (v) similar equity ownership interests in other entities.

(b) There shall be three (3) arbitrators. If there are only two (2) parties to the Dispute, each party shall select one (1) arbitrator within fifteen (15) days after receipt by respondent of a copy of the demand for arbitration. The arbitrators may be affiliated or interested persons of the parties. If there are more than two (2) parties to the Dispute, all claimants, on the one hand, and all respondents, on the other hand, shall each select, by the vote of a majority of the claimants or the respondents, as the case may be, one (1) arbitrator within fifteen (15) days after receipt of the demand for arbitration. The arbitrators may be affiliated or interested persons of the claimants or the respondents, as the case may be. If either a claimant (or all claimants) or a respondent (or all respondents) fail(s) to timely select an arbitrator then the party (or parties) who has selected an arbitrator may request AAA to provide a list of three (3) proposed arbitrators in accordance with the Rules (each of whom shall be neutral, impartial and unaffiliated with any party) and the party (or parties) that failed to timely appoint an arbitrator shall have ten (10) days from the date AAA provides the list to select one (1) of the three (3) arbitrators proposed by AAA. If the party (or parties) fail(s) to select the second (2nd) arbitrator by that time, the party (or parties) who have appointed the first (1st) arbitrator shall then have ten (10) days to select one (1) of the three (3) arbitrators proposed by AAA to be the second (2nd) arbitrator; and, if he/they should fail to select the second (2nd) arbitrator by such time, AAA shall select, within fifteen (15) days thereafter, one (1) of the three (3) arbitrators it had proposed as the second (2nd) arbitrator. The two (2) arbitrators so appointed shall jointly appoint the third (3rd) and presiding arbitrator (who shall be neutral, impartial and unaffiliated with any party) within fifteen (15) days of the appointment of the second (2nd) arbitrator. If the third (3rd) arbitrator has not been appointed within the time limit specified herein, then AAA shall provide a list of proposed arbitrators in accordance with the Rules, and the arbitrator shall be appointed by AAA in accordance with a listing, striking and ranking procedure, with each party having a limited number of strikes, excluding strikes for cause.

(c) The place of arbitration shall be Boston, Massachusetts unless otherwise agreed by the parties.

(d) There shall be only limited documentary discovery of documents directly related to the issues in dispute, as may be ordered by the arbitrators. For the avoidance of doubt, it is intended that there shall be no depositions and no other discovery other than limited documentary discovery as described in the preceding sentence.

(e) In rendering an award or decision (an "***Award***"), the arbitrators shall be required to follow the laws of the State of Maryland without regard to principles of conflicts of law. Any arbitration proceedings or award rendered hereunder and the validity, effect and interpretation of this arbitration agreement shall be governed by the Federal Arbitration Act, 9 U.S.C. §1 et seq. An Award shall be in writing and shall state the findings of fact and conclusions of law on which it is based. Any monetary Award shall be made and payable in U.S. dollars free of any tax, deduction or offset. Subject to Section 17(g), each party against which an Award assesses a monetary obligation shall pay that obligation on or before the thirtieth (30th) day following the date of such Award or such other date as the Award may provide.

(f) Except to the extent expressly provided by this Agreement or as otherwise agreed by the parties thereto, each party and each Person acting or seeking to act in a representative capacity (such Person, a "***Named Representative***") involved in a Dispute shall bear its own costs and expenses (including attorneys' fees), and the arbitrators shall not render an Award that would include shifting of any such costs or expenses (including attorneys' fees) or, in a derivative case or class action, award any portion of a party's award to its attorneys, a Named Representative or any attorney of a Named Representative. Each party (or, if there are more than two (2) parties to the Dispute, all claimants, on the one hand, and all respondents, on the other hand, respectively) shall bear the costs and expenses of its (or their) selected arbitrator and the parties (or, if there are more than two (2) parties to the Dispute, all claimants, on the one hand, and all respondents, on the other hand) shall equally bear the costs and expenses of the third (3rd) appointed arbitrator.

(g) Notwithstanding any language to the contrary in this Agreement, an Award, including but not limited to any interim Award, may be appealed pursuant to the AAA's Optional Appellate Arbitration Rules (the "***Appellate Rules***"). An Award shall not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired. Appeals must be initiated within thirty (30) days of receipt of an Award by filing a notice of appeal with any AAA office. Following the appeal process, the decision rendered by the appeal tribunal may be entered in any court having jurisdiction thereof. For the avoidance of doubt, and despite any contrary provision of the Appellate Rules, Section 17(f) shall apply to any appeal pursuant to this Section 17 and the appeal tribunal shall not render an Award that would include shifting of any costs or expenses (including attorneys' fees) of any party or Named Representative or the payment of such costs and expenses, and all costs and expenses of a party or Named Representative shall be its sole responsibility.

(h) Following the expiration of the time for filing the notice of appeal, or the conclusion of the appeal process set forth in Section 17(g), an Award shall be final and binding upon the parties thereto and shall be the sole and exclusive remedy between those parties relating to the Dispute, including any claims, counterclaims, issues or accounting presented to the arbitrators. Judgment upon an Award may be entered in any court having jurisdiction. To the fullest extent permitted by law, no application or appeal to any court of competent jurisdiction may be made in connection with any question of law arising in the course of arbitration or with respect to any award made except for actions relating to enforcement of this agreement to arbitrate or any arbitral award issued hereunder and except for actions seeking interim or other provisional relief in aid of arbitration proceedings in any court of competent jurisdiction.

(i) This Section 17 is intended to benefit and be enforceable by the parties hereto and their respective holders of equity interests, trustees, directors, officers, managers, agents or employees, and their respective successors and assigns, and shall be binding upon all such parties and their respective holders of equity interests, and be in addition to, and not in substitution for, any other rights to indemnification or contribution that such individuals or entities may have by contract or otherwise.

Section 18. Venue. Each party hereto agrees that it shall bring any Proceeding in respect of any claim arising out of or related to this Agreement exclusively in the courts of the State of Maryland and the Federal courts of the United States, in each case, located in the City of Baltimore (the "***Chosen Courts***"). Solely in connection with claims arising under this Agreement, each party irrevocably and unconditionally (i) submits to the exclusive jurisdiction of the Chosen Courts, (ii) agrees not to commence any such Proceeding except in such courts, (iii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such Proceeding in the Chosen Courts, (iv) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such Proceeding, (v) agrees that service of process upon such party in any such Proceeding shall be effective if notice is given in accordance with Section 24 and (vi) agrees to request and/or consent to the assignment of any dispute arising out of this Agreement or the transactions contemplated by this Agreement to the Chosen Courts' Business and Technology Case Management Program, or similar program. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by law. A final judgment in any such Proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. EACH PARTY HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS. Notwithstanding anything herein to the contrary, if a demand for arbitration of a Dispute is made pursuant to Section 17, this Section 18 shall not preempt resolution of the Dispute pursuant to Section 17.

Section 19. Adverse Settlement. The Company shall not seek, nor shall it agree to or support, or agree not to contest any settlement or other resolution of any matter that has the actual or purported effect of extinguishing, limiting or impairing Indemnitee's rights hereunder, including without limitation the entry of any bar order or other order, decree or stipulation, pursuant to 15 U.S.C. § 78u-4 (the Private Securities Litigation Reform Act), or any similar foreign, federal or state statute, regulation, rule or law.

Section 20. Period of Limitations. To the fullest extent permitted by law, no legal action shall be brought, and no cause of action shall be asserted, by or on behalf of the Company or any controlled affiliate of the Company against Indemnitee, Indemnitee's spouse, heirs, executors or personal or legal representatives after the expiration of two years from the date of accrual of such cause of action, and any claim or cause of action of the Company or its controlled affiliate shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such two-year period; *provided, however*, if any shorter period of limitations is otherwise applicable to any such cause of action, such shorter period shall govern.

Section 21. Counterparts. This Agreement may be executed in any number of counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each of the parties hereto and delivered to the other party (including via facsimile or other electronic transmission), it being understood that each party hereto need not sign the same counterpart.

Section 22. Delivery by Electronic Transmission. This Agreement and any signed agreement or instrument entered into in connection with this Agreement or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of an electronic transmission, including by a facsimile machine or via email, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to the other parties. No party hereto or to any such agreement or instrument shall raise the use of electronic transmission by a facsimile machine or via email to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through electronic transmission as a defense to the formation of a contract and each such party forever waives any such defense.

Section 23. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed to, or shall, constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 24. Notices. Any notice, report or other communication required or permitted to be given hereunder shall be in writing unless some other method of giving such notice, report or other communication is accepted by the party to whom it is given, and shall be given by being delivered at the following addresses to the parties hereto:

(a) If to Indemnitee, to: The address set forth on the signature page hereto.

(b) If to the Company, to:

Industrial Logistics Properties Trust
Two Newton Place
255 Washington Street, Suite 300
Newton, Massachusetts 02458-1634
Attn: Secretary

or to such other address as may have been furnished to the Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

Section 25. Governing Law. The provisions of this Agreement and any Dispute, whether in contract, tort or otherwise, shall be governed by and construed in accordance with the laws of the State of Maryland without regard to principles of conflicts of law.

Section 26. Interpretation.

(a) (a) *Generally*. Unless the context otherwise requires, as used in this Agreement: (a) words defined in the singular have the parallel meaning in the plural and vice versa; (b)"Articles," "Sections," and "Exhibits" refer to Articles, Sections and Exhibits of this Agreement unless otherwise specified; and (c) "hereto" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) *Additional Interpretive Provisions*. The headings in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement. Any capitalized term used in any Exhibit to this Agreement, but not otherwise defined therein, shall have the meaning as defined in this Agreement. References to any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder and any successor statute or statutory provision. References to any agreement are to that agreement as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. Reference to any agreement, document or instrument means the agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have executed or caused to be executed on their behalf this Agreement as of the date first written above.

INDUSTRIAL LOGISTICS PROPERTIES TRUST

By: ______________________________
Name:
Title:

[INDEMNITEE]

____

Indemnitee's Address:

____
____
____

[Signature Page to Indemnification Agreement]

EXHIBIT A

FORM OF AFFIRMATION AND
UNDERTAKING TO REPAY EXPENSES ADVANCED

To the Board of Trustees of Industrial Logistics Properties Trust:

This affirmation and undertaking is being provided pursuant to that certain Indemnification Agreement dated ___________________, 20__ (the "***Indemnification Agreement***"), by and between Industrial Logistics Properties Trust, a Maryland real estate investment trust (the "***Company***"), and the undersigned Indemnitee, pursuant to which I am entitled to advancement of expenses in connection with **[Description of Claims/Proceeding]** (together, the "***Claims***"). Terms used, and not otherwise defined, herein shall have the meanings specified in the Indemnification Agreement.

I am subject to the Claims by reason of my Company Status or by reason of alleged actions or omissions by me in such capacity.

I hereby affirm my good faith belief that the standard of conduct necessary for my indemnification has been met.

In consideration of the advancement of Expenses by the Company for attorneys' fees and related expenses incurred by me in connection with the Claims (the "***Advanced Expenses***"), I hereby agree that if, in connection with a proceeding regarding the Claim, it is ultimately determined that I am not entitled to indemnification under law with respect to an act or omission by me, then I shall promptly reimburse the portion of the Advanced Expenses relating to the Claim(s) as to which the foregoing findings have been established and which have not been successfully resolved as described in Section 5 of the Indemnification Agreement. To the extent that Advanced Expenses do not relate to specific Claims, I agree that such Advanced Expenses may be allocated on a reasonable and proportionate basis.

IN WITNESS WHEREOF, I have executed this affirmation and undertaking on ___________________, 20__.

WITNESS:

______________________________________ ______________________________________

______________________________________ ______________________________________

Print name of witness Print name of witness

Schedule to Exhibit 10.2

The following trustees and executive officers of Industrial Logistics Properties Trust, or ILPT, are parties to Indemnification Agreements with ILPT which are substantially identical in all material respects to the representative Indemnification Agreement filed herewith and are dated as of the respective dates listed below. The other Indemnification Agreements are omitted pursuant to Instruction 2 to Item 601 of Regulation S-K.

Name of Signatory	Date
Elena Poptodorova	June 9, 2026
Tiffany R. Sy	October 1, 2023
June S. Youngs	March 28, 2022
Yael Duffy	March 2, 2020
Kevin C. Phelan	February 21, 2020
Bruce M. Gans	January 11, 2018
Lisa Harris Jones	January 11, 2018
Joseph L. Morea	January 11, 2018
Adam D. Portnoy	January 11, 2018

Exhibit 31.1

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

I, Yael Duffy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Industrial Logistics 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: July 29, 2026

/s/ Yael Duffy
Yael Duffy
President and Chief Executive Officer

Exhibit 31.2

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

I, Tiffany R. Sy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Industrial Logistics 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: July 29, 2026	/s/ Tiffany R. Sy
	Tiffany R. Sy
	Chief Financial Officer and Treasurer

Exhibit 32.1

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

In connection with the filing by Industrial Logistics Properties Trust (the “Company”) of the Quarterly Report on Form 10-Q for the period ended June 30, 2026 (the “Report”), each of the undersigned hereby certifies, to the best of her 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/ Yael Duffy	/s/ Tiffany R. Sy
Yael Duffy	Tiffany R. Sy
President and Chief Executive Officer	Chief Financial Officer and Treasurer

Date: July 29, 2026