

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Franklin Street Properties Corp.		04-3578653	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Andrew J. Klouse	781-557-1339	aklouse@fspreit.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
401 Edgewater Place, Suite 200		Wakefield, MA 01880-6210	
8 Date of action		9 Classification and description	
See Below		Stock - Common	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
35471R106		FSP	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ The Taxpayer made cash distributions to its shareholders in excess of its current and accumulated earnings and profits.
 See Part II, Line 15 for the amount of these distributions per share.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ _____

The distributions reduced the basis of the security in the hands of the US taxpayer(s) as follows:

Per Share Reduction of Basis	
Date	Common Stock
02/08/18	\$ 0.044862
05/10/18	\$ 0.021251
08/09/18	\$ 0.021251
11/08/18	\$ 0.021251

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The Taxpayer's earnings and profits were calculated under IRC §312 as modified by IRC §857(d) for a real estate investment trust, and the regulations thereunder. Amounts in excess of earnings and profits reduce the shareholder's tax basis in its shares to the extent of basis.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC §301(c)(2)

18 Can any resulting loss be recognized? ▶ No.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ These actions are effective on the date(s) of distribution identified above.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *Andrew J. Klouse* Date ▶ 1/15/19
Print your name ▶ Andrew J. Klouse Title ▶ SVP Finance

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>Rachel D. Kelly</u>	<u><i>Rachel D. Kelly</i></u>	<u>01/15/2019</u>		<u>P01064419</u>
	Firm's name ▶ <u>PricewaterhouseCooprs LLP</u>	Firm's EIN ▶ <u>13-4008324</u>		Phone no. <u>617-530-5000</u>	
	Firm's address ▶ <u>101 Seaport Boulevard, Boston, MA 02210</u>				