

**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)	
HERSHA HOSPITALITY TRUST		25-1811499	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
MICHAEL R. GILLESPIE	717-236-4400	mike.gillespie@hersha.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	
44 HERSHA DRIVE		HARRISBURG, PA 17102	
8 Date of action		9 Classification and description	
1/16/2014, 4/15/2014, 7/15/2014, 10/15/2014		COMMON STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
427825104		HT	

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 ▶ HERSHA HOSPITALITY TRUST DISTRIBUTED QUARTERLY CASH DISTRIBUTIONS TO ITS COMMON SHAREHOLDERS FOR THE 2014 TAX YEAR. A PORTION OF THESE DISTRIBUTIONS REPRESENT A NON-DIVIDEND DISTRIBUTION. THESE DISTRIBUTIONS WERE PAID ON JANUARY 16, 2014, APRIL 15, 2014, JULY 15, 2014, AND OCTOBER 15, 2014.

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 BASIS OF THE SECURITY SHOULD BE REDUCED BY 23.66% OF THE TOTAL DISTRIBUTION RECEIVED.

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 NON-DIVIDEND DISTRIBUTION REPRESENTS DISTRIBUTIONS ASSOCIATED WITH THE 2014 TAX YEAR WHICH ARE IN EXCESS OF THE CURRENT YEAR AND ACCUMULATED EARNINGS AND PROFITS.

