

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	
1/15/2015, 4/15/2015, 7/15/2015, 10/15/2015		COMMON STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
427825104 - PRIOR TO JUNE 22, 2015	427825500 - AS OF JUNE 22, 2015	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 2015 TAX YEAR. A PORTION OF THESE DISTRIBUTIONS REPRESENT A NON-DIVIDEND DISTRIBUTION. THESE DISTRIBUTIONS WERE PAID ON JANUARY 15, 2015, APRIL 15, 2015, JULY 15, 2015, AND OCTOBER 15, 2015.

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 20.51% 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 2015 TAX YEAR WHICH ARE IN EXCESS OF THE CURRENT YEAR AND ACCUMULATED EARNINGS AND PROFITS.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____
I.R.C. SECTION 301(c)(2)

18 Can any resulting loss be recognized? ▶ N/A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ N/A

Sign Here 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.

Signature ▶ _____ Date ▶ _____

Print your name ▶ _____ Title ▶ _____

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.