

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  LASALLE HOTEL PROPERTIES		<b>2</b> Issuer's employer identification number (EIN)  36-4219376	
<b>3</b> Name of contact for additional information  MR. KENNETH D. SHOOP	<b>4</b> Telephone No. of contact  (301) 941-1500	<b>5</b> Email address of contact  kshoop@lasallehotels.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  3 BETHESDA METRO CENTER; SUITE 1200		<b>7</b> City, town, or post office, state, and Zip code of contact  BETHESDA, MD 20814	
<b>8</b> Date of action  01/15/2011, 04/15/2011, 07/15/2011, 10/15/2011		<b>9</b> Classification and description  COMMON STOCK	
<b>10</b> CUSIP number  517942108	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol  LHO	<b>13</b> Account number(s)

**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 ▶ LASALLE HOTEL PROPERTIES DISTRIBUTED QUARTERLY CASH DISTRIBUTIONS TO ITS COMMON SHAREHOLDERS FOR THE 2011 TAX YEAR. A PORTION OF THESE DISTRIBUTIONS REPRESENT A NON-DIVIDEND DISTRIBUTION. THESE DISTRIBUTIONS WERE PAID ON JANUARY 14, 2011, APRIL 15, 2011, JULY 15, 2011, AND OCTOBER 14, 2011.

**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 COMMON SHARES SHOULD BE REDUCED BY 73.8424% 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 (RETURN OF CAPITAL) REPRESENTS DISTRIBUTIONS ASSOCIATED WITH THE 2011 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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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 ▶ Kenneth D. Shoop Date ▶ 1/17/2012

Print your name ▶ KENNETH D. SHOOP Title ▶ CAO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>CHRISTOPHER NELSON</u>	<u>Christopher Nelson</u>	<u>1/17/12</u>		<u>PXXXXXXXX</u>
	Firm's name ▶ <u>KPMG LLP</u>	Firm's EIN ▶ <u>XX-XXXXXXX</u>		Phone no. <u>703-286-8000</u>	
	Firm's address ▶ <u>1676 INTERNATIONAL DRIVE; MCLEAN, VA 22102</u>				