



Hersha Hospitality Trust



HT AMEX

Hotels / Motels / Cruise Lines

Market Capitalization USD:

\$587.80 mm

CONCERN LEVEL: LOW

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance. 
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Jay H. Shah**Age: 43****CEO Since: 2006**

	2009	2010	2011
Base Salary	\$446,250	\$525,000	\$600,000
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$446,250	\$656,250	\$810,000
Benefits and Perquisites	\$16,972	\$4,330	\$4,365
TOTAL ANNUAL COMPENSATION	\$909,472	\$1,185,580	\$1,414,365
Increase in Post-Retirement Benefits	\$0	\$0	\$0
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$861,539	\$1,486,109	\$1,461,908
TOTAL COMPENSATION	\$1,771,011	\$2,671,689	\$2,876,273
Median of Other Named Executive Officers Total Compensation	\$896,083	\$1,177,792	\$1,358,090
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$296,761	\$1,100,257	\$1,176,326
TOTAL REALIZED EQUITY COMPENSATION	\$296,761	\$1,100,257	\$1,176,326

Proxy Date: 20 Apr 2012

Annual Meeting Date: 24 May 2012

Equity Reserves: 4.35%

Stock Option Run Rate:

Hersha Hospitality Trust

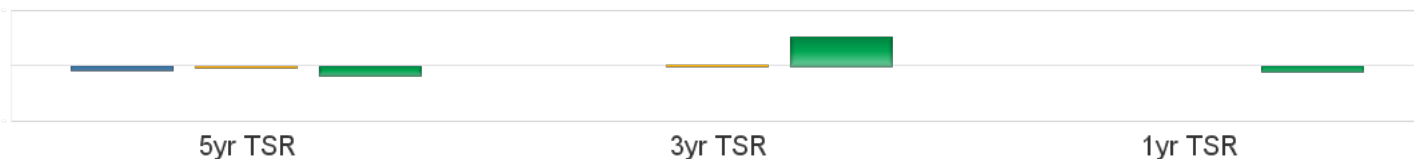
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Performance Comparison

■ S&P500 ■ Industry ■ HT



Peer Comparisons (TRBC) =Hotels / Motels / Cruise Lines

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
HT	Hersha Hospitality Trust	\$1,771,011	\$2,671,689	\$2,876,273	\$587,800,120
LHO	LaSalle Hotel Properties	\$459,223	\$2,784,937	\$2,728,465	\$1,633,620,825
DRH	DiamondRock Hospitality Company	\$2,744,221	\$3,007,796	\$3,335,877	\$1,170,025,742
GET	Gaylord Entertainment Company	\$1,625,378	\$7,785,793	\$4,375,194	\$936,075,630
BEE	Strategic Hotels & Resorts, Inc.	\$1,506,054	\$2,598,450	\$3,904,338	\$800,008,989
PEB	Pebblebrook Hotel Trust	\$6,165,798	\$1,538,846		\$796,548,817
SHO	Sunstone Hotel Investors, Inc.	\$3,009,083	\$4,036,818	\$3,591,541	\$673,435,136

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Ashford Hospitality Trust (AHT), Chatham Lodging Trust (CLDT), Chesapeake Lodging Trust (CHSP), DiamondRock Hospitality Company (DRH), FelCor Lodging Trust Incorporated (FCH), LaSalle Hotel Properties (LHO), Pebblebrook Hotel Trust (PEB), Strategic Hotels & Resorts, Inc. (BEE), Sunstone Hotel Investors, Inc. (SHO).

Performance Peer Group

Ashford Hospitality Trust (AHT), Chatham Lodging Trust (CLDT), Chesapeake Lodging Trust (CHSP), DiamondRock Hospitality Company (DRH), FelCor Lodging Trust Incorporated (FCH), LaSalle Hotel Properties (LHO), Pebblebrook Hotel Trust (PEB), Strategic Hotels & Resorts, Inc. (BEE), Sunstone Hotel Investors, Inc. (SHO).

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Thomas J. Hutchison	Chairman	70	Male	3	Outside
Dianna F. Morgan	Member	61	Female	2	Outside
John M. Sabin	Member	57	Male	9	Outside
Thomas S. Capello	Member	68	Male	13	Outside Related