Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)
LaSalle Hotel Properties		36-4219376
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact
Andrew Dittamo	240-507-1300	info@pebblebrookhotels.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
7315 Wisconsin Ave, Suite 1100W		Bethesda, MD 20814
8 Date of action	9 Classification and description	
4/16/2018, 7/16/2018	Common Stock	

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
517942108		LHO	

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 2018 tax year. A portion of these distributions represent a non-dividend distribution. These distributions were paid on April 16, 2018 and July 16, 2018.

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 5.9337% 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 2018 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 ▶ RMM Date ▶ 1/30/19

Print your name ▶ Raymond D. Martz Title ▶ Executive Vice President & Treasurer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
George E. Spaeth	George E. Spaeth	1.30.2019		PXXXXXXXXX
Firm's name ▶ KPMG LLP			Firm's EIN ▶	XX-XXXXXXX
Firm's address ▶ 1676 International Drive, McLean VA 22102			Phone no.	703-286-8000

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054