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# News Release

## PEBBLEBROOK HOTEL TRUST ANNOUNCES EXERCISE OF UNDERWRITERS' OVERALLOTMENT OPTION AND SUBSEQUENT CLOSING OF PUBLIC OFFERING OF COMMON SHARES

*Net Proceeds of $226.3 Million Raised from Offering*

**BETHESDA, MD, APRIL 6, 2011 --** Pebblebrook Hotel Trust (NYSE: PEB) (the "Company") today announced that it has closed a public offering of the Company's 10,925,000 common shares, including 1,425,000 common shares pursuant to the full exercise of the underwriters' overallotment option, at a public offering price of $21.60 per share, less the underwriting discount.

Net proceeds from the public offering, including the overallotment option, are approximately $226.3 million, after deducting the underwriting discount and other estimated offering-related costs.

The Company contributed the net proceeds of the offering to its operating partnership, which will use the net proceeds to acquire and invest in hotel properties in accordance with the Company's investment strategy and for general business purposes.

BofA Merrill Lynch, Raymond James and Wells Fargo Securities were the joint book-running managers for the offering. RBC Capital Markets, Janney Montgomery Scott, Morgan Keegan and Piper Jaffray were the co-managers for the offering.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

**About Pebblebrook Hotel Trust**

Pebblebrook Hotel Trust is a publicly traded real estate investment trust organized to opportunistically acquire and invest primarily in upper-upscale, full-service hotels located in large urban and resort markets with an emphasis on the major coastal cities. The Company owns nine hotels with a total of 2,552 guest rooms in six states and the District of Columbia, including San Francisco, California; Washington, D.C.; Santa Monica, California; Minneapolis, Minnesota; Bethesda, Maryland; Buckhead, Georgia; Stevenson, Washington; and Philadelphia, Pennsylvania.

*This press release contains certain "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements, including estimates of total offering-related expenses, are based upon the Company's expectations, but these statements are not guaranteed to occur.*

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