

**LASALLE HOTEL PROPERTIES  
TAX CHARACTERIZATION OF 2015 CASH DIVIDENDS**

The federal income tax treatment of LaSalle Hotel Properties' (the "Company") 2015 cash distributions to holders of its Common Shares of Beneficial Interest, 7½% Series H Cumulative Redeemable Preferred Shares and 6¾% Series I Cumulative Redeemable Preferred Shares is noted below.

**Common Shares of Beneficial Interest (NYSE: LHO):**

<u>CUSIP</u>	<u>Record Date</u>	<u>Payable Date</u>	<u>Distribution Per Share</u>	<u>Taxable Ordinary Dividends</u>
517942108	3/31/2015	4/15/2015	\$0.375000	\$0.375000
	6/30/2015	7/15/2015	\$0.450000	\$0.450000
	9/30/2015	10/15/2015	\$0.450000	\$0.450000
	12/31/2015	1/15/2016	\$0.450000	\$0.382048
		<b>2015 Total</b>	<b>\$1.725000</b>	<b>\$1.657048</b>

**Note:** \$0.067952 of the Q4 2015 distribution paid on January 15, 2016 will be included as income in 2016.

**7½% Series H Cumulative Redeemable Preferred Shares (NYSE: LHOPRH):**

<u>CUSIP</u>	<u>Record Date</u>	<u>Payable Date</u>	<u>Distribution Per Share</u>	<u>Taxable Ordinary Dividends</u>
517942702	1/1/2015	1/15/2015	\$0.468750	\$0.468750
	4/1/2015	4/15/2015	\$0.468750	\$0.468750
	7/1/2015	7/15/2015	\$0.468750	\$0.468750
	10/1/2015	10/15/2015	\$0.468750	\$0.468750
		<b>2015 Total</b>	<b>\$1.875000</b>	<b>\$1.875000</b>

**6¾% Series I Cumulative Redeemable Preferred Shares (NYSE: LHOPRI):**

<u>CUSIP</u>	<u>Record Date</u>	<u>Payable Date</u>	<u>Distribution Per Share</u>	<u>Taxable Ordinary Dividends</u>
517942801	1/1/2015	1/15/2015	\$0.398438	\$0.398438
	4/1/2015	4/15/2015	\$0.398438	\$0.398438
	7/1/2015	7/15/2015	\$0.398438	\$0.398438
	10/1/2015	10/15/2015	\$0.398438	\$0.398438
		<b>2015 Total</b>	<b>\$1.593752</b>	<b>\$1.593752</b>

**Shareholders are encouraged to consult with their personal tax advisors as to their specific tax treatment of cash distributions.**