

HERSHA HOSPITALITY TRUST
KEY PERFORMANCE INDICATORS
December 31, 2005
(Unaudited)

CONSOLIDATED HOTELS:

(Recorded from date of acquisition or investment)

	Three Months Ended December 31,			Year Ended December 31,		
	2005	2004	% Variance	2005	2004	% Variance
Rooms Available	354,247	237,732		1,103,744	857,592	
Rooms Occupied	238,066	150,777		778,309	564,932	
Occupancy	67.20%	63.42%	6.0%	70.52%	65.87%	7.0%
Average Daily Rate (ADR)	\$107.68	\$96.69	11.4%	\$99.00	\$91.23	8.5%
Revenue Per Available Room (RevPAR)	\$72.37	\$61.32	18.0%	\$69.81	\$60.10	16.2%
Room Revenues	\$25,636,085	\$14,577,958		\$77,056,376	\$51,538,676	
Food & Beverage Revenues	\$1,973,888	\$1,756,818		\$5,854,245	\$5,182,252	
Total Revenues	\$28,267,942	\$16,683,488		\$84,910,703	\$58,038,061	
EBITDA	\$8,377,017	\$4,379,131		\$27,709,126	\$17,113,457	
EBITDA Margin	29.6%	26.2%		32.6%	29.5%	
EBITDA Margin Growth	3.4%			3.1%		

SAMESTORE HOTELS:

(Owned for the entire reporting period)

	Three Months Ended December 31,			Year Ended December 31,		
	2005	2004	% Variance	2005	2004	% Variance
Rooms Available	254,944	255,488		715,729	721,382	
Rooms Occupied	172,015	163,628		503,246	471,847	
Occupancy	67.47%	64.05%	5.3%	70.31%	65.41%	7.5%
Average Daily Rate (ADR)	\$99.94	\$96.43	3.6%	\$97.16	\$93.71	3.7%
Revenue Per Available Room (RevPAR)	\$67.43	\$61.76	9.2%	\$68.31	\$61.29	11.5%
Room Revenues	\$17,191,870	\$15,778,322		\$48,893,496	\$44,215,770	
Food & Beverage Revenues	\$1,796,535	\$1,756,818		\$3,881,819	\$3,663,772	
Total Revenues	\$19,389,732	\$17,926,161		\$53,851,040	\$48,944,004	
EBITDA	\$5,090,729	\$4,775,002		\$17,471,439	\$15,231,926	
EBITDA Margin	26.3%	26.6%		32.4%	31.1%	
EBITDA Margin Growth	-0.4%			1.3%		

ALL HOTELS INCLUDING JOINT VENTURE ASSETS:

(Recorded from date of acquisition or investment)

	Three Months Ended December 31,			Year Ended December 31,		
	2005	2004	% Variance	2005	2004	% Variance
Rooms Available	490,666	255,488		1,457,885	984,956	
Rooms Occupied	327,419	163,628		1,039,771	661,384	
Occupancy	66.73%	64.05%	4.2%	71.32%	67.15%	6.2%
Average Daily Rate (ADR)	\$109.23	\$96.43	13.3%	\$106.18	\$97.48	8.9%
Revenue Per Available Room (RevPAR)	\$72.89	\$61.76	18.0%	\$75.73	\$65.45	15.7%
Room Revenues	\$35,765,566	\$15,778,322		\$110,402,840	\$64,468,707	
Food & Beverage Revenues	\$5,607,721	\$1,756,818		\$12,228,708	\$6,059,456	
Total Revenues	\$43,503,289	\$17,926,161		\$127,195,075	\$72,115,617	
EBITDA	\$10,551,446	\$4,775,002		\$39,892,148	\$22,625,916	
EBITDA Margin	24.3%	26.6%		31.4%	31.4%	
EBITDA Margin Growth	-2.4%			0.0%		

Hersha Hospitality Trust
Total Portfolio
December 31, 2005
(Dollars in thousands)

	Name	Rooms	Year Opened/Complete Renovation	Acquisition Date	Debt Balance as of 12/31/05	Ownership %	Hersha Preferred Equity Return
	Marriott						
1.	1 Mystic, CT	285	2001	08/09/2005	\$34,195	66.7%	8.5%
	Hilton						
2.	Hartford, CT (a.)	392	2005	10/06/2005	\$22,000	44.0%	8.5%
	Courtyard						
3.	Brookline/Boston, MA	188	2003	06/16/2005	\$38,913	100.0%	
4.	Norwich, CT	144	1997	08/09/2005	\$9,400	66.7%	8.5%
5.	South Boston, MA	164	2005	07/01/2005	\$16,200	50.0%	10.0%
6.	Wilmington, DE	78	1999	06/17/2005	\$8,000	100.0%	
7.	Warwick, RI	92	2003	08/09/2005	\$9,450	66.7%	8.5%
8.	Ewing/Princeton, NJ	130	2004	07/01/2004	\$13,500	50.0%	11.0%
	Hampton Inn						
9.	Chelsea/Manhattan, NY	144	2003	08/29/2003	\$15,720	33.3%	
10.	Linden, NJ	149	2003	10/01/2003	\$9,974	100.0%	
11.	Newnan, GA	91	1996	04/20/2000	\$2,933	100.0%	
12.	Peachtree City, GA	61	1994	04/20/2000	\$1,949	100.0%	
13.	Hershey, PA	110	1999	01/01/2000	\$3,528	100.0%	
14.	Carlisle, PA	95	1997	01/26/1999	\$3,713	100.0%	
15.	Danville, PA	72	1998	09/01/1999	\$2,350	100.0%	
16.	Selinsgrove, PA	75	1996	01/26/1999	\$3,102	100.0%	
17.	Herald Square, Manhattan, NY	136	2005	04/01/2005	\$22,000	100.0%	
	Residence Inn						
18.	Danbury, CT	78	1999	08/09/2005	\$8,050	66.7%	8.5%
19.	Framingham, MA	125	2000	03/26/2004	\$9,382	100.0%	
20.	Greenbelt, MD	120	2002	07/16/2004	\$12,769	100.0%	
21.	Mystic, CT	133	1996	9/15/2005	\$7,974	66.7%	8.5%
22.	Southington, CT	94	2002	08/09/2005	\$10,950	44.7%	8.5%
23.	Williamsburg, VA	108	2002	11/22/2005	\$8,491	75.0%	12.0%
	Holiday Inn Express						
24.	Duluth, GA	68	1996	05/19/2000	\$2,529	100.0%	
25.	Hartford, CT	96	2004	01/14/2004	NA	100.0%	
26.	Hershey, PA	85	1997	01/26/1999	\$4,418	100.0%	
27.	New Columbia, PA	81	1997	01/26/1999	\$1,692	100.0%	
28.	Malvern, PA	88	2004	05/24/2005	\$5,740	100.0%	
29.	Oxford Valley, PA	88	2004	05/26/2005	\$5,460	100.0%	
30.	South Boston, MA	118	1998	10/07/2005	\$6,382	50.0%	10.0%
	Hilton Garden Inn						
31.	Edison, NJ	132	2003	10/01/2003	\$7,979	100.0%	
32.	Glastonbury, CT	150	2003	11/13/2003	\$9,409	40.0%	11.0%
33.	Gettysburg, PA	88	2004	07/23/2004	\$5,339	100.0%	
	Springhill Suites						
34.	Waterford, CT	80	1998	08/09/2005	\$6,335	66.7%	8.5%
35.	Williamsburg, VA	120	2002	11/22/2005	\$5,781	75.0%	(b.)
	Holiday Inn Express & Suites						
36.	Harrisburg, PA	77	1997	09/01/1999	NA	100.0%	
37.	King of Prussia, PA	155	2004	05/23/2005	\$11,270	100.0%	
	Four Points - Sheraton						
38.	Revere/Boston, MA	180	2001	03/11/2004	\$8,654	55.0%	12.0%
	Mainstay						
39.	Valley Forge, PA	69	2000	06/01/2001	NA	100.0%	
40.	Frederick, MD	72	2001	01/01/2002	\$3,471	100.0%	
	Holiday Inn (HICC)						
41.	Harrisburg, PA	196	1970	01/26/1999	\$3,196	100.0%	
	Comfort Inn						
42.	Harrisburg, PA	81	1998	01/26/1999	\$2,256	100.0%	
43.	Frederick, MD	73	2004	05/27/2004	\$2,900	100.0%	
	Fairfield Inn						
44.	Laurel, MD	109	1999	01/31/2005	NA	100.0%	
	Independent						
45.	Wilmington, DE	71	1999	06/17/2005	\$3,760	100.0%	
	Comfort Suites						
46.	Duluth, GA	85	1996	05/19/2000	\$3,050	100.0%	
	Sleep Inn						
47.	Valley Forge, PA	87	2000	06/01/2001	NA	100.0%	
	TOTAL	5,513					

(a.) - Equity Ownership adjusted to 8.8% as of February 8, 2006

(b.) - Preferred Return tier of 8% and 10% during years 1 and 2, respectively, and then a 12% preferred return thereafter

Hersha Hospitality Trust
Mortgages and Notes Payable
December 31, 2005

Owned Properties	'12/31/05 Fixed Rate Balance	Capped or Fixed Rate	'12/31/05 Floating Rate Balance	Floating Rate	Maturity
Four Points Sheraton - Revere, MA (SBA Loan)	\$568,020	4.00%			01/2032
Courtyard - Brookline, MA	\$38,913,000	5.35%			07/2015
Hampton Inn - Linden, NJ	\$9,974,142	6.25%			10/2008
Hilton Garden Inn - Edison, NJ	\$7,979,314	6.25%			10/2008
Residence Inn - Greenbelt, MD	\$12,769,366	6.25%			10/2014
Residence Inn - Williamsburg, VA	\$8,490,829	6.32%			01/2013
Springhill Suites - Williamsburg, VA	\$5,781,147	6.32%			01/2013
Residence Inn - Framingham, MA	\$9,382,164	6.38%			07/2019
Four Points Sheraton - Revere, MA	\$8,086,140	6.50%			07/2009
Hilton Garden Inn - Gettysburg, PA	\$5,338,582	6.62%			09/2009
Holiday Inn Express & Suites - King of Prussia, PA	\$11,270,000	7.13%			07/2008
Holiday Inn Express - Malvern, PA	\$5,740,000	7.13%			07/2008
Holiday Inn Express - Langhorne, PA	\$5,460,000	7.13%			07/2008
Courtyard - Wilmington, DE	\$8,000,000	7.13%			07/2008
Independent Hotel - Wilmington, DE	\$3,760,000	7.13%			07/2008
Mainstay Suites and Comfort Inn - Frederick, MD	\$6,371,392	7.75%			12/2012
Hampton Inn - Newnan, GA	\$2,933,039	8.70%			08/2007
Comfort Suites - Duluth, GA	\$3,049,729	8.71%			06/2010
Holiday Inn Express - Duluth, GA	\$2,529,044	8.71%			06/2010
Hampton Inn - Carlisle, PA	\$3,712,575	8.94%			04/2010
Hampton Inn - Selinsgrove, PA	\$3,101,645	8.94%			04/2010
Holiday Inn Express - Hershey, PA	\$4,417,494	8.94%			04/2010
Hampton Inn - Danville, PA	\$2,349,731	8.94%			04/2010
HICC - New Cumberland, PA	\$3,195,634	8.94%			04/2010
Comfort Inn - West Hanover, PA	\$2,255,742	8.94%			04/2010
Holiday Inn Express - New Columbia, PA	\$1,691,806	8.94%			04/2010
Hampton Inn - Peachtree City, GA	\$1,948,996	9.43%			05/2017
Hampton Inn - Herald Square, NY			\$22,000,000	30 Day LIBOR + 3.65%	03/2009
Hampton Inn - Hershey, PA			\$3,528,333	30 Day LIBOR + 2.75%	06/2014
Trust Preferred Tranche I	\$25,774,000	7.34%			05/2035
Trust Preferred Tranche II	\$25,774,000	7.17%			06/2035
Sub-Total	<u>\$230,617,531</u>		<u>\$25,528,333</u>		
Total Consolidated Debt	<u>\$256,145,864</u>				
Unconsolidated Joint Ventures					
Courtyard - Ewing, NJ	\$13,500,000	5.54%			08/2012
Courtyard - Norwich, CT	\$9,400,000	5.63%			08/2015
Springhill Suites - Waterford, CT	\$6,335,000	5.63%			08/2015
Residence Inn - Southington, CT	\$10,950,000	5.63%			08/2015
Residence Inn - Danbury, CT	\$8,050,000	5.63%			08/2015
Courtyard - Warwick, RI	\$9,450,000	5.63%			08/2015
HIEXP - South Boston	\$6,381,819	6.75%			01/2015
Residence Inn - Mystic, CT	\$7,973,917	6.89%			02/2014
Marriott - Mystic, CT	\$25,194,901	6.98%			11/2010
Marriott - Mystic, CT (Mezzanine Loan)	\$9,000,000	8.55%			11/2010
Hampton Inn - Chelsea, NY			\$15,720,000	30 Day LIBOR + 3.50%	02/2007
Courtyard - South Boston, MA			\$16,200,000	30 Day LIBOR + 2.25%	10/2009
Hilton Garden Inn - Glastonbury, CT			\$9,408,549	30 Day LIBOR + 3.35%	11/2013
Hilton - Hartford, CT			\$22,000,000	30 Day LIBOR + 2.75%	11/2009
Sub-Total	<u>\$106,235,637</u>		<u>\$63,328,549</u>		
Total Unconsolidated Joint Venture Debt	<u>\$169,564,186</u>				

Hersha Hospitality Trust
2005 Acquisition Activity
December 31, 2005
(Dollars in thousands)

Name	Rooms	Year Opened/Complete Renovation	Acquisition Date	Total Purchase Price	Ownership %	Hersha Preferred Equity Return
Marriott						
Mystic, CT	285	2001	08/09/2005	\$54,500	66.7%	8.50%
Courtyard						
Brookline/Boston, MA	188	2003	06/16/2005	\$54,500	100.0%	
Norwich, CT	144	1997	08/09/2005	\$12,600	66.7%	8.50%
South Boston, MA	164	2005	07/01/2005	\$23,350	50.0%	10.00%
Wilmington, DE	78	1999	06/17/2005	\$11,300	100.0%	
Warwick, RI	92	2003	08/09/2005	\$9,300	66.7%	8.50%
Hampton Inn						
Herald Square, Manhattan, NY	136	2005	04/01/2005	\$31,300	100.0%	
Residence Inn						
Williamsburg, VA	120	2002	11/22/2005	\$16,000	75.0%	12.00%
Danbury, CT	78	1999	08/09/2005	\$9,700	66.7%	8.50%
Mystic, CT	133	1996	09/15/2005	\$17,800	66.7%	8.50%
Southington, CT	94	2002	08/09/2005	\$14,100	66.7%	8.50%
Holiday Inn Express						
Malvern, PA	88	2004	05/24/2005	\$8,200	100.0%	
Oxford Valley, PA	88	2004	05/26/2005	\$7,800	100.0%	
South Boston, MA	118	1998	10/07/2005	\$11,250	50.0%	10.00%
Hilton						
Hartford Downtown (a.)	392	2005	10/06/05	\$35,175	44.0%	8.50%
Springhill Suites						
Springhill Suites - Williamsburg, VA	108	2002	11/22/2005	\$14,500	75.0%	(b.)
Waterford, CT	80	1998	08/09/2005	\$8,000	66.7%	8.50%
Holiday Inn Express & Suites						
King of Prussia, PA	155	2004	05/23/2005	\$16,100	100.0%	
Fairfield Inn						
Laurel, MD	109	1999	01/31/2005	\$7,250	100.0%	
Independent						
Wilmington, DE	71	1999	06/17/2005	\$5,500	100.0%	
SUBTOTAL	2,721			\$368,225		

(a.) - Equity Ownership adjusted to 8.8% as of February 8, 2006

(b.) - Preferred Return tier of 8% and 10% during years 1 and 2, respectively, and then a 12% preferred return thereafter

Hersha Hospitality Trust
2005 Disposition Activity
December 31, 2005
(Dollars in thousands)

Name	Rooms	Disposition Date	Disposition Price	Ownership %
Doubletree Club				
JFK International Airport, NY	110	05/13/2005	\$11,500	100.0%
Holiday Inn Express				
Long Island City, NY	79	05/13/2005	\$9,000	100.0%
SUBTOTAL	189		\$20,500	

**Hersha Hospitality Trust
Development Loans Receivable
December 31, 2005**

<u>Hotel Property</u>	<u>Borrower</u>	Principal Outstanding December 31, 2005	Interest Rate	Maturity Date
Hilton Garden Inn - JFK Airport, New York	Metro Ten Hotels, LLC	\$850,000	10.0%	(1)
Boutique Hotel - 35th Street, New York	44 Fifth Avenue, LLC	\$9,100,000	9.0%	(1)
Boutique Hotel - Tribeca, New York	5444 Associates, LP	\$9,500,000	10.0%	(1)
Hampton Inn - Seaport, New York	HPS Seaport, LLC and BCM, LLC	\$13,000,000	10.0%	March 31, 2006
		<u>\$32,450,000</u>		

(1) - Development loan has been paid off in full as of January 2006.