

LASALLE HOTEL PROPERTIES
COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee is appointed by the Board to discharge the Board's responsibilities relating to compensation of the Company's trustees and executive officers. The Compensation Committee has overall responsibility for approving and evaluating the trustee and executive officer compensation plans, policies and programs of the Company.

The Compensation Committee is also responsible for (i) reviewing and discussing with the Company's management the Compensation Discussion and Analysis, or CD&A, required to be included in the Company's proxy statement for the annual meeting of shareholders and recommending to the Board whether the CD&A should be included in such proxy statement, and (ii) providing the Compensation Committee Report that complies with the federal securities laws and regulations for inclusion in the Company's proxy statement for the annual meeting of shareholders.

Committee Membership

The Compensation Committee shall consist of no fewer than three members. The members of the Compensation Committee shall meet the independence requirements of the New York Stock Exchange and the federal securities laws and regulations for such committee. At least two members of the Compensation Committee shall be "non-employee directors" (within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended) and "outside directors" (within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder).

The members of the Compensation Committee shall be appointed by the Board on the recommendation of the Nominating and Governance Committee. Compensation Committee members may be replaced by the Board.

Committee Authority and Responsibilities

The Compensation Committee shall meet at least four times per year, or more frequently as circumstances require. One-third, but not less than two of the members of the Compensation Committee shall be present in person at any meeting of the Compensation Committee in order to constitute a quorum for the transaction of business at such meeting, and the act of a majority present shall be the act of the Compensation Committee. Any action required or permitted to be taken at any meeting of the Compensation Committee may be taken without a meeting, if a consent to such action is given in writing or by electronic transmission by each member of the Compensation Committee and such consent is filed in paper or electronic form with the minutes of proceedings of the Compensation Committee.

In addition to those set forth in this Charter, the Compensation Committee will perform such other functions as assigned by law, the New York Stock Exchange, or other exchange on

which the Company's securities are then listed, the Company's charter or bylaws, or the Board of Trustees.

1. The Compensation Committee shall have the sole authority to retain and terminate (or obtain the advice of) a compensation consultant, independent legal counsel or other advisers. The Compensation Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other adviser retained by the Compensation Committee. The Company shall provide for appropriate funding, as determined by the Compensation Committee, for payment of reasonable compensation to any such compensation consultant, independent legal counsel or any other adviser retained by the Committee. The Compensation Committee may select a compensation consultant, legal counsel or other adviser to the Compensation Committee only after taking into consideration all factors relevant to the adviser's independence from management, including the factors specified in Section 303A.05(c) of the New York Stock Exchange Listed Company Manual.
2. The Compensation Committee shall annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and recommend to the Board the CEO's compensation levels based on this evaluation. In determining the long-term incentive component of CEO compensation, the Compensation Committee will consider the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.
3. The Compensation Committee shall annually review and make recommendations to the Board with respect to the compensation of all trustees, officers and other key executives, including incentive-compensation plans and equity-based plans.
4. The Compensation Committee shall annually review and approve, for the CEO and the senior executives of the Company, (a) the annual base salary level, (b) the annual incentive opportunity level, (c) the long-term incentive opportunity level, (d) employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits.
5. The Compensation Committee may form and delegate authority to subcommittees when appropriate.
6. The Compensation Committee shall make regular reports to the Board.
7. The Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Compensation Committee shall annually review its own performance.