

**Pebblebrook Hotel Trust**  
**Corporate Governance Guidelines**

**Purpose**

The Board of Trustees (“Board”) of Pebblebrook Hotel Trust (the “Company”) has adopted the following guidelines to assist the Board in the exercise of its responsibilities and to serve the best interests of the Company and its shareholders. These guidelines should be interpreted in the context of all applicable laws and the Company’s Declaration of Trust, Bylaws and other corporate governance documents. These guidelines are subject to modification from time to time by the Board.

**Role of the Board and Management**

The Company’s business is conducted by its employees, managers and officers, under the direction of the Chief Executive Officer and under the oversight of the Board, to enhance the long-term value of the Company for its shareholders. The Board is elected by the shareholders to oversee management and to ensure that the long-term interests of shareholders are being served.

**Trustee Qualifications**

A majority of the Board’s members will be “independent,” as such term is defined by the rules of the New York Stock Exchange.

Trustees should possess the highest personal and professional ethics, integrity and values. Trustees must also have an inquisitive and objective perspective, practical wisdom and mature judgment. Trustees must develop an understanding of the Company’s business and have a willingness to devote adequate time to carrying out their duties. The Nominating and Corporate Governance Committee should monitor the mix of skills, experience and background to assure that the Board has the necessary composition to effectively perform its oversight function.

**Trustee Selection**

The Nominating and Corporate Governance Committee will solicit and receive recommendations for candidates to fill any Board vacancies and will review the qualifications of potential trustee candidates. The Nominating and Corporate Governance Committee will present any recommended candidates to the full Board for consideration. The Nominating and Corporate Governance Committee may engage the services of third-party search firms to assist in identifying or evaluating trustee candidates.

Shareholders may propose trustee nominees for consideration by the Nominating and Governance Committee by submitting in writing the names and any supporting documentation to the Company’s Corporate Secretary at in accordance with the provisions of the Company’s Bylaws for shareholder nominations. Any shareholder nominations for trustees should include the nominee’s qualifications and other relevant biographical information and provide

confirmation of the nominee's consent to serve as trustee, if elected. Any candidates submitted by shareholders will be evaluated on the same basis as any other trustee candidates.

### **Term Limits and Retirement Policy**

The Board does not believe that establishing arbitrary term limits on trustees' service or a mandatory retirement age is the best way to maximize the effectiveness of the Board in carrying out its oversight function. As an alternative, the Board will periodically review the appropriateness of each Board member's continued service.

### **Size of the Board**

The number of trustees that constitutes the Board shall be fixed from time to time by a resolution adopted by the Board in conformity with the Bylaws. The Board periodically reviews its size to ensure that the current number of members most effectively supports the Company.

### **Service on Additional Public Company Boards**

No member of the Board of Trustees shall serve on more than five public companies' boards.

### **Trustee Responsibilities and Board Functions**

The Board is elected by the shareholders to oversee management and ensure that the long-term interests of the shareholders are served. It is the ultimate decision-making authority within the Company, except with respect to those matters, including the election of trustees, that are reserved to the Company's shareholders.

The full Board has four regularly scheduled meetings per year, with additional meetings held as necessary. Each trustee is expected to attend each meeting. At each of such regularly scheduled meetings, the nonmanagement trustees will meet without management present.

Information that is relevant to the Board's consideration of matters to be discussed at a meeting will, whenever possible, be distributed to trustees sufficiently in advance of the meeting date to permit trustees to prepare for a discussion of such matters. Sensitive subject matters may be discussed at meetings of the Board without written materials being distributed to trustees.

### **Board Committees**

The Board currently has the following committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. Each of the members of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee will be "independent" within the meaning of the rules of the New York Stock Exchange and will otherwise satisfy all applicable requirements with respect to membership on such committees.

The Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee will each have written charters. These charters, along with these

Corporate Governance Guidelines, the Code of Business Conduct and Ethics and the Whistleblower Policy, will be posted on the Company's website at [www.pebblebrookhotels.com](http://www.pebblebrookhotels.com).

The Board may establish additional committees as it deems appropriate.

### **Trustee Access to Management**

The Board, and any individual trustee or group of trustees, will have full access to all Company employees. The Board encourages the Chief Executive Officer to invite non-trustee members of management to address the Board in those instances where a manager's expertise can enhance the Board's understanding of an issue under consideration by the Board.

### **Retention of Independent Advisors**

The Board and each of its committees will have the authority to retain, at the Company's expense, independent financial, legal, accounting and other advisors.

### **Trustee Compensation**

Management will report to the Compensation Committee on an annual basis as to how the Company's trustee compensation practices compare with those of public companies of comparable size and complexity. Changes in the compensation of trustees will be made by the full Board, acting upon the recommendation of the Compensation Committee. Trustees who are also members of management will receive no additional compensation for their service as trustees.

### **Trustee Orientation and Continuing Education**

Management shall develop an orientation program for all new trustees, which orientation program will provide information with respect to, among other things, (i) the legal obligations of trustees, and (ii) the history, organizational structure and business of the Company. The full Board, with input from management, will consider what continuing education programs may be appropriate for members of the Board.

### **Management Succession**

The Board, with input from the Compensation Committee, will maintain a succession plan for the Chief Executive Officer in the event of an emergency or the retirement of the Chief Executive Officer.

### **Annual Performance Evaluation of the Chief Executive Officer**

The Compensation Committee shall annually review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and recommend to the Board the Chief Executive Officer's compensation levels based on this evaluation. In determining the long-term incentive component of Chief Executive Officer compensation, the Compensation Committee will consider the Company's relative performance and shareholder return, the value

of similar incentive awards to chief executive officers at comparable companies, and the awards given to the Chief Executive Officer in past years.

### **Annual Performance Evaluation of the Board**

The Board and each of its committees will perform an annual self-evaluation to determine whether they are functioning effectively.

### **Conflicts of Interest Policy**

Trustees will disclose any potential conflicts of interests to the Board and, if appropriate, refrain from voting on a matter in which they may have a conflict. Any transaction, agreement or relationship between the Company and any officer, trustee or employee or any entity in which an officer, trustee or employee of the Company has an interest (other than through ownership of securities of a publicly traded company shall be approved by a majority of the Company's trustees who do not have an interest in such transaction, agreement or relationship.

### **Communication with the Board of Trustees, Presiding Trustee of the Non-Management Trustees and the Audit Committee**

The Board may be contacted by any party via mail at the address listed below.

Board of Trustees  
Pebblebrook Hotel Trust  
10319 Westlake Drive, Suite 112  
Bethesda, MD 20817

If the Chairman of the Board is not also the Chief Executive Officer, then the presiding trustee of the non-management executive sessions of the trustees is the Chairman of the Board. If the Chairman of the Board is also the Chief Executive Officer, then the presiding trustee of non-management executive sessions of the trustees is the sitting Chairman of the Nominating and Corporate Governance Committee of the Board of Trustees. The presiding trustee can be contacted by any party via mail at the address listed below.

Presiding Trustee  
Board of Trustees  
Pebblebrook Hotel Trust  
10319 Westlake Drive, Suite 112  
Bethesda, MD 20817

The Audit Committee has adopted a process for anyone to send communications to the Audit Committee with concerns or complaints concerning the Company's regulatory compliance, accounting, audit or internal controls issues. The Audit Committee can be contacted by any party via mail at the address listed below.

Chairman  
Audit Committee  
Pebblebrook Hotel Trust  
10319 Westlake Drive, Suite 112  
Bethesda, MD 20817

**Amendment**

These guidelines will be periodically reviewed by the Board and may be amended from time to time.

*As Adopted by the Board of Trustees, December 6, 2009.*