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HERSHA HOSPITALITY TRUST  
Form 10-K/A  
July 01, 2004

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

-----  
FORM 10-K/A

FOR ANNUAL AND TRANSITIONAL  
REPORTS PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2003

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 001-14765

HERSHA HOSPITALITY TRUST  
(Exact Name of Registrant as Specified in Its Charter)

MARYLAND  
(State or Other Jurisdiction of  
Incorporation or Organization)

251811499  
(I.R.S. Employer  
Identification No.)

148 SHERATON DRIVE, BOX A, NEW CUMBERLAND, PENNSYLVANIA  
(Address of Registrant's Principal Executive Offices)

17070  
(Zip Code)

Registrant's telephone number, including area code: (717) 770-2405

Securities registered pursuant to Section 12(b) of the Act:

Title of each class -----	Name of each exchange on which registered -----
CLASS A COMMON SHARES OF BENEFICIAL INTEREST, PAR VALUE \$.01 PER SHARE	AMERICAN STOCK EXCHANGE

Securities registered pursuant to Section 12(g) of the Act:

NONE  
(Title of class)

Indicate by check mark whether the registrant (i) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (ii) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item

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405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2). Yes [ ] No [X]

The aggregate market value of the voting and nonvoting common equity held by non-affiliates of the registrant, as of June 30, 2003, was approximately \$20.35 million.

As of March 18, 2004, the number of outstanding Class A common shares of beneficial interest outstanding was 13,571,665.

Documents Incorporated By Reference: None.

### EXPLANATORY NOTE

This Amended Annual Report on Form 10-K/A is being filed solely to restate our Consolidated Balance sheets as of December 31, 2003 and 2002 in order to present the Minority Interest balances outside of Shareholders' Equity. Previously, we had presented Minority Interest as a separate component within Shareholders' Equity.

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### CAUTIONARY FACTORS THAT MAY AFFECT FUTURE RESULTS

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, without limitation, statements containing the words, "believes," "anticipates," "expects" and words of similar import. Such forward-looking statements relate to future events, our future financial performance, and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers should specifically consider the various factors identified, or incorporated by reference in this report including, but not limited to those discussed in the sections entitled "Growth Strategy" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and those discussed in any documents filed by us with the Securities and Exchange Commission that could cause actual results to differ. We disclaim any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future events or developments, except as required by law.

### ITEM 1. BUSINESS

#### OVERVIEW

Hersha Hospitality Trust is a self-advised Maryland real estate investment trust that was organized in 1998 and completed its initial public offering in January of 1999. Our common shares are traded on the American Stock Exchange under the symbol "HT."

We focus primarily on owning and operating high quality, mid-scale limited service hotels in established markets in the Eastern United States. Our primary strategy is to continue to acquire high quality, mid-scale hotels in metropolitan markets with high barriers to entry in the Northeastern United States. As of December 31, 2003, our portfolio consisted of 22 hotels with a total of 2,169 rooms located in Pennsylvania, New York, New Jersey, Maryland, Georgia, and Connecticut, which operate under leading brands, such as Hampton

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Inn(R), Hilton Garden Inn(R), Holiday Inn(R), Holiday Inn Express(R), DoubleTree(R), Comfort Inn(R), Comfort Suites(R), Mainstay Suites(R), and Sleep Inn(R).

We are structured as an umbrella partnership REIT, or UPREIT, and we own our hotels through our operating partnership, Hersha Hospitality Limited Partnership, for which we serve as general partner. All of our hotels are leased or managed by Hersha Hospitality Management, L.P., or HHMLP, a private management company owned by certain of our trustees, officers and other third party investors. In response to tax law changes, we formed a wholly-owned taxable REIT subsidiary, or TRS, to which we lease twelve hotels (as of January 26, 2004) and to which we intend to lease all of our hotels, including hotels we may acquire in the future and hotels currently leased to HHMLP as those leases expire. We have also established two TRS's to lease our assets owned via joint venture entities. We believe that transitioning to this TRS structure positions us to participate more directly in the operating efficiencies and revenue gains at our hotels.

Our address is 148 Sheraton Drive, Box A, New Cumberland, Pennsylvania 17070. Our telephone number is (717) 770-2405.

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As of December 31, 2003, we owned interests in the following 22 hotels:

HOTELS	NUMBER OF ROOMS	HOTELS	NUMBER OF ROOMS
HOLIDAY INN EXPRESS:		HOLIDAY INN EXPRESS AND SUITES:	
Hershey, PA	85	Harrisburg, PA	77
Duluth, GA	68	MAINSTAY SUITES:	
Long Island City, NY	79	King of Prussia, PA	69
New Columbia, PA	81	Frederick, MD	72
HILTON GARDEN INN:		COMFORT INN:	
Glastonbury, CT (1)	150	Harrisburg, PA	81
Edison, NJ	132	SLEEP INN:	
HAMPTON INN:		King of Prussia, PA	87
Linden, NJ	149	COMFORT SUITES:	
Chelsea, NY (1)	144	Duluth, GA	85
Carlisle, PA	95	HOLIDAY INN HOTEL AND CONFERENCE CENTER:	
Danville, PA	72	Harrisburg, PA	196
Hershey, PA	110	DOUBLETREE CLUB	
Newnan, GA	91	JFK Airport, NY	110
Peachtree, GA	61		
Selinsgrove, PA	75		
Total Rooms			2,169