

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Summit Hotel Properties, Inc.		2 Issuer's employer identification number (EIN) 27-2962512	
3 Name of contact for additional information JoLynn Sorum, CPA	4 Telephone No. of contact 605.782.2014	5 Email address of contact jsorum@shpreit.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 2701 S. Minnesota Ave. Suite 6		7 City, town, or post office, state, and Zip code of contact Sioux Falls, SD 57105	
8 Date of action 5/23/2011, 8/31/2011, 11/30/2011		9 Classification and description Common Stock	
10 CUSIP number 866082100	11 Serial number(s)	12 Ticker symbol INN	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **Summit Hotel Properties, Inc. distributed quarterly cash distributions to its common shareholders for the 2011 tax year. A portion of these distributions represent a non-dividend distribution. These distributions were paid on May 23, 2011, August 31, 2011 and November 30, 2011.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **The basis of the common stock should be reduced by 66.1080812% of the total distributions received. (\$5,071,771 return of capital dividends / \$7,671,938 total common stock dividends)**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **The non-dividend distribution represents distributions associated with the 2011 tax year which are in excess of current year and accumulated earnings and profits.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ I.R.C. Section 301(c)(2)

18 Can any resulting loss be recognized? ▶ n/a

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ n/a

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ Jolynn M Sorum Date ▶ 1-17-12
Print your name ▶ Jolynn M Sorum Title ▶ Vice President - Controller & CAO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Beth Feuchtenberger, CPA	<u>Beth Feuchtenberger CPA</u>	<u>1-17-12</u>		P00094367
	Firm's name ▶ Eide Bailly LLP	Firm's address ▶ 200 E. 10th St. PO Box 5125, Sioux Falls, SD 57117-5125		Firm's EIN ▶ 45-0250958	Phone no. 605.339.1999