

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name FELCOR LODGING TRUST INCORPORATED		2 Issuer's employer identification number (EIN) 75-2541756	
3 Name of contact for additional information STEPHEN SCHAFER	4 Telephone No. of contact 972-444-4900	5 Email address of contact SSCHAFFER@FELCOR.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 545 E. JOHN CARPENTER FREEWAY, SUITE 1300		7 City, town, or post office, state, and Zip code of contact IRVING, TX 75062	
8 Date of action 1/31/2011, 5/2/2011, 8/1/2011, 10/31/2011	9 Classification and description SERIES C PREFERRED STOCK		
10 CUSIP number 31430F507	11 Serial number(s)	12 Ticker symbol FCH-PC	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 ▶ **QUARTERLY CASH DISTRIBUTIONS ON SERIES C PREFERRED STOCK IN THE AMOUNT OF \$0.50 PER SHARE FOR EACH OF THE FOUR QUARTERS, GENERATING A TOTAL DISTRIBUTION FOR 2011 OF \$2.00 PER SHARE.**

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 ▶ **FELCOR LODGING TRUST INCORPORATED DID NOT HAVE ANY CURRENT OR ACCUMULATED EARNINGS AND PROFITS FOR 2011. THEREFORE, THE FULL AMOUNT OF THE DISTRIBUTION SHOULD BE TREATED BY THE SHAREHOLDER AS A NON-DIVIDEND DISTRIBUTION.**

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 ▶ **FELCOR LODGING TRUST INCORPORATED DID NOT HAVE ANY ACCUMULATED EARNINGS AND PROFITS AT THE BEGINNING OF CALENDAR 2011. FELCOR LODGING TRUST INCORPORATED CONDUCTED A CALCULATION TO DETERMINE THE EXTENT TO WHICH ANY EARNINGS AND PROFITS HAD BEEN GENERATED DURING CALENDAR 2011. BASED UPON THIS ANALYSIS FELCOR LODGING TRUST INCORPORATED DETERMINED THAT IT HAD NOT GENERATED ANY CURRENT EARNINGS AND PROFITS. BASED UPON THIS ANALYSIS THE DETERMINATION WAS MADE THAT ALL DISTRIBUTIONS WERE NON-DIVIDEND DISTRIBUTIONS. AS SUCH, THE FULL \$0.50 DISTRIBUTION RECEIVED EACH QUARTER COULD AFFECT STOCK BASIS OF THE SHAREHOLDER.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ INTERNAL REVENUE CODE SECTIONS 312 AND 316, AND THE APPLICABLE REGULATIONS THEREUNDER.

18 Can any resulting loss be recognized? ▶ SINCE DISTRIBUTIONS ARE CLASSIFIED AS NON-DIVIDEND DISTRIBUTIONS FOR 2011, THE SHAREHOLDER WOULD TREAT THE DISTRIBUTIONS AS EITHER A RETURN OF CAPITAL OR AS CAPITAL GAINS, BASED UPON THE INDIVIDUAL SHAREHOLDERS PRE-DISTRIBUTION BASIS IN THE SHARES.

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

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

Form 8937 with original signature is available for review at the corporate offices. *[Signature]* Date ▶ January 17, 2012

Print your name ▶ DAVID W MCGIVNEY Title ▶ VP INCOME TAX

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.