



Innkeepers USA Trust (ticker: KPA, exchange: New York Stock Exchange (.N)) News Release - 31-Jan-2008

2007 Dividend Allocation – January 1, 2007 to June 29, 2007
Innkeepers USA Trust Announces 2007 Dividend and Liquidating Distribution
Allocation For the Period
from January 1, 2007 through June 29, 2007

PALM BEACH, Fla., January 31, 2008—Innkeepers USA Trust (NYSE: KPA), a hotel real estate investment trust (REIT), today announced the characterization of dividends declared in 2007 for income tax reporting purposes.

Common share dividend characterization:

	<u>Common</u> <u>Dividend Per</u> <u>Share</u>	<u>Merger</u> <u>Proceeds</u> <u>Per Share</u>
Declaration date	03/14/07	
Record Date	03/30/07	05/24/07
Payment Date	04/24/07	06/29/07
Capital gain distribution	\$0.23	\$11.85
Cash liquidation distribution	<u>0.00</u>	<u>5.90</u>
	<u>\$0.23</u>	<u>\$17.75</u>
Unrecaptured Sec. 1250 gain	<u>\$0.052</u>	<u>\$ 2.66</u>

Series C cumulative preferred share dividend characterization:

<u>Declaration</u> <u>Date</u>	<u>Record</u> <u>Date</u>	<u>Payment</u> <u>Date</u>	<u>Dividend</u> <u>Per Share</u>	<u>Capital Gain</u>	<u>Unrecaptured</u> <u>Sec. 1250 Gain</u>	<u>Return of</u> <u>Capital</u>
03/14/07	03/30/07	04/24/07	\$0.50	\$0.50	\$0.112	\$0.00
05/04/07	06/29/07	07/31/07	<u>0.50</u>	<u>0.50</u>	<u>0.112</u>	<u>0.00</u>
			\$1.00	\$1.00	\$0.224	\$0.00

Capital gain distributions will be reported to shareholders in Box 2a on Form 1099, cash liquidation distributions will be reported in Box 8 and the Unrecaptured Sec. 1250 gain, which is a component of the capital gain distribution, will be reported in box 2b of Form 1099.

Innkeepers

No portion of the dividends declared in 2007 represented foreign taxes. None of the common or preferred dividends paid by the company were qualified dividends. The CUSIP number for Innkeepers USA Trust common shares is 4576JO 10 4; the CUSIP number for the Series C cumulative preferred shares is 4576JO 40 1.

Registered holders of Innkeepers USA Trust common and cumulative preferred shares who received any of the dividends specified in the tables above will receive an Internal Revenue Service (IRS) Form 1099-DIV from Computershare Investor Services, L.L.C., the company's dividend paying agent. The Form 1099-DIV will report the dividends paid with respect to

2007. Shareholders whose shares are held in “street name” will receive an IRS form from the bank, brokerage firm, or other nominee holding their shares.

The information in the tables above will be necessary in order to properly report the company's dividends on your federal income tax return. The laws governing state taxation of REIT distributions may vary, and may not be the same as those governing your federal income taxes. The company cannot advise shareholders on how distributions should be reported on their individual tax returns because federal and state tax laws affect individuals differently.

For more information about Innkeepers USA Trust, visit the company's web site at www.innkeepersusa.com.

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