



For Immediate Release

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Shareholders of Supertel Hospitality, Inc. Approve \$30 Million Investment in Supertel by an IRSA Inversiones y Representaciones Sociedad Anónima (NYSE: IRS) Affiliate

NORFOLK, Neb., January 31, 2012 – Supertel Hospitality, Inc. (NASDAQ: SPPR), a real estate investment trust (REIT) which owns 99 hotels in 23 states, today announced that at a special meeting held on January 31, 2012, the shareholders of the company approved the \$30 million investment in the company by Real Estate Strategies L.P. (“RES”), an investment vehicle indirectly controlled by IRSA Inversiones y Representaciones Sociedad Anónima (“IRSA”), an Argentinean-based publicly traded company.

At the special meeting the shareholders of Supertel, by the requisite vote, approved the issuance and sale of the 3,000,000 shares of preferred stock, 30,000,000 shares of common stock of Supertel which may be issued upon conversion of the preferred stock, and warrants to purchase an additional 30,000,000 shares of common stock. Supertel mailed a proxy statement on December 29, 2011 to its shareholders in connection with the special meeting.

Supertel and RES expect to complete the issuance and sale of the preferred stock within the next two weeks.

About IRSA Inversiones y Representaciones Sociedad Anónima

IRSA Inversiones y Representaciones Sociedad Anónima (NYSE:IRS/BCBA:IRSA) (“IRSA”) is the largest and leading Argentinean diversified real estate company, and the only company in the industry whose shares are listed on both the Bolsa de Comercio de Buenos Aires (“BASE”) and in The New York Stock Exchange.

Through its subsidiaries, IRSA manages an expanding top portfolio of shopping malls, and office buildings, primarily in the City of Buenos Aires, Argentina. The company also owns four luxury hotels and a huge landbank to develop both residential and commercial future projects. Additionally, IRSA currently owns a stake in Banco Hipotecario S.A., Argentina’s leading mortgage bank. In the US, IRSA owns a 9% equity stake in Hersha Hospitality Trust and commercial real estate properties in NYC, including ownership and management of the Lipstick building at 885 Third Avenue and ownership of the building at 183 Madison Avenue.

About Supertel Hospitality, Inc.

As of January 31, 2012, Supertel Hospitality, Inc. (NASDAQ: SPPR) owns 99 hotels comprised of 8,685 rooms in 23 states. The company’s hotel portfolio includes Baymont Inn, Comfort Inn/Comfort Suites, Days Inn, Guest House Inn, Hampton Inn, Holiday Inn Express, Key West Inns, Masters Inn, Quality Inn, Ramada Limited, Savannah Suites, Sleep Inn, Super 8 and Supertel Inn. This diversity enables the company to participate in the best practices of each of these respected hospitality partners. The company specializes in limited service hotels, which do not normally offer food and beverage service. For more information or to make a hotel reservation, visit www.supertelinc.com.

Forward-Looking Information

Certain matters within this press release are discussed using forward-looking language as specified in the Private Securities Litigation Reform Act of 1995, and, as such, may involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance to differ from those projected in the forward-looking statement. These risks are discussed in the Company's filings with the Securities and Exchange Commission.