

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

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

For the quarterly period ended September 30, 2025

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: 001-34693

**CHATHAM LODGING TRUST**

(Exact Name of Registrant as Specified in Its Charter)

Maryland  
(State or Other Jurisdiction of Incorporation or Organization)

27-1200777  
(I.R.S. Employer Identification No.)

222 Lakeview Avenue, Suite 200  
West Palm Beach  
(Address of Principal Executive Offices)

Florida  
  
(561) 802-4477

33401  
(Zip Code)

(Registrant's Telephone Number, Including Area Code)

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

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common Shares of Beneficial Interest, \$0.01 par value	CLDT	New York Stock Exchange
6.625% Series A Cumulative Redeemable Preferred Shares	CLDT-PA	New York Stock Exchange

Indicate by check mark whether the registrant (1) 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 (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding at November 5, 2025</u>
Common Shares of Beneficial Interest, \$0.01 par value per share	48,516,000

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**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements.**

**CHATHAM LODGING TRUST**  
**Consolidated Balance Sheets**  
*(In thousands, except share and per share data)*

	September 30, 2025 (unaudited)	December 31, 2024
<b>Assets:</b>		
Investment in hotel properties, net	\$ 1,127,044	\$ 1,197,518
Cash and cash equivalents	13,226	20,195
Restricted cash	8,144	9,649
Right of use asset, net	17,076	17,547
Hotel receivables (net of allowance for doubtful accounts of \$281 and \$300, respectively)	3,914	2,921
Deferred costs, net	6,368	4,038
Prepaid expenses and other assets	6,768	2,813
Total assets	<u>\$ 1,182,540</u>	<u>\$ 1,254,681</u>
<b>Liabilities and Equity:</b>		
Mortgage debt, net	\$ 141,419	\$ 157,211
Revolving credit facility	—	110,000
Unsecured term loan, net	197,427	139,638
Accounts payable and accrued expenses (including \$617 and \$490 due to related parties, respectively)	31,278	29,621
Lease liability	20,211	20,634
Distributions payable	6,722	5,580
Total liabilities	<u>397,057</u>	<u>462,684</u>
Commitments and contingencies (Note 13)		
<b>Equity:</b>		
Shareholders' Equity:		
Preferred shares, \$0.01 par value, 100,000,000 shares authorized; 4,800,000 and 4,800,000 shares issued and outstanding at September 30, 2025 and December 31, 2024, respectively	48	48
Common shares, \$0.01 par value, 500,000,000 shares authorized; 48,744,901 and 48,912,293 shares issued and outstanding at September 30, 2025 and December 31, 2024, respectively	487	489
Additional paid-in capital	1,046,762	1,046,812
Accumulated deficit	(297,857)	(289,130)
Total shareholders' equity	<u>749,440</u>	<u>758,219</u>
Noncontrolling Interests:		
Noncontrolling interest in Operating Partnership	36,043	33,778
Total equity	<u>785,483</u>	<u>791,997</u>
Total liabilities and equity	<u>\$ 1,182,540</u>	<u>\$ 1,254,681</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CHATHAM LODGING TRUST**  
**Consolidated Statements of Operations**  
(In thousands, except share and per share data)  
(unaudited)

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
<b>Revenue:</b>				
Room	\$ 71,923	\$ 80,236	\$ 207,737	\$ 221,762
Food and beverage	1,561	1,832	5,083	5,806
Other	4,649	4,826	13,715	13,695
Reimbursable costs from related parties	276	283	802	836
Total revenue	<u>78,409</u>	<u>87,177</u>	<u>227,337</u>	<u>242,099</u>
<b>Expenses:</b>				
Hotel operating expenses:				
Room	15,469	17,011	45,255	49,110
Food and beverage	1,368	1,592	4,192	4,683
Telephone	292	343	884	991
Other hotel operating	1,171	1,188	3,353	3,031
General and administrative	6,667	7,506	20,703	21,903
Franchise and marketing fees	6,349	6,990	18,215	19,415
Advertising and promotions	1,923	1,677	5,185	4,604
Utilities	3,597	3,946	9,561	10,061
Repairs and maintenance	3,797	4,178	11,463	12,235
Management fees paid to related parties	2,600	2,959	7,575	8,118
Insurance	813	851	2,459	2,504
Total hotel operating expenses	<u>44,046</u>	<u>48,241</u>	<u>128,845</u>	<u>136,655</u>
Depreciation and amortization	14,707	15,287	45,133	45,455
Property taxes, ground rent and insurance	5,328	6,453	17,205	17,728
General and administrative	4,142	4,395	12,741	13,623
Other charges	16	—	24	77
Reimbursable costs from related parties	276	283	802	836
Total operating expenses	<u>68,515</u>	<u>74,659</u>	<u>204,750</u>	<u>214,374</u>
Operating income before gain (loss) on sale of hotel properties	9,894	12,518	22,587	27,725
Gain (loss) on sale of hotel properties	39	(14)	7,507	(154)
Operating income	<u>9,933</u>	<u>12,504</u>	<u>30,094</u>	<u>27,571</u>
Interest and other income	71	97	192	1,627
Interest expense, including amortization of deferred fees	(6,243)	(8,262)	(19,508)	(23,292)
Loss on early extinguishment of debt	(174)	—	(174)	(17)
Income before income tax expense	<u>3,587</u>	<u>4,339</u>	<u>10,604</u>	<u>5,889</u>
Income tax expense	—	—	—	—
Net income	<u>3,587</u>	<u>4,339</u>	<u>10,604</u>	<u>5,889</u>
Net income attributable to noncontrolling interests	(56)	(88)	(163)	(15)
Net income attributable to Chatham Lodging Trust	<u>3,531</u>	<u>4,251</u>	<u>10,441</u>	<u>5,874</u>
Preferred dividends	(1,987)	(1,987)	(5,962)	(5,962)
Net income (loss) attributable to common shareholders	<u>\$ 1,544</u>	<u>\$ 2,264</u>	<u>\$ 4,479</u>	<u>\$ (88)</u>
<b>Income (loss) per common share - basic:</b>				
Net income (loss) attributable to common shareholders (Note 10)	<u>\$ 0.03</u>	<u>\$ 0.05</u>	<u>\$ 0.09</u>	<u>\$ —</u>
<b>Income (loss) per common share - diluted:</b>				
Net income (loss) attributable to common shareholders (Note 10)	<u>\$ 0.03</u>	<u>\$ 0.05</u>	<u>\$ 0.09</u>	<u>\$ —</u>
<b>Weighted average number of common shares outstanding:</b>				
Basic	48,910,697	48,904,179	48,956,588	48,898,947
Diluted	49,600,250	49,066,464	50,068,092	48,898,947
Distributions declared per common share:	\$ 0.09	\$ 0.07	\$ 0.27	\$ 0.21

The accompanying notes are an integral part of these consolidated financial statements.

**CHATHAM LODGING TRUST**  
**Consolidated Statements of Equity**  
*(In thousands, except share and per share data)*  
*(unaudited)*

**Three months ended September 30, 2024 and 2025**

	Preferred Shares		Common Shares		Additional Paid - In Capital	Accumulated Deficit	Total Shareholders' Equity	Noncontrolling Interest in Operating Partnership	Total Equity
	Shares	Amount	Shares	Amount					
Balance, July 1, 2024	4,800,000	\$ 48	48,909,201	\$ 489	\$ 1,046,787	\$ (280,852)	\$ 766,472	\$ 31,421	\$ 797,893
Issuance of common shares, net of offering costs of \$15	—	—	1,640	—	(1)	—	(1)	—	(1)
Amortization of share-based compensation	—	—	—	—	9	—	9	1,501	1,510
Dividends declared on common shares (\$0.07 per share)	—	—	—	—	—	(3,423)	(3,423)	—	(3,423)
Distributions declared on LTIP units (\$0.07 per unit)	—	—	—	—	—	—	—	(215)	(215)
Dividends accrued on preferred shares	—	—	—	—	—	(1,987)	(1,987)	—	(1,987)
Net income	—	—	—	—	—	4,251	4,251	88	4,339
Balance, September 30, 2024	<u>4,800,000</u>	<u>\$ 48</u>	<u>48,910,841</u>	<u>\$ 489</u>	<u>\$ 1,046,795</u>	<u>\$ (282,011)</u>	<u>\$ 765,321</u>	<u>\$ 32,795</u>	<u>\$ 798,116</u>
Balance, July 1, 2025	4,800,000	48	48,997,996	490	1,048,566	(295,014)	754,090	34,879	788,969
Issuance of common shares, net of offering costs of \$0	—	—	2,118	—	15	—	15	—	15
Repurchases of common shares	—	—	(255,213)	(3)	(1,829)	—	(1,832)	—	(1,832)
Amortization of share-based compensation	—	—	—	—	10	—	10	1,429	1,439
Dividends declared on common shares (\$0.09 per share)	—	—	—	—	—	(4,387)	(4,387)	—	(4,387)
Distributions declared on LTIP units (\$0.09 per unit)	—	—	—	—	—	—	—	(321)	(321)
Dividends accrued on preferred shares	—	—	—	—	—	(1,987)	(1,987)	—	(1,987)
Net income	—	—	—	—	—	3,531	3,531	56	3,587
Balance, September 30, 2025	<u>4,800,000</u>	<u>\$ 48</u>	<u>48,744,901</u>	<u>\$ 487</u>	<u>\$ 1,046,762</u>	<u>\$ (297,857)</u>	<u>\$ 749,440</u>	<u>\$ 36,043</u>	<u>\$ 785,483</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Nine months ended September 30, 2024 and 2025**

	Preferred Shares		Common Shares		Additional Paid - In Capital	Accumulated Deficit	Total Shareholders' Equity	Noncontrolling Interest in Operating Partnership	Total Equity
	Shares	Amount	Shares	Amount					
Balance, January 1, 2024	4,800,000	\$ 48	48,859,836	\$ 488	\$ 1,047,176	\$ (271,651)	\$ 776,061	\$ 28,315	\$ 804,376
Issuance of common shares pursuant to Equity Incentive Plan	—	—	43,670	1	470	—	471	—	471
Issuance of common shares, net of offering costs of \$278	—	—	4,392	—	(239)	—	(239)	—	(239)
Issuance of restricted time-based shares	—	—	2,943	—	—	—	—	—	—
Amortization of share-based compensation	—	—	—	—	37	—	37	4,452	4,489
Dividends declared on common shares (\$0.21 per share)	—	—	—	—	—	(10,272)	(10,272)	—	(10,272)
Distributions declared on LTIP units (\$0.21 per unit)	—	—	—	—	—	—	—	(645)	(645)
Forfeited distributions declared on LTIP units	—	—	—	—	—	—	—	9	9
Dividends accrued on preferred shares	—	—	—	—	—	(5,962)	(5,962)	—	(5,962)
Reallocation of noncontrolling interest	—	—	—	—	(649)	—	(649)	649	—
Net income	—	—	—	—	—	5,874	5,874	15	5,889
Balance, September 30, 2024	<u>4,800,000</u>	<u>\$ 48</u>	<u>48,910,841</u>	<u>\$ 489</u>	<u>\$ 1,046,795</u>	<u>\$ (282,011)</u>	<u>\$ 765,321</u>	<u>\$ 32,795</u>	<u>\$ 798,116</u>
Balance, January 1, 2025	4,800,000	\$ 48	48,912,293	\$ 489	\$ 1,046,812	\$ (289,130)	\$ 758,219	\$ 33,778	\$ 791,997
Issuance of common shares pursuant to Equity Incentive Plan	—	—	61,551	1	562	—	563	—	563
Issuance of common shares, net of offering costs of \$0	—	—	5,842	—	43	—	43	—	43
Conversion of LTIP units to common shares	—	—	33,396	—	533	—	533	(533)	—
Issuance of restricted time-based shares	—	—	8,044	—	—	—	—	—	—
Repurchases of common shares	—	—	(276,225)	(3)	(1,978)	—	(1,981)	—	(1,981)
Amortization of share-based compensation	—	—	—	—	27	—	27	4,317	4,344
Dividends declared on common shares (\$0.27 per share)	—	—	—	—	—	(13,206)	(13,206)	—	(13,206)
Distributions declared on LTIP units (\$0.27 per unit)	—	—	—	—	—	—	—	(967)	(967)
Forfeited distributions declared on LTIP units	—	—	—	—	—	—	—	48	48
Dividends accrued on preferred shares	—	—	—	—	—	(5,962)	(5,962)	—	(5,962)
Reallocation of noncontrolling interest	—	—	—	—	763	—	763	(763)	—
Net income	—	—	—	—	—	10,441	10,441	163	10,604
Balance, September 30, 2025	<u>4,800,000</u>	<u>\$ 48</u>	<u>48,744,901</u>	<u>\$ 487</u>	<u>\$ 1,046,762</u>	<u>\$ (297,857)</u>	<u>\$ 749,440</u>	<u>\$ 36,043</u>	<u>\$ 785,483</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CHATHAM LODGING TRUST**  
**Consolidated Statements of Cash Flows**  
*(In thousands)*  
*(unaudited)*

	<b>For the nine months ended</b>	
	<b>September 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 10,604	\$ 5,889
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of investment in hotel properties	44,983	45,290
Amortization of deferred franchise fees	150	158
Amortization of deferred financing fees included in interest expense	1,008	1,002
(Gain) loss on sale of hotel properties	(7,507)	154
Loss on early extinguishment of debt	174	17
Loss on write-off of deferred franchise fee	—	50
Share-based compensation	4,710	4,911
Changes in assets and liabilities:		
Right of use asset	472	441
Hotel receivables	(989)	9
Deferred costs	58	(253)
Prepaid expenses and other assets	(4,036)	(2,473)
Accounts payable and accrued expenses	2,596	5,735
Lease liability	(397)	(44)
Net cash provided by operating activities	<u>51,826</u>	<u>60,886</u>
<b>Cash flows from investing activities:</b>		
Improvements and additions to hotel properties	(20,427)	(24,857)
Acquisition of hotel properties	—	(43,732)
Proceeds from sale of hotel properties, net	52,956	17,166
Payments of franchise application costs	(110)	(700)
Net cash provided by (used in) investing activities	<u>32,419</u>	<u>(52,123)</u>
<b>Cash flows from financing activities:</b>		
Borrowings on revolving credit facility	15,000	136,000
Repayments on revolving credit facility	(125,000)	(11,000)
Borrowings on unsecured term loan	200,000	50,000
Repayments on unsecured term loan	(140,000)	—
Repayments of mortgage debt	(15,957)	(282,899)
Proceeds from the issuance of mortgage debt	—	60,300
Principal payments on finance lease	(26)	(15)
Payment of financing costs	(5,854)	(1,064)
Payment of offering costs on common shares	—	(278)
Proceeds from issuance of common shares	43	41
In-substance repurchase of vested common shares	(5)	—
Repurchases of common shares	(1,976)	—
Distributions-common shares/units	(12,982)	(10,790)
Distributions-preferred shares	(5,962)	(5,962)
Net cash used in financing activities	<u>(92,719)</u>	<u>(65,667)</u>
Net change in cash, cash equivalents and restricted cash	(8,474)	(56,904)
Cash, cash equivalents and restricted cash, beginning of period	29,844	85,749
Cash, cash equivalents and restricted cash, end of period	<u>\$ 21,370</u>	<u>\$ 28,845</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 18,619	\$ 22,313
Cash paid for taxes	\$ 955	\$ 948

**Supplemental disclosure of non-cash investing and financing information (dollars in thousands):**

On January 15, 2025, the Company issued 61,551 common shares to its independent trustees pursuant to the Company's Equity Incentive Plan as compensation for services performed in 2024. On January 16, 2024, the Company issued 43,670 common shares to its independent trustees pursuant to the Company's Equity Incentive Plan as compensation for services performed in 2023.

As of September 30, 2025, the Company had accrued distributions payable of \$6,722. As of September 30, 2024, the Company had accrued distributions payable of \$5,531.

Accrued share-based compensation of \$321 and \$422 is included in accounts payable and accrued expenses as of September 30, 2025 and 2024, respectively.

Accrued capital improvements of \$1,142 and \$1,286 are included in accounts payable and accrued expenses as of September 30, 2025 and 2024, respectively.



**CHATHAM LODGING TRUST**  
**Notes to the Consolidated Financial Statements**  
(unaudited)

## 1. Organization

Chatham Lodging Trust (“we,” “us” or the “Company”) was formed as a Maryland real estate investment trust on October 26, 2009. The Company is internally managed and invests primarily in upscale extended-stay and premium-branded select-service hotels. The Company has elected to be treated as a real estate investment trust for federal income tax purposes (“REIT”).

The net proceeds from our share offerings are contributed to Chatham Lodging, L.P., our operating partnership (the “Operating Partnership”), in exchange for partnership interests. Substantially all of the Company’s assets are held by, and all operations are conducted through, the Operating Partnership. The Company is the sole general partner of the Operating Partnership and owns 100% of the common units of limited partnership interest in the Operating Partnership (“common units”). Certain of the Company’s executive officers hold vested and unvested long-term incentive plan units in the Operating Partnership (“LTIP units”), which are presented as non-controlling interests on our consolidated balance sheets.

As of September 30, 2025, the Company owned 34 hotels with an aggregate of 5,166 rooms located in 15 states and the District of Columbia.

To qualify as a REIT, the Company cannot operate the hotels. Therefore, the Operating Partnership and its subsidiaries lease the Company’s hotels to taxable REIT subsidiary lessees (“TRS Lessees”), which are wholly owned by the Company’s taxable REIT subsidiary (“TRS”) holding company. Each hotel is leased to a TRS Lessee under a percentage lease that provides for rental payments equal to the greater of (i) a fixed base rent amount or (ii) a percentage rent based on hotel revenue. Lease revenue from each TRS Lessee is eliminated in consolidation.

The TRS Lessees have entered into management agreements with a third-party management company that provides day-to-day management for the hotels. As of September 30, 2025, Island Hospitality Management, LLC (“IHM”), which is 100% owned by Jeffrey H. Fisher, the Company’s Chairman, President and Chief Executive Officer, managed all of the Company’s hotels.

## 2. Summary of Significant Accounting Policies

### *Basis of Presentation*

The accompanying unaudited interim consolidated financial statements and related notes have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and in conformity with the rules and regulations of the Securities and Exchange Commission (“SEC”) applicable to interim financial information. These unaudited consolidated financial statements, in the opinion of management, include all adjustments consisting of normal, recurring adjustments which are considered necessary for a fair statement of the consolidated balance sheets, consolidated statements of operations, consolidated statements of equity, and consolidated statements of cash flows for the periods presented. Interim results are not necessarily indicative of full year performance due to seasonal and other factors, including the timing of the acquisition or sale of hotels.

The consolidated financial statements include all of the accounts of the Company, the Operating Partnership (a variable interest entity) and its wholly owned subsidiaries. All intercompany balances and transactions are eliminated in consolidation. The accompanying unaudited consolidated financial statements should be read in conjunction with the audited financial statements prepared in accordance with GAAP, and the related notes thereto as of December 31, 2024, which are included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024.

### *Use of Estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

### *Recently Issued Accounting Standards*

In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-07, Segment Reporting - Improvements to Reportable Segment Disclosures (“ASU 2023-07”). The guidance requires incremental disclosures related to a public entity’s reportable segments. ASU 2023-07 is effective for public entities for fiscal years beginning after December 15, 2023, and interim periods in fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted this ASU during the year ended December 31, 2024 (See Note 15).

In December 2023, the FASB issued ASU 2023-09, “Improvements to Income Tax Disclosures (Topic 740),” which requires entities to disclose in their rate reconciliation table additional categories of information about federal, state and foreign income taxes as well as additional information about reconciling items if certain quantitative thresholds are met. This ASU will require all entities to disclose income taxes paid, net of refunds, disaggregated by federal (national), state and foreign taxes for annual periods and to disaggregate the information by jurisdiction based on a quantitative threshold. All entities are required to apply the guidance prospectively, with the option to apply it retrospectively. The Company adopted this ASU on January 1, 2025, and is currently evaluating the potential impact on the annual income tax disclosures.

In November 2024, the FASB issued ASU 2024-03, “Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses”, which requires disaggregated disclosures in the notes of the financial statements of certain categories of expenses that are included in expense line items on the face of the income statement. This ASU is effective for annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the potential impact adopting ASU 2024-03 will have on the Company’s consolidated financial statements and disclosures.



### 3. Acquisition of Hotel Properties

On May 30, 2024, the Company acquired the Home2 Suites Phoenix Downtown ("Home2 Phoenix") hotel property in Phoenix, AZ for \$43.3 million. The Company allocated the purchase price of the hotel property acquired based on the estimated fair values of the assets on the date of acquisition. The hotel property is classified as a finance lease for which the Company has recorded right-of-use ("ROU") assets and a lease liability (see Note 12). The Company's ROU asset balance includes \$0.3 million related to its lease liability and property acquisition costs of \$0.1 million, which are all recorded within Investment in hotel properties, net.

### 4. Disposition of Hotel Properties

On April 22, 2025, the Company sold the Courtyard Houston-Medical Center ("CY Houston") hotel property in Houston, TX for \$23.5 million and recognized a gain on sale of the hotel property of \$0.1 million.

On March 17, 2025, the Company sold the Hampton Inn & Suites Houston-Medical Center ("HI Houston") hotel property in Houston, TX for \$15.5 million and recognized a gain on sale of the hotel property of \$1.8 million.

On January 30, 2025, the Company sold the Homewood Suites by Hilton Nashville-Brentwood ("HWS Brentwood") hotel property in Brentwood, TN for \$15.0 million and recognized a gain on sale of the hotel property of \$5.6 million.

On December 16, 2024, the Company sold the Homewood Suites by Hilton Minneapolis-Mall of America ("HWS Bloomington") hotel property in Bloomington, MN for \$13.8 million and recognized a loss on sale of the hotel property of \$0.8 million.

On December 6, 2024, the Company sold the Homewood Suites by Hilton Orlando-Maitland ("HWS Maitland") hotel property in Maitland, FL for \$15.5 million and recognized a gain on sale of the hotel property of \$6.7 million.

On January 9, 2024, the Company sold the Hilton Garden Inn Denver Tech Center ("HGI Denver Tech") hotel property in Denver, CO for \$18.0 million and recognized a loss on sale of the hotel property of \$0.2 million.

The sales did not represent a strategic shift that had or will have a major effect on the Company's operations and financial results and did not qualify to be reported as discontinued operations.

### 5. Investment in Hotel Properties

*Investment in hotel properties, net*

Investment in hotel properties, net as of September 30, 2025 and December 31, 2024 consisted of the following (in thousands):

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Land and improvements	\$ 270,053	\$ 280,415
Building and improvements	1,187,428	1,232,438
Furniture, fixtures and equipment	88,381	107,947
Finance lease assets	43,821	43,760
Renovations in progress	10,692	17,232
	<u>1,600,375</u>	<u>1,681,792</u>
Less accumulated depreciation and amortization	(473,331)	(484,274)
<b>Investment in hotel properties, net</b>	<b><u>\$ 1,127,044</u></b>	<b><u>\$ 1,197,518</u></b>

## 6. Debt

The Company's mortgage loans are collateralized by first-mortgage liens on certain of the Company's properties. The mortgage loans are non-recourse except for instances of fraud or misapplication of funds. Mortgage, revolving credit facility, and unsecured term loan debt consisted of the following (dollars in thousands):

Collateral	Interest Rate	Maturity Date	September 30, 2025	Balance Outstanding on Loan as of	
			Property Carrying Value	September 30, 2025	December 31, 2024
Revolving Credit Facility (1)	5.66%	September 25, 2029	\$ —	\$ —	\$ 110,000
Unsecured Term Loan (2)	5.61%	September 25, 2029	—	200,000	140,000
Hampton Inn & Suites Houston Medical Center, TX	4.25%	January 6, 2025	—	—	15,957
Courtyard by Marriott Dallas, TX	7.61%	September 11, 2028	38,680	24,500	24,500
Hyatt Place Pittsburgh, PA (3)	7.29%	June 11, 2029	29,089	23,300	23,300
Residence Inn by Marriott Austin, TX	7.42%	September 6, 2033	34,545	20,850	20,850
TownePlace Suites by Marriott Austin, TX	7.42%	September 6, 2033	29,172	19,075	19,075
Courtyard by Marriott Summerville, SC	7.33%	September 11, 2033	17,706	9,000	9,000
Residence Inn by Marriott Summerville, SC	7.33%	September 11, 2033	16,626	9,500	9,500
SpringHill Suites by Marriott Savannah, GA (4)	6.70%	June 6, 2034	32,057	22,000	22,000
Hampton Inn & Suites Exeter, NH (4)	6.70%	June 11, 2034	12,054	15,000	15,000
<b>Total debt before unamortized debt issue costs</b>			<b>\$ 209,929</b>	<b>\$ 343,225</b>	<b>\$ 409,182</b>
Unamortized term loan and mortgage debt issue costs				(4,379)	(2,332)
<b>Total debt outstanding</b>				<b>\$ 338,846</b>	<b>\$ 406,850</b>

- The interest rate for the revolving credit facility is variable and based on one-month term secured overnight financing rate ("SOFR") plus a spread of 1.50% to 2.25% based on the Company's leverage.
- The interest rate for the unsecured term loan is variable and based on one-month term SOFR plus a spread of 1.45% to 2.20% based on the Company's leverage.
- On May 31, 2024, a subsidiary of Chatham entered into an agreement with Wells Fargo Bank to obtain a \$23.3 million loan secured by the Hyatt Place Pittsburgh. The loan has a term of five years, carries a fixed interest rate of 7.29%, and is interest-only for its duration.
- On June 6, 2024, two subsidiaries of Chatham entered into two agreements with Barclays Capital Real Estate and Wells Fargo Bank to obtain a \$22.0 million loan secured by the SpringHill Suites Savannah and a \$15.0 million loan secured by the Hampton Inn & Suites Exeter. Each loan has a term of ten years, carries a fixed interest rate of 6.70%, and is interest-only for its duration.

On September 25, 2025, the Company entered into a new credit agreement for a credit facility (the "Credit Facility") consisting of a \$300.0 million unsecured revolving credit facility and a \$200.0 million unsecured term loan facility which replaced the existing \$260.0 million revolving credit facility and the existing \$140.0 million unsecured term loan facility. Proceeds from the new \$200.0 million funded term loan were used to repay the \$60.0 million of outstanding borrowings under the prior \$260.0 million revolving credit facility and the \$140.0 million of outstanding borrowings under the prior term loan. The new Credit Facility has an initial maturity date of September 25, 2029 and provides options to extend for one year. Total commitments of \$500.0 million under the new Credit Facility can be increased up to \$650.0 million through an accordion feature.

At September 30, 2025 and December 31, 2024, the Company had \$200.0 million and \$250.0 million, respectively, of outstanding borrowings under its revolving credit facility and unsecured term loan. At September 30, 2025, the aggregate maximum remaining borrowing availability under the Credit Facility was \$300.0 million.

During the nine months ended September 30, 2025, the Company repaid the maturing mortgage loan of \$16.0 million on the Hampton Inn Houston hotel property. During the year ended December 31, 2024, the Company repaid the maturing mortgage loans of \$29.3 million on the Residence Inn Garden Grove hotel property, \$34.9 million on the Residence Inn Mountain View hotel property, \$27.6 million on the SpringHill Suites Savannah hotel property, \$59.5 million on the Residence Inn Silicon Valley I hotel property, \$65.0 million on the Residence Inn Silicon Valley II hotel property, \$44.7 million on the Residence Inn San Mateo hotel property, \$18.8 million on the Hilton Garden Inn Marina del Rey hotel property, and \$14.2 million on the Homewood Suites Billerica hotel property. The Company utilized cash, borrowings under its unsecured credit facility and unsecured term loan, and proceeds from its eight new mortgage loans to repay these loans.

The Company estimates the fair value of its fixed rate debt by discounting the future cash flows of each instrument at estimated market rates. All of the Company's mortgage loans are fixed-rate. Rates take into consideration general market conditions, quality and estimated value of collateral and maturity of debt with similar credit terms and are classified within level 3 of the fair value hierarchy. The estimated fair value of the Company's fixed rate debt as of September 30, 2025 and December 31, 2024 was \$153.0 million and \$164.8 million, respectively.

The Company estimates the fair value of its variable rate debt by taking into account general market conditions and the estimated credit terms it could obtain for debt with similar maturity and is classified within level 3 of the fair value hierarchy. As of September 30, 2025, the Company's variable rate debt consisted of borrowings under its revolving credit facility and its unsecured term loan. The estimated fair value of the Company's variable rate debt as of September 30, 2025 and December 31, 2024 was \$200.0 million and \$250.0 million, respectively.

Future scheduled principal payments of debt obligations as of September 30, 2025, for the current year and each of the next five calendar years and thereafter are as follows (in thousands):

	<b>Amount</b>
2025 (remaining three months)	\$ —
2026	—
2027	—
2028	24,590
2029	223,681
Thereafter	94,954
<b>Total debt before unamortized debt issue costs</b>	<b>\$ 343,225</b>
Unamortized term loan and mortgage debt issue costs	(4,379)
<b>Total debt outstanding</b>	<b>\$ 338,846</b>

## 7. Income Taxes

The Company's TRS is subject to federal and state income taxes. Income tax expense was zero for the three and nine months ended September 30, 2025 and 2024.

As of each reporting date, the Company's management considers new evidence, both positive and negative, that could impact management's view with regard to future realization of deferred tax assets. The Company's TRS continues to have cumulative three-year taxable losses. As of September 30, 2025, the TRS continues to recognize a full valuation allowance equal to 100% of the net deferred tax assets. Management will continue to monitor the need for a valuation allowance.

## 8. Dividends Declared and Paid

### *Common Dividends*

The Company declared total dividends on common shares of \$ 0.27 per share and distributions on LTIP units of \$ 0.27 per unit for the nine months ended September 30, 2025. The Company declared total dividends on common shares of \$ 0.21 per share and distributions on LTIP units of \$ 0.21 per unit for the nine months ended September 30, 2024. The dividends on common shares and distributions on LTIP units were as follows:

	<b>Record Date</b>	<b>Payment Date</b>	<b>Common share distribution amount</b>	<b>LTIP unit distribution amount</b>
March	3/31/2025	4/15/2025	\$ 0.09	\$ 0.09
June	6/30/2025	7/15/2025	0.09	0.09
September	9/30/2025	10/15/2025	0.09	0.09
<b>Total 2025</b>			<b>\$ 0.27</b>	<b>\$ 0.27</b>

	<b>Record Date</b>	<b>Payment Date</b>	<b>Common share distribution amount</b>	<b>LTIP unit distribution amount</b>
March	3/28/2024	4/15/2024	\$ 0.07	\$ 0.07
June	9/30/2024	7/15/2024	0.07	0.07
September	9/28/2024	10/15/2024	0.07	0.07
<b>Total 2024</b>			<b>\$ 0.21</b>	<b>\$ 0.21</b>

### *Preferred Dividends*

During the nine months ended September 30, 2025 and 2024, the Company declared total dividends of \$1.24218 and \$1.24218, respectively, per share of 6.625% Series A Cumulative Redeemable Preferred Shares. The preferred share dividends were as follows:

	<b>Record Date</b>	<b>Payment Date</b>	<b>Dividend per Preferred Share</b>
March	3/31/2025	4/15/2025	\$ 0.41406
June	6/30/2025	7/15/2025	0.41406
September	9/30/2025	10/15/2025	0.41406
<b>Total 2025</b>			<b>\$ 1.24218</b>

	<b>Record Date</b>	<b>Payment Date</b>	<b>Dividend per Preferred Share</b>
March	3/28/2024	4/15/2024	\$ 0.41406
June	6/28/2024	7/15/2024	0.41406
September	9/30/2024	10/15/2024	0.41406



## 9. Shareholders' Equity

### *Common Shares*

The Company is authorized to issue up to 500,000,000 common shares of beneficial interest, \$0.01 par value per share ("common shares"). Each outstanding common share entitles the holder to one vote on all matters submitted to a vote of shareholders. Holders of the Company's common shares are entitled to receive dividends when authorized by the Company's Board of Trustees. As of September 30, 2025, 48,744,901 common shares were outstanding.

In January 2021, the Company established an "at-the-market" equity offering program (the "ATM Program") whereby, from time to time, the Company may publicly offer and sell its common shares having an aggregate offering price of up to \$100.0 million by means of ordinary brokers transactions on the New York Stock Exchange (the "NYSE"), in negotiated transactions or in transactions deemed to be "at-the-market" offerings as defined in Rule 415 under the Securities Act of 1933, as amended. The Company did not issue any shares under the ATM Program during the three and nine months ended September 30, 2025. As of September 30, 2025, there was approximately \$77.5 million in common shares available for issuance under the ATM Program.

In December 2017, the Company established a \$50.0 million dividend reinvestment and stock purchase plan (the "DRSPP") which was renewed in December 2020 and renewed again in January 2024. Under the DRSPP, shareholders may purchase additional common shares by reinvesting some or all of the cash dividends received on common shares. Shareholders may also make optional cash purchases of the Company's common shares subject to certain limitations detailed in the prospectuses for the DRSPP. During the three months ended September 30, 2025, the Company issued 2,118 common shares under the DRSPP at a weighted-average price per share of \$7.15, which generated \$15 thousand of proceeds. During the nine months ended September 30, 2025, the Company issued 5,842 common shares under the DRSPP at a weighted-average price per share of \$7.29, which generated \$43 thousand of proceeds. As of September 30, 2025, there was approximately \$49.9 million in common shares available for issuance under the DRSPP.

In May 2025, the Board of Trustees authorized and approved a \$25.0 million share repurchase program (the "Share Repurchase Program") of common shares of the Company. Under the Share Repurchase Program, the Company has the ability to repurchase up to \$25.0 million of common shares through open market purchases or other privately negotiated transactions at times and in amounts as the Company deems appropriate. The Share Repurchase Program has no time limit and may be suspended or discontinued at any time. During the three months ended September 30, 2025, the Company repurchased 255,213 common shares at a weighted-average price per share of \$7.18 for an aggregate purchase price, including commissions, of approximately \$1.8 million. During the nine months ended September 30, 2025, the Company repurchased 275,693 common shares at a weighted-average price per share of \$7.17 for an aggregate purchase price, including commissions, of approximately \$2.0 million. As of September 30, 2025, there was approximately \$23.0 million in common shares available for repurchase under the Share Repurchase Program.

### *Preferred Shares*

The Company is authorized to issue up to 100,000,000 preferred shares of beneficial interest, \$0.01 par value per share, in one or more series.

On June 30, 2021, the Company issued 4,800,000 6.625% Series A Cumulative Redeemable Preferred Shares of Beneficial Interest, \$0.01 par value per share (the "Series A Preferred Shares"), and received net proceeds of approximately \$115.9 million. The Series A Preferred Shares rank senior to common shares with respect to the payment of dividends and distributions of assets in the event of a liquidation, dissolution, or winding up. The Series A Preferred Shares do not have any maturity date and are not subject to mandatory redemptions or sinking fund requirements. The distribution rate is 6.625% per annum of the \$25.00 liquidation preference, which is equivalent to \$1.65625 per annum per Series A Preferred Share. Distributions on the Series A Preferred Shares are payable quarterly in arrears. The Company may not redeem the Series A Preferred Shares before June 30, 2026 except in limited circumstances to preserve the Company's status as a REIT for federal income tax purposes and upon the occurrence of a change of control. On and after June 30, 2026, the Company may, at its option, redeem the Series A Preferred Shares, in whole or from time to time in part, by paying \$25.00 per share, plus any accrued and unpaid distributions to, but not including, the date of redemption. Upon the occurrence of a change of control, as defined in the Company's declaration of trust, the result of which common shares and the common securities of the acquiring or surviving entity are not listed on the New York Stock Exchange, the NYSE American or NASDAQ, or any successor exchanges, the Company may, at its option, redeem the Series A Preferred Shares in whole or in part within 120 days following the change of control by paying \$25.00 per share, plus any accrued and unpaid distributions through the date of redemption. If the Company does not exercise its right to redeem the Series A Preferred Shares upon a change of control, the holders of Series A Preferred Shares have the right to convert some or all of their shares into a number of common shares based on defined formulas subject to share caps. The share cap on each Series A Preferred Share is 3.701 common shares. As of September 30, 2025, 4,800,000 Series A Preferred Shares were issued and outstanding. During the three months ended September 30, 2025, the Company paid preferred share dividends of \$2.0 million.

### *Operating Partnership Units*

Holders of common units in the Operating Partnership, if and when issued, will have certain redemption rights, which will enable the unit holders to cause the Operating Partnership to redeem their units in exchange for, at the Company's option, cash per unit equal to the market price per common share at the time of redemption or for common shares on a one-for-one basis. The number of shares issuable upon exercise of the redemption rights will be adjusted upon the occurrence of share splits, mergers, consolidations or similar pro-rata share transactions, which otherwise would have the effect of diluting the ownership interests of limited partners or shareholders. During the nine months ended September 30, 2025, the Company issued 33,396 of common shares in exchange for outstanding LTIP units on a one-for-one basis. As of September 30, 2025, there were 2,191,510 vested LTIP units held by current and former employees.

## 10. Earnings Per Share

The two-class method is used to determine earnings per share because unvested restricted shares and unvested LTIP units are considered to be participating shares. The LTIP units held by the non-controlling interest holders, which may be converted to common shares, have been excluded from the denominator of the diluted earnings per common share calculation as there would be no effect on the amounts since limited partners' share of income or loss would also be added back to net income or loss. Unvested restricted shares, unvested long-term incentive plan units and unvested Class A Performance LTIP units that could potentially dilute basic earnings per common share in the future would not be included in the computation of diluted loss per common share, for the periods where a loss has been recorded, because they would have been anti-dilutive for the periods presented. For the three months ended September 30, 2025 and 2024, the Company excluded zero and zero, respectively, of unvested shares and units as their effect would have been anti-dilutive. For the nine months ended September 30, 2025 and 2024, the Company excluded zero and 373,200, respectively, of unvested shares and units as their effect would have been anti-dilutive.

The following is a reconciliation of the amounts used in calculating basic and diluted net income per common share (in thousands, except share and per share data):

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
<b>Numerator:</b>				
Net income (loss) attributable to common shareholders	\$ 1,544	\$ 2,264	\$ 4,479	\$ (88)
Dividends on unvested shares and units	(49)	(32)	(148)	(96)
Net income (loss) attributable to common shareholders excluding amounts attributable to unvested shares and units	\$ 1,495	\$ 2,232	\$ 4,331	\$ (184)
<b>Denominator:</b>				
Weighted average number of common shares - basic	48,910,697	48,904,179	48,956,588	48,898,947
Unvested shares and units	689,553	162,285	1,111,504	—
Weighted average number of common shares - diluted	49,600,250	49,066,464	50,068,092	48,898,947
<b>Basic income (loss) per common share:</b>				
Net income (loss) attributable to common shareholders per weighted average basic common share	\$ 0.03	\$ 0.05	\$ 0.09	\$ —
<b>Diluted income (loss) per common share:</b>				
Net income (loss) attributable to common shareholders per weighted average diluted common share	\$ 0.03	\$ 0.05	\$ 0.09	\$ —

## 11. Equity Incentive Plan

The Company maintains its Equity Incentive Plan to attract and retain independent trustees, executive officers and other key employees. The plan provides for the grant of options to purchase common shares, share awards, share appreciation rights, performance units and other equity-based awards. The plan was amended on May 6, 2025 to increase the maximum number of shares available under the plan by 2,150,000 shares and to increase the individual grant limit with respect to performance units. The plan has a 10-year term that expires on March 22, 2032. Share awards under the plan generally vest over three to five years, though compensation for the Company's independent trustees includes share grants that vest immediately. The Company pays dividends on unvested shares and units, except for performance-based units, for which 10% of dividends on unvested performance-based units are paid and the remaining 90% of dividends are accrued and not paid until those units vest. Certain awards may provide for accelerated vesting if there is a change in control. In January 2025 and 2024, the Company issued 61,551 and 43,670 common shares, respectively, to its independent trustees as compensation for services performed in 2024 and 2023, respectively. As of September 30, 2025, there were 2,271,462 common shares available for issuance under the Equity Incentive Plan.

### *Restricted Share Awards*

From time to time, the Company may award restricted shares under the Equity Incentive Plan as compensation to officers, employees and non-employee trustees. The Company recognizes compensation expense for the restricted shares on a straight-line basis over the vesting period based on the fair market value of the shares on the date of issuance.

A summary of the Company's restricted share awards for the nine months ended September 30, 2025 and the year ended December 31, 2024 is as follows:

	For the nine months ended September 30, 2025		For the year ended December 31, 2024	
	Number of Shares	Weighted- Average Grant Date Fair Value	Number of Shares	Weighted- Average Grant Date Fair Value
Non-vested at beginning of the period	4,581	\$ 10.91	5,789	\$ 11.78
Granted	8,044	8.08	2,943	10.20
Vested	(1,800)	11.11	(4,151)	11.62
Non-vested at end of the period	<u>10,825</u>	<u>\$ 8.78</u>	<u>4,581</u>	<u>\$ 10.91</u>

As of September 30, 2025 and December 31, 2024, there were \$71 thousand and \$33 thousand, respectively, of unrecognized compensation costs related to restricted share awards. As of September 30, 2025, these costs were expected to be recognized over a weighted-average period of approximately 2.1 years. For the three months ended September 30, 2025 and 2024, the Company recognized approximately \$10 thousand and \$9 thousand, respectively, of expense related to the restricted share awards, and for the nine months ended September 30, 2025 and 2024, the Company recognized approximately \$28 thousand and \$37 thousand, respectively, of expense related to the restricted share awards.

### *Long-Term Incentive Plan Awards*

LTIP units are a special class of partnership interests in the Operating Partnership which may be issued to eligible participants for the performance of services to or for the benefit of the Company. Under the Equity Incentive Plan, each LTIP unit issued is deemed equivalent to an award of one common share thereby reducing the number of shares available for other equity awards on a one-for-one basis.

A summary of the Company's LTIP unit awards for the nine months ended September 30, 2025 and the year ended December 31, 2024 is as follows:

	For the nine months ended September 30, 2025		For the year ended December 31, 2024	
	Number of Units	Weighted- Average Grant Date Fair Value	Number of Units	Weighted- Average Grant Date Fair Value
Non-vested at beginning of the period	1,139,564	\$ 13.88	999,955	\$ 15.37
Granted	634,293	8.60	512,264	11.18
Vested	(315,563)	14.31	(322,025)	14.03
Forfeited	(80,731)	18.58	(50,630)	15.02
Non-vested at end of the period	<u>1,377,563</u>	<u>\$ 11.08</u>	<u>1,139,564</u>	<u>\$ 13.88</u>

### *Time-Based LTIP Awards*

On March 1, 2025, the Company's Operating Partnership, upon the recommendation of the Compensation Committee, granted 253,722 time-based LTIP unit awards (the "2025 Time-Based LTIP Unit Award"). The grants were made pursuant to award agreements that provide for time-based vesting (the "LTIP Unit Time-Based Vesting Agreement").

Time-based LTIP unit awards will vest ratably provided that the recipient remains employed by the Company through the applicable vesting date, subject to acceleration of vesting in the event of the recipient's death, disability, termination without cause or resignation with good reason, or in the event of a change of control of the Company. Prior to vesting, a holder is entitled to receive distributions on the LTIP units that comprise the 2025 Time-Based LTIP Unit Awards and the prior year LTIP unit awards set forth in the table above.

### Performance-Based LTIP Awards

On March 1, 2025, the Company's Operating Partnership, upon the recommendation of the Compensation Committee, also granted 380,571 performance-based LTIP unit awards (the "2025 Performance-Based LTIP Unit Awards"). The grants were made pursuant to award agreements that have market-based vesting conditions. The Performance-Based LTIP Unit Awards are comprised of Class A Performance LTIP Units that will vest only if and to the extent that (i) the Company achieves certain long-term market-based total shareholder return ("TSR") criteria established by the Compensation Committee and (ii) the recipient remains employed by the Company through the applicable vesting date, subject to acceleration of vesting in the event of the recipient's death, disability, termination without cause or resignation with good reason, or in the event of a change of control of the Company. Compensation expense is based on an estimated value of \$9.37 per 2025 Performance-Based LTIP Unit Award, which takes into account that the number of units that ultimately may vest will depend on the achievement of long-term market-based TSR criteria. The 2025 Performance-Based LTIP Unit Awards have an absolute negative TSR modifier which may reduce payout percentages if the absolute TSR over the measurement period is negative.

The 2025 Performance-Based LTIP Unit Awards may be earned based on the Company's relative TSR performance for the three-year period beginning on March 1, 2025 and ending on February 29, 2028. The 2025 Performance-Based LTIP Unit Awards, if earned, will be paid out between 50% and 200% of target value as follows:

	Relative TSR Hurdles (Percentile)	Payout Percentage
Threshold	25th	50%
Target	55th	100%
Maximum	80th	200%

Payouts at performance levels in between the hurdles will be calculated by straight-line interpolation.

The Company estimated the aggregate compensation cost to be recognized over the service period determined as of the grant date under ASC 718, excluding the effect of estimated forfeitures, using a Monte Carlo approach. In determining the discounted value of the LTIP units, the Company considered the inherent uncertainty that the LTIP units would never reach parity with the other common units of the Operating Partnership and thus have an economic value of zero to the grantee. Additional factors considered in estimating the value of LTIP units included discounts for illiquidity, expectations for future dividends, risk free interest rates, stock price volatility, and economic environment and market conditions.

The grant date fair values of the LTIPs and the assumptions used to estimate the values are as follows:

	Grant Date	Number of Units Granted	Estimated Value Per Unit	Volatility	Dividend Yield	Risk Free Interest Rate
2021 Time-Based LTIP Unit Awards	3/1/2021	132,381	\$ 12.52	78%	—%	0.08%
2021 Performance-Based LTIP Unit Awards (1)	3/1/2021	198,564	\$ 15.91	64%	3.4%	0.30%
2022 Time-Based LTIP Unit Awards	3/1/2022	152,004	\$ 12.33	80%	—%	1.01%
2022 Performance-Based LTIP Unit Awards (2)	3/1/2022	228,000	\$ 18.58	66%	3.5%	1.44%
2023 Time-Based LTIP Unit Awards	3/1/2023	171,171	\$ 11.11	37%	—%	5.11%
2023 Performance-Based LTIP Unit Awards	3/1/2023	256,757	\$ 16.64	69%	3.5%	4.61%
2024 Time-Based LTIP Unit Awards	3/1/2024	204,909	\$ 9.33	35%	—%	4.92%
2024 Performance-Based LTIP Unit Awards	3/1/2024	307,355	\$ 12.42	35%	2.6%	4.32%
2025 Time-Based LTIP Unit Awards	3/1/2025	253,722	\$ 7.44	29%	—%	4.14%
2025 Performance-Based LTIP Unit Awards	3/1/2025	380,571	\$ 9.37	33%	3.0%	4.04%

(1) In February 2024, following the end of the measurement period, the Company's TSR met certain criteria and based on the Company's TSR over the measurement period, 170,173 LTIP units vested.

(2) In February 2025, following the end of the measurement period, the Company's TSR met certain criteria and based on the Company's TSR over the measurement period, 142,905 LTIP units vested.

The Company recorded \$1.4 million and \$1.5 million in compensation expense related to the LTIP units for the three months ended September 30, 2025 and 2024, respectively, and \$4.3 million and \$4.5 million in compensation expense related to the LTIP units for the nine months ended September 30, 2025 and 2024, respectively. As of September 30, 2025 and December 31, 2024, there was \$7.9 million and \$6.8 million, respectively, of total unrecognized compensation cost related to LTIP units. This cost is expected to be recognized over approximately 1.9 years, which represents the weighted-average remaining vesting period of the LTIP units.

## 12. Leases

The Company is the lessee under ground, property, air rights, garage and office lease agreements for certain of its properties. The Company's leases are classified as operating or finance leases. The Company recognizes a ROU asset and lease liability at the estimated present value of the minimum lease payments over the lease term. These leases typically provide multi-year renewal options to extend the term as lessee at the Company's option. Option periods are included in the calculation of the lease obligation liability only when options are reasonably certain to be exercised.

In calculating the Company's lease obligations under the various leases, the Company uses discount rates estimated to be equal to what the Company would have to pay to borrow on a collateralized basis over a similar term, for an amount equal to the lease payments, in a similar economic environment. Lease obligations are based on contractually required cash payments, while lease expense is recognized on a straight-line basis for its operating leases and as interest expense on the lease liability for its finance lease.

### *Operating Leases*

The Residence Inn Gaslamp hotel property is subject to a ground lease with an expiration date of January 31, 2065 with an extension option by the Company of up to three additional terms of ten years each. Monthly payments are currently approximately \$49 thousand per month and increase 10% every five years. The hotel is subject to annual supplemental rent payments calculated as 5% of gross revenues during the applicable lease year, minus 12 times the monthly base rent scheduled for the lease year.

The Residence Inn New Rochelle hotel property is subject to an air rights lease and garage lease that each expire on December 1, 2104. The lease agreements with the City of New Rochelle cover the space above the parking garage that is occupied by the hotel as well as 128 parking spaces in a parking garage that is attached to the hotel. The annual base rent for the garage lease is the hotel's proportionate share of the city's adopted budget for the operations, management and maintenance of the garage and established reserves to fund for the cost of capital repairs. Aggregate rent for 2025 is approximately \$31 thousand per quarter.

The Hilton Garden Inn Marina del Rey hotel property is subject to a ground lease with an expiration date of December 31, 2067. Minimum monthly payments are currently approximately \$47 thousand per month and a percentage rent payment less the minimum rent is due in arrears equal to 5% to 25% of gross income based on the type of income.

The Company entered into a corporate office lease in September 2015. The lease is for a term of 11 years and includes a 12-month rent abatement period and certain tenant improvement allowances. The Company has a renewal option of up to two successive terms of five years each. On June 1, 2023, the Company executed an amendment to the corporate office lease to vacate and surrender possession of 7,374 rentable square feet in exchange for an early termination payment of \$0.1 million. The partial termination of this lease required the Company to apply ASC 842 and remeasure the right of use asset and lease liability and recognize those adjustments in the consolidated statement of operations. The Company shares the space with a related party and is reimbursed for the pro-rata share of rentable space occupied by the related party.

The Company entered into a new 10-year corporate office lease in May 2024, which was subsequently amended in September 2024, that will commence when the Company takes possession of the space for leasehold improvements, on or before September 1, 2026. Annual base rent will range from \$0.6 million to \$0.7 million over the term of the lease. The new office lease will be shared with a related party and the Company will be reimbursed for the pro-rata share of rentable space that will be occupied by the related party.

For the nine months ended September 30, 2025, the Company made \$1.0 million of fixed lease payments and \$0.5 million of variable lease payments, which are included in property taxes, ground rent and insurance in our consolidated statement of operations. For the nine months ended September 30, 2025, the Company made \$0.5 million of fixed lease payments related to its corporate office lease, which is included in general and administrative expense in our consolidated statement of operations.

### Finance Leases

The Home2 Phoenix hotel property is subject to a Government Property Lease Excise Tax ("GPLET") agreement with the City of Phoenix. As part of the agreement, title of the hotel property was conveyed to the City of Phoenix and leased back to the Company for a term of 8 years with fixed annual rent payments ranging from \$26 thousand to \$81 thousand. Title of the hotel property will be re-conveyed to the Company at no cost at the expiration of the 8-year lease term. The GPLET agreement can be terminated by the lessee at any time for a fee of \$0.1 million and title of the hotel property would be re-conveyed back to the Company.

The Home2 Phoenix ROU assets are recorded as finance lease assets within Investment in hotel properties, net and the lease liability is recorded within Lease liability in the Company's consolidated balance sheet. Expenses related to the finance lease are included in depreciation and amortization and interest expense, in the Company's consolidated statement of operations.

The following table includes information regarding the ROU assets and lease liabilities of the Company as of September 30, 2025 and December 31, 2024 (in thousands):

	Balance Sheet Classification	ROU Asset	
		as of September 30, 2025	as of December 31, 2024
Finance lease assets, net	Investment in hotel properties, net	\$ 41,384	\$ 42,750
Operating lease assets, net	Right of use asset, net	17,076	17,547
<b>Total ROU asset, net</b>		<b>\$ 58,460</b>	<b>\$ 60,297</b>

	Balance Sheet Classification	Lease Liability	
		as of September 30, 2025	as of December 31, 2024
Finance lease liability	Lease liability	\$ 277	\$ 285
Operating lease liability	Lease liability	19,934	20,349
<b>Total lease liability</b>		<b>\$ 20,211</b>	<b>\$ 20,634</b>

Lease Term and Discount Rate	September 30, 2025
Weighted-average remaining lease term (years)	41.78
Weighted-average discount rate	6.85%

The following table includes information regarding the Company's total minimum lease payments for which it is the lessee, as of September 30, 2025, for each of the next five calendar years and thereafter (in thousands):

Total Future Lease Payments	Amount
2025 (remaining three months)	\$ 489
2026	1,768
2027	1,313
2028	1,338
2029	1,338
Thereafter	61,172
Total lease payments	\$ 67,418
Less: Imputed interest	(47,207)
Present value of lease liabilities	<b>\$ 20,211</b>

### 13. Commitments and Contingencies

#### Litigation

The Company is subject to various claims, lawsuits and legal proceedings, including routine litigation arising in the ordinary course of business, regarding the operation of its hotels, its managers and other Company matters. While it is not possible to ascertain the ultimate outcome of such matters, the Company believes that the aggregate identifiable amount of such liabilities, if any, will not have a material adverse impact on its financial condition or results of operations.

#### Management Agreements

The management agreements with IHM have an initial term of five years and automatically renew for two five-year periods unless IHM provides written notice to us no later than 90 days prior to the then current term's expiration date of its intent not to renew. The IHM management agreements provide for early termination at the Company's option upon sale of any IHM-managed hotel for no termination fee, with six months advance notice. The IHM management agreements may be terminated for cause, including the failure of the managed hotel to meet specified performance levels. Base management fees are calculated as a percentage of the hotel's gross room revenue. If certain financial thresholds are met or exceeded, an incentive management fee is calculated as 10% of the hotel's net operating income less fixed costs, base management fees and a specified return threshold. The incentive management fee is capped at 1% of gross hotel revenues for the applicable calculation.

Management fees totaled approximately \$2.6 million and \$3.0 million for the three months ended September 30, 2025 and 2024, respectively, and \$7.6 million and \$8.1 million for the nine months ended September 30, 2025 and 2024, respectively.

#### Franchise Agreements

The fees associated with the franchise agreements are calculated as a specified percentage of the hotel's gross room revenue. Franchise and marketing fees totaled approximately \$6.3 million and \$7.0 million for the three months ended September 30, 2025 and 2024, respectively, and \$18.2 million and \$19.4 million for the nine months ended September 30, 2025 and 2024, respectively. The initial term of the agreements range from 10 to 30 years with the weighted-average expiration being October 2036.

#### 14. Related Party Transactions

As of September 30, 2025, Jeffrey H. Fisher, the Company's Chairman, President and Chief Executive Officer, owns 100% of IHM. As of September 30, 2025, the Company had hotel management agreements with IHM to manage all 34 of its hotels. Hotel management, revenue management and accounting fees accrued or paid to IHM for the hotels owned by the Company for the three months ended September 30, 2025 and 2024 were \$2.6 million and \$3.0 million, respectively, and for the nine months ended September 30, 2025 and 2024 were \$7.6 million and \$8.1 million, respectively. At September 30, 2025 and December 31, 2024, the amounts due to IHM were \$0.6 million and \$0.5 million, respectively.

Cost reimbursements from related parties revenue represent reimbursements of costs incurred on behalf of IHM. These costs relate primarily to office expenses shared with IHM. Various shared office expenses and rent are paid by the Company and allocated to IHM based on the amount of square footage occupied by each entity. As the Company records cost reimbursements based upon costs incurred with no added markup, the revenue and related expense has no impact on the Company's operating income or net income. Cost reimbursements are recorded based upon the occurrence of a reimbursed activity.

#### 15. Segment Information

Management evaluates the Company's hotels as a single reportable segment as a result of aggregating multiple operating segments, because all of the Company's hotels have similar economic characteristics and provide similar services to similar types of customers. Our single reportable segment comprises the structure used by our Chief Executive Officer, Chief Operating Officer and Chief Financial Officer, who collectively have been determined to be our Chief Operating Decision Maker ("CODM"), to make key operating decisions and assess performance. Our CODM evaluates our single reportable segment's operating performance based on individual hotel property net income (loss) before interest expense, income tax expense, depreciation and amortization, corporate general and administrative expense, impairment loss, loss on early extinguishment of debt, other charges, interest and other income, and gains or losses on sales of hotel properties ("Adjusted Hotel EBITDA"). Our single reportable segment's assets are consistent with total assets included in the Company's consolidated balance sheets.

The following table includes revenue, significant hotel operating expenses, and Adjusted Hotel EBITDA for the Company's hotels, reconciled to Net income (loss) (in thousands):

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
<b>Revenue:</b>				
Room	\$ 71,923	\$ 80,236	\$ 207,737	\$ 221,762
Food and beverage	1,561	1,832	5,083	5,806
Other	4,649	4,826	13,715	13,695
Total hotel property level revenue (1)	78,133	86,894	226,535	241,263
<b>Expenses:</b>				
Room	15,469	17,011	45,255	49,110
Food and beverage	1,368	1,592	4,192	4,683
Telephone	292	343	884	991
Other hotel operating	1,171	1,188	3,353	3,031
General and administrative	6,667	7,506	20,703	21,903
Franchise and marketing fees	6,349	6,990	18,215	19,415
Advertising and promotions	1,923	1,677	5,185	4,604
Utilities	3,597	3,946	9,561	10,061
Repairs and maintenance	3,797	4,178	11,463	12,235
Management fees paid to related parties	2,600	2,959	7,575	8,118
Insurance	813	851	2,459	2,504
Property taxes, ground rent and insurance	5,328	6,453	17,205	17,728
Total hotel property level expenses	49,374	54,694	146,050	154,383
<b>Adjusted Hotel EBITDA</b>	<b>\$ 28,759</b>	<b>\$ 32,200</b>	<b>\$ 80,485</b>	<b>\$ 86,880</b>
<b>Reconciliation of Adjusted Hotel EBITDA to Net income</b>				
Interest expense, including amortization of deferred fees	(6,243)	(8,262)	(19,508)	(23,292)
Depreciation and amortization	(14,707)	(15,287)	(45,133)	(45,455)
Corporate general and administrative	(4,142)	(4,395)	(12,741)	(13,623)
Other charges	(16)	-	(24)	(77)
Loss on early extinguishment of debt	(174)	-	(174)	(17)
Interest and other income	71	97	192	1,627
Gain (loss) on sale of hotel properties	39	(14)	7,507	(154)
<b>Net income</b>	<b>\$ 3,587</b>	<b>\$ 4,339</b>	<b>\$ 10,604</b>	<b>\$ 5,889</b>

(1) The difference between total hotel property level revenue and total revenue on the consolidated statements of operations is due to reimbursable costs from related parties of \$0.3 million and \$0.3 million for the three months ended September 30, 2025 and 2024, respectively, and \$0.8 million and \$0.8 million for the nine months ended September 30, 2025 and 2024, respectively.

**16. Subsequent Events**

In October 2025, the Company repurchased 229,959 common shares at a weighted-average price per share of \$6.47 under its Share Repurchase Program for an aggregate purchase price of approximately \$1.5 million.

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this report and in our Annual Report on Form 10-K for the year ended December 31, 2024. In this report, we use the terms “the Company,” “we” or “our” to refer to Chatham Lodging Trust and its consolidated subsidiaries, unless the context indicates otherwise.

### Statement Regarding Forward-Looking Information

The following information contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These forward-looking statements include information about possible or assumed future results of the lodging industry and our business, financial condition, liquidity, results of operations, cash flow and plans and objectives. These statements generally are characterized by the use of the words “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” “should,” “may,” “will,” “could” or similar expressions. Although we believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, such forward-looking statements relate to future events, our plans, strategies, prospects and future financial performance, and involve known and unknown risks that are difficult to predict, uncertainties and other factors that are, in some cases, beyond our control and which could differ materially from those set forth in the forward-looking statements. Important factors that we think could cause our actual results to differ materially from expected results are summarized below. Some factors that might cause such a difference include the following: local, national and global economic conditions, uncertainty surrounding the financial stability of the United States, Europe and China, increased direct competition, changes in government regulations or accounting rules, changes in local, national and global real estate conditions, declines in lodging industry fundamentals, increased operating costs, a potential recessionary environment, seasonality of the lodging industry, our ability to obtain debt and equity financing on satisfactory terms, changes in interest rates, our ability to identify suitable investments, our ability to close on identified investments, inaccuracies of our accounting estimates, the uncertainty and economic impact of pandemics like COVID-19, epidemics or other public health emergencies or fear of such events, the impact of and changes to various government programs, and our ability to dispose of selected hotel properties on the terms and timing we expect, if at all. Given these uncertainties, undue reliance should not be placed on such statements. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect future events or circumstances or to reflect the occurrence of unanticipated events. The forward-looking statements should also be read in light of the risk factors identified in the “Risk Factors” section in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 as updated by the Company’s subsequent filings with the SEC under the Exchange Act.

### Overview

We are a self-advised hotel investment company organized in October 2009 that commenced operations in April 2010. Our investment strategy is to invest in upscale extended-stay and premium-branded select-service hotels in geographically diverse markets with high barriers to entry near strong demand generators. We may acquire portfolios of hotels or single hotels. We expect that a significant portion of our portfolio will consist of hotels in the upscale extended-stay or select-service categories, including brands such as Homewood Suites by Hilton®, Residence Inn by Marriott®, Hyatt Place®, Courtyard by Marriott®, SpringHill Suites by Marriott®, Hilton Garden Inn by Hilton®, Embassy Suites®, Hampton Inn®, Hampton Inn and Suites®, Home2 Suites by Hilton® and TownePlace Suites by Marriott®.

The Company’s future hotel acquisitions may be funded by issuances of both common and preferred shares or the issuance of partnership interests in our operating partnership, Chatham Lodging, L.P. (the “Operating Partnership”), draw-downs under our revolving credit facility, the incurrence or assumption of debt, available cash, or proceeds from dispositions of assets. We intend to acquire quality assets at attractive prices and improve their returns through knowledgeable asset management and seasoned, proven hotel management while remaining prudently leveraged.

At September 30, 2025, our leverage ratio was 20.6% measured as the ratio of our net debt (total debt outstanding before deferred financing costs less unrestricted cash and cash equivalents) to hotel investments at cost. Over the past several years, we have maintained a leverage ratio between the low 20s and the low 50s. As of September 30, 2025, we have total debt of \$343.2 million at a weighted-average interest rate of approximately 6.29%.

We are a real estate investment trust (“REIT”) for federal income tax purposes. In order to qualify as a REIT under the Internal Revenue Code of 1986, as amended (the “Code”), we cannot operate our hotels. Therefore, the Operating Partnership and its subsidiaries lease our hotel properties to taxable REIT subsidiary lessees (“TRS Lessees”), who in turn engage eligible independent contractors to manage the hotels. Each of the TRS Lessees is treated as a taxable REIT subsidiary for federal income tax purposes and is consolidated within our financial statements for accounting purposes. However, since we control both the Operating Partnership and the TRS Lessees, our principal source of funds on a consolidated basis is from the operations of our hotels. The earnings of the TRS Lessees are subject to taxation as regular C corporations, as defined in the Code, potentially reducing the TRS Lessees’ cash available to pay dividends to us, and therefore our funds from operations and the cash available for distribution to our shareholders.

### Key Indicators of Operating Performance and Financial Condition

We measure financial condition and hotel operating performance by evaluating non-financial and financial metrics and measures such as:

- Average Daily Rate (“ADR”), which is the quotient of room revenue divided by total rooms sold;
- Occupancy, which is the quotient of total rooms sold divided by total rooms available;
- Revenue Per Available Room (“RevPAR”), which is the product of occupancy and ADR, and does not include food and beverage revenue, or other operating revenue;
- Funds From Operations (“FFO”);
- Adjusted FFO;
- Earnings before interest, taxes, depreciation and amortization (“EBITDA”);
- EBITDA<sub>re</sub>;
- Adjusted EBITDA; and
- Adjusted Hotel EBITDA.

We evaluate the hotels in our portfolio and potential acquisitions using these metrics to determine each hotel’s contribution toward providing income to our shareholders through increases in distributable cash flow and increasing long-term total returns through appreciation in the value of our common shares. RevPAR, ADR and Occupancy are hotel industry measures commonly used to evaluate operating performance.

See “Non-GAAP Financial Measures” for further discussion of FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA.

## Results of Operations

### Industry Outlook

Smith Travel Research reported that U.S. lodging industry RevPAR decreased 1.4% for the three months ended September 30, 2025, with RevPAR down 1.1% in July 2025, down 1.0% in August 2025 and down 2.1% in September 2025. RevPAR growth slowed starting in March 2025 and we believe there is relatively limited visibility toward industry performance for the remainder of 2025.

### Comparison of the three months ended September 30, 2025 to the three months ended September 30, 2024

Results of operations for the three months ended September 30, 2025 include the operating activities of the hotels we owned during the period. We sold one hotel located in Maitland, FL on December 6, 2024, sold one hotel located in Bloomington, MN on December 16, 2024, sold one hotel located in Brentwood, TN on January 30, 2025, sold one hotel located in Houston, TX on March 17, 2025, and sold one hotel located in Houston, TX on April 22, 2025. The changes in results described below were driven primarily by a decline in RevPAR, the sales of five hotels, and inflationary cost pressures.

### Revenues

Revenue, which consists primarily of room, food and beverage and other operating revenues from our hotels, was as follows for the periods indicated (dollars in thousands):

	For the three months ended		% Change
	September 30, 2025	September 30, 2024	
Room	\$ 71,923	\$ 80,236	(10.4)%
Food and beverage	1,561	1,832	(14.8)%
Other	4,649	4,826	(3.7)%
Reimbursable costs from related parties	276	283	(2.5)%
<b>Total revenue</b>	<b>\$ 78,409</b>	<b>\$ 87,177</b>	<b>(10.1)%</b>

Total revenue was \$78.4 million for the three months ended September 30, 2025, down \$8.8 million compared to total revenue of \$87.2 million for the corresponding 2024 period. The decrease in total revenue primarily was related to the 2.5% decrease in same property RevPAR and the sales of five hotels. The five sold hotels contributed zero revenue during the three months ended September 30, 2025, down \$7.0 million from the \$7.0 million that the sold hotels contributed for the corresponding 2024 period. Since all of our hotels are select-service or limited-service hotels, room revenue is the primary revenue source as these hotels do not have significant food and beverage revenue or large group conference facilities. Room revenue comprised 91.7% and 92.0% of total revenue for the three months ended September 30, 2025 and 2024, respectively.

Food and beverage revenue was \$1.6 million for the three months ended September 30, 2025, down \$0.2 million compared to \$1.8 million for the corresponding 2024 period.

Other operating revenue is comprised of parking, meeting room, gift shop, in-room movie and other ancillary amenities revenue. Other operating revenue was \$4.6 million and \$4.8 million for the three months ended September 30, 2025 and 2024, respectively.

Reimbursable costs from related parties were \$0.3 million and \$0.3 million for the three months ended September 30, 2025 and 2024, respectively. The cost reimbursements were offset by the reimbursed costs from related parties included in operating expenses.

In the table below, we present both actual and same property room revenue metrics. Actual Occupancy, ADR and RevPAR metrics reflect the performance of the hotels for the actual days such hotels were owned by the Company during the periods presented. Same property Occupancy, ADR and RevPAR reflect results for the hotels owned by us as of September 30, 2025 that have been in operation for a full year regardless of our ownership during the period presented, which is a non-GAAP financial measure. Results for the hotels for periods prior to our ownership were provided to us by prior owners and have not been adjusted by us.

	For the three months ended September 30,				% Change	
	2025		2024		Same Property (34 hotels)	Actual (34/39 hotels)
	Same Property (34 hotels)	Actual (34 hotels)	Same Property (34 hotels)	Actual (39 hotels)		
Occupancy	79.0%	79.0%	79.5%	79.2%	(0.6)%	(0.3)%
ADR	\$ 191.59	\$ 191.59	\$ 195.16	\$ 187.07	(1.8)%	2.4%
RevPAR	\$ 151.33	\$ 151.33	\$ 155.14	\$ 148.25	(2.5)%	2.1%

For the three months ended September 30, 2025 same property RevPAR decreased 2.5% due to a decrease in occupancy of 0.6% and a decrease in ADR of 1.8%. Same property RevPAR decreased 1.9% in July 2025, decreased 2.9% in August 2025, and decreased 2.6% in September 2025. Same property RevPAR was \$156.48 in July 2025, \$143.78 in August 2025 and \$153.81 in September 2025.

*Hotel Operating Expenses*

Hotel operating expenses consist of the following for the periods indicated (dollars in thousands):

	<b>For the three months ended</b>		<b>% Change</b>
	<b>September 30, 2025</b>	<b>September 30, 2024</b>	
Hotel operating expenses:			
Room	\$ 15,469	\$ 17,011	(9.1)%
Food and beverage	1,368	1,592	(14.1)%
Telephone	292	343	(14.9)%
Other hotel operating	1,171	1,188	(1.4)%
General and administrative	6,667	7,506	(11.2)%
Franchise and marketing fees	6,349	6,990	(9.2)%
Advertising and promotions	1,923	1,677	14.7%
Utilities	3,597	3,946	(8.8)%
Repairs and maintenance	3,797	4,178	(9.1)%
Management fees	2,600	2,959	(12.1)%
Insurance	813	851	(4.5)%
<b>Total hotel operating expenses</b>	<b>\$ 44,046</b>	<b>\$ 48,241</b>	<b>(8.7)%</b>

Hotel operating expenses decreased \$4.2 million, or 8.7%, to \$44.0 million for the three months ended September 30, 2025 from \$48.2 million for the three months ended September 30, 2024. The five sold hotels contributed zero in operating expenses for the three months ended September 30, 2025, down \$4.6 million from the \$4.6 million that the sold hotels contributed for the corresponding 2024 period. This was partially offset by inflationary cost increases.

Room expenses, which are the most significant component of hotel operating expenses, decreased \$1.5 million from \$17.0 million for the three months ended September 30, 2024 to \$15.5 million for the three months ended September 30, 2025. The decrease in room expenses was related primarily to the decrease in costs from the sales of five hotels, partially offset by the increase in costs from the impact of inflation.

The remaining hotel operating expenses decreased \$2.6 million, from \$31.2 million for the three months ended September 30, 2024 to \$28.6 million for the three months ended September 30, 2025.

*Depreciation and Amortization*

Depreciation and amortization expense was \$14.7 million and \$15.3 million for the three months ended September 30, 2025 and 2024, respectively. The decrease was primarily related to the sales of five hotels.

*Property Taxes, Ground Rent and Insurance*

Total property taxes, ground rent and insurance expenses decreased \$1.2 million from \$6.5 million for the three months ended September 30, 2024 to \$5.3 million for the three months ended September 30, 2025. The decrease was primarily related to the sales of five hotels and successful property tax appeals at multiple hotel properties.

*General and Administrative*

General and administrative expenses principally consist of employee-related costs, including base payroll, bonuses and amortization of restricted stock and awards of long-term incentive plan units ("LTIP units"). These expenses also include corporate operating costs, professional fees and trustees' fees. Total general and administrative expenses (excluding amortization of share-based compensation of \$1.5 million and \$1.7 million for the three months ended September 30, 2025 and 2024, respectively) was \$2.6 million for the three months ended September 30, 2025 versus \$2.7 million for the three months ended September 30, 2024.

*Reimbursable Costs from Related Parties*

Reimbursable costs from related parties, comprised of shared office expenses and rent, were \$0.3 million and \$0.3 million for the three months ended September 30, 2025 and 2024, respectively. The cost reimbursements were offset by the cost reimbursements from related parties included in revenues.

*Interest and Other Income*

Interest on cash and cash equivalents and other income was \$0.1 million and \$0.1 million for the three months ended September 30, 2025 and 2024, respectively.

### Interest Expense, Including Amortization of Deferred Fees

Interest expense decreased \$2.1 million from \$8.3 million for the three months ended September 30, 2024 to \$6.2 million for the three months ended September 30, 2025 and is comprised of the following (dollars in thousands):

	<b>For the three months ended</b>		<b>% Change</b>
	<b>September 30, 2025</b>	<b>September 30, 2024</b>	
Mortgage debt interest	\$ 2,648	\$ 2,994	(11.6)%
Credit facility and term loan interest and unused fees	3,244	4,883	(33.6)%
Interest on finance lease liability	6	6	0.0%
Amortization of deferred financing costs	345	379	(9.0)%
<b>Total</b>	<b>\$ 6,243</b>	<b>\$ 8,262</b>	<b>(24.4)%</b>

The decrease in interest expense was due to lower debt balances during the three months ended September 30, 2025 than during the three months ended September 30, 2024.

### Loss on Early Extinguishment of Debt

Loss on early extinguishment of debt was \$0.2 million and zero for the three months ended September 30, 2025 and 2024, respectively. The loss in 2025 was related to the Company entering into a new unsecured revolving credit facility and the write-off of unamortized deferred financing fees from the prior facility.

### Income Tax Expense

Income tax expense remained unchanged at zero for the three months ended September 30, 2025 and 2024. We are subject to income taxes based on the taxable income of our TRS Lessees at a combined federal and state tax rate of approximately 25%. The Company's TRS continues to have cumulative three-year taxable losses and recognizes a full valuation allowance equal to 100% of the gross deferred tax assets due to the uncertainty of the TRS's ability to utilize these deferred tax assets.

### Net Income (Loss)

Net income was \$3.6 million for the three months ended September 30, 2025, compared to net income of \$4.3 million for the three months ended September 30, 2024. The change in net income was primarily due to the factors discussed above.

### Comparison of the nine months ended September 30, 2025 to the nine months ended September 30, 2024

Results of operations for the nine months ended September 30, 2025 include the operating activities of the hotels we owned during the period. We sold one hotel located in Denver, CO on January 9, 2024, sold one hotel located in Maitland, FL on December 6, 2024, sold one hotel located in Bloomington, MN on December 16, 2024, sold one hotel located in Brentwood, TN on January 30, 2025, sold one hotel located in Houston, TX on March 17, 2025, and sold one hotel located in Houston, TX on April 22, 2025. We acquired one hotel located in Phoenix, AZ on May 30, 2024. The changes in results described below were driven primarily by the sales of six hotels, the acquisition of one hotel and inflationary cost pressures.

### Revenues

Revenue, which consists primarily of room, food and beverage and other operating revenues from our hotels, was as follows for the periods indicated (dollars in thousands):

	<b>For the nine months ended</b>		<b>% Change</b>
	<b>September 30, 2025</b>	<b>September 30, 2024</b>	
Room	\$ 207,737	\$ 221,762	(6.3)%
Food and beverage	5,083	5,806	(12.5)%
Other	13,715	13,695	0.1%
Reimbursable costs from related parties	802	836	(4.1)%
<b>Total revenue</b>	<b>\$ 227,337</b>	<b>\$ 242,099</b>	<b>(6.1)%</b>

Total revenue was \$227.3 million for the nine months ended September 30, 2025, down \$14.8 million compared to total revenue of \$242.1 million for the corresponding 2024 period. The decrease in total revenue primarily was related to the decrease in revenue from the sales of six hotels that contributed \$3.7 million in revenue for the nine months ended September 30, 2025, down \$17.9 million from the \$21.6 million that the sold hotels contributed for the corresponding 2024 period. This was partially offset by a 0.2% increase in same property RevPAR and the increase in revenue from the acquisition of one hotel that contributed \$6.4 million of revenue during the nine months ended September 30, 2025, up \$4.6 million from the \$1.8 million that the acquired hotel contributed for the corresponding 2024 period. Since all of our hotels are select-service or limited-service hotels, room revenue is the primary revenue source as these hotels do not have significant food and beverage revenue or large group conference facilities. Room revenue comprised 91.4% and 91.6% of total revenue for the nine months ended September 30, 2025 and 2024, respectively.

Food and beverage revenue was \$5.1 million for the nine months ended September 30, 2025, down \$0.7 million compared to \$5.8 million for the corresponding 2024 period.

Other operating revenue is comprised of parking, meeting room, gift shop, in-room movie and other ancillary amenities revenue. Other operating revenue was \$13.7 million and \$13.7 million for the nine months ended September 30, 2025 and 2024, respectively.

Reimbursable costs from related parties were \$0.8 million and \$0.8 million for the nine months ended September 30, 2025 and 2024, respectively. The cost reimbursements were offset by the reimbursed costs from related parties included in operating expenses.

In the table below, we present both actual and same property room revenue metrics. Actual Occupancy, ADR and RevPAR metrics reflect the performance of the hotels for the actual days such hotels were owned by the Company during the periods presented. Same property Occupancy, ADR and RevPAR reflect results for the hotels owned by us as of September 30, 2025 that have been in operation for a full year regardless of our ownership during the period presented, which is a non-GAAP financial measure. Results for the hotels for periods prior to our ownership were provided to us by prior owners and have not been adjusted by us.

	For the nine months ended September 30,				% Change	
	2025		2024		Same Property (34 hotels)	Actual (37 / 40 hotels)
	Same Property (34 hotels)	Actual (37 hotels)	Same Property (34 hotels)	Actual (40 hotels)		
Occupancy	77.6%	77.4%	76.8%	77.1%	1.0%	0.4%
ADR	\$ 186.90	\$ 185.82	\$ 188.29	\$ 180.73	(0.7)%	2.8%
RevPAR	\$ 145.02	\$ 143.90	\$ 144.67	\$ 139.35	0.2%	3.3%

For the nine months ended September 30, 2025 same property RevPAR increased 0.2% due to an increase in occupancy of 1.0% and a decrease in ADR of 0.7%.

### Hotel Operating Expenses

Hotel operating expenses consist of the following for the periods indicated (dollars in thousands):

	For the nine months ended		% Change
	September 30, 2025	September 30, 2024	
Hotel operating expenses:			
Room	\$ 45,255	\$ 49,110	(7.8)%
Food and beverage	4,192	4,683	(10.5)%
Telephone	884	991	(10.8)%
Other hotel operating	3,353	3,031	10.6%
General and administrative	20,703	21,903	(5.5)%
Franchise and marketing fees	18,215	19,415	(6.2)%
Advertising and promotions	5,185	4,604	12.6%
Utilities	9,561	10,061	(5.0)%
Repairs and maintenance	11,463	12,235	(6.3)%
Management fees	7,575	8,118	(6.7)%
Insurance	2,459	2,504	(1.8)%
<b>Total hotel operating expenses</b>	<b>\$ 128,845</b>	<b>\$ 136,655</b>	<b>(5.7)%</b>

Hotel operating expenses decreased \$7.9 million, or 5.7%, to \$128.8 million for the nine months ended September 30, 2025 from \$136.7 million for the nine months ended September 30, 2024. The six sold hotels contributed \$2.4 million in operating expenses for the nine months ended September 30, 2025, down \$11.6 million from the \$14.0 million that the sold hotels contributed for the corresponding 2024 period. This was partially offset by the increase in operating expenses from the acquisition of one hotel that contributed \$3.4 million in operating expenses for the nine months ended September 30, 2025, up \$2.2 million from the \$1.2 million that the acquired hotel contributed for the corresponding 2024 period. The remaining change in operating expenses was related to inflationary cost pressures.

Room expenses, which are the most significant component of hotel operating expenses, decreased \$3.8 million from \$49.1 million for the nine months ended September 30, 2024 to \$45.3 million for the nine months ended September 30, 2025. The decrease in room expenses was related primarily to the decrease in costs from the sales of six hotels, partially offset by the increase in costs from the acquisition of one hotel and an increase in costs related to an increase in same property occupancies at our hotels.

The remaining hotel operating expenses decreased \$3.9 million, from \$87.5 million for the nine months ended September 30, 2024 to \$83.6 million for the nine months ended September 30, 2025.

### Depreciation and Amortization

Depreciation and amortization expense was \$45.1 million and \$45.5 million for the nine months ended September 30, 2025 and 2024, respectively.

### Property Taxes, Ground Rent and Insurance

Total property taxes, ground rent and insurance expenses decreased \$0.5 million from \$17.7 million for the nine months ended September 30, 2024 to \$17.2 million for the nine months ended September 30, 2025. The decrease was primarily related to the sales of six hotels partially offset by increases in property tax assessments.

### General and Administrative

General and administrative expenses principally consist of employee-related costs, including base payroll, bonuses and amortization of restricted stock and awards of long-term incentive plan units ("LTIP units"). These expenses also include corporate operating costs, professional fees and trustees' fees. Total general and administrative expenses (excluding amortization of share-based compensation of \$4.7 million and \$4.9 million for the nine months ended September 30, 2025 and 2024, respectively) was \$8.0 million for the nine months ended September 30, 2025 versus \$8.7 million for the nine months ended September 30, 2024.

*Reimbursable Costs from Related Parties*

Reimbursable costs from related parties, comprised of shared office expenses and rent, were \$0.8 million and \$0.8 million for the nine months ended September 30, 2025 and 2024, respectively. The cost reimbursements were offset by the cost reimbursements from related parties included in revenues.

*Interest and Other Income*

Interest on cash and cash equivalents and other income decreased \$1.4 million from \$1.6 million for the nine months ended September 30, 2024 to \$0.2 million for the nine months ended September 30, 2025. The decrease was due to lower cash balances during the nine months ended September 30, 2025.

*Interest Expense, Including Amortization of Deferred Fees*

Interest expense decreased \$3.8 million from \$23.3 million for the nine months ended September 30, 2024 to \$19.5 million for the nine months ended September 30, 2025 and is comprised of the following (dollars in thousands):

	<b>For the nine months ended</b>		<b>% Change</b>
	<b>September 30, 2025</b>	<b>September 30, 2024</b>	
Mortgage debt interest	\$ 7,867	\$ 13,148	(40.2)%
Credit facility and term loan interest and unused fees	10,605	9,092	16.6%
Interest on finance lease liability	19	8	137.5%
Amortization of deferred financing costs	1,017	1,044	(2.6)%
<b>Total</b>	<b>\$ 19,508</b>	<b>\$ 23,292</b>	<b>(16.2)%</b>

The decrease in interest expense was due to lower debt balances during the nine months ended September 30, 2025 than during the nine months ended September 30, 2024.

*Loss on Early Extinguishment of Debt*

Loss on early extinguishment of debt was \$0.2 million and \$17 thousand for the nine months ended September 30, 2025 and 2024, respectively. The loss in 2025 was related to the Company entering into a new unsecured revolving credit facility and the write-off of unamortized deferred financing fees from the prior facility.

*Income Tax Expense*

Income tax expense remained unchanged at zero for the nine months ended September 30, 2025 and 2024. We are subject to income taxes based on the taxable income of our TRS Lessees at a combined federal and state tax rate of approximately 25%. The Company's TRS continues to have cumulative three-year taxable losses and recognizes a full valuation allowance equal to 100% of the gross deferred tax assets due to the uncertainty of the TRS's ability to utilize these deferred tax assets.

*Net Income (Loss)*

Net income was \$10.6 million for the nine months ended September 30, 2025, compared to net income of \$5.9 million for the nine months ended September 30, 2024. The change in net income was primarily due to the factors discussed above.

## Non-GAAP Financial Measures

We consider the following non-GAAP financial measures useful to investors as key supplemental measures of our operating performance: (1) FFO, (2) Adjusted FFO, (3) EBITDA, (4) EBITDAre, (5) Adjusted EBITDA and (6) Adjusted Hotel EBITDA. These non-GAAP financial measures should be considered along with, but not as alternatives to, net income or loss as prescribed by GAAP as a measure of our operating performance.

FFO, Adjusted FFO, EBITDA, EBITDAre, Adjusted EBITDA and Adjusted Hotel EBITDA do not represent cash generated from operating activities under GAAP and should not be considered as alternatives to net income or loss, cash flows from operations or any other operating performance measure prescribed by GAAP. FFO, Adjusted FFO, EBITDA, EBITDAre, Adjusted EBITDA and Adjusted Hotel EBITDA are not measures of our liquidity, nor are FFO, Adjusted FFO, EBITDA, EBITDAre, Adjusted EBITDA and Adjusted Hotel EBITDA indicative of funds available to fund our cash needs, including our ability to make cash distributions. These measurements do not reflect cash expenditures for long-term assets and other items that have been and will be incurred. FFO, Adjusted FFO, EBITDA, EBITDAre, Adjusted EBITDA and Adjusted Hotel EBITDA may include funds that may not be available for management's discretionary use due to functional requirements to conserve funds for capital expenditures, property acquisitions, and other commitments and uncertainties.

We calculate FFO in accordance with standards established by Nareit, which defines FFO as net income or loss (calculated in accordance with GAAP), excluding gains or losses from sales of real estate, impairment write-downs, the cumulative effect of changes in accounting principles, plus depreciation and amortization (excluding amortization of deferred financing costs), and after adjustments for unconsolidated partnerships and joint ventures following the same approach. We believe that the presentation of FFO provides useful information to investors regarding our operating performance because it measures our performance without regard to specified non-cash items such as real estate depreciation and amortization, gain or loss on sale of real estate assets and certain other items that we believe are not indicative of the property level performance of our hotel properties. We believe that these items reflect historical cost of our asset base and our acquisition and disposition activities and are less reflective of our ongoing operations, and that by adjusting to exclude the effects of these items, FFO is useful to investors in comparing our operating performance between periods and between REITs that also report FFO using the Nareit definition.

We calculate Adjusted FFO by further adjusting FFO for certain additional items that are not addressed in Nareit's definition of FFO, including other charges, losses on the early extinguishment of debt and similar items related to unconsolidated real estate entities that we believe do not represent costs related to hotel operations. We believe that Adjusted FFO provides investors with another financial measure that may facilitate comparisons of operating performance between periods and between REITs that make similar adjustments to FFO.

The following is a reconciliation of net income (loss) to FFO and Adjusted FFO for the three and nine months ended September 30, 2025 and 2024 (in thousands, except share data):

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
<b>Funds From Operations ("FFO"):</b>				
Net income	\$ 3,587	\$ 4,339	\$ 10,604	\$ 5,889
Preferred dividends	(1,987)	(1,987)	(5,962)	(5,962)
Net income (loss) attributable to common shares and common units	1,600	2,352	4,642	(73)
(Gain) loss on sale of hotel properties	(39)	14	(7,507)	154
Depreciation of hotel properties owned	14,201	14,803	43,556	44,711
FFO attributable to common share and unit holders	15,762	17,169	40,691	44,792
Amortization of finance lease assets	457	430	1,428	580
Other charges	16	—	24	77
Loss on early extinguishment of debt	174	—	174	17
Adjusted FFO attributable to common share and unit holders	\$ 16,409	\$ 17,599	\$ 42,317	\$ 45,466
<b>Weighted average number of common shares and units</b>				
Basic	50,631,283	50,813,521	50,688,964	50,737,772
Diluted	51,320,836	50,975,806	51,800,467	51,110,972

Diluted weighted average common share and unit count used for calculation of Adjusted FFO per share may differ from diluted weighted average common share count used for calculation of GAAP Net Income per share due to the inclusion of LTIP units, which may be converted to common shares of beneficial interest if Net Income per share is negative and Adjusted FFO is positive. Unvested restricted shares and unvested LTIP units that could potentially dilute basic earnings per share in the future would not be included in the computation of diluted loss per share for the periods where a loss has been recorded because they would have been anti-dilutive for the periods presented.

Earnings before interest, taxes, depreciation and amortization ("EBITDA") is defined as net income or loss excluding: (1) interest expense; (2) provision for income taxes, including income taxes applicable to sales of assets; (3) depreciation and amortization; and (4) unconsolidated real estate entity items including interest, depreciation and amortization excluding gains and losses from sales of real estate. We consider EBITDA useful to an investor in evaluating and facilitating comparisons of our operating performance between periods and between REITs by removing the impact of our capital structure (primarily interest expense) and asset base (primarily depreciation and amortization) from our operating results. In addition, EBITDA is used as one measure in determining the value of hotel acquisitions and dispositions.

In addition to EBITDA, we present EBITDA<sub>re</sub> in accordance with Nareit guidelines, which defines EBITDA<sub>re</sub> as net income or loss excluding interest expense, income tax expense, depreciation and amortization expense, gains or losses from sales of real estate, impairment, and adjustments for unconsolidated joint ventures. We believe that the presentation of EBITDA<sub>re</sub> provides useful information to investors regarding the Company's operating performance and can facilitate comparisons of operating performance between periods and between REITs.

We also present Adjusted EBITDA, which includes additional adjustments for items such as other charges, gains or losses on extinguishment of indebtedness, the amortization of share-based compensation, and certain other expenses that we consider outside the normal course of operations. We believe that Adjusted EBITDA provides useful supplemental information to investors regarding our ongoing operating performance that, when considered with net income, EBITDA and EBITDA<sub>re</sub>, is beneficial to an investor's understanding of our performance.

The following is a reconciliation of net income (loss) to EBITDA, EBITDA<sub>re</sub> and Adjusted EBITDA for the three and nine months ended September 30, 2025 and 2024 (in thousands):

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
<b>Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"):</b>				
Net income	\$ 3,587	\$ 4,339	\$ 10,604	\$ 5,889
Interest expense, including amortization of deferred fees	6,243	8,262	19,508	23,292
Depreciation and amortization	14,707	15,287	45,133	45,455
EBITDA	24,537	27,888	75,245	74,636
(Gain) loss on sale of hotel properties	(39)	14	(7,507)	154
EBITDA <sub>re</sub>	24,498	27,902	67,738	74,790
Other charges	16	—	24	77
Loss on early extinguishment of debt	174	—	174	17
Share-based compensation	1,546	1,651	4,710	4,911
Adjusted EBITDA	\$ 26,234	\$ 29,553	\$ 72,646	\$ 79,795

Adjusted Hotel EBITDA is defined as net income before interest, income taxes, depreciation and amortization, corporate general and administrative, impairment loss, loss on early extinguishment of debt, other charges, interest and other income, losses on sales of hotel properties and income or loss from unconsolidated real estate entities. We present Adjusted Hotel EBITDA because we believe it is useful to investors in comparing our hotel operating performance between periods and comparing our Adjusted Hotel EBITDA to those of our peer companies.

The following is a presentation of, and a reconciliation of net income (loss) to, Adjusted Hotel EBITDA for the three and nine months ended September 30, 2025 and 2024 (in thousands):

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Net income	\$ 3,587	\$ 4,339	\$ 10,604	\$ 5,889
Add:				
Interest expense, including amortization of deferred fees	6,243	8,262	19,508	23,292
Depreciation and amortization	14,707	15,287	45,133	45,455
Corporate general and administrative	4,142	4,395	12,741	13,623
Other charges	16	—	24	77
Loss on early extinguishment of debt	174	—	174	17
Loss on sale of hotel properties	—	14	—	154
Less:				
Interest and other income	(71)	(97)	(192)	(1,627)
Gain on sale of hotel properties	(39)	—	(7,507)	—
Adjusted Hotel EBITDA	\$ 28,759	\$ 32,200	\$ 80,485	\$ 86,880

Although we present FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA because we believe they are useful to investors in comparing our operating performance between periods and between REITs that report similar measures, these measures have limitations as analytical tools. Some of these limitations are:

- FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA do not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA do not reflect funds available to make cash distributions;
- EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debts;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may need to be replaced in the future, and FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA do not reflect any cash requirements for such replacements;
- Non-cash compensation is and will remain a key element of our overall long-term incentive compensation package, although we exclude it as an expense when evaluating our ongoing operating performance for a particular period using Adjusted EBITDA;
- Adjusted FFO, Adjusted EBITDA and Adjusted Hotel EBITDA do not reflect the impact of certain cash charges (including acquisition transaction costs) that result from matters we consider not to be indicative of the underlying performance of our hotel properties; and
- Other companies in our industry may calculate FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA differently than we do, limiting their usefulness as comparative measures.

In addition, FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA do not represent cash generated from operating activities as determined by GAAP and should not be considered as alternatives to net income or loss, cash flows from operations or any other operating performance measure prescribed by GAAP. FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA are not measures of our liquidity. Because of these limitations, FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using FFO, Adjusted FFO, EBITDA, EBITDA<sub>re</sub>, Adjusted EBITDA and Adjusted Hotel EBITDA only supplementally. Our consolidated financial statements and the notes to those statements included elsewhere are prepared in accordance with GAAP.

## Sources and Uses of Cash

Our principal sources of cash include net cash from operations, availability under our credit facility, proceeds from debt and equity issuances, and proceeds from the sale of hotel properties. Our principal uses of cash include acquisitions, capital expenditures, operating costs, corporate expenditures, interest costs, debt repayments, common share repurchases, and distributions to equity holders.

Cash, cash equivalents, and restricted cash totaled \$21.4 million as of September 30, 2025, a decrease of \$8.5 million from December 31, 2024, primarily due to net cash provided by operating activities of \$51.8 million, net cash provided by investing activities of \$32.4 million, and net cash used in financing activities of \$92.7 million.

### *Cash from Operations*

Net cash flows provided by operating activities decreased \$9.1 million to \$51.8 million during the nine months ended September 30, 2025 compared to \$60.9 million during the nine months ended September 30, 2024. The decrease in cash from operating activities was primarily due to the sales of six hotels.

### *Investing Activities Cash Flows*

Net cash flows provided by investing activities increased \$84.5 million to \$32.4 million during the nine months ended September 30, 2025 compared to \$(52.1) million during the nine months ended September 30, 2024. For the nine months ended September 30, 2025, net cash flows provided by investing activities of \$32.4 million consisted of \$53.0 million in net proceeds related to the sales of three hotels, partially offset by \$20.4 million related to capital improvements on our hotels and \$0.1 million of payments of franchise application costs. For the nine months ended September 30, 2024, net cash flows used in investing activities of \$52.1 million consisted of \$24.9 million related to capital improvements on our hotels, \$43.7 million related to the acquisition of one hotel, and \$0.7 million of payments of franchise application costs, partially offset by \$17.2 million in net proceeds related to the sale of one hotel.

We expect to invest approximately \$5.7 million on renovations, discretionary and emergency expenditures on our existing hotels during the remainder of 2025, including improvements required under any brand PIP.

### *Financing Activities Cash Flows*

Net cash flows used in financing activities increased \$27.0 million to \$92.7 million during the nine months ended September 30, 2025 compared to \$65.7 million during the nine months ended September 30, 2024. For the nine months ended September 30, 2025, net cash flows used in financing activities of \$92.7 million were comprised of net repayments on our revolving credit facility of \$110.0 million, the repayment of mortgage debt of \$16.0 million, payments of financing costs of \$5.9 million, repurchases of common shares of \$2.0 million, distributions to common share and LTIP unit holders of \$13.0 million, and distributions on preferred shares of \$6.0 million, partially offset by net borrowings on our unsecured term loan of \$60.0 million. For the nine months ended September 30, 2024, net cash flows used in financing activities of \$65.7 million were comprised of the repayment of mortgage debt of \$282.9 million, distributions to common share and unit holders of \$10.8 million, distributions on preferred shares of \$6.0 million, payments of financing costs of \$1.1 million, and payments of offering costs on common shares of \$0.3 million, partially offset by net borrowings on our revolving credit facility of \$125.0 million, borrowings on our unsecured term loan of \$50.0 million, and proceeds from the issuance of mortgage debt of \$60.3 million.

We declared total dividends of \$ 0.27 and \$ 0.21 per common share and LTIP unit for the nine months ended September 30, 2025 and 2024, respectively. We declared total dividends of \$1.24218 and \$1.24218 per Series A preferred share for the nine months ended September 30, 2025 and 2024, respectively.

### *Material Cash Requirements*

Our material cash requirements include the following contractual obligations:

- At September 30, 2025, we had total debt principal and interest obligations of \$455.9 million with \$21.6 million of principal and interest payable within the next 12 months from September 30, 2025. The Company has no debt principal obligations payable during the next 12 months. See Note 6, “Debt” to our consolidated financial statements for additional information relating to our property loans, revolving credit facility and unsecured term loan.
- Lease payments due within the next 12 months from September 30, 2025 total \$2.0 million. See Note 12, “Leases” to our consolidated financial statements for additional information relating to our corporate office and ground leases.

## Liquidity and Capital Resources

At September 30, 2025, our leverage ratio was approximately 20.6% measured as the ratio of our net debt (total debt outstanding before deferred financing costs less unrestricted cash and cash equivalents) to hotel investments at cost. Over the past several years, we have maintained a leverage ratio between the low 20s and the low 50s. At September 30, 2025, we had total debt of \$343.2 million at an average interest rate of approximately 6.29%.

At September 30, 2025 and December 31, 2024, we had zero and \$110.0 million, respectively, in outstanding borrowings under our \$300.0 million revolving credit facility. We had \$200.0 million and \$140.0 million in outstanding borrowings under our unsecured term loan at September 30, 2025 and December 31, 2024, respectively.

Our revolving credit facility and term loan contain representations, warranties, covenants, terms and conditions customary for credit facilities of this type, including a maximum leverage ratio, a maximum secured leverage ratio, a maximum unsecured leverage ratio, a minimum fixed charge coverage ratio, a minimum unsecured interest coverage ratio, and minimum net worth financial covenants, limitations on (i) liens, (ii) incurrence of debt, (iii) investments, (iv) distributions, and (v) mergers and asset dispositions, covenants to preserve corporate existence and comply with laws, covenants on the use of proceeds and default provisions, including defaults for non-payment, breach of representations and warranties, insolvency, non-performance of covenants, cross-defaults and guarantor defaults. We were in compliance with all financial covenants at September 30, 2025.

In December 2017, we established a \$50.0 million dividend reinvestment and stock purchase plan (the "DRSPP") which renewed in December 2020 and renewed again in January 2024. Under the DRSPP, shareholders may purchase additional common shares by reinvesting some or all of the cash dividends received on common shares. Shareholders may also make optional cash purchases of common shares subject to certain limitations detailed in the prospectuses for the DRSPP. During the three months ended September 30, 2025, the Company issued 2,118 common shares under the DRSPP at a weighted-average price per share of \$7.15, which generated \$15 thousand of proceeds. During the nine months ended September 30, 2025, the Company issued 5,842 common shares under the DRSPP at a weighted-average price per share of \$7.29, which generated \$43 thousand of proceeds. As of September 30, 2025, there was approximately \$49.9 million in common shares available for issuance under the DRSPP.

In January 2021, we established an "at-the-market" equity offering program (the "ATM Program") whereby, from time to time, we may publicly offer and sell our common shares having an aggregate maximum offering price up to \$100.0 million by means of ordinary brokers transactions on the New York Stock Exchange (the "NYSE"), in negotiated transactions or in transactions that are deemed to be "at-the-market" offerings as defined in Rule 415 under the Securities Act of 1933, as amended. The Company did not issue any shares under the ATM Program during the three and nine months ended September 30, 2025. As of September 30, 2025, there was approximately \$77.5 million in common shares available for issuance under the ATM Program.

In May 2025, the Board of Trustees authorized and approved a \$25.0 million share repurchase program (the "Share Repurchase Program") of our common shares. Under the Share Repurchase Program, we have the ability to repurchase up to \$25.0 million of common shares through open market purchases or other privately negotiated transactions at times and in amounts as we deem appropriate. The Share Repurchase Program has no time limit and may be suspended or discontinued at any time. During the three months ended September 30, 2025, the Company repurchased 255,213 common shares at a weighted-average price per share of \$7.18 for an aggregate purchase price, including commissions, of approximately \$1.8 million. During the nine months ended September 30, 2025, the Company repurchased 275,693 common shares at a weighted-average price per share of \$7.17 for an aggregate purchase price, including commissions, of approximately \$2.0 million. As of September 30, 2025, there was approximately \$23.0 million in common shares available for repurchase under the Share Repurchase Program.

We expect to meet our short-term liquidity requirements generally through existing cash balances and availability under our credit facility. We believe that our existing cash balances and availability under our credit facility will be adequate to fund operating obligations, pay interest on any borrowings and fund dividends in accordance with the requirements for qualification as a REIT under the Code. We expect to meet our long-term liquidity requirements, such as hotel property acquisitions and development, and debt maturities or repayments through additional long-term secured and unsecured borrowings, the issuance of additional equity or debt securities or the possible sale of existing assets.

We intend to continue to invest in hotel properties as suitable opportunities arise. We intend to finance our future investments with free cash flow, the net proceeds from additional issuances of common and preferred shares, issuances of common units in our Operating Partnership or other securities, borrowings or asset sales. The success of our acquisition strategy depends, in part, on our ability to access additional capital through other sources. There can be no assurance that we will continue to make investments in properties that meet our investment criteria. Additionally, we may choose to dispose of certain hotels as a means to provide liquidity.

We had no material off-balance sheet arrangements at September 30, 2025.

## Dividend Policy

Our dividend policy for common shares has been to distribute, annually, approximately 100% of our annual taxable income. During the nine months ended September 30, 2025, the Company declared total dividends on common shares of \$ 0.27 per share and distributions on LTIP units of \$ 0.27 per unit. We plan to pay dividends required to maintain REIT status. The amount of any dividend is determined by our Board of Trustees.

Chatham declared dividends of \$1.24218 per share of 6.625% Series A Cumulative Redeemable Preferred Shares during the nine months ended September 30, 2025.

## Inflation

Operators of hotels, in general, possess the ability to adjust room rates daily to reflect the effects of inflation. However, competitive pressures may limit the ability of our management companies to raise room rates. Inflation may also affect our expenses and costs of capital investments by increasing, among other things, the costs of construction, labor, employee-related benefits, food, commodities and other materials, taxes, property and casualty insurance and utilities.

## **Seasonality**

Demand for our hotels is affected by recurring seasonal patterns. Generally, we expect that we will have lower revenue, operating income and cash flow in the first and fourth quarters and higher revenue, operating income and cash flow in the second and third quarters. These general trends are, however, influenced by overall economic cycles and the geographic locations of our hotels. To the extent that cash flow from operations is insufficient during any quarter, due to temporary or seasonal fluctuations in revenue, we expect to utilize cash on hand or borrowings under our credit facility to pay expenses, debt service or to make distributions to our equity holders.

## **Critical Accounting Estimates**

Our consolidated financial statements have been prepared in conformity with GAAP, which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of our financial statements and the reported amounts of revenues and expenses during the reporting period. While we do not believe the reported amounts would be materially different, application of these policies involves the exercise of judgment and the use of assumptions as to future uncertainties and, as a result, actual results could differ from these estimates. We evaluate our estimates and judgments on an ongoing basis. We base our estimates on experience and on various other assumptions that are believed to be reasonable under the circumstances. All of our significant accounting policies, including certain critical accounting estimates, are disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

### Item 3. Quantitative and Qualitative Disclosures about Market Risk.

We may be exposed to interest rate changes primarily as a result of maintaining floating rate borrowings under our revolving credit facility and term loan, assumption of long-term debt in connection with our acquisitions, and upon refinancing of existing debt. Our interest rate risk management objectives are to limit the impact of interest rate changes on earnings and cash flows and to lower overall borrowing costs. To achieve these objectives, we seek to borrow primarily at fixed rates or variable rates with the lowest margins available and, in some cases, with the ability to convert variable rates to fixed rates. With respect to variable rate financing, we will assess interest rate risk by identifying and monitoring changes in interest rate exposures that may adversely impact expected future cash flows and by evaluating hedging opportunities.

The Company estimates the fair value of its fixed rate debt by discounting the future cash flows of each instrument at estimated market rates. Rates take into consideration general market conditions, maturity and fair value of the underlying collateral. The estimated fair value of the Company's fixed rate debt at September 30, 2025 and December 31, 2024 was \$153.0 million and \$164.8 million, respectively.

At September 30, 2025, our consolidated debt was comprised of floating and fixed interest rate debt. The fair value of our fixed rate debt indicates the estimated principal amount of debt having the same debt service requirements that could have been borrowed at the date presented, at then current market interest rates. The following table provides information about the maturities of our financial instruments as of September 30, 2025 that are sensitive to changes in interest rates (dollars in thousands):

	2025	2026	2027	2028	2029	Thereafter	Total/ Weighted Average	Fair Value
<b>Floating rate:</b>								
Debt	—	—	—	—	\$ 200,000	—	\$ 200,000	\$ 200,000
Average interest rate	—	—	—	—	5.61%	—	5.61%	
<b>Fixed rate:</b>								
Debt	—	—	—	\$ 24,590	\$ 23,681	\$ 94,954	\$ 143,225	\$ 153,020
Average interest rate	—	—	—	7.61%	7.29%	7.12%	7.23%	

As of September 30, 2025, we estimate that a hypothetical 100 basis points increase in SOFR would result in additional interest of approximately \$2.0 million annually. This assumes that the amount of floating rate debt outstanding on our revolving credit facility and unsecured term loan remains \$200.0 million, the total balance as of September 30, 2025.

### Item 4. Controls and Procedures.

#### *Disclosure Controls and Procedures*

#### **Evaluation of Disclosure Controls and Procedures**

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management to allow timely decisions regarding required disclosure.

#### **Changes in Internal Control over Financial Reporting**

There have been no changes in our internal control over financial reporting that occurred during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II. OTHER INFORMATION****Item 1. Legal Proceedings.**

The Company is subject to various claims, lawsuits and legal proceedings, including routine litigation arising in the ordinary course of business, regarding the operation of its hotels, its managers and other Company matters. While it is not possible to ascertain the ultimate outcome of such matters, the Company believes that the aggregate identifiable amount of such liabilities, if any, will not have a material adverse impact on its financial condition or results of operations.

**Item 1A. Risk Factors.**

There have been no material changes to the Risk Factors previously disclosed under Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2024.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.****Issuer Purchases of Equity Securities****Common Shares**

The following is a summary of all share repurchases during the third quarter of 2025:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(1)</sup> (in thousands)
July 1, 2025 - July 31, 2025	20,559	\$ 7.15	20,559	\$ —
August 1, 2025 - August 31, 2025	86,508	\$ 7.27	86,508	\$ —
September 1, 2025 - September 30, 2025	148,146	\$ 7.13	148,146	\$ —
Total	<u>255,213</u>	<u>\$ 7.18</u>	<u>255,213</u>	<u>\$ 23,024</u>

(1) In May 2025, our Board of Trustees authorized and approved a \$25.0 million share repurchase program of our common shares. Under this program, we may repurchase common shares through open market purchases or other privately negotiated transactions at times and in amounts as we deem appropriate. The program has no time limit and may be suspended or discontinued at any time. As of September 30, 2025, \$23.0 million of common shares remained available for repurchase under this program.

**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Mine Safety Disclosures.**

Not applicable.

**Item 5. Other Information.**

During the three months ended September 30, 2025, none of the Company's trustees or officers adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933).

**Item 6. Exhibits.**

The following exhibits are filed as part of this report:

<b><u>Exhibit Number</u></b>	<b><u>Description of Exhibit</u></b>
<a href="#">3.1</a>	Articles of Amendment and Restatement of Chatham Lodging Trust <sup>(1)</sup>
<a href="#">3.2</a>	Articles of Amendment of Chatham Lodging Trust <sup>(2)</sup>
<a href="#">3.3</a>	Fourth Amended and Restated Bylaws of Chatham Lodging Trust <sup>(3)</sup>
<a href="#">3.4</a>	Articles Supplementary to the Company's Declaration of Trust designating the 6.625% Series A Cumulative Redeemable Preferred Shares of Beneficial Interest, \$0.01 par value per share <sup>(4)</sup>
<a href="#">10.1</a>	Credit Agreement, dated as of September 25, 2025, among the Operating Partnership, as the borrower, the Registrant, as the parent REIT and a guarantor, certain subsidiaries of the borrower, as guarantors, Bank of America, N.A., as administrative agent and L/C issuer, and the other lenders party thereto. <sup>(5)</sup>
<a href="#">31.1</a> †	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section #302 of the Sarbanes-Oxley Act of 2002
<a href="#">31.2</a> †	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section #302 of the Sarbanes-Oxley Act of 2002
<a href="#">32.1</a> ††	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section #906 of the Sarbanes-Oxley Act of 2002
101.INS	The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the interactive date file because its XBRL tags are embedded within the inline XBRL document.

† Filed herewith.

†† Furnished herewith.

(1) Incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K filed with the SEC on February 29, 2016 (File No. 001-34693).

(2) Incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q filed with the SEC on May 4, 2023 (File No. 001-34693).

(3) Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on February 24, 2023 (File No. 001-34693).

(4) Incorporated by reference to Exhibit 3.3 of the Company's Registration Statement on Form 8-A filed with the SEC on June 25, 2021 (File No. 001-34693).

(5) Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on September 29, 2025 (File No. 001-34693).

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: November 5, 2025

**CHATHAM LODGING TRUST**

By: /s/ JEREMY B. WEGNER

**Jeremy B. Wegner**

Senior Vice President and Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

**Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Jeffrey H. Fisher, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Chatham Lodging Trust;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of trustees (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

**CHATHAM LODGING TRUST**

Dated: November 5, 2025

/s/ JEFFREY H. FISHER

**Jeffrey H. Fisher**

Chairman, President and Chief Executive Officer

**Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Jeremy B. Wegner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Chatham Lodging Trust;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of trustees (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

**CHATHAM LODGING TRUST**

Dated: November 5, 2025

/s/ JEREMY B. WEGNER

**Jeremy B. Wegner**

Senior Vice President and Chief Financial Officer

**Certification Pursuant To  
18 U.S.C. Section 1350,  
as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Chatham Lodging Trust (the "Company") on Form 10-Q for the period ended September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey H. Fisher, Chairman, President and Chief Executive Officer of the Company and I, Jeremy B. Wegner, Senior Vice President and Chief Financial Officer of the Company, certify, to our knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

**CHATHAM LODGING TRUST**

Dated: November 5, 2025

/s/ JEFFREY H. FISHER

**Jeffrey H. Fisher**

Chairman, President and Chief Executive Officer

/s/ JEREMY B. WEGNER

**Jeremy B. Wegner**

Senior Vice President and Chief Financial Officer