

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 3, 2026

CHATHAM LODGING TRUST

(Exact name of Registrant as specified in its charter)

Maryland (State or Other Jurisdiction of Incorporation or Organization)	001-34693 (Commission File Number)	27-1200777 (I.R.S. Employer Identification No.)
222 Lakeview Avenue, Suite 200 West Palm Beach, (Address of principal executive offices)	Florida	33401 (Zip Code)
(561) 802-4477 (Registrant's telephone number, including area code)		
Not Applicable (Former name or former address, if changed from last report)		

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of Each Class	Trading Symbol(s)	Name of Exchange on Which Registered
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 is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b.2 of this chapter).

Emerging growth company

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

Explanatory Note

This Current Report on Form 8-K/A amends and supplements the registrant's Current Report on Form 8-K filed on March 6, 2026 (the "Initial Report") to include the historical financial statements and unaudited pro forma financial information required by Items 9.01 (a) and (b) of Form 8-K related to the registrant's acquisition of a portfolio of six hotel properties and should be read in conjunction with the Initial Report.

Item 9.01. Financial Statements and Exhibits.

(a) Financial statements of businesses acquired

Midwest Hotel Portfolio

Report of Independent Auditors

Combined Balance Sheet as of December 31, 2025

Combined Statement of Operations for the year ended December 31, 2025

Combined Statement of Members' Equity for the year ended December 31, 2025

Combined Statement of Cash Flows for the year ended December 31, 2025

Notes to the Combined Financial Statements

(b) Pro Forma Financial Information

Chatham Lodging Trust

Unaudited Pro Forma Consolidated Balance Sheet as of December 31, 2025

Notes to the Unaudited Pro Forma Consolidated Balance Sheet

Unaudited Pro Forma Consolidated Statement of Operations for the year ended December 31, 2025

Notes to the Unaudited Pro Forma Consolidated Statement of Operations

(d) Exhibits

Exhibit No.	Description
23.1	Consent of PricewaterhouseCoopers LLP
99.1	Audited Combined Financial Statements of the Midwest Hotel Portfolio as of and for the year ended December 31, 2025
99.2	Unaudited Pro Forma Consolidated Financial Statements of Chatham Lodging Trust as of and for the year ended December 31, 2025
104	Cover Page Interactive Data File (formatted as Inline XBRL)

SIGNATURES

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

May 6, 2026

CHATHAM LODGING TRUST

By: */s/ Jeremy Wegner*

Name: Jeremy Wegner

*Title: Senior Vice President and
Chief Financial Officer*

CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-277517 and No. 333-276279) and S-8 (No. 333-215310) of Chatham Lodging Trust of our report dated May 6, 2026 relating to the combined financial statements of Effingham Hospitality Partners LLC, Effingham Hospitality Partners II LLC, Paducah Hospitality Partners LLC, Paducah Hospitality Partners II LLC, Joplin Hospitality Partners II LLC, and Joplin Hospitality Partners III LLC, which appears in this Current Report on Form 8-K/A.

/s/ PricewaterhouseCoopers LLP
Miami, Florida
May 6, 2026

MIDWEST HOTEL PORTFOLIO

Which is the following entities combined:

Effingham Hospitality Partners LLC, Effingham Hospitality Partners II LLC, Paducah Hospitality Partners LLC, Paducah Hospitality Partners II LLC, Joplin Hospitality Partners II LLC, and Joplin Hospitality Partners III LLC

**Combined Financial Statements
As of December 31, 2025 and
For the Year Ended December 31, 2025**

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Report of Independent Auditors

To the Management of Effingham Hospitality Partners LLC, Effingham Hospitality Partners II LLC, Paducah Hospitality Partners LLC, Paducah Hospitality Partners II LLC, Joplin Hospitality Partners II LLC, and Joplin Hospitality Partners III LLC

Opinion

We have audited the accompanying combined financial statements of Effingham Hospitality Partners LLC, Effingham Hospitality Partners II LLC, Paducah Hospitality Partners LLC, Paducah Hospitality Partners II LLC, Joplin Hospitality Partners II LLC, and Joplin Hospitality Partners III LLC (the "Company"), which comprise the combined balance sheet as of December 31, 2025, and the related combined statements of operations, of members' equity and of cash flows for the year then ended, including the related notes (collectively referred to as the "combined financial statements").

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the combined financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

/s/ PricewaterhouseCoopers LLP
Miami, Florida
May 6, 2026

MIDWEST HOTEL PORTFOLIO

Combined Balance Sheet (In thousands)

	December 31, 2025
Assets:	
Investment in hotel properties, net	\$ 49,256
Cash and cash equivalents	16,268
Hotel receivables	532
Prepaid expenses and other assets	827
Goodwill	2,500
Deferred costs, net	273
Total assets	<u>\$ 69,656</u>
Liabilities and Members' Equity:	
Mortgage debt, net	\$ 42,576
Accounts payable and accrued expenses	1,500
Total liabilities	<u>44,076</u>
Members' Equity	<u>25,580</u>
Total liabilities and members' equity	<u>\$ 69,656</u>

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

MIDWEST HOTEL PORTFOLIO

Combined Statement of Operations

(In thousands)

	For the year ended December 31, 2025
Revenue:	
Room	\$ 24,842
Other	440
Total revenue	<u>25,282</u>
Expenses:	
Hotel operating expenses:	
Room	5,122
Food and beverage	375
Telephone	53
Other hotel operating	143
General and administrative	2,576
Franchise and marketing fees	2,920
Advertising and promotions	162
Utilities	1,002
Repairs and maintenance	852
Management fees	1,517
Total hotel operating expenses	<u>14,722</u>
Depreciation and amortization	2,459
Property taxes and insurance	1,060
Total operating expenses	<u>18,241</u>
Operating income	7,041
Interest and other income	508
Interest expense, including amortization of deferred financing fees	(1,690)
Income before income tax expense	<u>5,859</u>
Income tax expense	(25)
Net income	<u>\$ 5,834</u>

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

MIDWEST HOTEL PORTFOLIO

Combined Statement of Members' Equity
(In thousands)

Balance, December 31, 2024	\$ 21,649
Contributions from members	245
Distributions to members	(2,148)
Net income	5,834
Balance, December 31, 2025	\$ 25,580

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

MIDWEST HOTEL PORTFOLIO
Combined Statement of Cash Flows
(In thousands)

	For the year ended December 31, 2025
Cash flows from operating activities:	
Net income	\$ 5,834
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation of investment in hotel properties	2,424
Amortization of deferred franchise fees	35
Amortization of deferred financing fees included in interest expense	9
Changes in assets and liabilities:	
Hotel receivables	(198)
Prepaid expenses and other assets	(43)
Accounts payable and accrued expenses	(759)
Net cash provided by operating activities	7,302
Cash flows from investing activities:	
Improvements and additions to hotel properties	(192)
Net cash used in investing activities	(192)
Cash flows from financing activities:	
Borrowings on mortgage debt	565
Payments on mortgage debt	(1,863)
Contributions	245
Distributions	(2,148)
Net cash used in financing activities	(3,201)
Net change in cash and cash equivalents	3,909
Cash and cash equivalents, beginning of period	12,359
Cash and cash equivalents, end of period	\$ 16,268
Supplemental disclosure of cash flow information:	
Cash paid for interest	1,684
Cash paid for taxes	54

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

MIDWEST HOTEL PORTFOLIO
Notes to the Combined Financial Statements
(In thousands)

1. Organization

These combined financial statements of the Midwest Hotel Portfolio ("the Company"), which is not a legal entity, but rather includes all of the combined accounts and operations of Effingham Hospitality Partners LLC, Effingham Hospitality Partners II LLC, Paducah Hospitality Partners LLC, Paducah Hospitality Partners II LLC, Joplin Hospitality Partners II LLC, and Joplin Hospitality Partners III LLC. These entities have been combined and presented together as they have common management and a high degree of common ownership. On December 31, 2025, the Company consisted of the combined operations of six hotel properties with an aggregate of 589 rooms. The hotel properties operate under the following brands: Hampton Inn & Suites (two hotel properties), Home2 Suites by Hilton (two hotel properties), and Homewood Suites by Hilton (two hotel properties).

2. Summary of Significant Accounting Policies

Basis of presentation

These combined financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for the purpose of complying with Rule 3-05 of Regulation S-X promulgated under the Securities Act of 1933, as amended. All intercompany balances and transactions have been eliminated in combination.

Use of estimates

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

Fair Value of Financial Instruments

Financial Accounting Standards Board ("FASB") guidance on fair value measurements and disclosures defines fair value for GAAP and establishes a framework for measuring fair value as well as a fair value hierarchy based on the quality and nature of inputs used to measure fair value. The term "fair value" in these combined financial statements is defined in accordance with GAAP. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 Inputs reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;

Level 2 Inputs represent other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active; and

Level 3 Inputs are those that are unobservable.

The carrying value of the Company's cash and cash equivalents, hotel receivables, accounts payable and accrued expenses approximate fair value because of the relatively short maturities of these instruments. The Company is not required to carry any other assets or liabilities at fair value on a recurring basis.

Investment in hotel property, net

The Company allocates the purchase prices of hotel properties acquired through an asset acquisition based on the fair value of the acquired real estate, furniture, fixtures and equipment, identifiable intangible assets and assumed liabilities. In making estimates of fair value for purposes of allocating the purchase price, the Company utilizes a number of sources of information that are obtained in connection with the acquisition of a hotel property, including valuations performed by independent third parties and information obtained about each hotel property resulting from pre acquisition due diligence. Hotel property acquisition costs are capitalized and amortized over the appropriate useful life.

The Company's investments in hotel properties are carried at cost and are depreciated using the straight-line method over the estimated useful lives of the assets, generally 39 years for buildings, 15 years for land improvements, 5 to 15 years for building improvements and three to five years for furniture, fixtures and equipment. Renovations and replacements at the hotel properties that improve or extend the life of the assets are capitalized and depreciated over their useful lives, while repairs and maintenance are expensed as incurred. Upon the sale or retirement of property and equipment, the cost and related accumulated depreciation are removed from the Company's accounts, and any resulting gain or loss is recognized in the combined statement of operations.

The Company periodically reviews its hotel properties for impairment whenever events or changes in circumstances indicate that the carrying value of the hotel properties may not be recoverable. Events or circumstances that may cause a review include, but are not limited to, adverse changes in the demand for lodging at the properties due to declining national or local economic conditions or new hotel construction in markets where the hotel properties are located. When such conditions exist, management performs an analysis to determine if the estimated undiscounted future cash flows, without interest charges, from operations and the net proceeds from the ultimate disposition of a hotel property exceeds its carrying value. If the estimated undiscounted future cash flows are less than the carrying amount, an adjustment to reduce the carrying amount to the related hotel property's estimated fair market value is recorded and an impairment loss is recognized. There were no impairments recorded during the year ended December 31, 2025.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, demand deposits with financial institutions and short term liquid investments with an original maturity of three months or less. Cash balances in individual banks may exceed federally insurable limits.

Hotel Receivables

Hotel receivables consist of amounts owed by guests staying in the Company's hotels and amounts due from business customers or groups. An allowance for doubtful accounts is provided and maintained at a level believed to be adequate to absorb estimated probable losses. As of December 31, 2025, the allowance for doubtful accounts was zero.

Prepaid Expenses and Other Assets

The Company's prepaid expenses and other assets consist primarily of prepaid insurance, which are expensed over the term of the insurance coverage on a straight-line basis, deposits, and hotel supplies inventory.

Goodwill

The Company's goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired in previous business combinations. In accordance with GAAP, goodwill is not amortized but is evaluated for impairment at least annually, or more frequently if events or changes in circumstances indicate that it is more likely than not that the fair value is less than its carrying amount. Goodwill is assigned to certain of the Company's hotel properties and the Company has the option to first perform a qualitative assessment to determine whether it is necessary to perform a quantitative impairment test. If a quantitative test is performed, the Company compares the fair value of each reporting unit to its carrying amount, including goodwill. Fair value reflects the price a market participant would be willing to pay in a potential sale of the reporting unit. If the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to the reporting unit. Impairment losses are recognized in earnings and are not reversed in subsequent periods. No impairment indicators were identified as of December 31, 2025.

Deferred Costs, net

Deferred financing costs are being amortized using the effective-interest method over the term of the related loan and are included in interest expense on the statement of operations. For the year ended December 31, 2025, amortization of deferred financing costs was \$9.

The Company enters into franchise agreements that require the payment of initial franchise fees which are capitalized as deferred costs, net as the fees provide a future economic benefit and are not related to ongoing services. Capitalized franchise fees are amortized on a straight-line basis over the estimated useful lives of the related franchise agreements, which is 15 years. Amortization expense related to capitalized franchise fees is included in depreciation and amortization in the combined statement of operations.

Revenue Recognition

The Company accounts for revenue in accordance with ASC 606, *Revenue from Contracts with Customers*. Revenue from contracts with customers consists primarily of revenue generated from the Company's hotel operations, including room revenue and other revenues such as food and beverage, pet fees, convenience store and sundries.

Room revenue is recognized over a customer's hotel stay. The Company's performance obligation is to provide accommodation and other goods and services to guests. This obligation represents a series of distinct goods or services provided over a period of time which is a single performance obligation as the distinct goods or services are substantially the same and have the same pattern of transfer to the customer. Current accounting standards require that companies disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. The Company has included its revenues disaggregated in its combined statement of operations to satisfy this requirement.

Income Taxes

The Company, which is not a legal entity as described in Note 1, is the combined operations of multiple limited liability companies (“LLC”) that are taxed as partnerships for U.S. income tax purposes. Therefore, the Company is solely a pass-through entity and does not have any federal or state income tax liabilities. Accordingly, the Company does not record a provision for income taxes because the members report their share of the Company’s income or loss on their income tax returns. The only amount related to income taxes are for a personal property replacement tax in the state of Illinois that is based on the net income of Effingham Hospitality Partners LLC and Effingham Hospitality Partners II LLC.

3. Investment in hotel properties, net

Investment in hotel properties, net for the Company as of December 31, 2025 consisted of the following (in thousands):

	December 31, 2025
Land and improvements	\$ 4,430
Building and improvements	55,164
Furniture, fixtures, and equipment	11,883
Less accumulated depreciation	(22,221)
Investment in hotel properties, net	\$ 49,256

Depreciation expense for the year ended December 31, 2025 was \$2,424.

4. Debt

The Company's mortgage loans are collateralized by first-mortgage liens on the hotel properties. The mortgages are non-recourse except for instances of fraud or misapplication of funds. The debt agreements for Home2 Suites Effingham and Homewood Suites Paducah requires Effingham Hospitality Partners II LLC and Paducah Hospitality Partners II LLC, respectively, to maintain a minimum debt service coverage ratio of 1.20x. The Company was in compliance with all financial covenants as of December 31, 2025. Debt consisted of the following (in thousands):

Loan/Collateral	Interest Rate	Maturity Date	December 31, 2025 Property Carrying Value	Balance Outstanding as of December 31, 2025
Hampton Inn & Suites Paducah	3.125%	10/13/2026	\$ 5,245	\$ 4,740
Homewood Suites Paducah	3.150%	2/28/2027	9,165	7,720
Homewood Suites Joplin	3.250%	7/6/2033	5,435	3,689
Home2 Suites Joplin	3.250%	8/28/2041	7,958	7,336
Hampton Inn & Suites Effingham	3.250%	12/31/2045	9,334	8,513
Home2 Suites Effingham (1)	5.750%	8/28/2026	12,119	10,653
Total mortgage debt before unamortized debt issue costs				\$ 42,651
Unamortized mortgage debt issue costs				(75)
Total mortgage debt outstanding				\$ 42,576

(1) During the year ended December 31, 2025, the Home2 Suites Effingham loan balance increased \$565 due to final draws made on its existing mortgage debt.

The interest rates as stated in the table above for Hampton Inn & Suites Paducah, Homewood Suites Paducah and Home2 Suites Effingham are all fixed interest rates. The interest rates for Home2 Suites Joplin and Hampton Inn & Suites Effingham are fixed for the first 60 months at the rates noted above and floating thereafter until maturity at the weekly average yield on U.S. treasury securities plus 2.5%. The interest rate for Homewood Suites Joplin is fixed for the first 60 months at the rate noted above and floating thereafter until maturity at the prime rate as published in the Central Edition of the Wall Street Journal plus 0.375%.

Future scheduled principal payments of debt obligations as of December 31, 2025, for each of the next five calendar years and thereafter are as follows (in thousands):

	Amount
2026	\$ 16,866
2027	8,484
2028	1,173
2029	1,215
2030	1,257
Thereafter	13,656
Total debt before unamortized debt issue costs	\$ 42,651
Unamortized mortgage debt issue costs	(75)
Total debt outstanding	\$ 42,576

5. Members' Equity

Effingham Hospitality Partners LLC, Effingham Hospitality Partners II LLC, Paducah Hospitality Partners LLC, Paducah Hospitality Partners II LLC, Joplin Hospitality Partners II LLC, and Joplin Hospitality Partners III LLC are limited liability companies. Members are not personally liable for the debts, obligations, or liabilities of the Company solely by reason of being members, except to the extent of any required capital contributions, contractual obligations, or other obligations expressly assumed by the member in accordance with the operating agreements. The Company has a single class of membership interests. Ownership interests are expressed as "Percentage of Interest," which represents each member's proportionate share of the Company based on capital contributions. Members share in profits, losses, and distributions in accordance with their respective Percentage of Interest, unless otherwise provided in the operating agreements. Distributions are generally made to members on a pro rata basis in accordance with their respective Percentage of Interest, subject to applicable law and the provisions of the operating agreements. The Company may make tax distributions and other interim distributions as determined by the board of managers.

6. Commitments and Contingencies

Litigation

The Company is subject to certain claims arising in the normal course of business. In the opinion of management, the results of these claims will not have a material impact on the Company's financial condition or results of operations.

Management Agreements

As of December 31, 2025, all six hotel properties are managed by McHugh Hospitality Group, Inc. ("McHugh"). The management agreements with McHugh have an initial term of three years and may be extended subject to approval by both McHugh and the Company. Each of the McHugh management agreements provides for a base management fee of 6% for the managed hotel's gross revenues. Each of the management agreements with McHugh also provides for accounting fees up to \$1,000 (actual) per month per hotel. Each of the McHugh management agreements may be terminated without cause by giving not less than a 60-days prior written notice and upon the assignment of the of the Company's interests in the related hotel or upon sale or transfer of such hotel. Each of the McHugh management agreements may be terminated for cause, including the failure of the managed hotel to meet specified performance levels.

Franchise Agreements

The Company has entered into franchise agreements with Hilton Franchise Holding LLC ("Hilton"), an affiliate of Hilton Worldwide Holdings, Inc. These franchise agreements expire fifteen years after the effective date listed on the agreement. Each of the Hilton franchise agreements provide for franchise fees ranging from 3% to 6% of the respective hotel's gross room revenue plus marketing fees ranging from 3% to 6% of the respective hotel's gross room revenue. Each Hilton franchise agreement stipulates that periodic upgrades can be requested by Hilton and with the Company being responsible for the upgrade costs. Each of the Hilton franchise agreements are terminable by Hilton in the event that the applicable franchisee fails to cure an event of default or, in certain circumstances such as the franchisee's bankruptcy or insolvency, are terminable by Hilton at will. If the franchise agreements are terminated, the Company would be responsible for paying a termination fee to Hilton. The Hilton franchise agreements provide that certain proposed transfers require notice to and/or consent from Hilton prior to the transfer.

7. Related Party Transactions

As of December 31, 2025, all six hotels are managed by McHugh and have a high degree of common ownership with McHugh. Management fees incurred by the Company for the six hotels managed by McHugh for the year ended December 31, 2025 were \$1,517 and are included in management fees in the combined statement of operations. The Company had an outstanding payable to McHugh in the amount of \$113 in connection with the management fees within accounts payable and accrued expenses on the combined balance sheet for the year ended December 31, 2025.

8. **Subsequent Events**

On March 3, 2026, Chatham Lodging Trust completed its acquisition of the Company for a purchase price of \$92.0 million (actual), or approximately \$156,000 (actual) per room. All outstanding mortgage debt and accrued interest was paid off at closing.

The Company has evaluated subsequent events from the balance sheet date through May 6, 2026, the date the combined financial statements were available to be issued, and concluded there were no other events or transactions during this period that required recognition or disclosure.

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION OF CHATHAM LODGING TRUST

On March 3, 2026, Chatham Lodging Trust ("Chatham") acquired a portfolio of six Hilton-brand hotels located in Missouri, Illinois, and Kentucky (the "Midwest Hotel Portfolio") for \$92.0 million and was funded with available cash and borrowings on its revolving credit facility. The Midwest Hotel Portfolio is comprised of an aggregate of 589 rooms and subsequent to the acquisition date, all six hotels are managed by Island Hospitality Management, LLC.

The estimated fair values for the assets acquired are preliminary and are subject to change during the measurement period as additional information related to the inputs and assumptions used in determining the fair value of the assets becomes available and may result in variances to the amounts presented in the unaudited pro forma condensed consolidated balance sheet and the unaudited pro forma condensed consolidated statement of operations.

The unaudited pro forma condensed consolidated balance sheet as of December 31, 2025 is presented as if the acquisition was completed on December 31, 2025. The unaudited pro forma condensed consolidated statement of income for the year ended December 31, 2025 is presented as if the acquisition was completed on January 1, 2025.

The unaudited pro forma condensed consolidated financial information is not necessarily indicative of what Chatham's results of operations or financial condition would have been assuming such transactions had been completed at the dates described above, nor is it indicative of Chatham's results of operations or financial condition for future periods. In management's opinion, all material adjustments necessary to reflect the effects of the significant acquisition described above have been made. In addition, the unaudited pro forma condensed consolidated financial information is based upon available information and upon assumptions and estimates, some of which are set forth in the notes to the unaudited pro forma condensed consolidated financial information, which we believe are reasonable under the circumstances. The unaudited pro forma condensed consolidated financial information and accompanying notes should be read in conjunction with the historical financial statements and notes thereto in Chatham's 2025 Annual Report on Form 10-K and Chatham's Current Report on Form 8-K filed on March 6, 2026.

CHATHAM LODGING TRUST

**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
AS OF DECEMBER 31, 2025**

(In thousands, except share and per share data)

	Chatham Lodging Trust Historical (A)	Acquisition of Midwest Hotel Portfolio	Pro Forma Chatham Lodging Trust
Assets:			
Investment in hotel properties, net	\$ 1,106,890	\$ 92,458 B	\$ 1,199,348
Cash and cash equivalents	24,435	(2,458)	21,977
Restricted cash	8,203	—	8,203
Right of use asset, net	16,912	—	16,912
Hotel receivables (net of allowance for doubtful accounts of \$261 and \$300, respectively)	2,831	—	2,831
Deferred costs, net	7,384	—	7,384
Prepaid expenses and other assets	3,726	—	3,726
Total assets	<u>\$ 1,170,381</u>	<u>\$ 90,000</u>	<u>\$ 1,260,381</u>
Liabilities and Equity:			
Mortgage debt, net	141,475	—	141,475
Revolving credit facility	—	90,000 C	90,000
Unsecured term loan, net	197,438	—	197,438
Accounts payable and accrued expenses (including \$234 and \$490 due to related parties, respectively)	26,648	—	26,648
Lease liability	20,067	—	20,067
Distributions payable	6,704	—	6,704
Total liabilities	<u>392,332</u>	<u>90,000</u>	<u>482,332</u>
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 December 31, 2025 and 2024, respectively	48	—	48
Common shares, \$0.01 par value, 500,000,000 shares authorized; 47,708,587 and 48,912,293 shares issued and outstanding at December 31, 2025 and 2024, respectively	477	—	477
Additional paid-in capital	1,039,804	—	1,039,804
Accumulated deficit	(299,527)	—	(299,527)
Total shareholders' equity	<u>740,802</u>	<u>—</u>	<u>740,802</u>
Noncontrolling Interests:			
Noncontrolling interest in operating partnership	37,247	—	37,247
Total equity	<u>778,049</u>	<u>—</u>	<u>778,049</u>
Total liabilities and equity	<u>\$ 1,170,381</u>	<u>\$ 90,000</u>	<u>\$ 1,260,381</u>

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

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
(In thousands, except share and per share data)

The Unaudited Pro Forma Condensed Consolidated Balance Sheet assumes the following occurred on December 31, 2025:

- Acquisition costs of approximately \$458 have been capitalized related to the acquisition of the Midwest Hotel Portfolio.
- Increased borrowings on the unsecured revolving credit facility of \$90.0 million (actual).

Notes and Management Assumptions:

A. Chatham's audited historical consolidated balance sheet as of December 31, 2025.

B. The following table includes the preliminary allocation of the purchase price for the Portfolio based on the estimated fair value of the assets acquired.

	As of March 3, 2026
Land and improvements	\$ 9,080
Building and improvements	72,801
Furniture, fixtures, and equipment	10,577
	<u>\$ 92,458</u>

C. Assumed \$90.0 million (actual) borrowed on Chatham's unsecured revolving credit facility to complete the Midwest Hotel Portfolio transaction. The variable interest rate was 5.74% at December 31, 2025.

CHATHAM LODGING TRUST

**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2025**
(In thousands, except share and per share data)

	Chatham Lodging Trust Historical (A)	Midwest Hotel Portfolio Historical (B)	Transaction Pro Forma Adjustments	Chatham Lodging Trust Pro Forma
Revenue:				
Room	\$ 269,206	\$ 24,842	\$ —	\$ 294,048
Food and beverage	6,894	—	—	6,894
Other	17,897	440	—	18,337
Reimbursable costs from related parties	1,078	—	—	1,078
Total revenue	<u>295,075</u>	<u>25,282</u>	<u>—</u>	<u>320,357</u>
Expenses:				
Hotel operating expenses:				
Room	59,752	5,122	—	64,874
Food and beverage	5,517	375	—	5,892
Telephone	1,172	53	—	1,225
Other hotel operating	4,487	143	—	4,630
General and administrative	27,010	2,576	—	29,586
Franchise and marketing fees	23,620	2,920	152 C	26,692
Advertising and promotions	6,804	162	—	6,966
Utilities	12,372	1,002	—	13,374
Repairs and maintenance	15,272	852	—	16,124
Management fees paid to related parties	9,895	1,517	(563) D	10,849
Insurance	3,272	—	—	3,272
Total hotel operating expenses	<u>169,173</u>	<u>14,722</u>	<u>(411)</u>	<u>183,484</u>
Depreciation and amortization	59,749	2,459	1,569 E	63,777
Property taxes, ground rent and insurance	21,952	1,060	—	23,012
General and administrative	16,589	—	—	16,589
Other charges	27	—	510 F	537
Reimbursable costs from related parties	1,078	—	—	1,078
Total operating expenses	<u>268,568</u>	<u>18,241</u>	<u>1,668</u>	<u>288,477</u>
Operating income before gain on sale of hotel properties	26,507	7,041	(1,668)	31,880
Gain on sale of hotel properties	14,369	—	—	14,369
Operating income	40,876	7,041	(1,668)	46,249
Interest and other income	270	508	(508) G	270
Interest expense, including amortization of deferred fees	(25,659)	(1,690)	(3,485) H	(30,834)
Loss on early extinguishment of debt	(174)	—	—	(174)
Income before income tax expense	15,313	5,859	(5,661)	15,511
Income tax expense	—	(25)	—	(25)
Net income	<u>\$ 15,313</u>	<u>\$ 5,834</u>	<u>\$ (5,661)</u>	<u>\$ 15,486</u>
Net income attributable to non-controlling interest	(260)	—	—	(266)
Net income attributable to Chatham Lodging Trust	15,053	—	—	15,220
Preferred dividends	(7,950)	—	—	(7,950)
Net income attributable to common shareholders	<u>\$ 7,103</u>	—	—	<u>\$ 7,270</u>
Income per common share - basic:				
Net income attributable to common shareholders	<u>\$ 0.14</u>	—	—	<u>\$ 0.14</u>
Income per common share - diluted:				
Net income attributable to common shareholders	<u>\$ 0.14</u>	—	—	<u>\$ 0.14</u>
Weighted average number of common shares outstanding:				
Basic	48,793,017	—	—	48,793,017
Diluted	49,992,069	—	—	49,992,069
Distributions per common share:	<u>\$ 0.36</u>	—	—	<u>\$ 0.36</u>

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

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2025

(In thousands, except share and per share data)

- A. Audited historical results of operations of Chatham for the year ended December 31, 2025.
- B. Audited combined statement of operations of the Midwest Hotel Portfolio for the year ended December 31, 2025.
- C. Reflects the increasing adjustment to franchise fees based on the newly acquired franchise agreement that will be payable on the Midwest Hotel Portfolio.
- D. Reflects the adjustment to management fees for contractual differences related to the fees required to be paid under the old management agreements compared to the new management agreements. The Midwest Hotel Portfolio decreased from 6% to 3%. Accounting and management fees are as follows (in thousands):

Hotel Property	Description	New Fees	Old Fees	Adjustment
Hampton Inn & Suites Paducah	Management and accounting fees	\$ 164	\$ 260	\$ (96)
Homewood Suites Paducah	Management and accounting fees	172	278	(106)
Homewood Suites Joplin	Management and accounting fees	174	283	(109)
Home2 Suites Joplin	Management and accounting fees	164	261	(97)
Hampton Inn & Suites Effingham	Management and accounting fees	148	232	(84)
Home2 Suites Effingham	Management and accounting fees	132	203	(71)
		<u>\$ 954</u>	<u>\$ 1,517</u>	<u>\$ (563)</u>

- E. Represents additional depreciation directly attributable to the fair value adjustment of the assets acquired of the Midwest Hotel Portfolio.
- F. Represents audit fees directly attributable to the acquisition of the Midwest Hotel Portfolio.
- G. Represents the reduction of interest income attributable to the Midwest Hotel Portfolio as Chatham did not acquire cash or cash equivalents as part of the transaction.
- H. Represents additional interest expense attributable to the \$90.0 million (actual) borrowed on Chatham's unsecured revolving credit facility to complete the acquisition of the Midwest Hotel Portfolio.