

American Realty Capital Hospitality Trust Terminates \$93 Million Portfolio Purchase

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American Realty Capital Hospitality Trust Inc., a publicly registered non-traded real estate investment trust sponsored by AR Capital, terminated its agreement to purchase a portfolio of five Marriot-branded hotels from affiliates of the Wheelock Real Estate Fund for \$92.9 million, according to a filing with the Securities and Exchange Commission.

In early June, the company agreed to acquire the 565-room Wheelock Portfolio, comprised of the Courtyard Austin Round Rock in Texas; the Courtyard College Station in College Station, Texas; the Courtyard Nashville at Opryland in Tennessee, the Fairfield Inn & Suites Nashville at Opryland; and the SpringHill Suites Cincinnati North/Forest Park in Ohio. The deal was scheduled to close on December 15th.

As a result of this termination, American Realty Capital Hospitality Trust forfeited its \$10 million non-refundable



earnest money deposit.

Earlier this month, [the REIT purchased two hotels](#) from Nobel Investment Group for \$59 million and is contracted to purchase nine additional hotels from the private equity firm.

In November, AR Capital announced that it will [stop offering and selling](#) new investment products after December 31st, including shares of American Realty Capital Hospitality Trust. Realty Capital Securities, the REIT's dealer manager, also [suspended the sales activities](#) it performs for its initial public offering. These changes followed a series of scandals involving AR Capital and its affiliates, originally stemming from intentional accounting irregularities at ARCP revealed in October 2014 and concluding with proxy fraud charges being filed by the state of Massachusetts a year later.

ARC Hospitality focuses on acquiring stable, institutional quality and strategically located lodging properties in North America branded by premium national hotel brands.

