

HERSHA HOSPITALITY TRUST
Form 8-K
January 04, 2007

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 28, 2006

**HERSHA HOSPITALITY TRUST
(Exact name of registrant as specified in its charter)**

Maryland
(State or other jurisdiction of
incorporation)

001-14765
(Commission File Number)

251811499
(IRS Employer Identification No.)

**510 Walnut Street, 9th Floor
Philadelphia, Pennsylvania 19106**
(Address and zip code of
principal executive offices)

Registrant's telephone number, including area code: **(215) 238-1046**

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 (see General Instructions A.2. below):

£ 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 13e4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.01 Completion of Acquisition or Disposition of Assets.

On December 28, 2006, Hersha Hospitality Limited Partnership (“HHLP”), the operating partnership subsidiary of Hersha Hospitality Trust, closed on the previously disclosed purchase of a portfolio of seven Hyatt Summerfield Suites hotels (the “Portfolio”). The Sellers of the Portfolio were Bridgewater Hotelworks Associates, L.P., Charlotte Hotelworks Associates, L.P., Gaithersburg Hotelworks Associates, L.P., Pleasant Hill Lodging Partners, L.P., Pleasanton Hotelworks Associates, L.P., Scottsdale Hotelworks Associates, L.P., and Harrison Hotelworks Associates, L.P. (collectively “Sellers”). The Portfolio consists of a 159-room property in White Plains, New York; a 128-room property in Bridgewater, New Jersey; a 140-room property in Gaithersburg, Maryland; a 144-room property in Charlotte, North Carolina; a 164-room property in Scottsdale, Arizona; a 142-room property in Pleasant Hill/Walnut Creek, California and a 128-room property in Pleasanton, California.

The total purchase price for the Portfolio was approximately \$169.0 million. HHLP financed this acquisition with available cash and \$120 million of interest-only loans from Goldman Sachs Commercial Mortgage Capital, LP. The financing included seven separate loans, each secured by first lien mortgage on a property in the Portfolio, all of which mature in December 2016 and bear interest at a fixed rate of 5.591% per annum. In conjunction with the closing, HHLP also escrowed \$2.5 million for capital expenditures and paid customary transaction costs.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

To the extent required by this item, historical financial statements for the Portfolio will be filed in an amendment to this report on Form 8-K no later than 71 calendar days after the date this report is required to be filed.

(b) Pro Forma Financial Information

To the extent required by this item, pro forma financial information relating to the acquisition of the Portfolio will be filed in an amendment to this report on Form 8-K no later than 71 calendar days after the date this report is required to be filed.
