



AMERICAN REALTY CAPITAL
Hospitality Trust, Inc.

2Q 2016 REPORT



Georgia Tech Hotel & Conference Center – Atlanta, GA



Homewood Suites – Chicago, IL



Courtyard by Marriott – Providence, RI



Courtyard Athens – Athens, GA



Courtyard Gainesville – Gainesville, GA

American Realty Capital Hospitality Trust, Inc.

SHAREHOLDER COMMUNICATION - NOT FOR USE AS SALES MATERIAL



Dear Fellow Shareholders,

American Realty Capital Hospitality Trust, Inc. (“ARC Hospitality”) continued to execute in line with our stated investment objectives and performed consistent with our expectations for the first half of 2016.

ARC Hospitality and its indirect sponsor, AR Global Investments, LLC (“AR Global”), are focused on helping you meet your financial planning goals. We do this by operating our business to preserve and grow your invested capital. We deliver on these goals by abiding by four guiding principles: to acquire properties in line with our core investment objectives, to seek exceptional performance, to communicate clearly with our constituents and to deliver an experience that puts shareholders first.

During the second quarter, our portfolio of 142 select-service and full-service hotels with an aggregate purchase price of \$2.3 billion and branded primarily under Hilton, Marriott and Hyatt flags continued to perform well. Financial highlights for the quarter included total revenues of \$163.2 million and Hotel EBITDA of \$49.3 million¹. Pro-forma revenue per available room (“RevPAR”) for our 108 hotels (excluding hotels under renovation) increased 4.0% over the same period in 2015 to \$99.85. RevPAR, a widely used hotel operating performance measure, is calculated by multiplying occupancy percentage by average daily rate (“ADR”). Pro-forma occupancy percentage, which represents the total number of rooms sold divided by the total number of rooms available, grew 1.5% to 81.5%. ADR, which represents total hotel revenues divided by the total number of rooms sold, increased 2.5% to \$122.49. Both ADR and RevPAR do not include food and beverage or other revenues generated by the hotels.

We continued to invest in our hotels primarily through brand-mandated property improvement plans (“PIP”) during the quarter. We completed the first installment of PIP work comprising 28 hotels during May and began the second installment comprising an additional six hotels.

During the second quarter, we worked closely with independent third-party real estate advisory firm, Duff & Phelps, LLC, in connection with its appraisal of our real-estate assets to determine the estimated per-share net asset value of our common stock (“Estimated Per-Share NAV”). On July 1, 2016, we published Estimated Per-Share NAV of \$21.48. This was the first time that our board of directors determined an Estimated Per-Share NAV. Our board authorized distributions, payable in shares of common stock, at a rate of 0.068 multiplied by the Estimated Per-Share NAV in effect as of the close of business on the applicable date. Therefore, beginning with distributions payable with respect to July 2016, we began paying distributions to shareholders in shares of common stock on a monthly basis to shareholders of record each day during the prior month in an amount equivalent to \$1.46064 per year per share, divided by \$21.48. It is currently anticipated that we will publish an updated Estimated Per-Share NAV on at least an annual basis.

As part of our primary focus on liquidity and meeting our capital requirements, we continued to explore a variety of transactions during the second quarter of 2016, such as the potential sale of select hotels, potential capital infusions and the extension of certain PIP obligations.

AR Global, one of the largest asset managers of public non-traded REITs, has been dedicated since its founding to providing a platform of complementary, sector-specific investment vehicles. ARC Hospitality and our shareholders benefit from the efficiency delivered through shared asset management and operational resources and personnel who provide institutional experience and knowledge which deliver unparalleled investment execution for you. We are aligned with you and are committed to achieving optimal performance for the company and its shareholders.

Sincerely,

Jonathan Mehlman
Chief Executive Officer and President

¹ See schedule attached on page 5 for further discussion of Hotel EBITDA, which is a non-GAAP financial measure.

Fact Sheet

Investment Objectives

American Realty Capital Hospitality Trust, Inc.'s ("ARC Hospitality") primary business objective is meeting its capital requirements and maximizing the value of its existing portfolio by continuing to invest in its hotels primarily through brand-mandated property improvement plans, and through intensive asset management of a quality portfolio of institutional-quality, strategically-located hotel properties.

Distribution Information

Distribution Rate

(as of June 30, 2016)
6.8%¹

Distribution Frequency

Monthly

Form of Distribution

Beginning with distributions payable with respect to April 2016, payable in shares of common stock instead of cash

Key Facts (as of June 30, 2016)

Total Capital Raised²

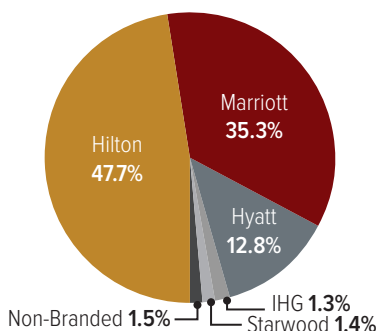
\$913.0 million

Total Assets Under Management³

\$2,282.8 million

Portfolio Highlights (as of June 30, 2016)

Hotel Brands⁴



Property Highlights

Number of Hotels	142
Number of Rooms	17,351
Occupancy Percentage	80.8%
Avg. Daily Rate (ADR)	\$122.78
RevPAR ⁵	\$99.20

1 Based on ARC Hospitality's net asset value per share of common stock of \$21.48, established July 1, 2016.

2 Includes proceeds raised through the sale of common stock and shares issued pursuant to the distribution reinvestment plan. We suspended our initial public offering of common stock on November 15, 2015, effective as of December 31, 2015.

3 Represents contract purchase price.

4 Percentages by number of hotel rooms.

5 Revenue per available room ("RevPAR") is the product of Occupancy Percentage and ADR.



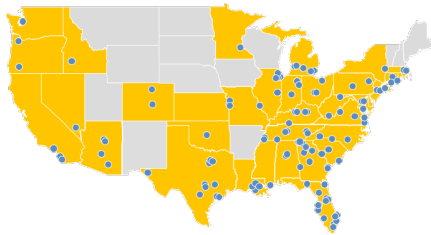
Homewood Suites—Orlando, FL



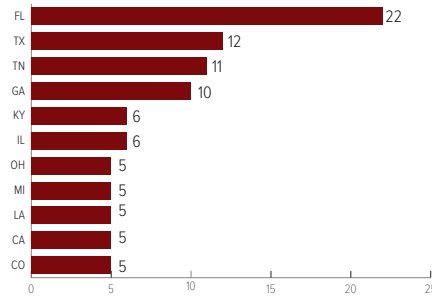
Fact Sheet

Portfolio Highlights (as of June 30, 2016)

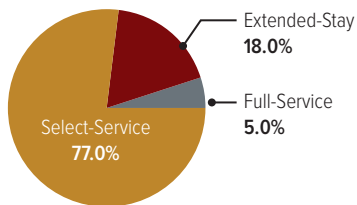
Top Hotels by State



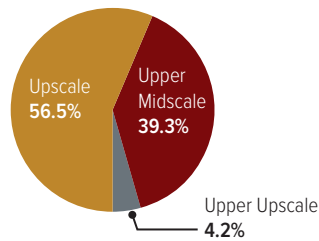
Quarter-End Portfolio (142 Hotels)



Hotel Rooms by Segment



Hotel Rooms by Chain Scale



Top 5 Flags

Flags	Hotels	Keys	% Keys
	47	5,684	32.8%
	21	2,586	14.9%
	16	2,080	12.0%
	17	1,573	9.1%
	10	1,402	8.1%



Courtyard by Marriott – Louisville, KY

Non-GAAP Financial Measure – Hotel EBITDA

Below is a reconciliation from net loss, the most directly comparable GAAP measure, to Hotel EBITDA:

(in thousands)	Three Months Ended June 30, 2016	Three Months Ended March 31, 2016	Three Months Ended December 31, 2015
Net loss attributable to American Realty Capital Hospitality Trust, Inc. (in accordance with GAAP)	\$ (7,024)	\$ (43,957)	\$ (94,826)
Plus: Net income attributable to non-controlling interest	83	43	189
Net loss and comprehensive loss (in accordance with GAAP)	\$ (6,941)	\$ (43,914)	\$ (94,637)
Depreciation and amortization	25,571	23,553	68,500
Impairment of long-lived assets	2,399	-	-
Interest expense	22,813	23,133	80,667
Acquisition and transaction related costs	212	25,065	64,513
Other (income) expense	303	551	491
Equity in (earnings) losses of unconsolidated entities	(181)	60	(238)
General and administrative	3,201	4,294	11,621
Provision for income taxes	1,901	(603)	3,106
Hotel EBITDA	\$ 49,278	\$ 32,139	\$ 134,023

Hotel EBITDA is a non-GAAP financial measure equal to net income (loss), the most directly comparable GAAP financial measure, excluding (1) interest expense, (2) income tax benefit or expense, (3) depreciation and amortization expense, (4) impairment of long-lived assets, (5) acquisition and transaction related costs, (6) general and administrative expenses, (7) other income or expense and (8) equity in earnings or losses of unconsolidated entities.

We use Hotel EBITDA internally as a performance measure and believe it is useful to investors as a supplemental measure in evaluating our financial performance because it measures hotel profitability. We believe that using Hotel EBITDA, which excludes the effect of non-operating expenses and non-cash charges, all of which are based on historical cost and may be of limited significance in evaluating current performance, facilitates comparison of hotel operating profitability between periods. We believe that investors should consider our Hotel EBITDA in conjunction with net income (loss) and the other required U.S. GAAP measures of our performance to improve their understanding of our operating results.



Investor Inquiries

For more information on ARC Hospitality, please visit the company website listed below or call our Investor Services department at 866-902-0063.

www.archospitalityreit.com

The information included herein should be read in connection with your review of ARC Hospitality's Quarterly Report on Form 10-Q as of and for the quarter ended June 30, 2016 which was filed with the U.S. Securities and Exchange Commission on August 12, 2016, and subsequent Form 8-K filings by ARC Hospitality.

Forward Looking Statement Disclosure

The statements in this report that are not historical facts may be forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause the outcome to be materially different. In addition, words such as "will," "should," "may," "anticipate," "believe," "expect" and "intend" indicate a forward-looking statement, although not all forward-looking statements include these words. Actual results may differ materially from those contemplated by such forward-looking statements due to certain factors, including those set forth in the Risk Factors section of ARC Hospitality's Annual Report on Form 10-K filed on March 28, 2016 which is available at the SEC's website at www.sec.gov. Further, forward-looking statements speak only as of the date they are made, and ARC Hospitality undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, unless required by law.