

ASHFORD HOSPITALITY TRUST INC

Form 8-K

December 05, 2008

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 2, 2008

ASHFORD HOSPITALITY TRUST, INC.

(Exact name of registrant as specified in its charter)

MARYLAND

(State of Incorporation)

001-31775

(Commission File Number)

86-1062192

(I.R.S. Employer Identification
Number)

14185 Dallas Parkway, Suite 1100

Dallas, Texas

(Address of principal executive offices)

75254

(Zip code)

Registrant's telephone number, including area code: (972) 490-9600

Check the appropriate box 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))
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ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On December 2, 2008, Ashford Hospitality Limited Partnership (the Operating Partnership), the operating partnership of Ashford Hospitality Trust, Inc. (the Company), purchased 1-year floorridors from Bank of America, N.A. and Credit Suisse International. Each floorridor has a LIBOR strike price of 0.75% on \$900 million of the Operating Partnership's debt (the aggregate amount of hedged notional amount is \$1.8 billion). The Floorridors are related to the \$1.8 billion interest rate floor arrangement the Operating Partnership entered into on March 13, 2008 (the Interest Rate Floor) and effectively fund the Operating Partnership's obligations under the Interest Rate Floor while LIBOR remains between 1.25% and 0.75%.

The foregoing summary does not purport to be complete and is qualified in its entirety by the executed Confirmation of Trade related to the Floorridors as it will be filed with the Securities and Exchange Commission as an exhibit to the Company's Annual Report on Form 10-K for the year ending December 31, 2008.

SIGNATURE

Pursuant to the requirements of Section 12 of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: December 5, 2008

ASHFORD HOSPITALITY TRUST, INC.

By: /s/ DAVID A. BROOKS

David A. Brooks

Chief Legal Officer