







ASHFORD HOSPITALITY TRUST

ASHFORD HOSPITALITY PRIME

June 2014

Safe Harbor








In keeping with the SEC's "Safe Harbor" guidelines, certain statements made during this presentation could be considered forward-looking and subject to certain risks and uncertainties that could cause results to differ materially from those projected. When we use the words "will likely result," "may," "anticipate," "estimate," "should," "expect," "believe," "intend," or similar expressions, we intend to identify forward-looking statements. Such forward-looking statements include, but are not limited to, our business and investment strategy, our understanding of our competition, current market trends and opportunities, projected operating results, and projected capital expenditures.

These forward-looking statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated including, without limitation: general volatility of the capital markets and the market price of our common stock; changes in our business or investment strategy; availability, terms and deployment of capital; availability of qualified personnel; changes in our industry and the market in which we operate, interest rates or the general economy, the degree and nature of our competition, and the satisfaction of the conditions to the completion of the proposed spin-off of Ashford Inc. These and other risk factors are more fully discussed in the Company's filings with the Securities and Exchange Commission. Historical results are not indicative of future performance.

EBITDA is defined as net income before interest, taxes, depreciation and amortization. EBITDA yield is defined as trailing twelve month EBITDA divided by the purchase price. A capitalization rate is determined by dividing the property's net operating income by the purchase price. Net operating income is the property's funds from operations minus a capital expense reserve of either 4% or 5% of gross revenues. Hotel EBITDA flow-through is the change in Hotel EBITDA divided by the change in total revenues. EBITDA, FFO, AFFO, CAD and other terms are non-GAAP measures, reconciliations of which have been provided in prior earnings releases and filings with the SEC.

This overview is for informational purposes only and is not an offer to sell, or a solicitation of an offer to buy or sell, any securities of Ashford Hospitality Trust, Inc., Ashford Hospitality Prime, Inc., Ashford Inc., or any of their respective affiliates, and may not be relied upon in connection with the purchase or sale of any such security.

Strong Track Record & Performance

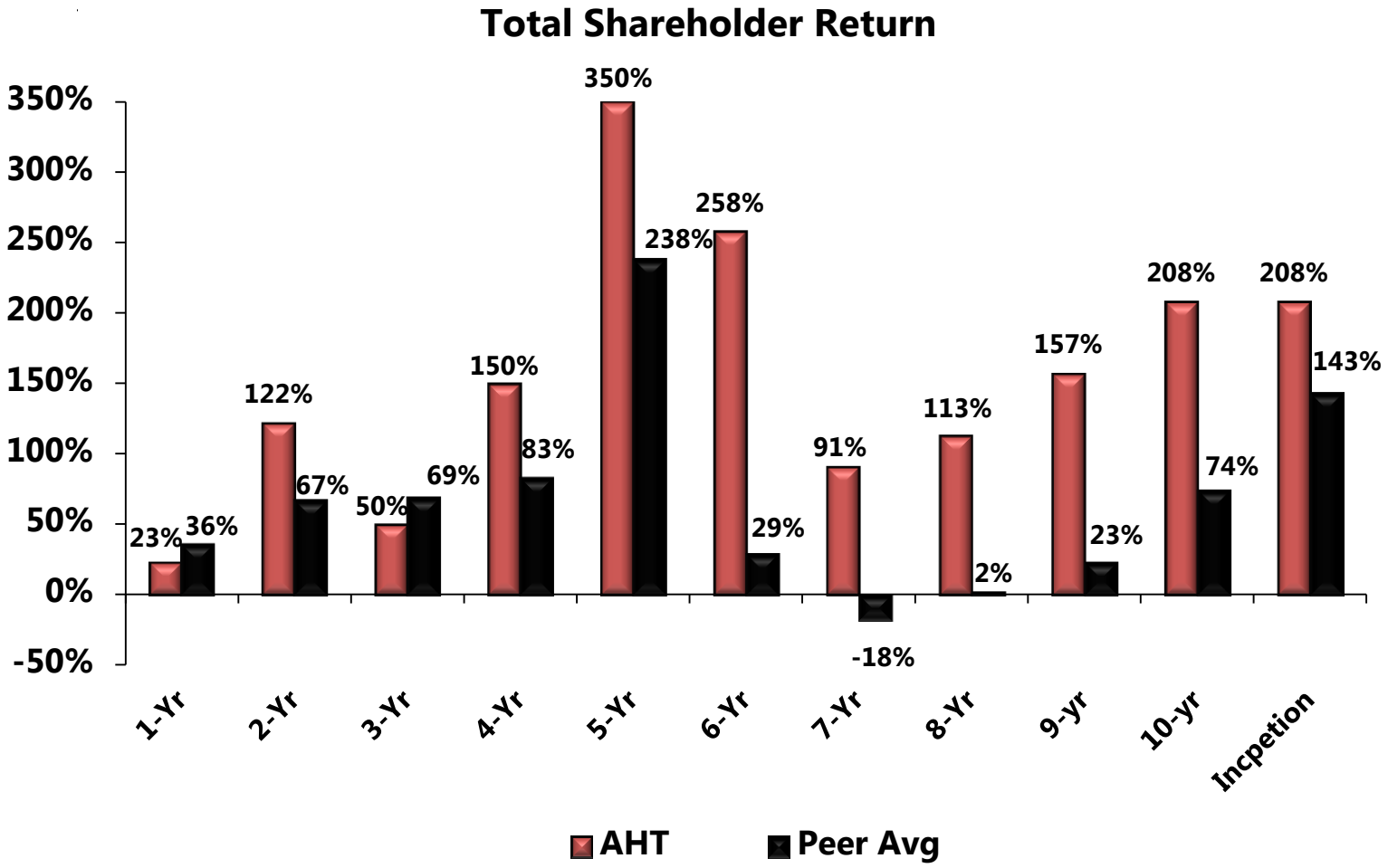







Demonstrated 10-Year Track Record

- **Disciplined growth, operational expertise, and capital allocation to maximize shareholder returns**
- **AHT and AHP expect to benefit from strong management capabilities**



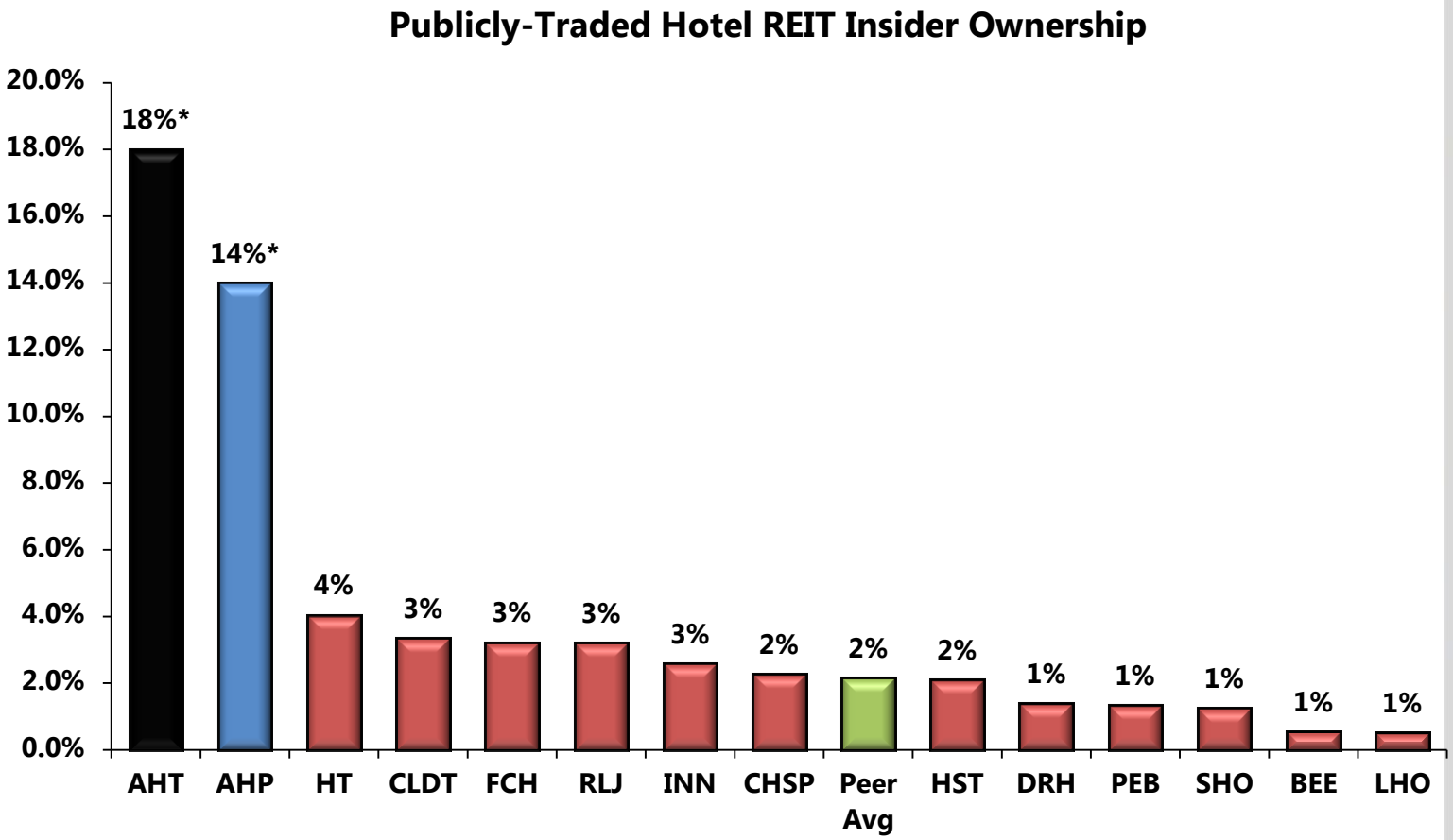







Highly-Aligned Management

- **With insider ownership* of approximately 18% for AHT and 14% for AHP, management is highly-aligned with shareholder interests**



Public Lodging REITs include: BEE, CHSP, CLDT, DRH, FCH, HST, HT, INN, LHO, PEB, RLJ, SHO
Source: Company filings.
* Insider ownership for Ashford entities includes direct & indirect interests & interests of related parties



Industry Overview








Attractive Supply/Demand Imbalance

- **Demand expected to exceed supply through at least 2015**



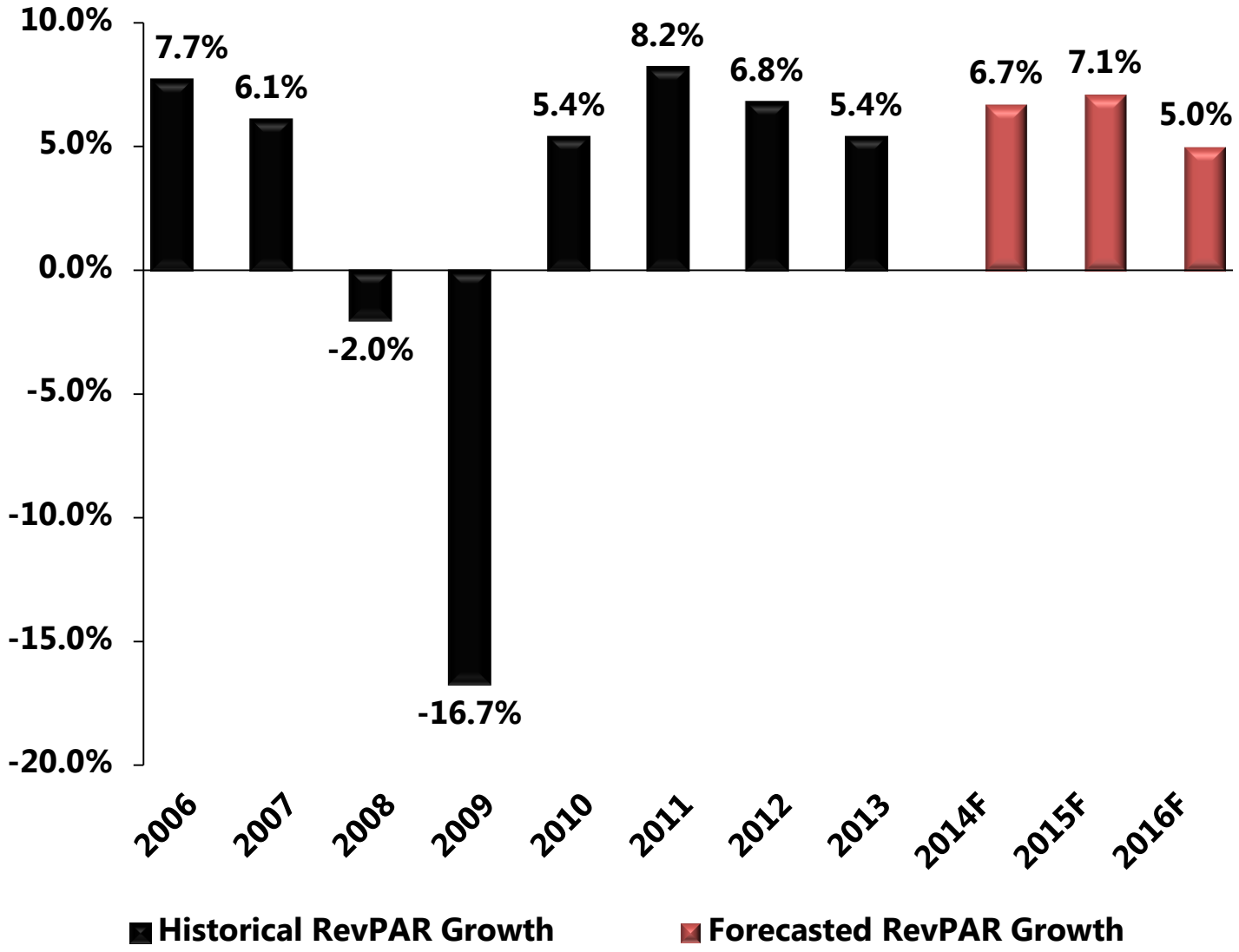







Source: PKF

PKF RevPAR Growth Forecasts















Potential Industry EBITDA Growth Rates

- **With strong potential RevPAR gains, those companies with reasonable flow-throughs could experience significant EBITDA growth**
- **PKF estimates 2-year cumulative EBITDA growth of about 29%***

CUMULATIVE 2-YEAR EBITDA GROWTH

2-YEAR EBITDA FLOW %	COMPOUNDED 2-YEAR REVPAR GROWTH RATE				
	6.0%	**6.5%**	**7.0%**	**7.5%**	**8.0%**
20.0%	9.9%	10.7%	11.6%	12.5%	13.3%
25.0%	12.4%	13.4%	14.5%	15.6%	16.6%
30.0%	14.8%	16.1%	17.4%	18.7%	20.0%
35.0%	17.3%	18.8%	20.3%	21.8%	23.3%
40.0%	19.8%	21.5%	23.2%	24.9%	26.6%
45.0%	22.2%	24.2%	26.1%	28.0%	30.0%
50.0%	24.7%	26.8%	29.0%	31.1%	33.3%
55.0%	27.2%	29.5%	31.9%	34.2%	36.6%
60.0%	29.7%	32.2%	34.8%	37.4%	39.9%
65.0%	32.1%	34.9%	37.7%	40.5%	43.3%
70.0%	34.6%	37.6%	40.6%	43.6%	46.6%



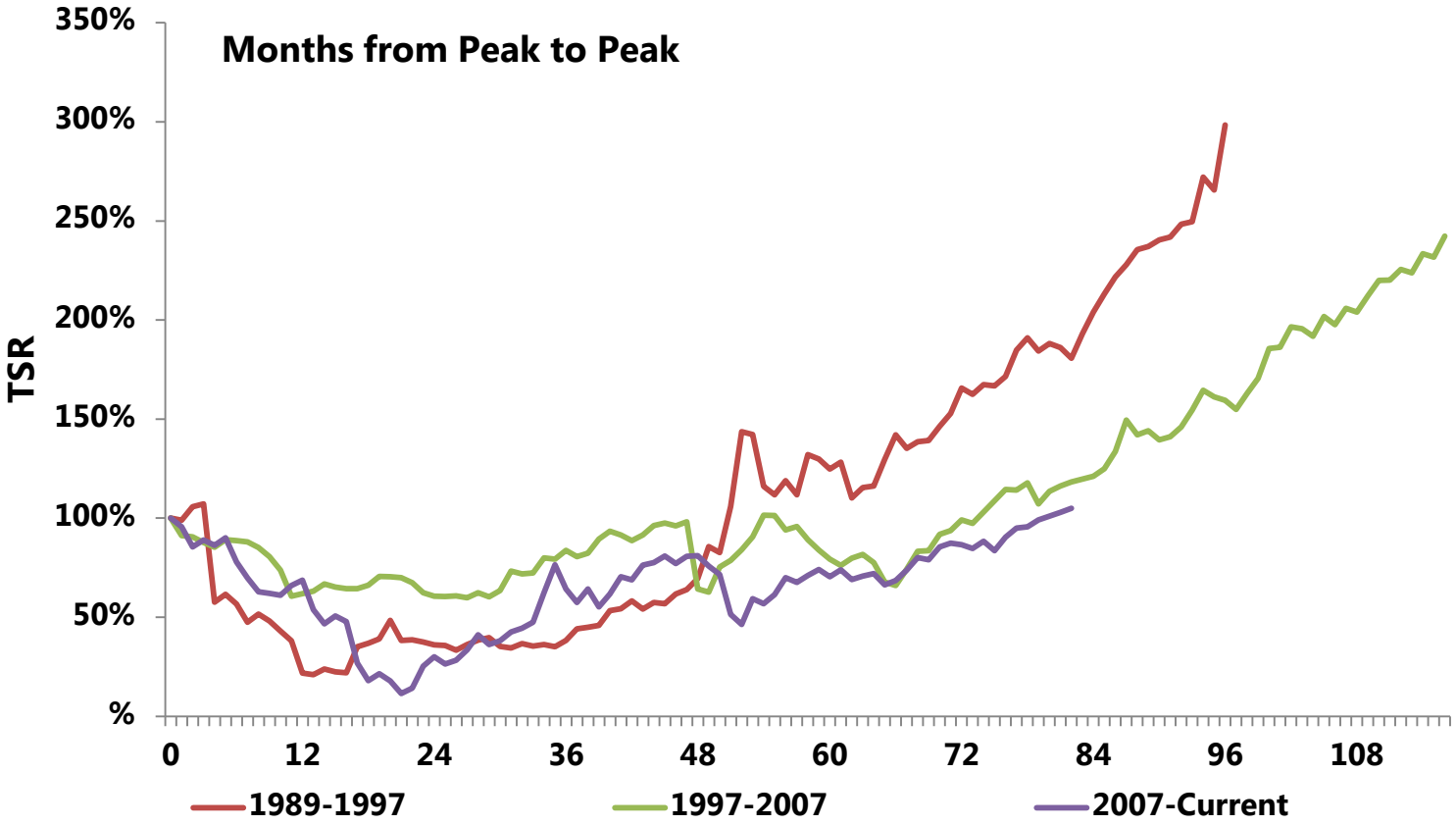





*Based on PKF RevPAR/ADR/Occupancy projections and EBITDA growth resulting from PKF EBITDA change regression equation.

Historical Industry Stock Returns

- **Historically, attractive returns remain for investors from this point in the lodging cycle**










Index includes AHT, BEE, DRH, FCH, HST, HT, LHO, and SHO. Companies are included in the data from the time of their IPO.

Compelling Opportunity








Ashford Family of Companies

ASHFORD

- To be spun-off as a publicly-traded entity (ticker to be AINC)
- Asset management platform –Prime and Trust post spin-off
- Highly-aligned fee structure

ASHFORD HOSPITALITY PRIME

- Publicly Traded (NYSE: AHP)
- 10 hotels - 3,469 owned rooms
- Market Cap of $1.2 billion
- High RevPAR portfolio
- US & international gateway markets
- Lower-leverage platform

ASHFORD HOSPITALITY TRUST

- Publicly Traded (NYSE: AHT)
- 114 hotels - 22,667 owned rooms
- Market Cap of $4.0 billion
- Targets RevPAR below Prime
- Investment across all segments and all levels of capital structure
- Advisory contract with Prime
- Platform creation

ASHFORD INVESTMENT MANAGEMENT

- Private Subsidiary of Ashford Inc.
- Real estate hedged equity strategy – upside of real estate with lower volatility and increased liquidity
- Launched in 2011
- Raising outside capital
- Potential follow-on strategies

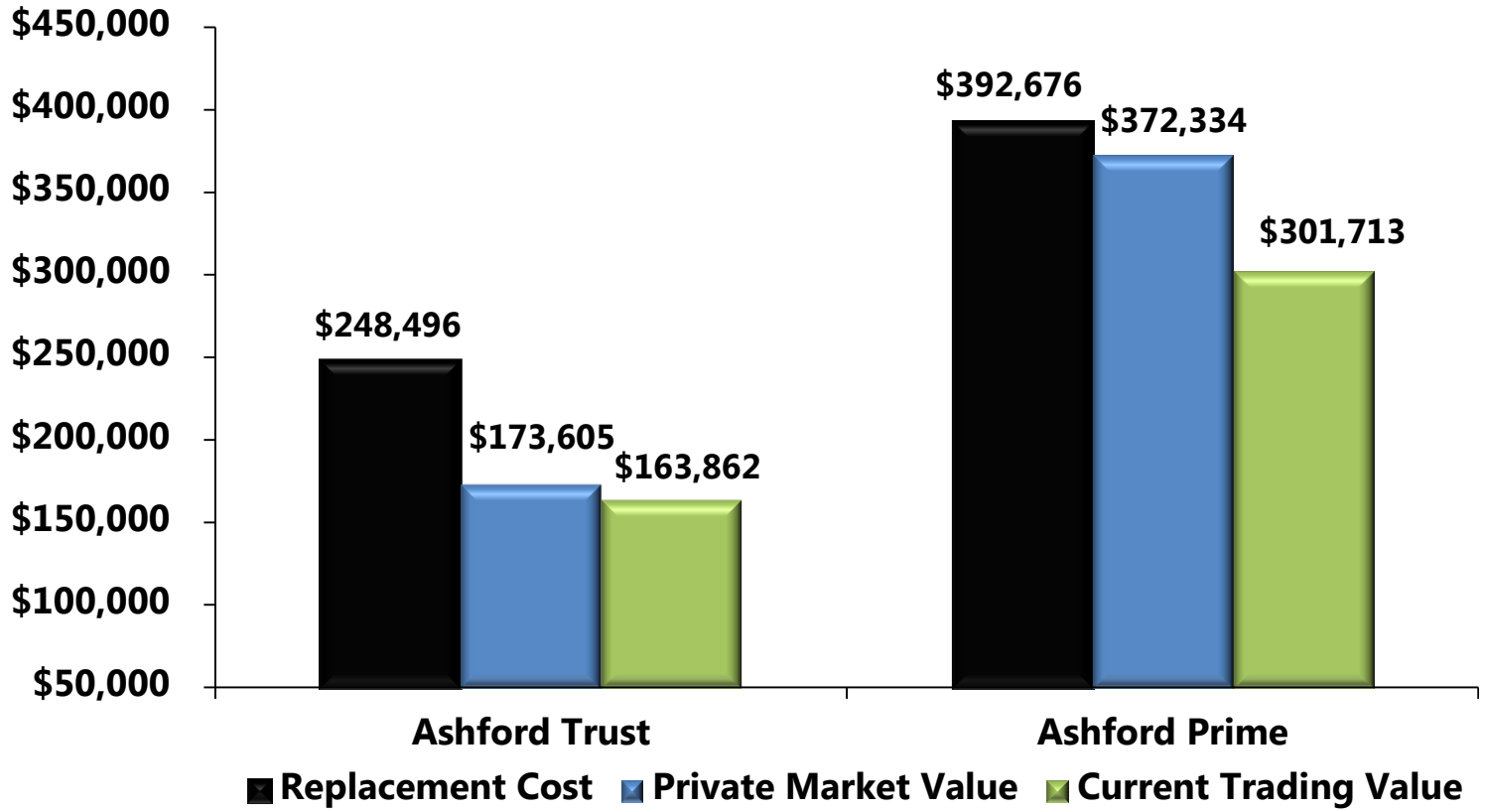







Estimated Value Per Key

- **Ashford Trust and Ashford Prime are currently trading well below replacement cost and private market value**










Source – Replacement Cost: HVS & JP Morgan
Source – Private Market Values: HVS

Ashford Hospitality Trust

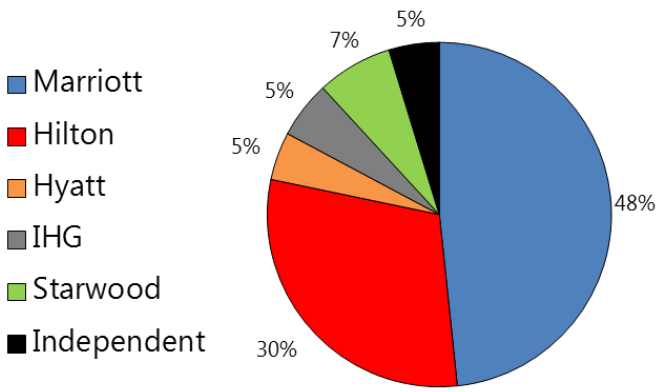




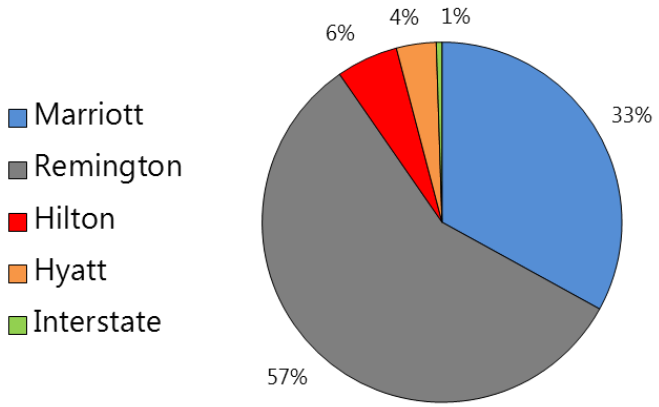



Portfolio Overview – Ashford Trust

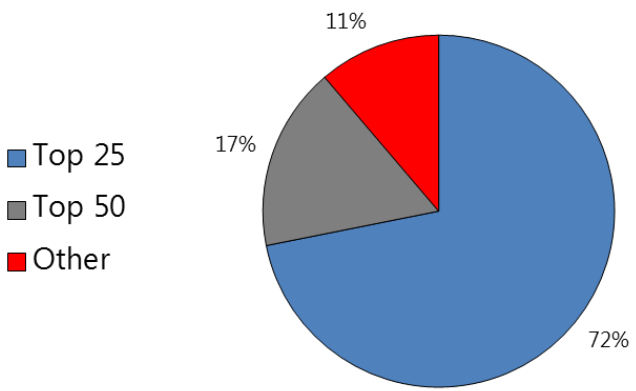
Ashford Trust Brands by EBITDA



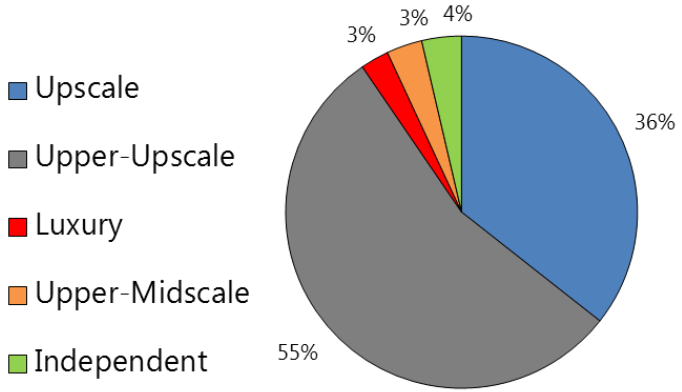
Ashford Trust Managers by EBITDA



Ashford Trust MSA by EBITDA



Ashford Trust Segment by EBITDA

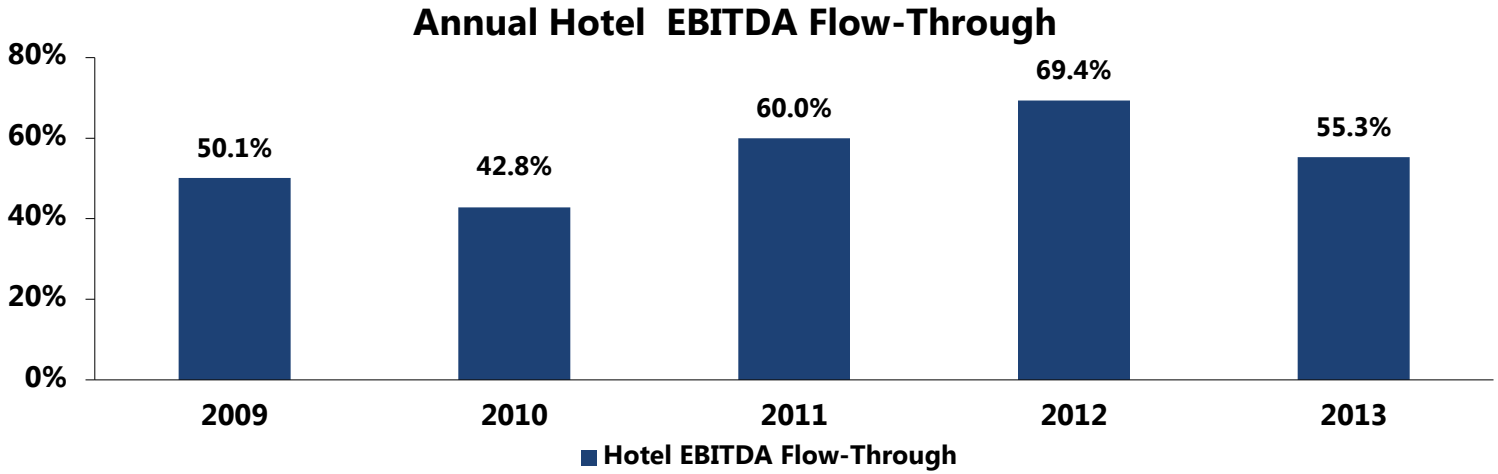









Asset Performance – Ashford Trust

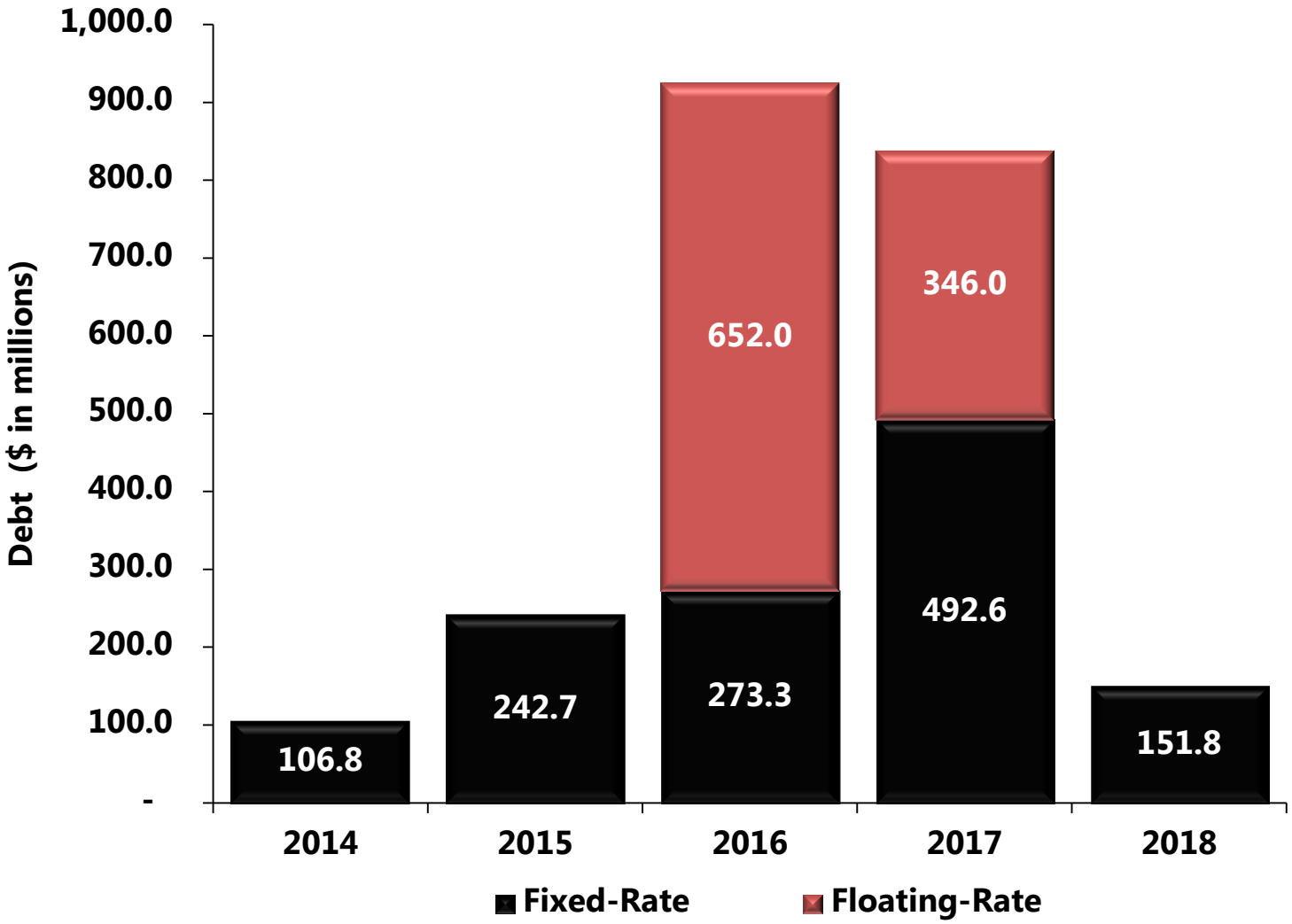


	2012	2013	Q1 2013	Q1 2014	Var
RevPAR	$94.65	$97.14	$94.47	$101.55	**7.5%**
Hotel Revenue	$1,013,117	$1,034,819	$249,518	$264,325	**5.9%**
Hotel EBITDA	$305,719	$317,546	$74,879	$82,664	**10.4%**
EBITDA Flow		**55.3%**		**52.6%**	

The above table assumes for quarterly periods the 114 properties owned and included in continuing operations March 31, 2014 were owned as of the beginning of each of the periods shown
The above table assumes for annual periods the 115 properties owned and included in continuing operations December 31, 2013 were owned as of the beginning of each of the periods shown



Ashford Trust Debt Maturities










Highland Investment Update

Acquisition

- Transformational 28-hotel, $1.3 billion acquisition
- Invested in the mezzanine debt in 2008 via joint venture
- Completed foreclosure & restructuring in March 2011 with new $150 million investment from Ashford Trust & $50 million investment from JV partner
- Ashford Trust owns 72%

Current Valuation

- Over $144 million spent on capex since takeover in 2011
- Significant increase in equity value
- Implied IRR materially above initial underwriting

Further Opportunities

- Continued aggressive asset management to increase revenues and EBITDA
- Potential refinancing and exit from cash trap
- Explore buyout of JV partner



Ashford Trust Photo Gallery



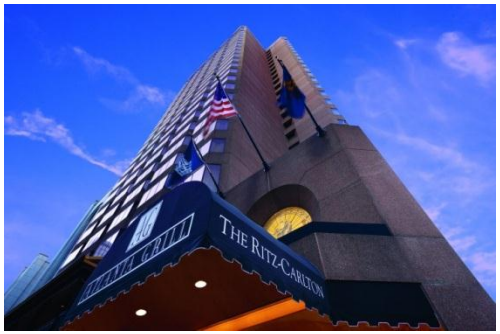
Renaissance Palm Springs



Hilton Santa Fe



Hilton Boston Back Bay



Ritz-Carlton Atlanta Downtown



Marriott San Antonio Plaza



The Churchill



Hilton Nassau Bay



Renaissance Portsmouth













Ashford Hospitality Prime







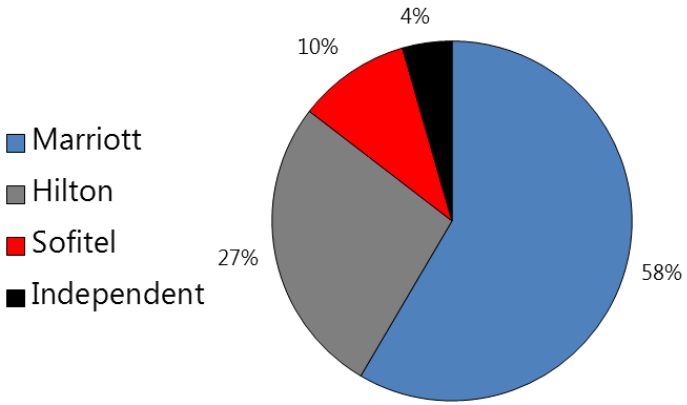

Portfolio Overview – Ashford Prime



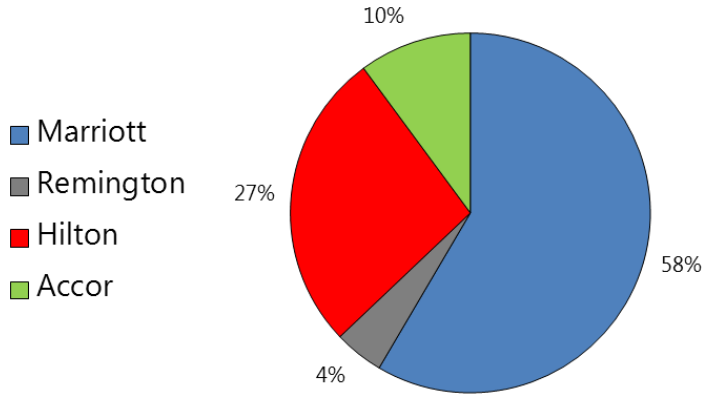




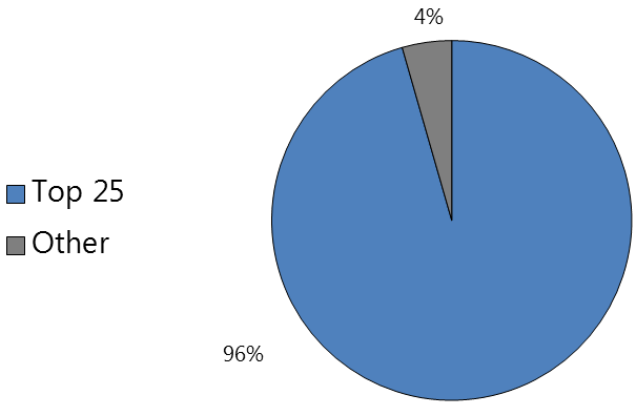

Ashford Prime Brands by EBITDA



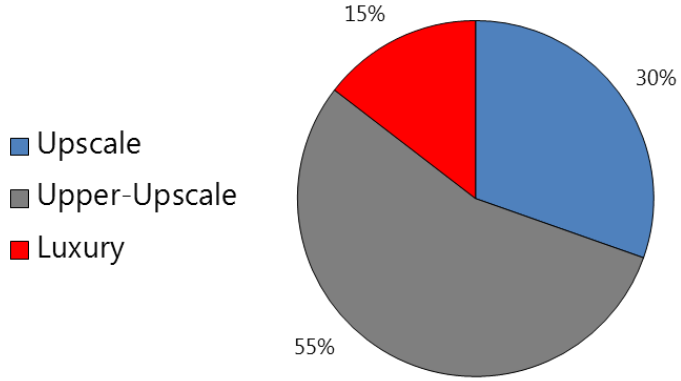
Ashford Prime Managers by EBITDA



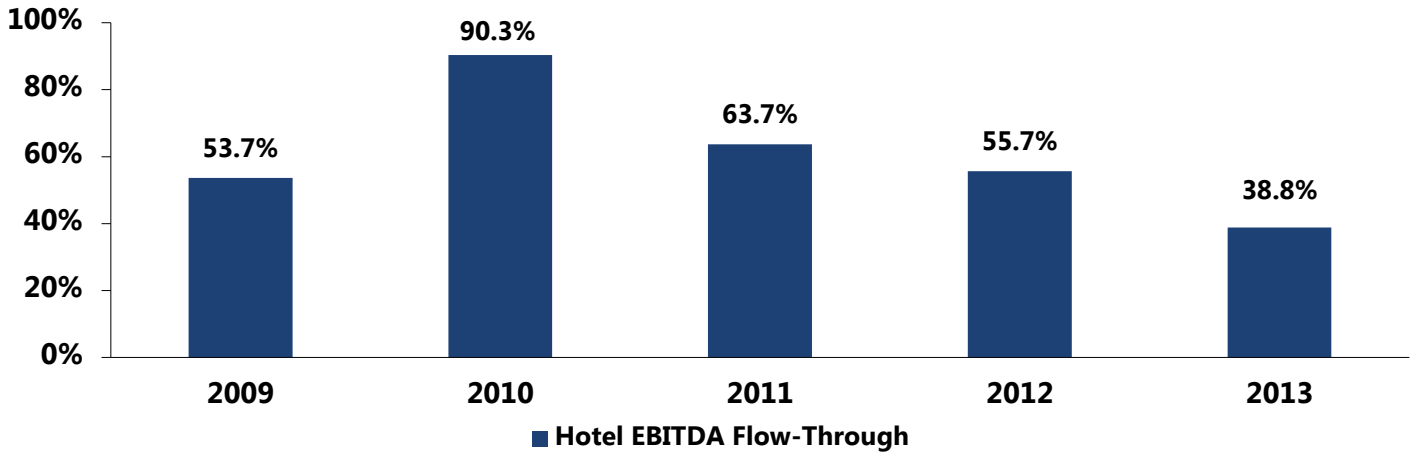
Ashford Prime MSA by EBITDA



Ashford Prime Segment by EBITDA



Asset Performance – Ashford Prime

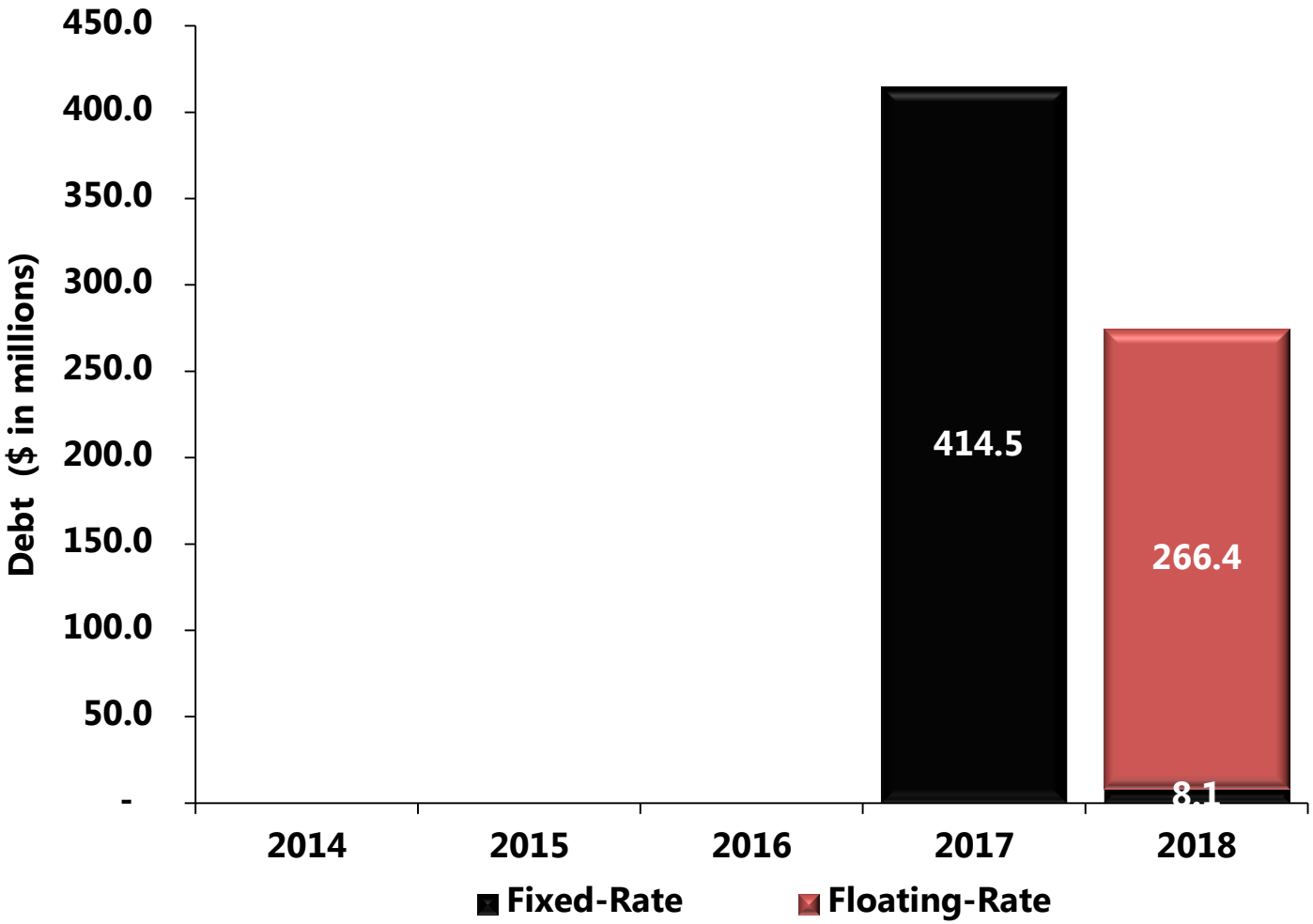


	2012	2013	Q1 2013	Q1 2014	Var
RevPAR	$140.20	$148.64	$140.03	$147.69	**5.5%**
Hotel Revenue	$221,188	$233,475	$66,830	$69,179	**3.5%**
Hotel EBITDA	$66,993	$71,757	$18,166	$18,823	**3.6%**
EBITDA Flow-Through		**38.8%**		**28.0%**	

The above table assumes for quarterly periods the 10 properties owned and included in continuing operations at March 31, 2014 were owned as of the beginning of each of the periods shown
The above table assumes for annual periods the 8 properties owned and included in continuing operations at December 31, 2013 were owned as of the beginning of each of the periods shown



Ashford Prime Debt Maturities










Chicago Sofitel Transaction





Property Information:

- Location: Downtown Chicago (Gold Coast submarket)
- Rooms: 415 (including 32 suites)
- Year Built: 2002
- 10,000 sf of meeting space
- Fee simple; 32 story tower
- Segmentation: 70% transient; 30% group

Acquisition Overview:

- Purchase Price: $153 million
- Purchase Price/Key: $369,000
- RevPAR of $178* vs. AHP Portfolio RevPAR of $159*

Strengths/Opportunities:

- Excellent Gold Coast location in a key U.S. gateway market
- High quality asset with attractive contemporary design and minimal capex needs
- Discount to replacement cost
- Diversifies portfolio by market, brand, and manager
- Potential to re-concept restaurants and implement tiered pricing to drive additional revenue
- Improved cash flow through Ashford asset management and best practices
- Strong appeal to international travelers with longer stay patterns













Pier House Resort Transaction





Property Information:

- Location: Key West, FL
- Rooms: 142 (including 21 suites)
- Year Built: 1968
- 2,600 sf of meeting space
- Fee simple
- Segmentation: 93% transient; 7% group

Acquisition Overview:

- Purchase Price: $92.7 million
- Purchase Price/Key: $653,000
- RevPAR of $316* vs. AHP Portfolio RevPAR of $159*

Strengths/Opportunities:

- Excellent location at north end of Duval Street in one of strongest hotel markets in U.S.
- Extremely high barriers to entry with Rate of Growth Ordinance
- High quality asset with minimal capex needs
- Management has deep experience in Key West market and continues to drive revenue initiatives and cost efficiencies
- Improved cash flow through Ashford asset management and best practices













Ashford Prime Photo Gallery



Tampa Renaissance



Marriott Seattle Waterfront



Philadelphia Courtyard



Hilton La Jolla Torrey Pines



Courtyard Seattle Downtown



San Francisco Courtyard



Marriott Plano Legacy



Capital Hilton













Growth & Acquisition Strategy








Acquisition & Growth Strategy

ASHFORD HOSPITALITY PRIME

ASHFORD

ASHFORD HOSPITALITY TRUST

- **Highly quantitative approach focused on long-term accretion for each platform**
- **Proven track record of value-creating acquisitions**
- **Disciplined capital allocation**
- **Multiple ways to grow each platform:**
  - **Single asset acquisitions**
  - **Portfolio acquisitions**
  - **Incubation of new platforms**








Differentiated Investment Strategy

- **AHP and AHT have distinct investment strategies. AHP and AHT expect to benefit from the proven successful capabilities of the Ashford management team**

	Ashford Prime	Ashford Trust
Investment Focus	Full-service and select-service hotels anticipated to generate RevPAR at least twice the national average	All segments of the hospitality industry, with RevPAR criteria outside the Ashford Prime investment focus
Investment Type	Direct hotel investments and joint ventures	Direct hotel investments, joint ventures and debt
Geography	Domestic and international gateway markets and select resort locations	National focus, including primary, secondary and tertiary markets
Chain Scale	Upscale, upper-upscale and luxury	Various chain scale segments
Mix of Service	Full-service and select-service in urban markets	Full-service and select-service
Capital Structure/Leverage Policy	Conservative - target < 5.0x net debt and preferred equity to EBITDA	Opportunistic - strategic use of debt designed to maximize returns
Brand Strategy	Premium brands and high quality independent hotels	Premium brands and high quality independent hotels
Management	Ashford Advisor	Ashford Advisor

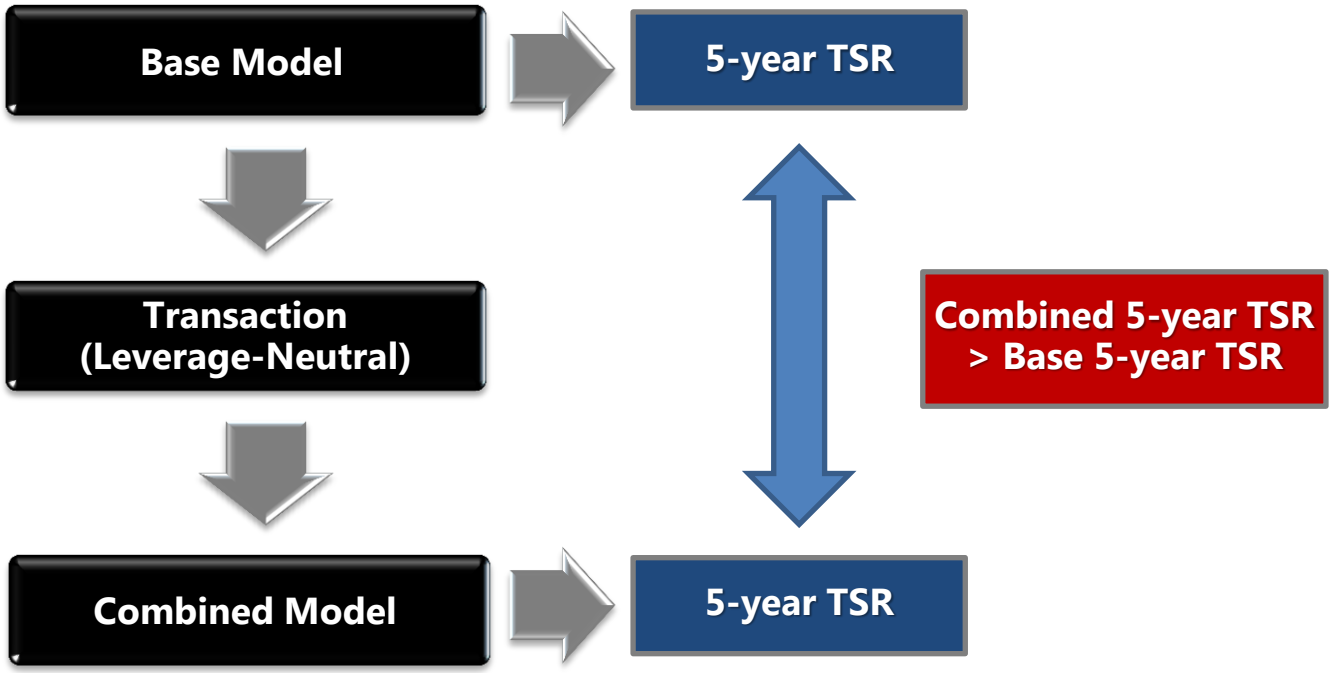







Accretive Growth

- Ashford management is focused on accretive growth
- Our definition of accretion: the 5-year Total Shareholder Return (TSR) post-transaction must be greater than the 5-year TSR pre-transaction
- Transactions are modeled on a leverage-neutral basis










Well Positioned For Growth

ASHFORD HOSPITALITY PRIME

- Unique built in pipeline of option hotels and right of first offer hotels
- Targeted acquisitions consistent with investment guidelines
- Internal growth from asset performance

ASHFORD HOSPITALITY TRUST

- Opportunistic, value add transactions
- Internal growth from asset performance
- Excess cash from potential refinancings
- Highland portfolio opportunities
- Partial ownership of Ashford Prime
- Advisory fees

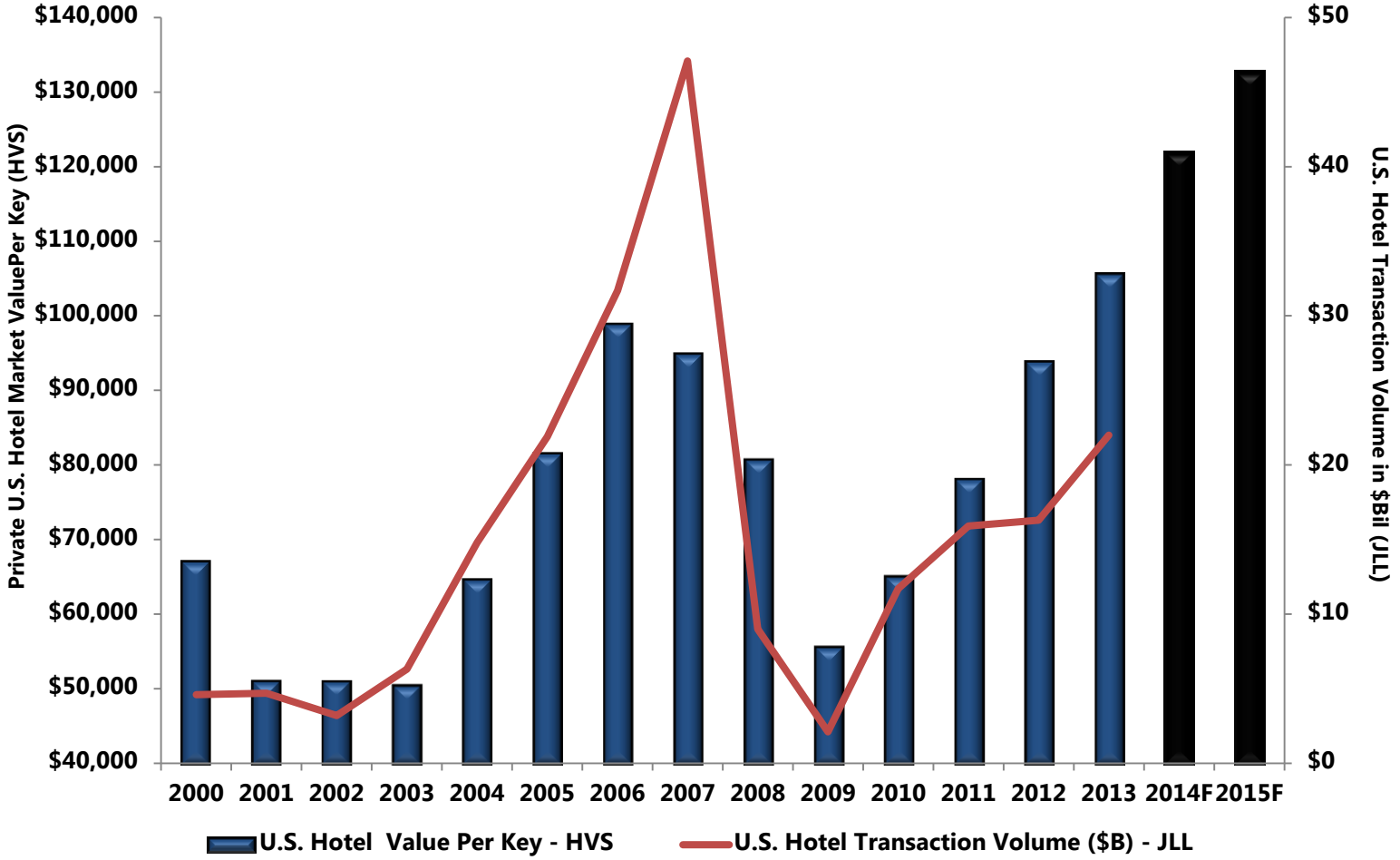







Projected Hotel Room Value Growth

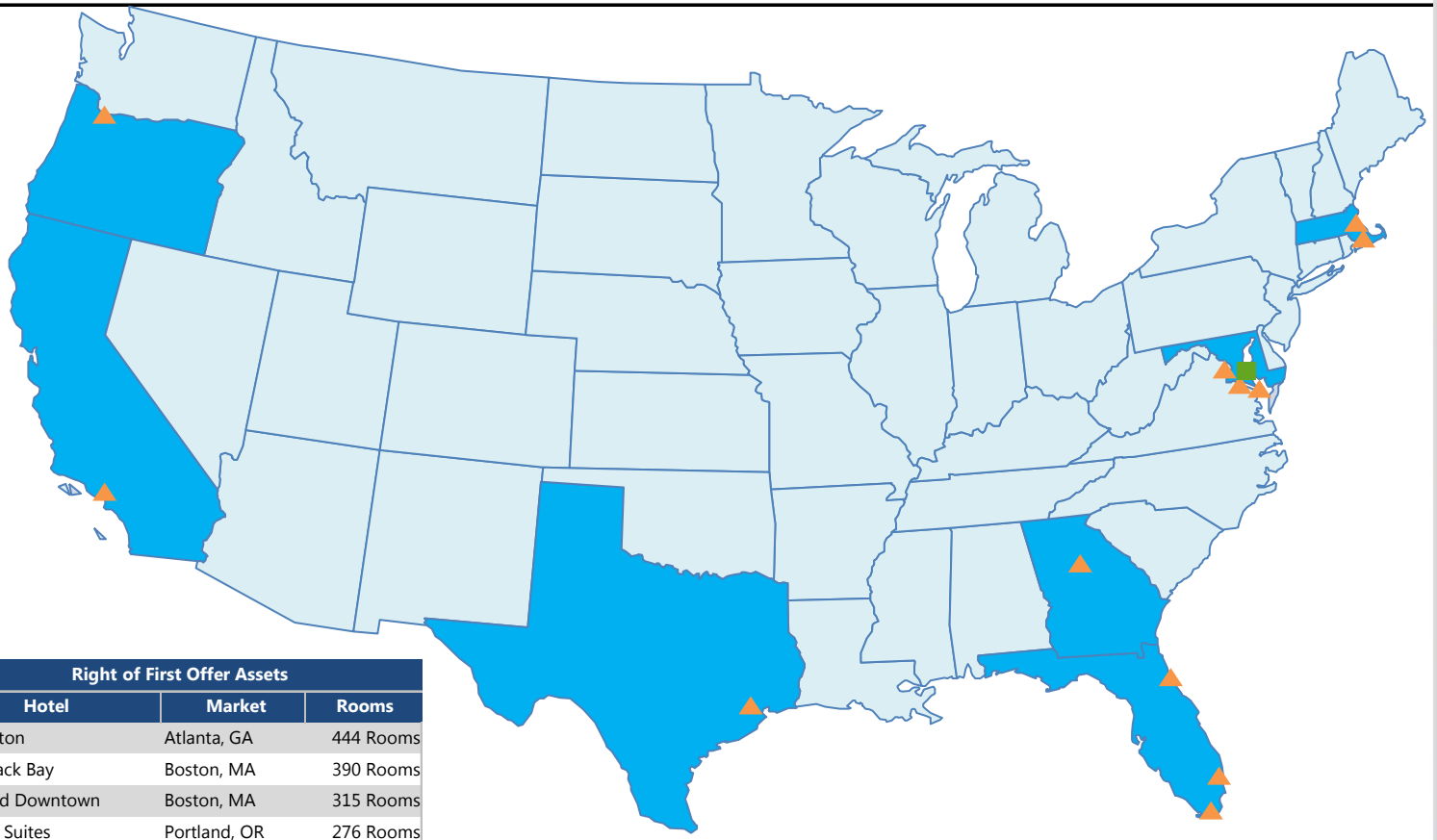
- **U.S. hotel transaction volume is likely to increase over the next several years as private U.S. hotel market values rise**





Source: JLL/HVS

Marriott Gateway & ROFO Hotels



Right of First Offer Assets		
Hotel	**Market**	**Rooms**
Ritz-Carlton	Atlanta, GA	444 Rooms
Hilton Back Bay	Boston, MA	390 Rooms
Courtyard Downtown	Boston, MA	315 Rooms
Embassy Suites	Portland, OR	276 Rooms
Embassy Suites Crystal City	Washington, D.C.	267 Rooms
Crowne Plaza Beverly Hills	Los Angeles, CA	258 Rooms
Hyatt Regency Coral Gables	Miami, FL	250 Rooms
Melrose	Washington, D.C.	240 Rooms
One Ocean	Jacksonville, FL	193 Rooms
Churchill	Washington, D.C.	173 Rooms
Crowne Plaza Key West	Key West, FL	160 Rooms
Embassy Suites	Houston, TX	150 Rooms

Right of First Offer Assets

Option Asset

Option Asset		
Hotel	**Market**	**Rooms**
Marriott Crystal Gateway	Washington, D.C.	697 Rooms







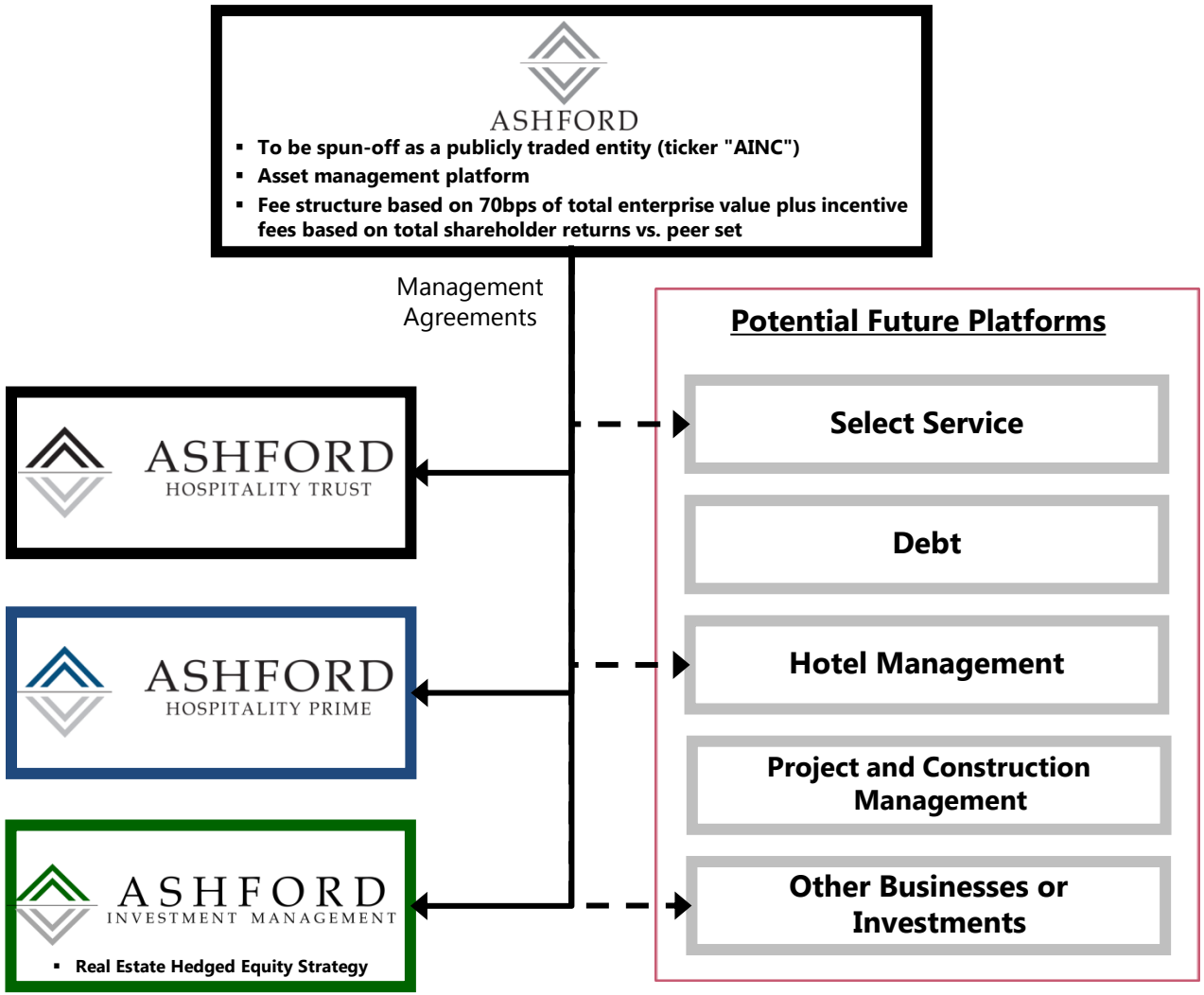






Ashford Inc. Growth Opportunities

Ashford Inc. Pro Forma Structure

















Appendix

Executive Bios



Monty J. Bennett

Chief Executive Officer & Chairman of the Board

Mr. Bennett is the Founder, Chairman, & Chief Executive Officer of Ashford Hospitality Advisors and serves as the Founder, Chairman, & Chief Executive Officer of both Ashford Hospitality Trust (NYSE: AHT) and Ashford Hospitality Prime (NYSE: AHP). Mr. Bennett is a member of the American Hotel & Lodging Association's Industry Real Estate Finance Advisory Council (IREFAC), the Urban Land Institute's Hotel Council, and is on the Advisory Editorial board for GlobalHotelNetwork.com. He is also a member of the CEO Fiscal Leadership Council for Fix the Debt, a non-partisan group dedicated to reducing the nation's federal debt level and on the advisory board of Texans for Education Reform. Formerly, Mr. Bennett was a member of Marriott's Owner Advisory Council and Hilton's Embassy Suites Franchise Advisory Council. Mr. Bennett is a frequent speaker and panelist for various hotel development and investment conferences including the NYU conference and the ALIS conference. Mr. Bennett received the Top-Performing CEO Award from HVS for 2011. This award is presented each year to the CEO in the hospitality industry who offers the best value to shareholders based on HVS's pay-for-performance model. The model compares financial results relative to CEO compensation, as well as a stock appreciation, company growth and increases in EBITDA. Mr. Bennett holds a Master's degree in Business Administration from Cornell's S.C. Johnson Graduate School of Management and received a Bachelor of Science degree with distinction from the School of Hotel Administration also at Cornell. He is a life member of the Cornell Hotel Society.

Mr. Bennett's extensive industry experience as well as the strong and consistent leadership qualities he has displayed in his role as the chief executive officer and a director of Ashford Trust since its inception are vital skills that make him uniquely qualified to serve as the chairman of our board of directors.



Douglas A. Kessler

President

Mr. Kessler is the President of Ashford Hospitality Advisors and serves as the President of both Ashford Hospitality Trust (NYSE: AHT) and Ashford Hospitality Prime (NYSE: AHP). He is currently on the Board of Directors of AHP, and was previously on the Board of Directors of AHT. Prior to being appointed President, Mr. Kessler served as Ashford Trust's Chief Operating Officer and Head of Acquisitions beginning in May 2003. Mr. Kessler has spearheaded numerous key initiatives while at Ashford Trust and has been responsible for several billion dollars of capital transactions along with the growth of the company's asset base to in excess of $4 billion. From July 2002 until August 2003, Mr. Kessler also served as the managing director/chief investment officer of Remington Hotel Corporation.

Prior to joining Remington Hotel Corporation in 2002, from 1993 to 2002, Mr. Kessler was employed at Goldman Sachs' Whitehall Real Estate Funds, where he assisted in the management of more than $11 billion of real estate (including $6 billion of hospitality investments) involving over 20 operating partner platforms worldwide. During his nine years at Whitehall, Mr. Kessler served on the boards or executive committees of several lodging companies, including Westin Hotels and Resorts and Strategic Hotel Capital.

Mr. Kessler has diverse real estate experience totaling nearly 30 years and is a member of Urban Land Institute's Hotel Council and is a frequent speaker and panelist at lodging industry conferences including International Hotel Investment Forum, Americas Lodging Investment Summit and the NYU Lodging Conference. Mr. Kessler has a Master's degree in Business Administration and a Bachelor of Arts degree from Stanford University.













Executive Bios



David A. Brooks

Chief Operating Officer, General Counsel & Secretary

Mr. Brooks is the chief Operating Officer, General Counsel & Secretary of Ashford Hospitality Advisors and serves as Chief Operating Officer, General Counsel & Secretary of both Ashford Hospitality Trust (NYSE: AHT) and Ashford Hospitality Prime (NYSE: AHP). Prior to assuming the role of Chief Operating Officer of Ashford Trust, he served as Chief Legal Officer, Head of Transactions and Secretary from August 2003 to January 2009. Prior to that, he served as Executive Vice President and General Counsel for Remington Hotel Corporation and Ashford Financial Corporation, an affiliate of Ashford Trust, from January 1992 until August 2003, where he co-led the formation of numerous investment partnerships, negotiated and closed approximately $1 billion in asset acquisitions and asset managed nearly $750 million dollars in non-performing hospitality loans. Prior to joining Remington Hotel Corporation, Mr. Brooks served as a partner with the law firm of Sheinfeld, Maley & Kay.

Mr. Brooks earned his Bachelor of Business Administration in Accounting from the University of North Texas in 1981, his Juris Doctor from the University of Houston Law Center in 1984 and became licensed as a CPA in the State of Texas in 1984 (currently non-practicing status).



Deric S. Eubanks

Chief Financial Officer

Mr. Eubanks is the Chief Financial Officer and Treasurer of Ashford Hospitality Advisors and serves as the Chief Financial Officer and Treasurer of both Ashford Hospitality Trust (NYSE: AHT) and Ashford Hospitality Prime (NYSE: AHP). Mr. Eubanks oversees all corporate finance and financial reporting initiatives and is involved in all capital market activities including equity raises, debt financings, and loan modifications. He oversees Investor Relations and is responsible for overseeing and executing Ashford Hospitality Trust's and Ashford Hospitality Prime's hedging strategies. Mr. Eubanks formally served as the Senior Vice President of Finance. Prior to his role as Senior Vice President of Finance, Mr. Eubanks was Vice President of Investments and was responsible for sourcing and underwriting hotel investments including direct equity investments, joint venture equity, preferred equity, mezzanine loans, first mortgages, B-notes, construction loans, and other debt securities for Ashford Trust. Mr. Eubanks has been with Ashford Trust since its initial public offering in August of 2003. Mr. Eubanks has written several articles for industry publications and is a frequent speaker at industry conferences and industry round tables. Before joining Ashford Trust, Mr. Eubanks was a Manager of Financial Analysis for ClubCorp, where he assisted in underwriting and analyzing investment opportunities in the golf and resort industries.

Mr. Eubanks earned a BBA from Southern Methodist University and is a CFA charter holder. He is a member of the CFA Institute and the CFA Society of Dallas-Fort Worth.













Executive Bios



J. Robison Hays

Senior Vice President, Corporate Strategy & Finance

Mr. Hays is the Senior Vice President of Corporate Strategy & Finance of Ashford Hospitality Advisors and serves as the Senior Vice President of Corporate Strategy & Finance of both Ashford Hospitality Trust (NYSE: AHT) and Ashford Hospitality Prime (NYSE: AHP). Mr. Hays is responsible for the formation and execution of our strategic initiatives, working closely with our Chief Executive Officer. He also oversees all financial analysis as it relates to the corporate model, including acquisitions, divestitures, refinancings, hedging, capital market transactions and major capital outlays. Prior to 2013, in addition to his other responsibilities, Mr. Hays was in charge of Ashford Trust's investor relations group. Mr. Hays has been a frequent speaker at industry and Wall Street investor conferences.

Prior to joining Ashford Trust, Mr. Hays worked in the Corporate Development office of Dresser, Inc., a Dallas-based oil field service & manufacturing company, where he focused on mergers, acquisitions, and strategic direction. Before working at Dresser, Mr. Hays was a member of the Merrill Lynch Global Power & Energy Investment Banking Group based in Texas.



Jeremy J. Welter

Executive Vice President of Asset Management

Mr Welter has served as the Executive Vice President of Asset Management for Ashford Hospitality Trust since January 2011 where he oversees a $4 billion portfolio of 122 hotels. From August 2005 until December 2010, Mr. Welter was employed by Remington Hotels, LP in various capacities, most recently serving as chief financial officer. He is a current member of Marriott's Owner Advisory Council. From July 2000 through July 2005, Mr. Welter was an investment banker at Stephens, where he worked on mergers and acquisitions, public and private equity and debt, capital raises, company valuations, fairness opinions and recapitalizations. Before working at Stephens, Mr. Welter was part of Bank of America's Global Corporate Investment Banking group. Mr. Welter is a speaker and panelist for various lodging investment and development conferences, including the NYU Lodging Conference.

Mr. Welter earned his Bachelor of Science in Business Administration in Economics from Oklahoma State University, where he served as student body president and graduated Summa Cum Laude.













Executive Bios



Mark L. Nunneley

Chief Accounting Officer

Mr. Nunneley is the Chief Accounting Officer of Ashford Hospitality Advisors and serves as the Chief Accounting Officer of both Ashford Hospitality Trust (NYSE: AHT) and Ashford Hospitality Prime (NYSE: AHP). He has served as the Chief Accounting Officer of Ashford Hospitality Trust since May 2003 where he is responsible for the tax, accounting, ad valorem tax and treasury functions. From 1992 until 2003, Mr. Nunneley served as Chief Financial Officer of Remington Hotel Corporation. He previously served as a tax consultant at Arthur Andersen & Company and as a tax manager at Deloitte & Touche. Mr. Nunneley is a certified public accountant (CPA) in the State of Texas and is a member of the American Institute of Certified Public Accountants, Texas Society of CPAs and Dallas Chapter of CPAs.

Mr. Nunneley holds a Bachelor of Science degree in Business Administration from Pepperdine University and a Master of Science in Accounting from the University of Houston.





















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June 2014