

BRAEMAR

HOTELS & RESORTS

Investor Day October 2018

Forward Looking Statements and Non-GAAP Measures

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, and the degree and nature of our competition. These and other risk factors are more fully discussed in the company's filings with the Securities and Exchange Commission.

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 or debt amount. 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 or in the appendix to this presentation.

The calculation of implied equity value is derived from an estimated blended capitalization rate ("Cap Rate") for the entire portfolio using the capitalization rate method. The estimated Cap Rate is based on recent Cap Rates of publically traded peers involving a similar blend of asset types found in the portfolio, which is then applied to Net Operating Income ("NOI") of the company's assets to calculate a Total Enterprise Value ("TEV") of the company. From the TEV, we deduct debt and preferred equity and then add back working capital and the company's investment in Ashford Inc. to derive an equity value.

The capitalization rate method is one of several valuation methods for estimating asset value and implied equity value. Among the limitations of using the capitalization rate method for determining an implied equity value are that it does not take into account the potential change or variability in future cash flows, potential significant future capital expenditures, the intended hold period of the asset, or a change in the future risk profile of an asset.

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 Braemar Hotels & Resorts, Inc. or any of its respective affiliates, and may not be relied upon in connection with the purchase or sale of any such security.

Vision

Vision for Braemar Hotels & Resorts

- Differentiate the Company
- Focus on Luxury Segment
- Deliver Strong Returns to Shareholders



Richard Stockton

Chief Executive Officer

- 20 years of hospitality experience
- 2 years with the Company
- 15 years with Morgan Stanley
- Cornell School of Hotel Administration, BS
- University of Pennsylvania, MBA



Achieving the Vision

- Sell Non-Core Assets ☐
- Upbrand Non-Core Assets ☐
- Acquire Luxury Assets ☐
- Rebrand Company ☐





Sold Two Non-Core Assets

November 2017

Marriott Plano, TX

$104.0M Sales Price

7.7% All-in Cap Rate

$134 RevPAR

11.1x EBITDA Multiple

May 2018

Renaissance Tampa, FL

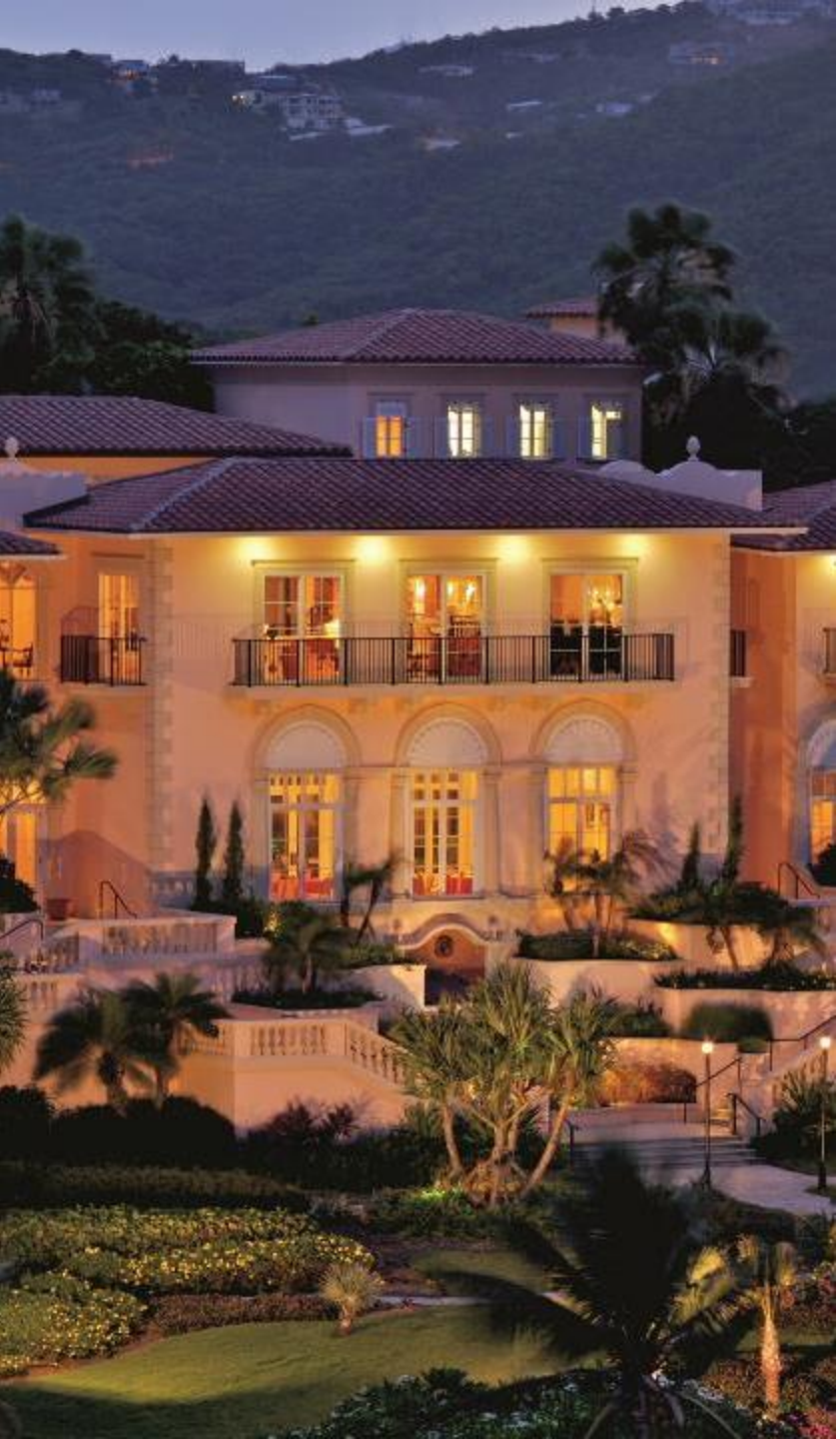
$68.0M Sales Price

8.2% All-in Cap Rate

$158 RevPAR

10.0x EBITDA Multiple

Note: All metrics are as of the time of disposition



Achieving the Vision

Sell Non-Core Assets	☑
Upbrand Non-Core Assets	☐
Acquire Luxury Assets	☐
Rebrand Company	☐

Upbranding Update

Courtyard Philadelphia

- Brand change: **Autograph**
- Expected RevPAR uplift**: $25**
- Estimated unlevered IRR: **19%**
- Incremental investment: **$19.8 million**
- Estimated completion date: **6/30/2019**

Construction Timing (Completion):

Guestrooms	**10/18 – 6/19**
Lobby	**12/18 – 4/19**
Restaurant	**1/19 – 6/19**



Upbranding Update

Courtyard San Francisco

- Brand change: **Autograph**
- Expected RevPAR uplift**: $50**
- Estimated unlevered IRR: **22%**
- Incremental investment: **$28.9 million**
- Estimated completion date: **12/31/2019**

Construction Timing (Completion):

Guestrooms	**9/18 – 12/18**
Lobby	**2/19 – 10/19**
Restaurant	**2/19 – 10/19**
Exterior	**4/19 – 11/19**



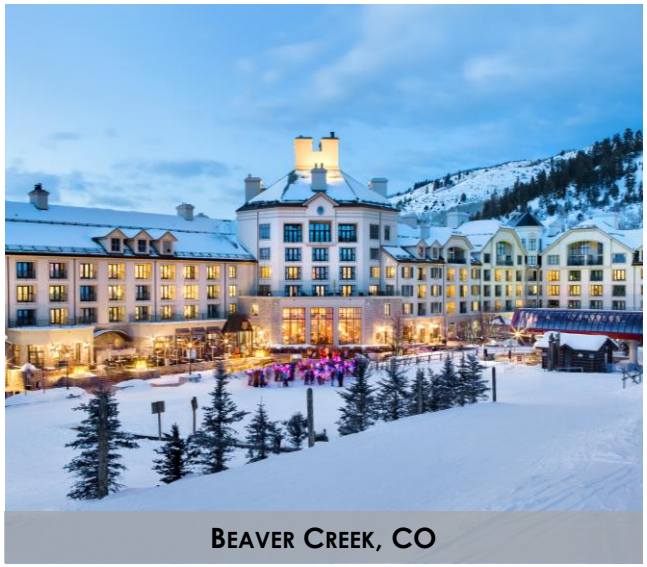
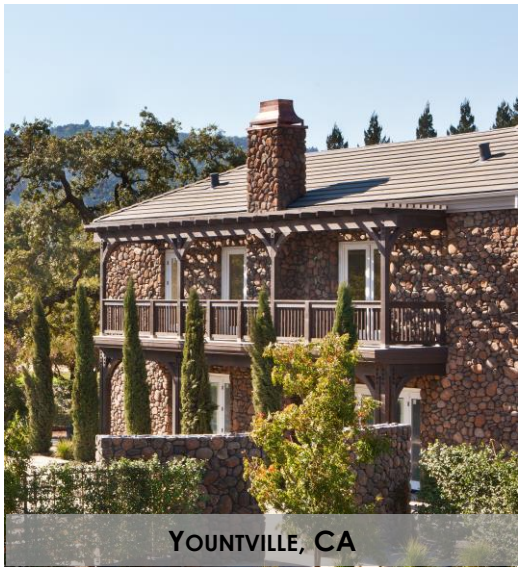
YTD guest satisfaction scores have more than tripled

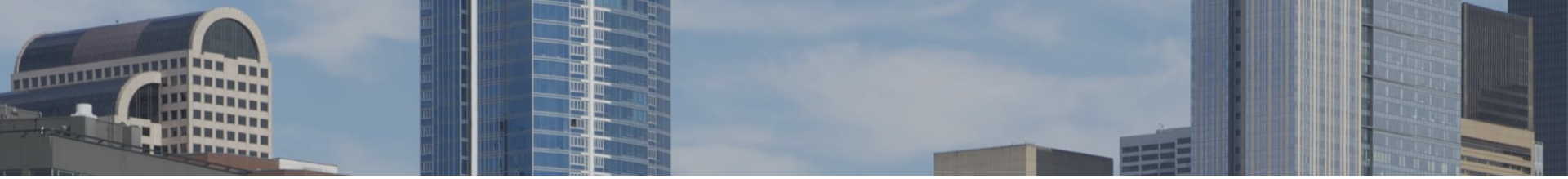


Achieving the Vision

Sell Non-Core Assets	☑
Upbrand Non-Core Assets	☑
Acquire Luxury Assets	☐
Rebrand Company	☐

Acquired Three Luxury Assets

Park Hyatt Beaver Creek	Hotel Yountville	Ritz-Carlton Sarasota
 Beaver Creek, CO	 Yountville, CA	 Sarasota, FL
$145.5 million	**$96.5 million**	**$171.5 million**
190	**# Rooms**	80	**# Rooms**	266	**# Rooms**
$766K	**Per Key**	$1.2M	**Per Key**	$643K	**Per Key**
6.0%	**TTM Cap Rate**	6.2%	**TTM Cap Rate**	6.0%	**TTM Cap Rate**
10.0%	**Unlevered IRR**	10.0%	**Unlevered IRR**	10.0%	**Unlevered IRR**
8.0%	**Stabilized Yield**	8.0%	**Stabilized Yield**	8.0%	**Stabilized Yield**
L + 275	**Cost of Debt**	L + 255	**Cost of Debt**	L + 265	**Cost of Debt**
46%	**LTV**	53%	**LTV**	58%	**LTV**

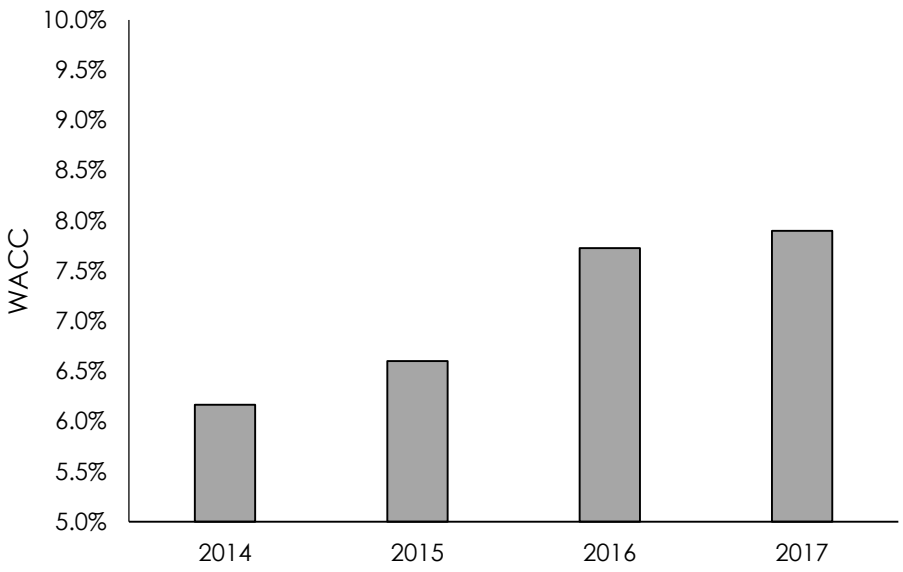


COST OF CAPITAL

WACC: 6.2% - 7.9%

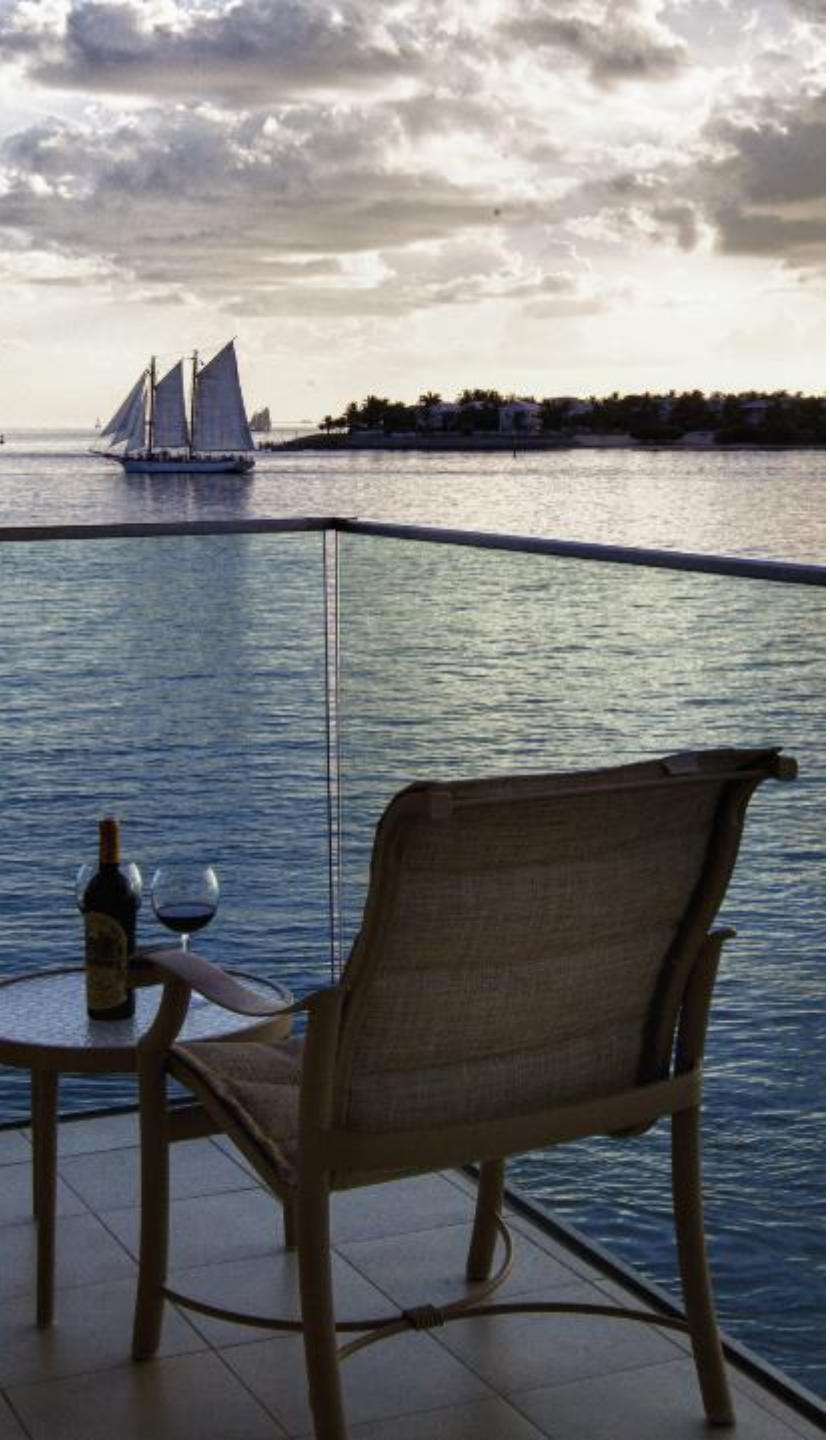
	2014			2015		
		Weight	Cost		Weight	Cost
Equity	551,752	43.5%	7.7%	487,739	36.3%	9.8%
Debt	715,829	56.5%	5.0%	791,392	58.9%	4.7%
Preferred	0	0.0%		65,000	4.8%	5.5%
Total	$ 1,267,581			$ 1,344,131		
WACC			**6.2%**			**6.6%**

	2016			2017		
		Weight	Cost		Weight	Cost
Equity	409,088	34.1%	13.1%	386,217	30.0%	15.5%
Debt	718,773	59.9%	4.8%	778,733	60.4%	4.3%
Preferred	72,271	6.0%	6.5%	124,146	9.6%	6.9%
Total	$ 1,200,132			$ 1,289,096		
WACC			**7.7%**			**7.9%**



Note: Cost of Equity is defined as AFFO divided by the annual Volume Weighted Average Price (VWAP)





Achieving the Vision

Sell Non-Core Assets	☑
Upbrand Non-Core Assets	☑
Acquire Luxury Assets	☑
Rebrand Company	☐



NYSE
Closing Bell
April 24, 2018

BRAEMAR
HOTELS & RESORTS

NYSE



Achieving the Vision

- **Sell Non-Core Assets** ☑
- **Upbrand Non-Core Assets** ☑
- **Acquire Luxury Assets** ☑
- **Rebrand Company** ☑

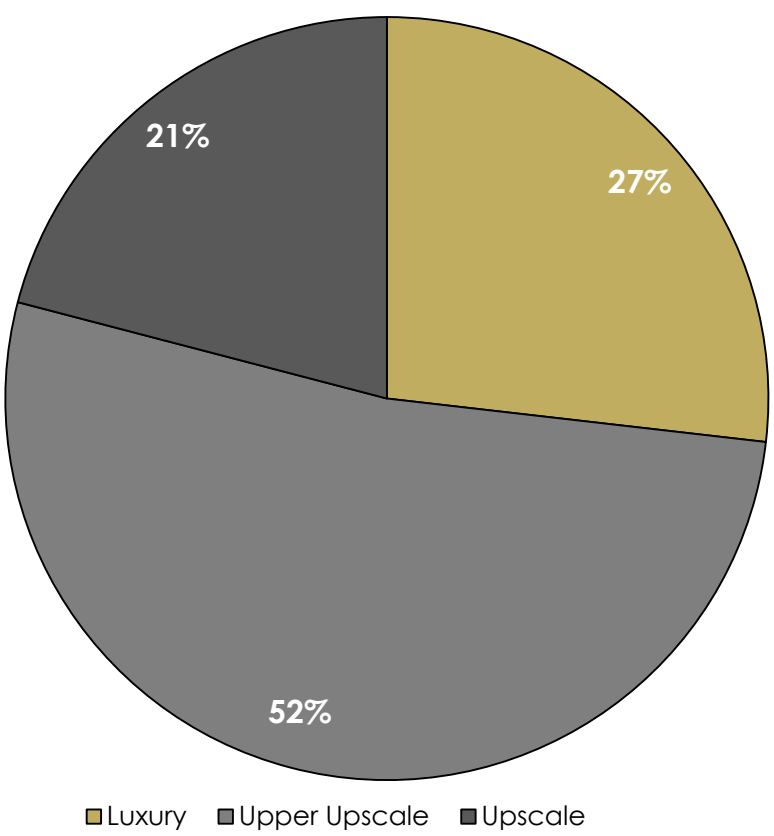


OUR PORTFOLIO

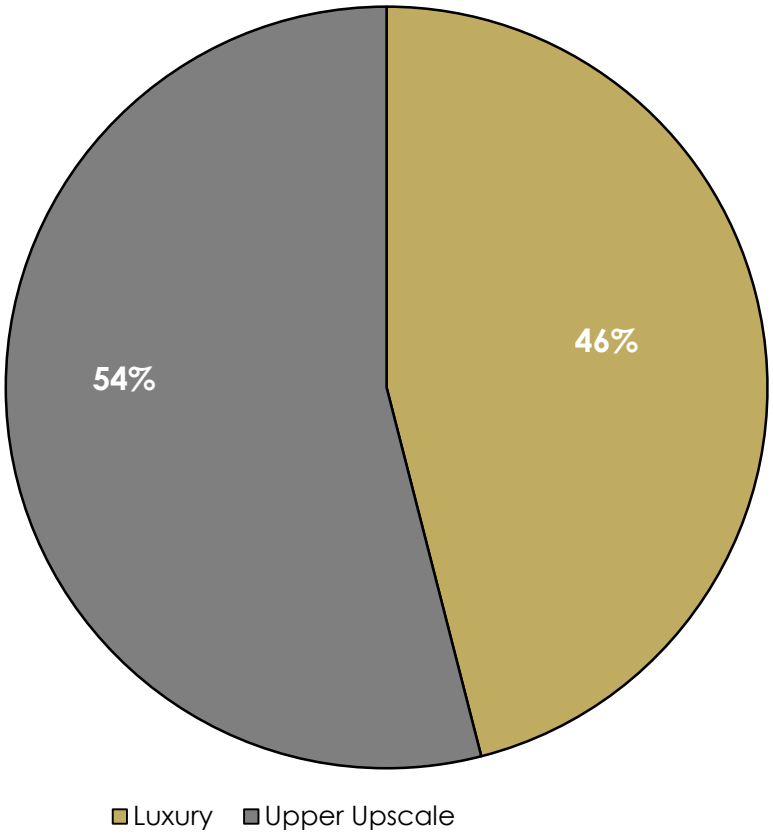
LUXURY HOTELS & RESORTS

EBITDA Contribution

Q4 2016 TTM EBITDA by Class



Q2 2018 TTM EBITDA by Class[(1)]



(1) Pro forma for Autograph conversions

High Quality Portfolio

Diversified in Leading Urban & Resort Markets

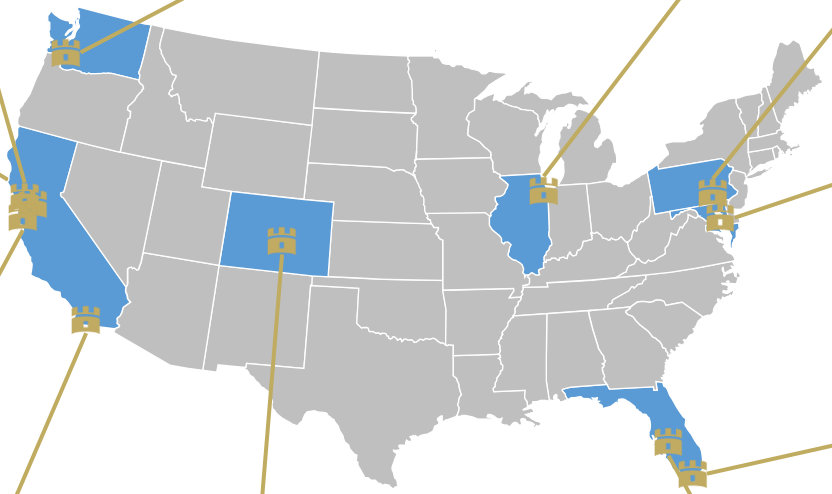






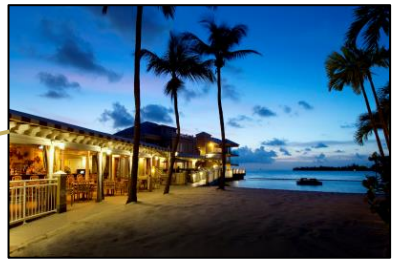








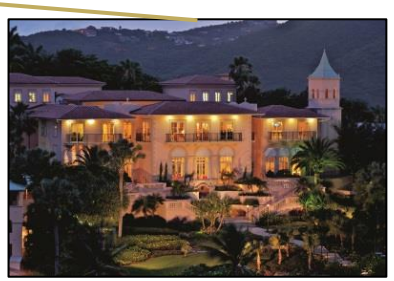














OUR STRATEGY

WHY LUXURY HOTELS?

PRICING POWER

LOWER SUPPLY THREATS

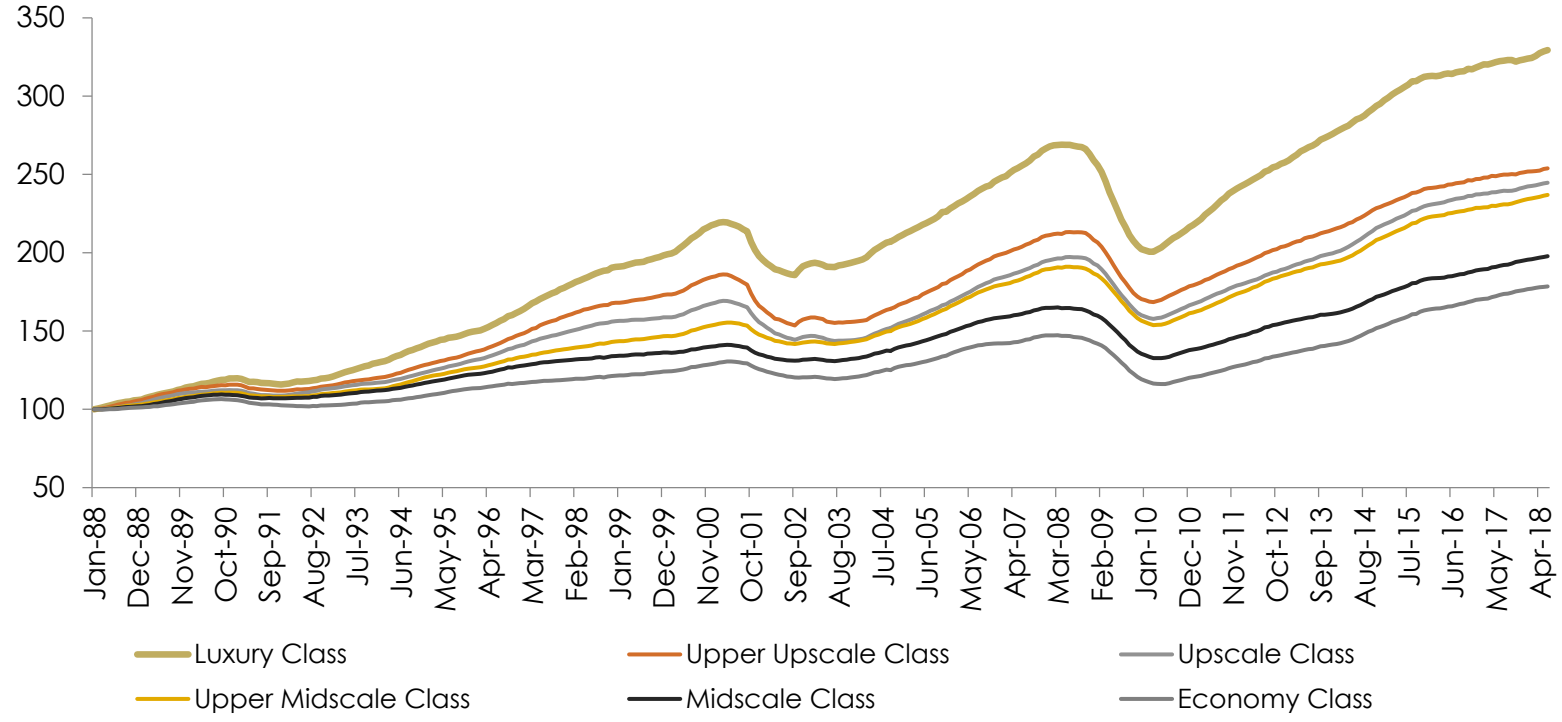
CURRENT MACROECONOMIC TRENDS MAGNIFYING GROWTH

SUPERIOR RevPAR GROWTH



Why We Focus on Luxury

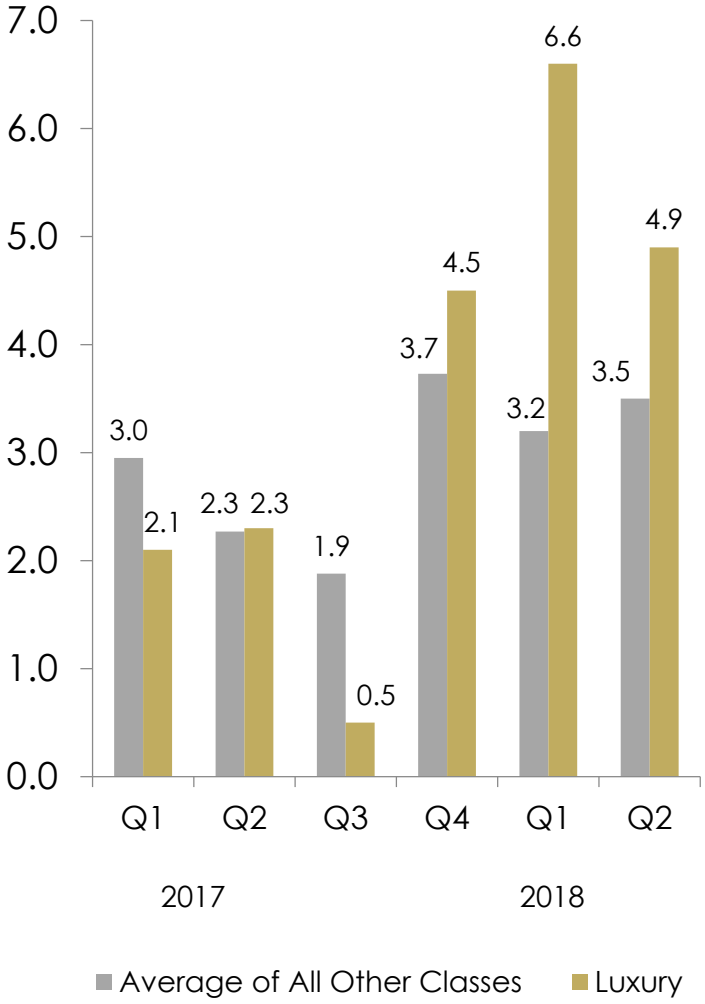
LUXURY	UPPER UPSCALE
Greatest long-term RevPAR growth of **4.0%**(1)	Second greatest long-term RevPAR growth of **3.1%**(1)

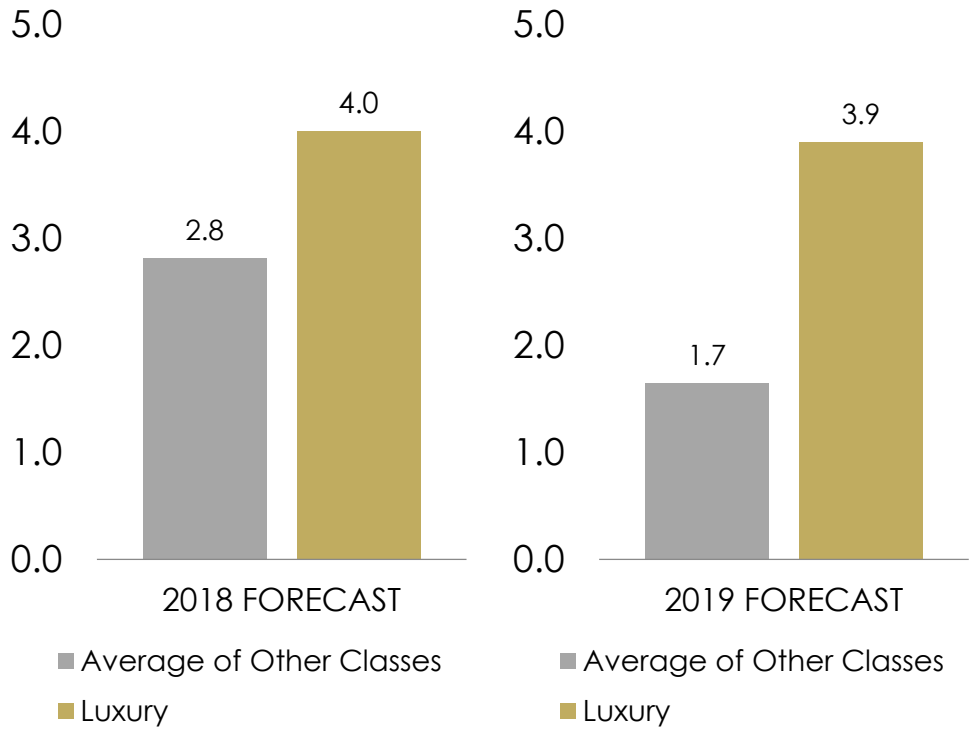


(1) CAGR from 12/31/1987 to 6/30/2018
Source: STR

REVPAR GROWTH TRENDS

% ANNUAL GROWTH



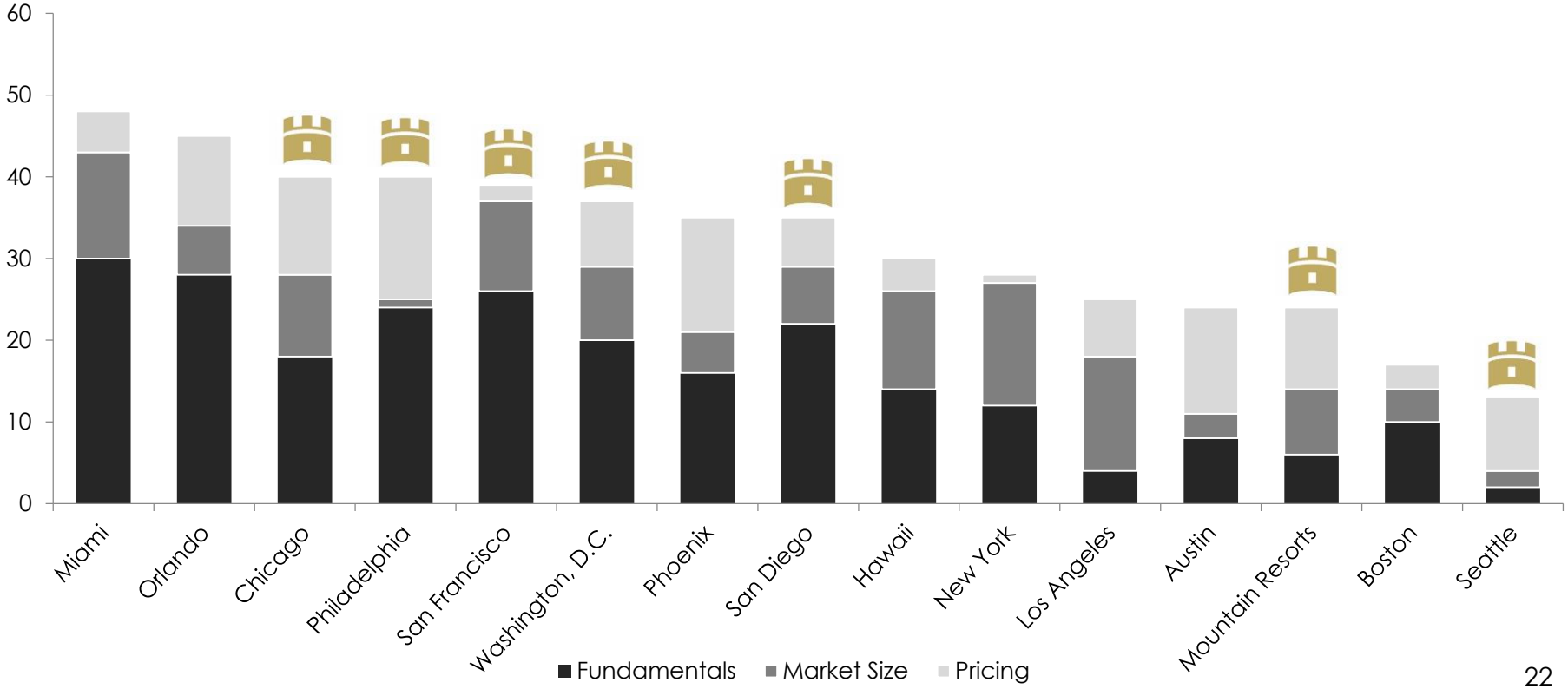


Luxury Class expected to outperform RevPAR industry average

Source: STR, PwC

Target Market Analysis(1)





(1) Based on internal analysis as of 6/30/2018



OUR PERFORMANCE

HISTORICALLY PROVEN

Past Operating Performance

Relative to Peers

Braemar has outperformed its REIT peers **each of the past 3 years** (Braemar results in **green** or **red**; REIT averages in black)

RevPAR Growth

2015	2016	2017	2018 Q2 YTD
7.3%	2.4%	-2.5% (0.6%)[1]	-5.0% (1.5%)[1]
4.2%	1.7%	-0.2%	1.2%

Hotel EBITDA Growth

2015	2016	2017	2018 Q2 YTD
8.5%	3.7%	0.2%	3.9%
8.3%	2.5%	-2.3%	0.1%

Note: Comparable Results. Peers include CHSP, PEB, DRH, LHO, and SHO

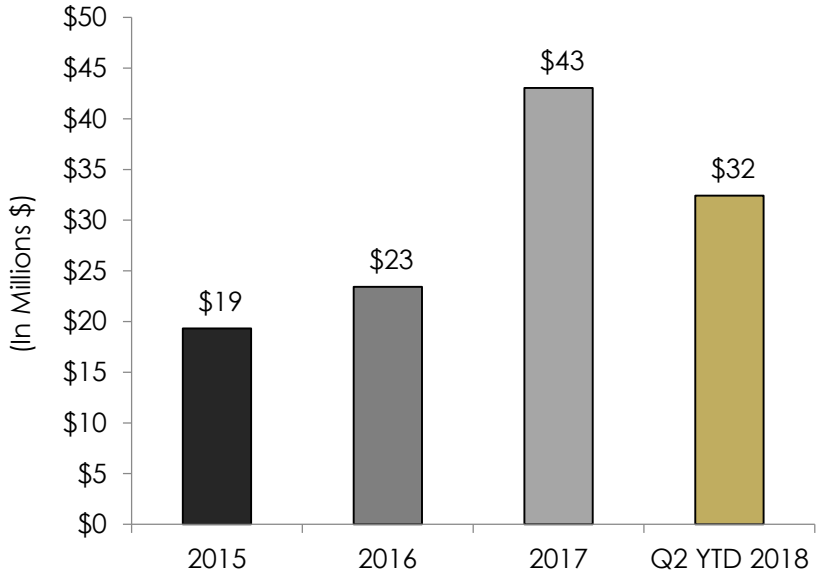
(1) Excluded hotels under renovation: Capital Hilton, Sofitel Chicago, Pier House, Courtyard San Francisco, St. Thomas Ritz-Carlton

(2) Excluded hotels under renovation: St. Thomas Ritz-Carlton, Sofitel Chicago

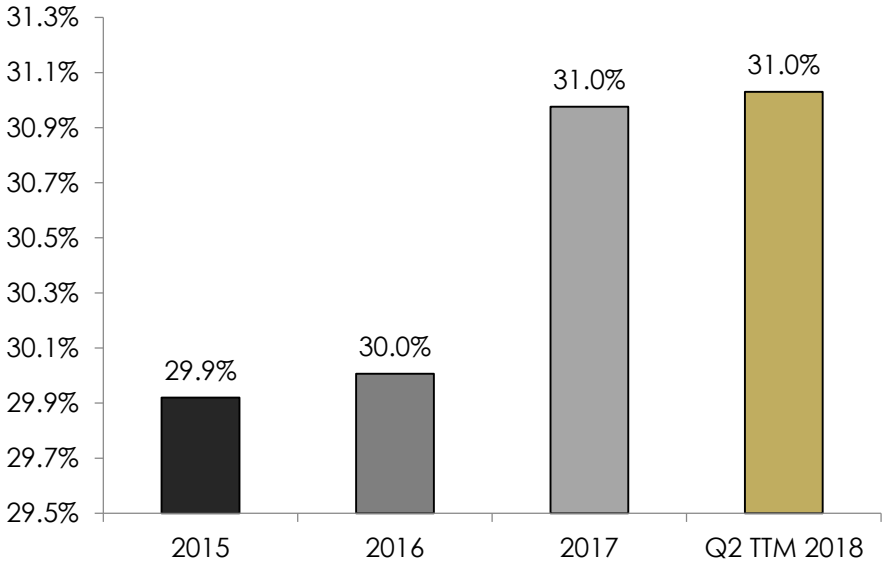
Capital Strategy

Focus on Expanding Margins and Increasing NOI by Aggressive Asset Management and Strategic CapEx Spend

CapEx



Hotel EBITDA Margins



Yield on Cost

Aggressive Asset Management

Legacy Portfolio

+26%
NOI Growth

+19bps
Annual Incremental Yield on Cost

$120M Value Created(1) / **16%** Value Created(1)

In Millions $	2013	2014	2015	2016	2017	2018 Q2 TTM
Gross Book Value	$ 682.3	$ 698.6	$ 705.9	$ 719.8	$ 744.7	$ 761.8
CapEx	$ 20.6	$ 16.3	$ 7.3	$ 13.9	$ 24.9	$ 17.0
NOI	$ 50.0	$ 54.1	$ 58.4	$ 60.2	$ 62.9	$ 63.0
Yield on Cost	7.3%	7.8%	8.3%	8.4%	8.5%	8.3%



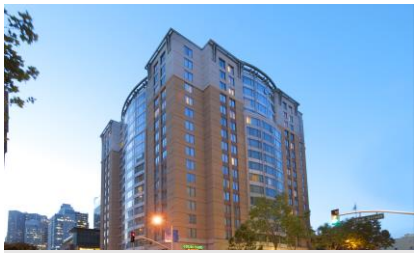
La Jolla Torrey Pines



Courtyard Philadelphia



Capital Hilton



Courtyard San Francisco

2013 Portfolio



Marriott Seattle

(1) Assumes a 6.5% cap rate, deducts CapEx

Jeremy Welter

Chief Operating Officer

- 13 years of hospitality experience
- 8 years with the Company (5 years with the Company's predecessor)
- 5 years with Stephens Investment Bank
- Oklahoma State University, BS



Best-in-Class

Asset Management

- Operating Performance
- Value-Add Initiatives
- CapEx Investments

Asset Management

Overview

Team

1 - Co-President & COO
10 - Asset Managers
3 - Revenue Optimization
4 - CapEx Specialists
3 - Risk & Insurance
3 - Legal
1 - Property Tax Specialist
1 - Director of Analytics
3 - Analysts

400+ Years of Collective Hospitality Experience

140+ Years at Ashford

13 Graduate Degrees

Revenue Optimization

- Monthly revenue calls with each asset
- Contract and corporate rate review and approval
- Annual budget guidance

Asset Managers

- Monitoring asset leadership
- Expense management
- P&L deep dives
- Property maintenance reviews

Capital Management

- Set capital budgets
- Address emergency capital needs
- ROI projects

Analytics

- Acquisition underwriting
- Projects for senior management
- Asset and initiatives reporting

Legal

- Negotiate contracts
- Claim resolution & litigation
- Advise and counsel asset management on legal issues

Risk/Property Tax

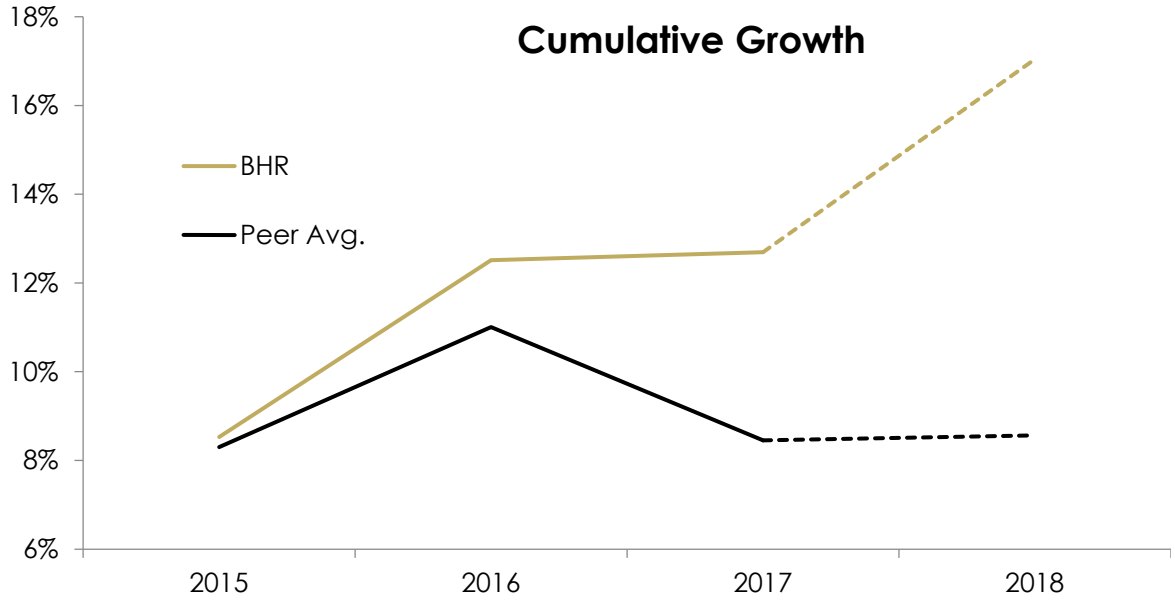
- Procure & assess insurance
- Manage insurance claims
- Monitor/appeal tax assessments

Past Operating Performance

Relative to Peers

Hotel EBITDA % Change

	2015	2016	2017	2018(1)
BHR	8.5%	3.7%	0.2%	3.9%
Peer Avg.	8.3%	2.5%	-2.3%	0.1%



Nearly 4 Straight Years of Outperformance

(1) YTD June 2018

Peer group: CHSP, DHR, LHO, PEB, SHO

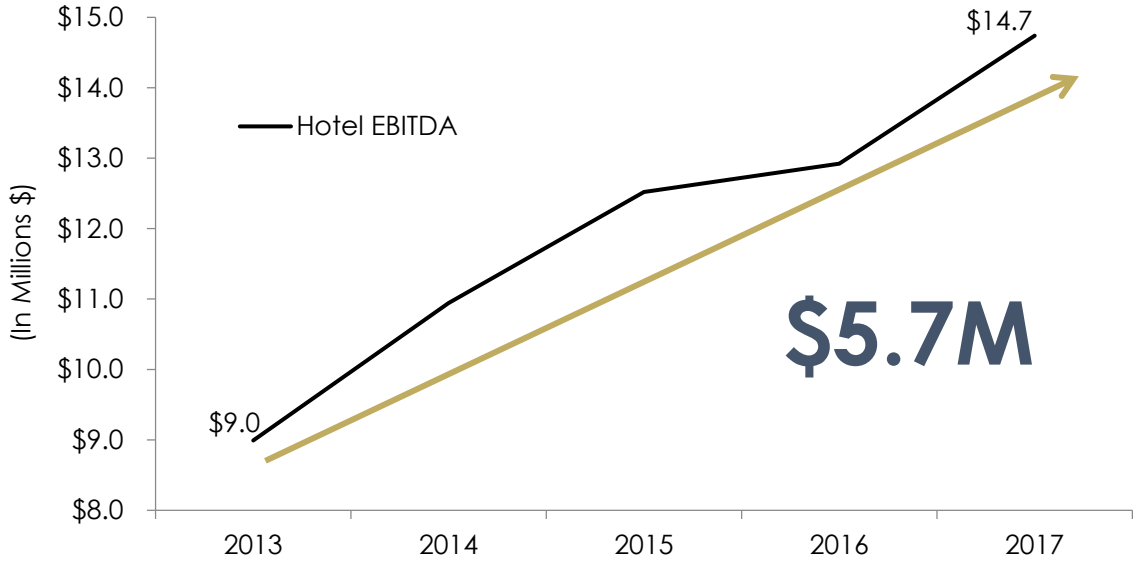
Hilton La Jolla Torrey Pines

Case Study – Performance

RevPAR Index is up 840bps from 2013

Highlights

- Enforcement of group attrition fees
- Energy savings initiatives
- F&B pricing increases
- Implemented resort fee
- Increased parking fees efficiently





Courtyard San Francisco Downtown

Opportunity – Autograph Conversion

Courtyard
Current Brand

$269
RevPAR

$312
ADR

$14.6m
EBITDA

31.8%
EBITDA Margin

$28,900,000
Incremental CapEx Investment



Autograph
Converted Brand

$320
RevPAR

$371
ADR

$18.5m
EBITDA

33.7%
EBITDA Margin

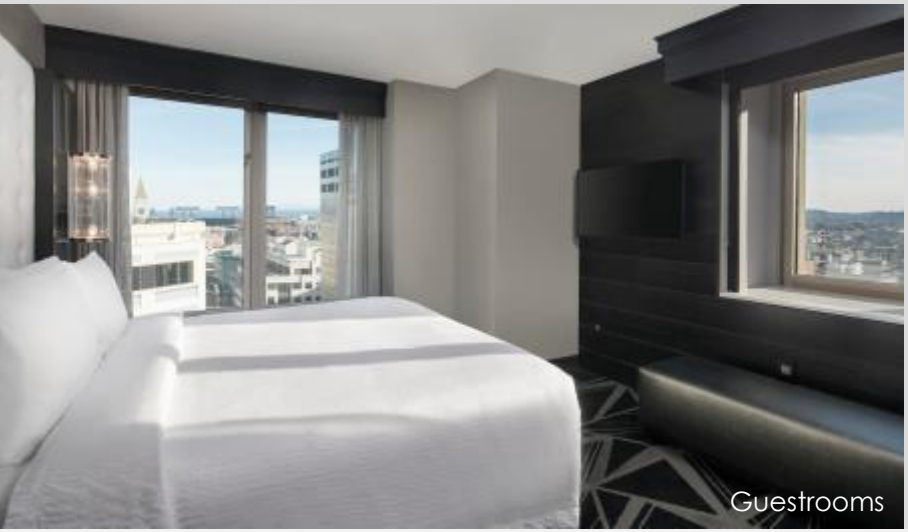
22.4%
Unleveraged IRR

Estimated Value Added: $60.1M(1)

Note: Metrics are Courtyard and Autograph stabilized 2022 underwriting performance comparisons
(1) Assumes 6.5% exit cap rate

Courtyard San Francisco Downtown

Opportunity – Autograph Conversion



Guestrooms



Lobby Lounge/Bar



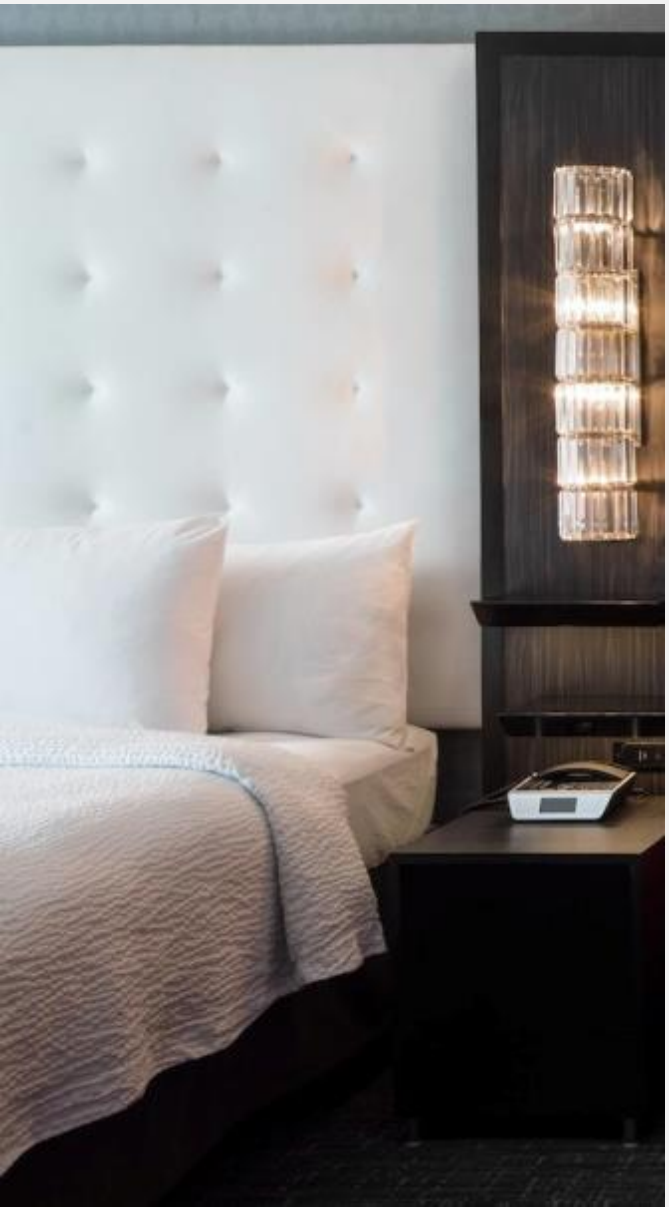
Restaurant

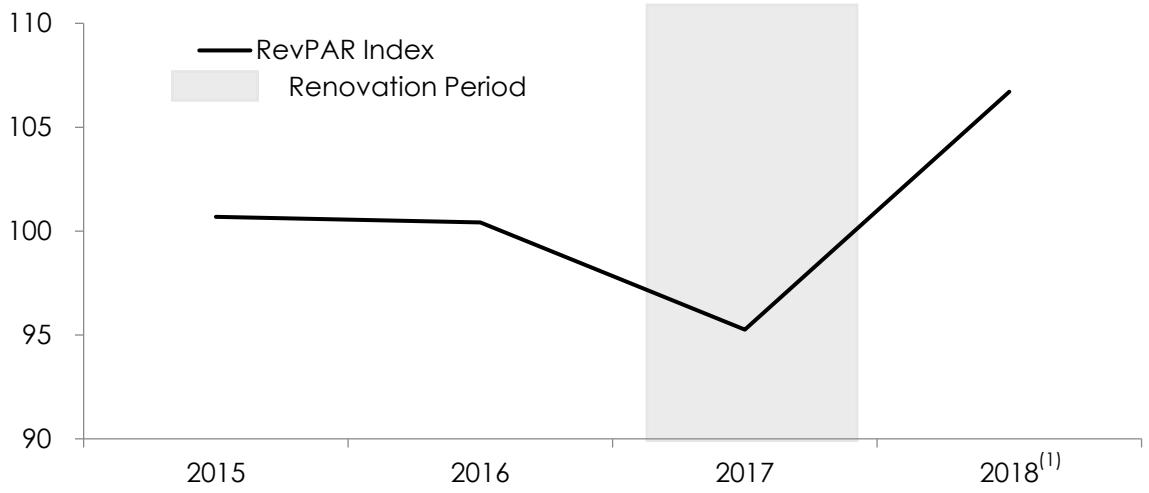


Exterior

Courtyard San Francisco Downtown

Case Study – Performance Under Renovation





Minimized displacement

Energy savings initiatives

Closed unprofitable F&B outlet

Increased parking rate

(1) YTD July 2018

Courtyard Philadelphia Downtown

Opportunity – Autograph Conversion

Courtyard
Current Brand

$166	RevPAR
$201	ADR
$12.3m	EBITDA
34.0%	EBITDA Margin

$19,800,000
Incremental CapEx Investment



Autograph
Converted Brand

$191	RevPAR
$232	ADR
$14.5m	EBITDA
35.1%	EBITDA Margin
19.4%	Unleveraged IRR

Estimated Value Creation: $34.4M(1)

Note: Metrics are Courtyard and Autograph stabilized 2022 underwriting performance comparisons
(1) Assumes 7.5% exit cap rate

Ritz-Carlton St. Thomas

Opportunity - Rebuild / Enhance

~$80M
Insurance Proceeds

$20M
CapEx Spend

2019 Q4
Official Opening

Highlights

- New guestrooms
- New lobby
- New expanded pre-function & meeting space
- Repositioning restaurant
- New concierge lounge
- New fitness center
- Enhanced kids club & added kids pool











Hotel Yountville

Case Study - Remington Takeover

Strategy

-Implemented digital marketing

-Established a sales team to increase group bookings

-Created synergies between Hotel Yountville and Bardessono Hotel & Spa

-Replaced expensive reservation system with more affordable system





YTD July 2017 Prior to Takeover	YTD July 2018 Post Takeover
$3.0M	**$3.6M**
EBITDA	EBITDA
37%	**40%**
EBITDA MARGIN	EBITDA MARGIN
144.8	**149.0**
RevPAR Index	RevPAR Index

Key Additions

Case Study – Room Additions

Property (2014 - 2017)	Keys	ADR
Hilton Capital	6	$238
Courtyard San Francisco Downtown	3	270
Marriott Seattle Waterfront	3	272
Courtyard Philadelphia Downtown	1	177
Total/Weighted Average:	**13**	**$249**

Estimated $6.8M added in asset value(1)


Courtyard San Francisco Downtown


Bardessono Hotel & Spa

Property (2018 - In Process)	Keys	ADR
Park Hyatt Beaver Creek	10	$442
Ritz-Carlton Sarasota	10	364
Bardessono	3	770
Courtyard San Francisco Downtown	2	270
Hilton La Jolla Torrey Pines	2	205
Total/Weighted Average:	**27**	**$419**

Projected $23.8M added in asset value(1)

(1) Assumes 6.5% cap rate

Capital Hilton

Opportunity - CVS Deal

Deal Highlights

- Leasing 8,785 Sq. Ft plus 4,465 of basement space
- New amenity for guests
- Replaces short-term tenant, MINT, with strong credit-worthy long-term tenant
- 20-year term with tenant option for 2 additional renewal options of 5 years
- ~$400k/year incremental cash flow



CVS pharmacy®

Marriott Seattle

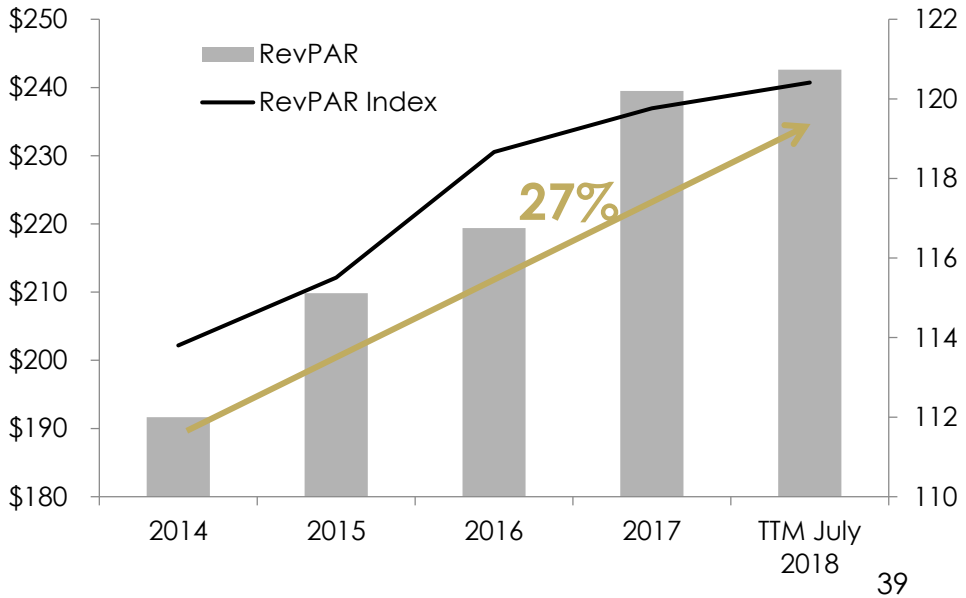
Case Study – Performance



Strategy

- Increased group production during shoulder months by 37%
- Upgraded from lower rated crew to higher rated crew
- Revamped marketing plan to impact low season
- Increased premium room count

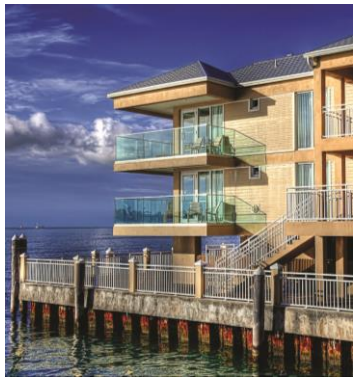
Nearly 5 years of RevPAR Index growth



Ancillary Revenue

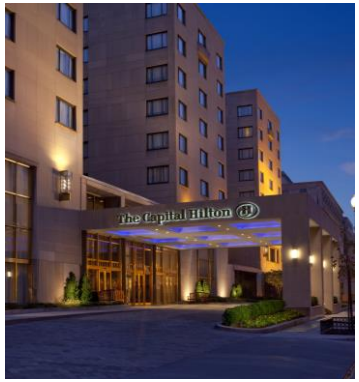
Opportunity – Project Alpha

Implementing aggressive strategy to increase ancillary revenue by making sure that our fees are competitive with the market



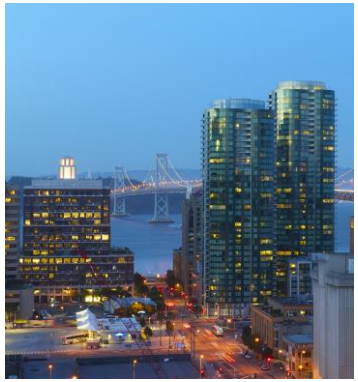
$1.8M

RESORT FEES



$100K

PARKING FEES



$100K

EARLY ARRIVAL & LATE DEPARTURES



$1.4M

OTHER CHARGES

Total Added Revenue(1): $3.4M

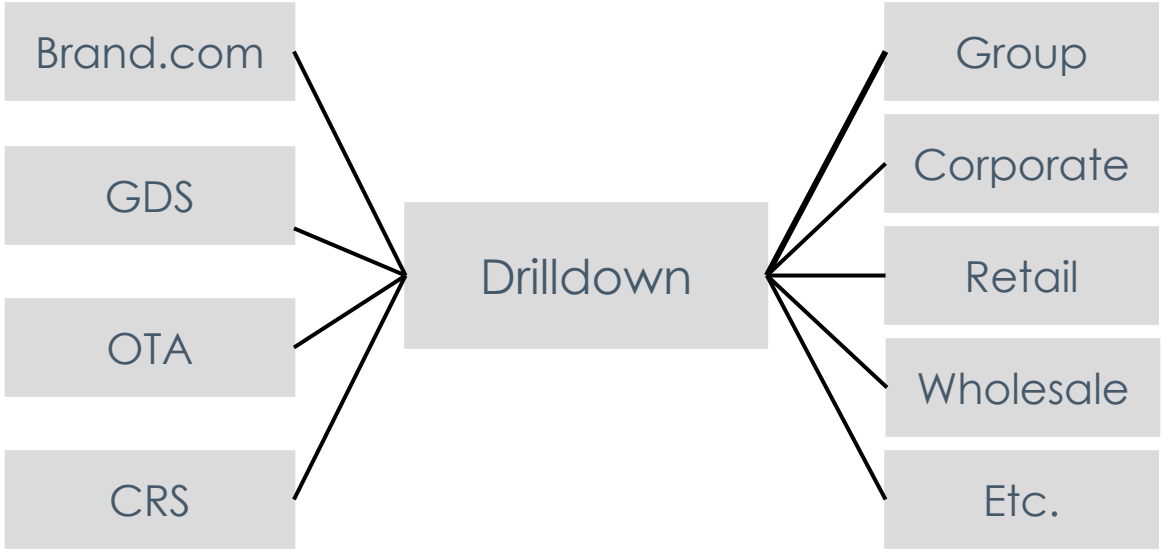
(1) Estimated Annual Revenue

Proprietary Business Analytics Tool

Opportunity

Revenue Outlook

Outlook	Hotel	Manager	AM	Next 6-Months		12-Aug		19-Aug		26-Aug		2-Sep	
				WoW Chg.	Pace	WoW Chg.	Pace	WoW Chg.	Pace	WoW Chg.	Pace	WoW Chg.	Pace
Ahead, Gaining	**Courtyard Philadelphia Downtown**	Marriott	Adam Tegge	$ 6,125	$ 171,598	$ (2,845)	$ 8,715	$ 9,758	$ 31,306	$ (5,137)	$ 100,660	$ (23,234)	$ 48,288
Ahead, Gaining	**Ritz-Carlton Sarasota**	Marriott	Liz Lloyd	$ 32,579	$ 227,128	$ 6,529	$ 34,840	$ 8,495	$ 13,003	$ 3,982	$ 8,299	$ (2,262)	$ 5,467
Ahead, Gaining	**Hilton Capital**	Hilton	John O'Sullivan	$ 96,421	$ 980,844	$ 21,836	$ 6,350	$ 21,046	$ 21,014	$ 11,829	$ 8,807	$ (6,050)	$ 31,020
Ahead, Gaining	**Park Hyatt Beaver Creek Resort**	Hyatt	Mitch Roberts	$ 45,863	$ 92,970	$ 75,601	$ 27,894	$ (5,756)	$ 8,045	$ 25,012	$ (7,492)	$ (5,480)	$ 62,290
	Totals By Manager												
Ahead, Losing	Accor			$ 63,335	$ 204,079	$ (4,063)	$ 50,646	$ 16,027	$ 45,427	$ (2,272)	$ 106,124	$ (24,028)	$ 51,048
Behind, Losing	Hilton			$ 32,258	$ (29,634)	$ (35,914)	$ 38,800	$ 120,783	$ (88,048)	$ 98,337	$ (68,994)	$ 39,031	$ 229,811
Ahead, Gaining	Hyatt			$ 69,806	$ 34,355	$ (13,859)	$ 93,789	$ (27,843)	$ 12,401	$ 13,840	$ (34,336)	$ 14,972	$ 50,261
Behind, Gaining	Interstate			$ 25,759	$ (8,717)	$ 16,428	$ (13,407)	$ 6,004	$ (7,330)	$ (4,589)	$ (22,991)	$ 2,667	$ (11,848)
Ahead, Losing	Marriott			$ (234,263)	$ 3,718,825	$ (98,589)	$ 382,581	$ (48,217)	$ 454,292	$ 40,492	$ 724,672	$ (10,152)	$ (520)
Ahead, Gaining	Remington			$ 222,768	$ 996,927	$ 14,259	$ (92,255)	$ (7,198)	$ 182,673	$ (26,975)	$ 42,487	$ (2,330)	$ 427,059



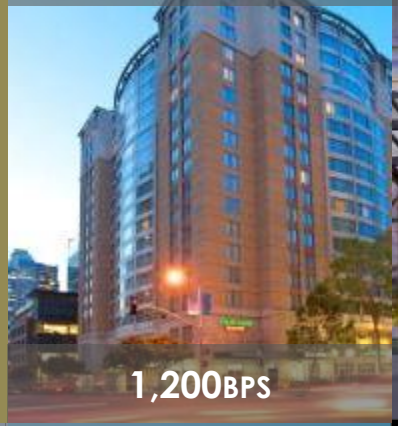
Note: Synthetic data for illustrative purposes

Portfolio RPI Growth

Strong Portfolio Positioning

Total Portfolio Market Share Gain	YTD[1]	T-3[1]
	90bps	290bps

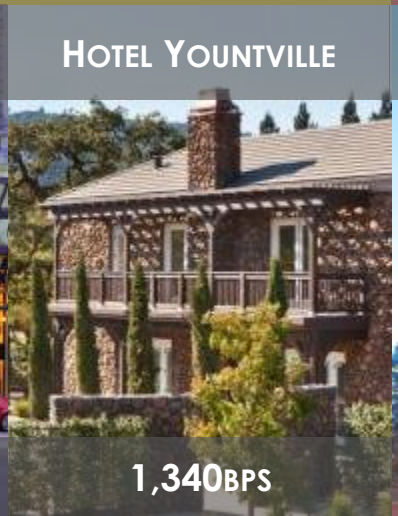
Top 3 Assets YTD[1] RPI Growth











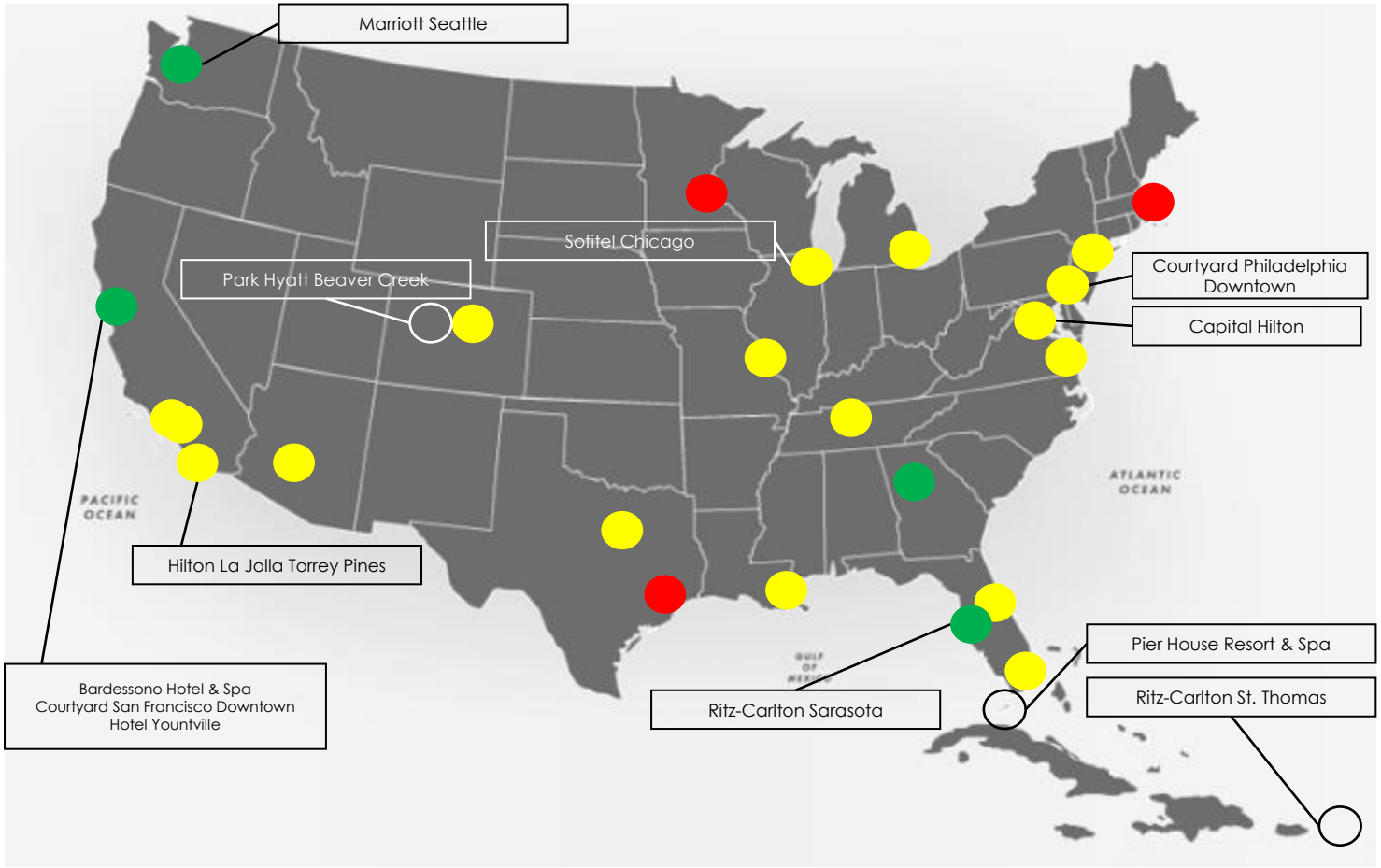


Top 3 Assets Trailing 3-Month[1] RPI Growth

(1) July 30, 2018

2019 Portfolio Performance

Opportunity-Portfolio Position



	Braemar (1)	Top 25 Markets (2)
RevPAR Growth 3.0%<(3)	51.4%	15.9%
RevPAR Growth 1.0% - 2.9%	48.6%	71.3%
RevPAR Growth 0.9%>	0.0%	12.8%

(1) Revenue weighted
(2) Market data based on room count
(3) Ritz-Carlton St. Thomas, Pier House Resort & Spa, and Park Hyatt Beaver Creek markets assumed to have greater than 3% RevPAR growth in 2019.
Note: STR top 25 markets (map excludes Hawaii)

Deric Eubanks

Chief Financial Officer

- 18 years of hospitality experience
- 15 years with the Company
- CFA Charterholder
- Southern Methodist University, BBA



Balance Sheet

- Target Leverage
- Cash Management
- Debt Strategy

Conservative Capital Structure

TARGET LEVERAGE

45%

Gross Assets

Net Debt

OVERVIEW

Non-recourse debt **lowers risk profile** of the platform

Floating-rate debt provides a **natural hedge** to hotel cash flows and **maximizes flexibility** in all economic environments

Proactive strategy to opportunistically refinance loans and extend maturities

Long-standing **lender relationships**

Cash Management Strategy

10-15%	17%	$5.49
Cash to Gross Debt Target	Cash to Gross Debt[1]	NWC / Share

$50.1M	5.5%	48%	35%
CAD[1],[3],[4]	Dividend Yield[2]	CAD Payout Ratio[1]	AFFO Payout Ratio[1]

Benefits

Defend our assets at financing maturity

Opportunistic investments in severe economic downturn

Net Working Capital[1]

Cash & Cash Equivalents	$163.0
Restricted Cash	$81.5
Accounts Receivable, net	$21.2
Prepaid Expenses	$4.1
Due from Affiliates	$0.0
Due from Third-Party Hotel Managers, net	$3.4
Investment in Ashford Inc.[2]	$14.1
Total Current Assets	**$287.3**
Accounts Payable, net & Accrued Expenses	$71.5
Dividends Payable	8.6
Due to Affiliates	0.5
Total Current Liabilities	**$80.6**
Net Working Capital	**$206.7**



(1) As of 6/30/2018
(2) At market value as of 9/26/2018
(3) Deducts preferred dividends and actual FF&E reserve payments which are between 4% and 5% of hotel revenue and adds back amortization of loan costs
(4) GAAP reconciliation in appendix

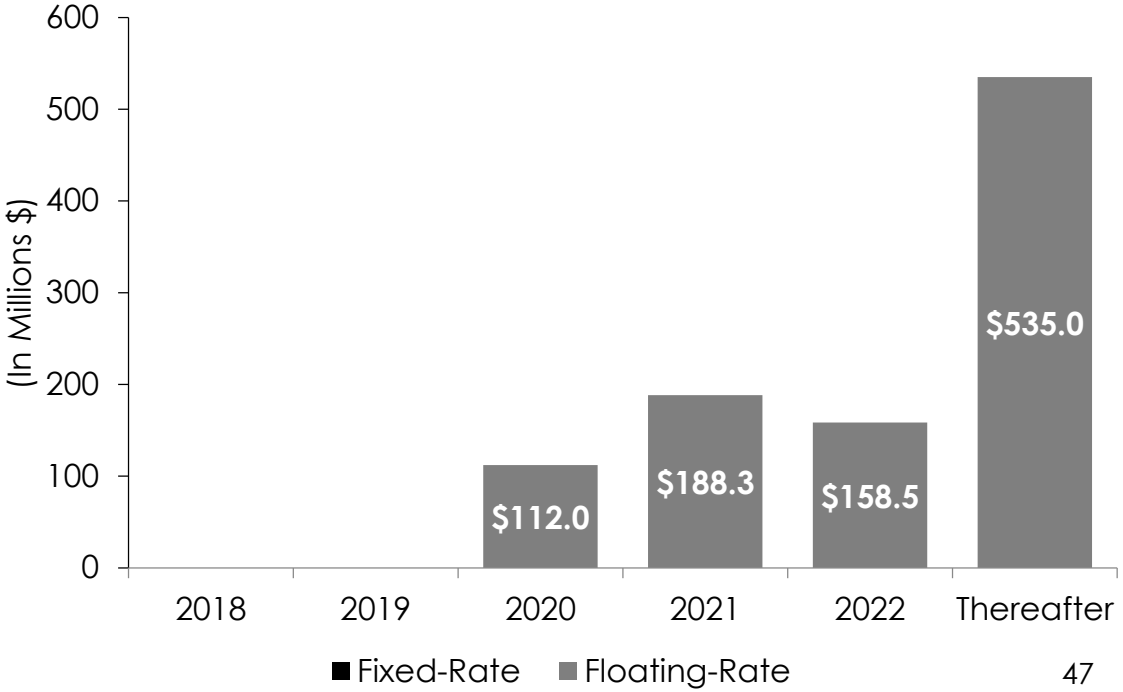


Debt Maturities

Overview

2020	2.1x	4.6%
NEXT HARD DEBT MATURITY	FCCR(1)	WEIGHTED AVG. INTEREST RATE(1)

Laddered debt maturities(1)



(1) As of 6/30/2018, assumes options are exercised



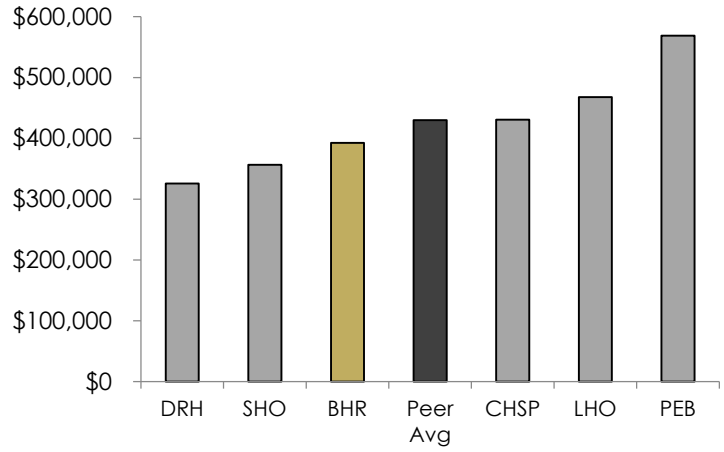
VALUATION

INTRINSIC VALUE

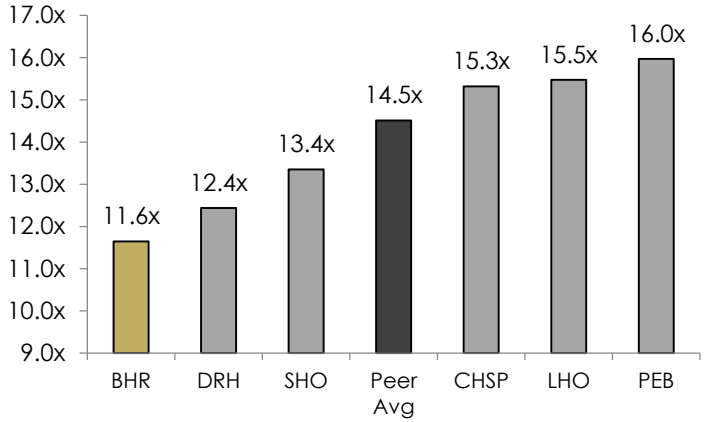
Valuation

Relative to Peers

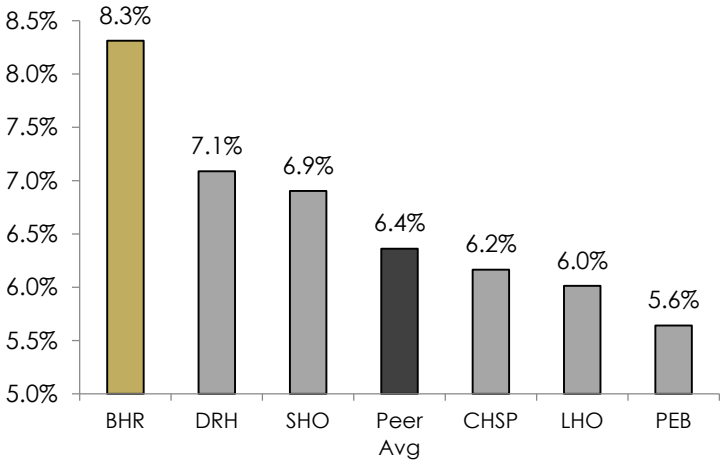
TEV/ KEY[1],[2]



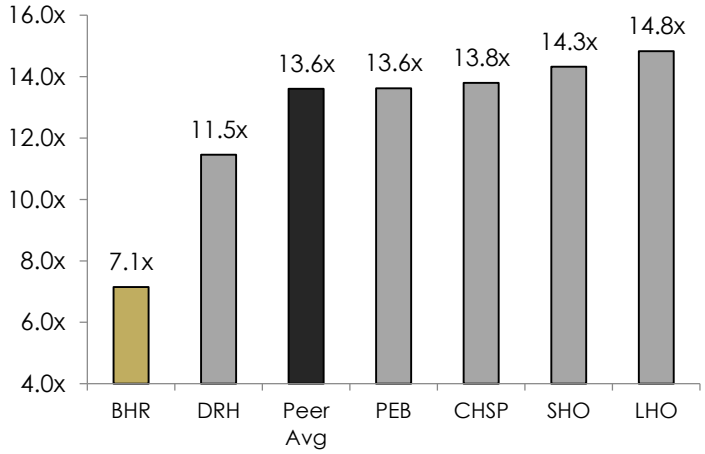
TEV / 2018E EBITDA MULTIPLE[1],[2]



TTM CAP RATE[1],[2]



PRICE / 2018E AFFO / SHARE MULTIPLE[1],[2]



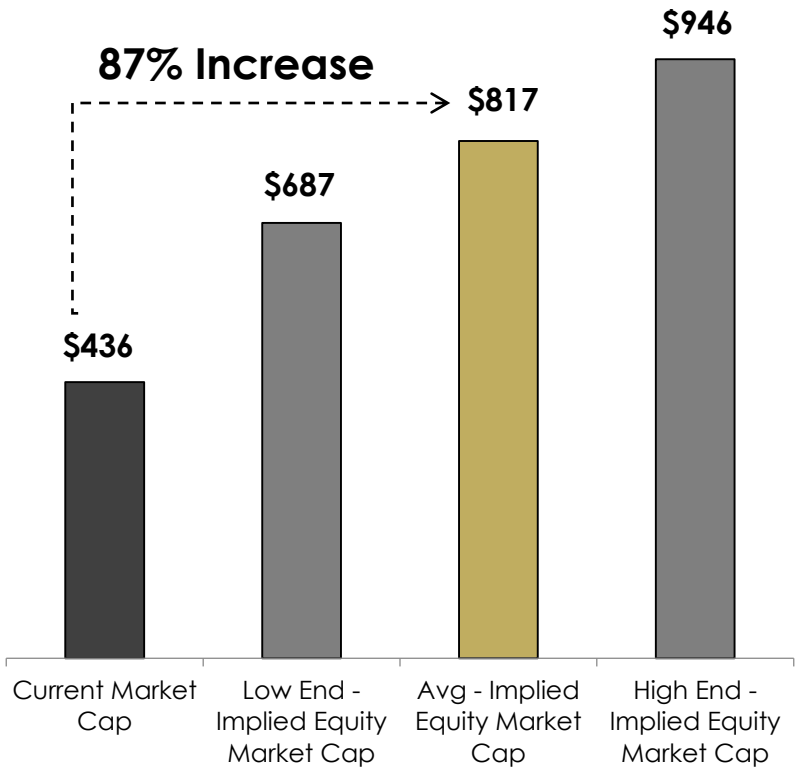
(1) Balance sheet data as of 6/30/2018; stock price as of 9/26/2018, not adjusted for JV Interest
(2) Based on consensus estimates
Source: SNL, Bloomberg, Company Filings

Intrinsic Value[1],[2]

Valuation Disconnect

Current Equity Market Cap[3]		Implied Equity Market Cap[4]		Implied Equity Value Upside
$436M	≠	$817M	→	$381M

	Braemar Portfolio	
(In millions $)	**Low-End**	**High-End**
TTM NOI[5],[7]	$108.6	$108.6
Cap Rate[6]	7.0%	6.0%
Implied Value	**1,551.4**	**$1,810.0**
NWC[7],[8]	$206.7	$206.7
Preferred Equity[7]	($124.1)	($124.1)
Debt[7]	($946.7)	($946.7)
Implied Equity Mkt Cap	**$687.3**	**$945.9**



(1) See valuation methodology disclaimer
(2) Excludes termination fee
(3) As of 9/26/2018
(4) Based on average of estimated cap rates
(5) See GAAP reconciliation in appendix
(6) Based on current implied cap rates of publicly traded peers
(7) As of 6/30/2018; Adjusted for Hilton JV as applicable
(8) Investment in Ashford Inc. at market value as of 8/14/2018



APPENDIX

Reconciliation of Net Income (Loss) to Hotel NOI

	Three Months Ended June 30, 2018	Three Months Ended March 31, 2018	Three Months Ended December 31, 2017	Three Months Ended September 30, 2017	TTM Ended June 30, 2018
Net income (loss)	$ 38,623	$ 16,761	$ 35,206	$ 10,705	$ 101,295
Non-property adjustments	(15,423)	12	(23,720)	1,008	(38,123)
Interest income	(39)	(18)	(13)	(18)	(88)
Interest expense	4,335	3,123	2,986	2,744	13,188
Amortization of loan cost	277	199	310	307	1,093
Depreciation and amortization	14,811	13,006	12,705	14,134	54,656
Income tax expense (benefit)	382	154	(607)	(404)	(475)
Non-hotel EBITDA ownership expense	755	368	1,301	4,554	6,978
Hotel EBITDA including amounts attributable to noncontrolling interest	43,721	33,605	28,168	33,030	138,524
Less: EBITDA adjustments attributable to consolidated noncontrolling interest	(2,366)	(1,990)	(1,620)	(1,618)	(7,594)
Hotel EBITDA attributable to the Company and OP unitholders	$ 41,355	$ 31,615	$ 26,548	$ 31,412	$ 130,930
Non-comparable adjustments	(4,260)	3,331	753	(2,919)	(3,095)
Comparable hotel EBITDA	$ 39,461	$ 36,936	$ 28,921	$ 30,111	$ 135,429
FFE reserve	$ (5,337)	$ (5,352)	$ (4,760)	$ (5,057)	(20,506)
Comparable net operating income	$ 34,124	$ 31,584	$ 24,161	$ 25,054	$ 114,923
NOI adjustments attributable to noncontrolling interests	(2,018)	(1,658)	(1,332)	(1,311)	(6,319)
NOI attributable to the Company and OP unitholders	$ 32,106	$ 29,926	$ 22,829	$ 23,743	$ 108,604

Reconciliation of Net Income (Loss) to Cash Available for Distribution

	Three Months Ended June 30, 2018	Three Months Ended March 31, 2018	Three Months Ended December 31, 2017	Three Months Ended September 30, 2017	TTM Ended March 31, 2018
Net income (loss)	$ 12,854	$ 4,270	$ 28,444	$ (217)	$ 45,351
(Income) loss from consolidated entities attributable to noncontrolling interest	(89)	42	(528)	(1,143)	(1,718)
Net (income) loss attributable to redeemable noncontrolling interests in operating partnership	(1,235)	(292)	(2,996)	360	(4,163)
Preferred dividends	(1,708)	(1,707)	(1,708)	(1,707)	(6,830)
Net income (loss) attributable to common stockholders	9,822	2,313	23,212	(2,707)	32,640
Depreciation and amortization on real estate	14,052	12,258	11,952	13,406	51,668
Impairment charges on real estate	59	12	60	1,008	1,139
Net income (loss) attributable to redeemable noncontrolling interests in operating partnership	1,235	292	2,996	(360)	4,163
Gain on sale of hotel property	(15,711)	-	(23,797)	-	(39,508)
Equity in (earnings) loss of unconsolidated entities	62	3	-	-	65
Company's portion of FFO of OpenKey	(63)	(2)	-	-	(65)
FFO available to common stockholders and OP unitholders	9,456	14,876	14,423	11,347	50,102
Preferred dividends	1,708	1,707	1,708	1,707	6,830
Transaction and management conversion costs	462	503	74	260	1,299
Other (income) expense	63	63	85	22	233
Interest expense accretion on refundable membership club deposits	150	-	-	-	150
Write-off of loan costs and exit fees	4,176	2	1,531	380	6,089
Unrealized (gain) loss on investments	6,024	(528)	(6,314)	(1,875)	(2,693)
Unrealized (gain) loss on derivatives	298	(73)	524	531	1,280
Non-cash stock/unit-based compensation	1,442	2,593	665	(921)	3,779
Legal, advisory and settlement costs	197	(1,141)	203	560	(181)
Uninsured hurricane and wildfire related costs	(55)	467	248	3,573	4,233
Tax reform	2	-	(161)	-	(159)
Adjusted FFO available to the Company and OP unitholders	$ 23,923	$ 18,469	$ 12,986	$ 15,584	$ 70,962
FFE reserve (net of noncontrolling interest)	(5,349)	(4,415)	(4,110)	(4,775)	(18,649)
Preferred dividends	(1,708)	(1,707)	(1,708)	(1,707)	(6,830)
Amortization of loan costs	1,075	988	1,149	1,356	4,568
Cash available for distribution to the Company and OP unitholders	$ 17,941	$ 13,335	$ 8,317	$ 10,458	$ 50,051



BRAEMAR

HOTELS & RESORTS

Investor Day October 2018