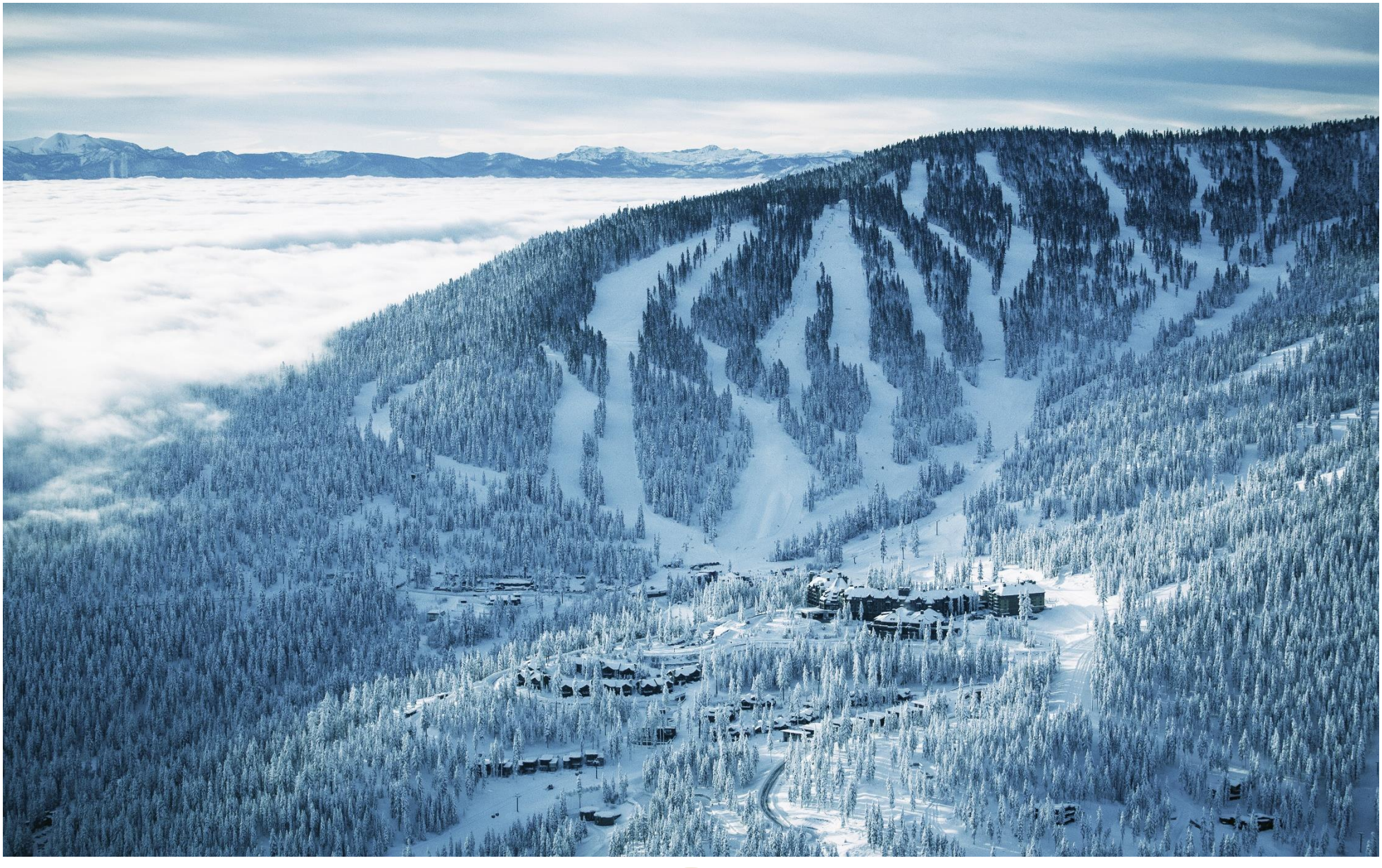


BRAEMAR
HOTELS & RESORTS

March 2019

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. We adjust EBITDA to exclude certain additional items such as gain/loss on acquisition of PIM Highland JV and sale of hotel properties, impairment and uninsured hurricane related costs, write-off of loan costs and exit fees, other income/expense, transaction, acquisition and management conversion costs, legal judgment and related legal costs, dead deal costs, software implementation costs, compensation adjustment related to modified employment terms and non-cash items such as amortization of unfavorable contract liabilities, gain /loss on insurance settlements, non-cash stock/unit-based compensation, unrealized gains/losses on marketable securities, derivative instruments, investment in securities investment fund, as well as our portion of adjustments to EBITDA of unconsolidated entities, this is Adjusted EBITDA. We exclude items from Adjusted EBITDA that are either non-cash or are not part of our core operations in order to provide a period-over-period comparison of our operations. Adjusted EBITDAre is calculated in a similar manner as Adjusted EBITDA, with the exception of the adjustment for the consolidated noncontrolling interest's pro rata share of Adjusted EBITDA. The rationale for including 100% of EBITDAre for consolidated noncontrolling interests is that the full amount of any debt of these entities is reported in our consolidated balance sheet and therefore metrics using total debt to EBITDAre provide a better understanding of the Company's leverage.

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.

Management Team



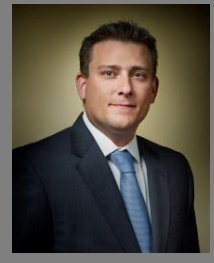
RICHARD J. STOCKTON
Chief Executive Officer & President

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



DERIC S. EUBANKS, CFA
Chief Financial Officer

- 19 years of hospitality experience
- 15 years with the Company
- 3 years with ClubCorp
- CFA charterholder
- Southern Methodist University BBA



JEREMY J. WELTER
Chief Operating Officer

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

Strategic Overview



Focused strategy of investing in luxury hotels and resorts



Grow organically through strong revenue and cost control initiatives



Grow externally through accretive acquisitions of high quality assets



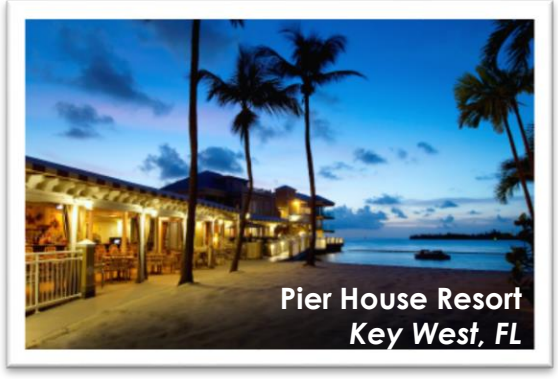
Targets conservative leverage of Net Debt / Gross Assets of 45% with non-recourse property debt



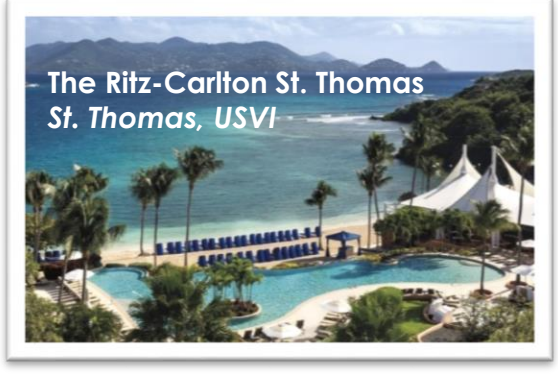
Highly-aligned management team and advisory structure



Bardessono Hotel & Spa
Yountville, CA



Pier House Resort
Key West, FL

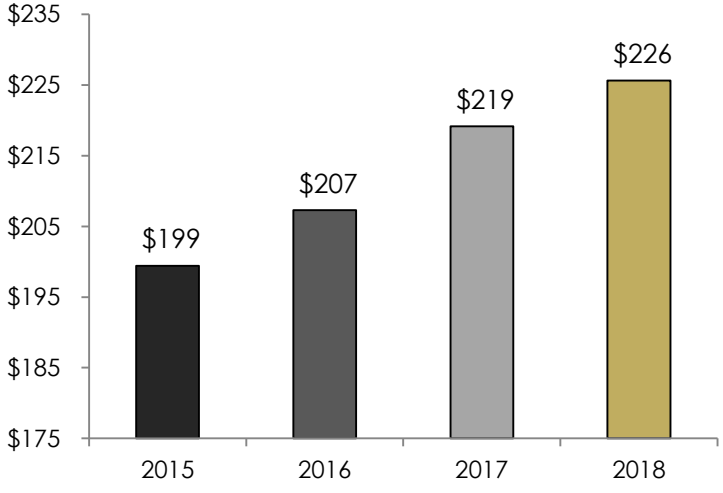


The Ritz-Carlton St. Thomas
St. Thomas, USVI

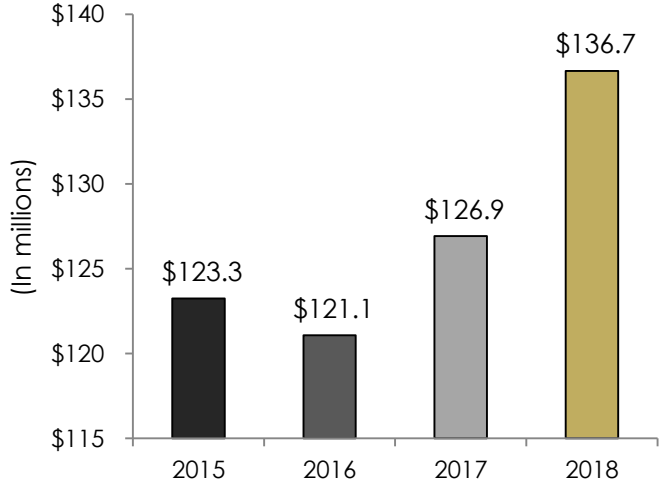
2018 Q4 Hotel Operating Results

Comparable Hotel Operating Results[1]	2018 Q4	2017 Q4	% Variance
ADR	$ 269.24	$ 255.23	5.5%
Occupancy	75.6%	77.3%	(2.2)%
RevPAR	$ 203.51	$ 197.23	3.2%
RevPAR (not under renovation)	$ 224.16	$ 209.56	7.0%
Total Hotel Revenue[2]	$ 98,871	$ 99,754	(0.9)%
Hotel EBITDA[2]	$ 26,923	$ 28,921	(6.9)%
Hotel EBITDA Margin	27.2%	29.0%	(1.8)%

COMPARABLE REVPAR[3]



COMPARABLE HOTEL EBITDA[3]



(1) Includes: Bardessono, Hotel Yountville, Ritz-Carlton St. Thomas, Pier House, Marriott Seattle Waterfront, Capital Hilton, Sofitel Chicago, Hilton Torrey Pines, Courtyard San Francisco, Courtyard Philadelphia, Park Hyatt Beaver Creek, and Ritz-Carlton Sarasota
(2) In thousands.
(3) As reported in Earnings Releases: 2015, as reported on 2/25/2016; 2016 as reported on 2/22/2017; 2017 as reported on 2/28/2018; 2018 as reported on 2/27/2019

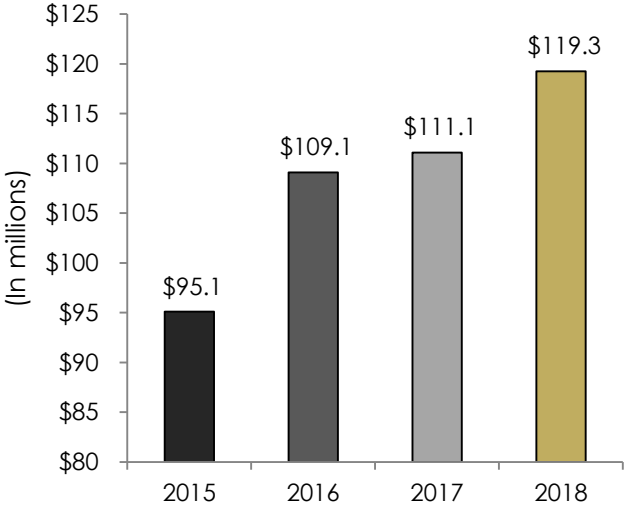
BRAEMAR HOTELS & RESORTS

Quarter Highlights

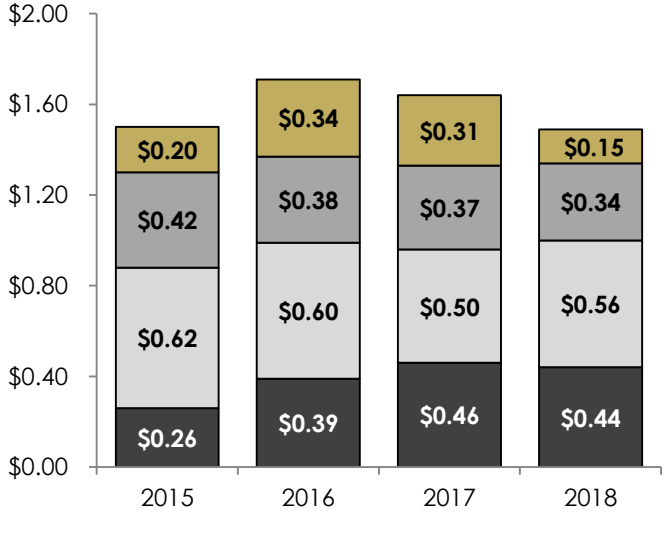
- During the quarter, the Company completed a $40.0 million offering of its 8.25% Series D Preferred Stock
- Subsequent to quarter end, the Company entered into a new Enhanced Return Funding Program agreement with Ashford Inc.
- Subsequent to quarter end, the Company completed the acquisition of the 170-room Ritz-Carlton Lake Tahoe in Truckee, California for $103.3 million
- Subsequent to quarter end, the Company refinanced a mortgage loan on 2 hotels
- Capex invested during the quarter was $26.0 million, bringing the total capex invested for the full year to $77.6 million

Full Year Highlights

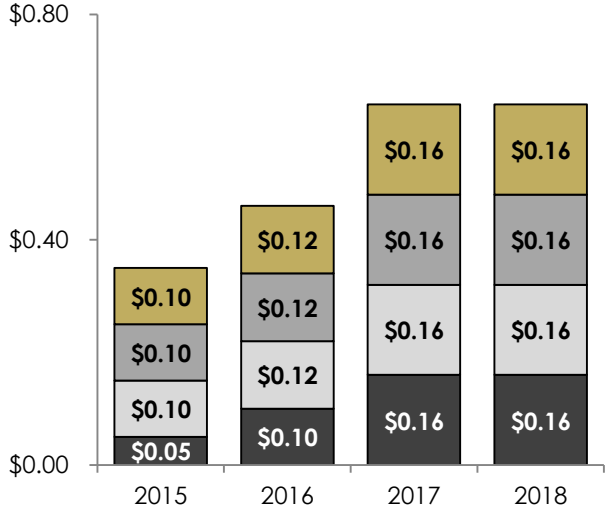
ADJUSTED EBITDARE



AFFO PER SHARE



QUARTERLY DIVIDEND PER SHARE

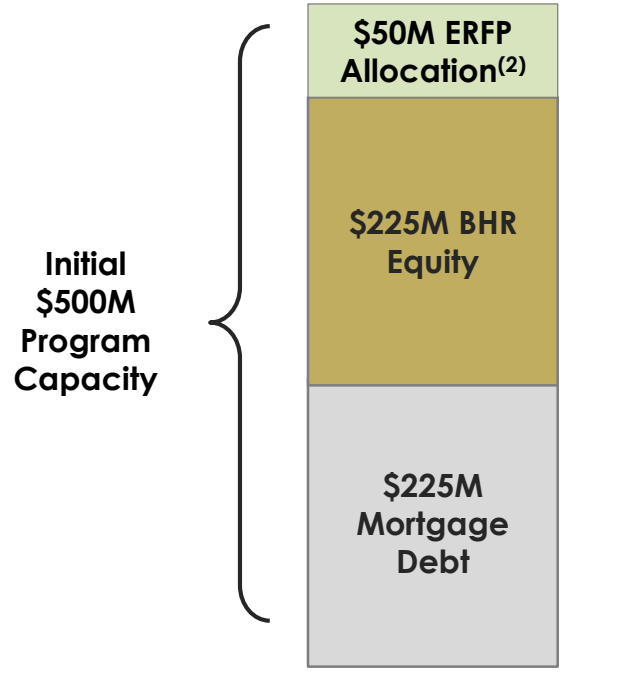


BRAEMAR HOTELS & RESORTS

Enhanced Return Funding Program Implemented(1)

- **$50 million ERFP commitment** from AINC with ability to upsize to $100 million by mutual consent
- **Initial 2-year term** with 1-year renewals
- **ERFP programmatically sized at 10%** of purchase price of new BHR asset acquisitions
- **ERFP funding anticipated to occur on all new BHR hotel acquisitions(2)**
- Funding comes in the form of purchased furniture, fixture & equipment (FF&E) by AINC for use at newly acquired or existing BHR hotels
- ERFP agreement includes amendments to advisory agreement

Reduces equity requirement on new qualifying acquisitions by 18%



(1) Terms of the agreement are available in form 8-Ks that have been filed by both AINC and BHR with the SEC
(2) Assumes AINC has available cash of $15 million post-proposed ERFP funding and the acquisition is an eligible one (see ERFP agreement for terms of eligibility)

Recent Developments

January 2019

We recently acquired the 170-room Ritz-Carlton Lake Tahoe, in Truckee, California for $103.3 million[1]



TTM Cap Rate[7]: **8.0%**

Unlevered IRR[4][7]: **12.0%**

RevPAR[3]: **$371**

Price per Key[7]: **$547,000**

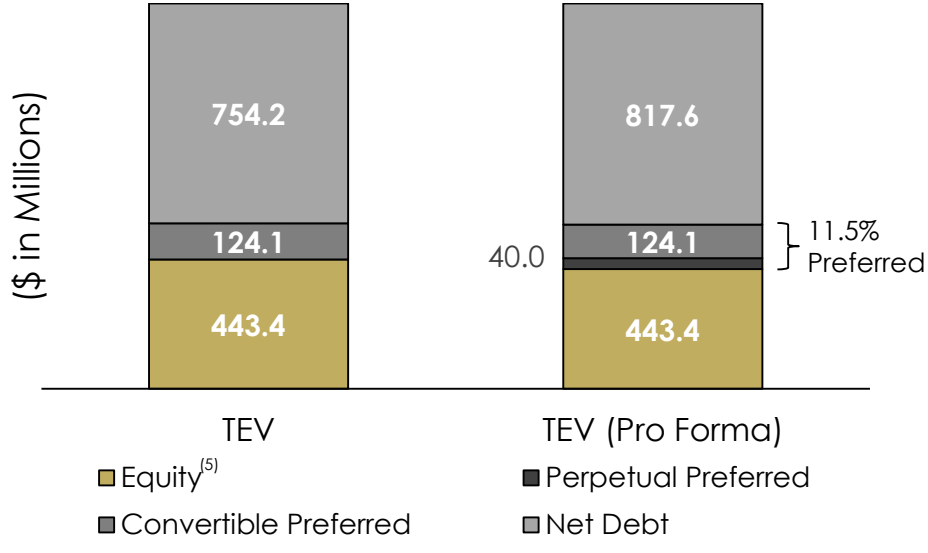
Meets Defined Strategy

- Further diversifies the portfolio while increases overall portfolio RevPAR
- Property is in excellent physical condition with limited capex needs

Property Financial Overview[3]

- Hotel EBITDA $9.2 million
- 10.2x Hotel EBITDA multiple[7]
- Hotel Net Operating Income of $7.4 million
- 9.5% Stabilized Yield[2],[7]

Raised $40.0 million of perpetual preferred stock. Dividends accrue at a rate of 8.25% per annum.



Deal WACC	Capital ($000s)	% Capital	Cost of Capital
Debt	$54,000	52.3%	4.60%[6]
Preferred	40,000	38.7%	8.25%
Cash	9,300	9.0%	0.00%
Total	**$103,300**	**100%**	**5.6%**

(1) Excluding $8.3M of Capital Reserves and $8.4M for the adjacent developable parcel
(2) Expected unlevered stabilized NOI yield
(3) TTM at time of acquisition
(4) 5-yr underwritten unlevered IRR, assumes exit cap rate of 6.0%
(5) As of 9/30/2018
(6) Libor + 210bps
(7) Assumes 10% of ERFP funding immediately at acquisition

High-Quality Hotels in Leading Urban & Resort Markets

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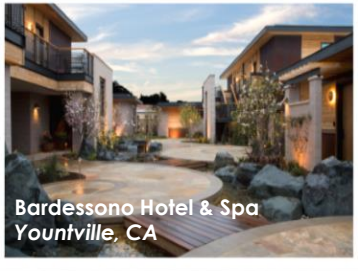

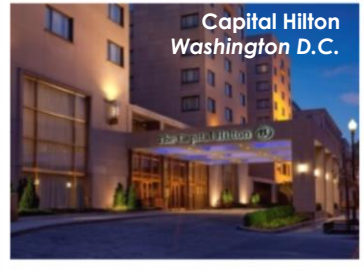











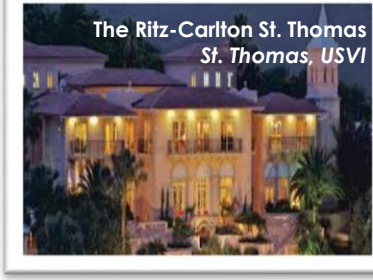

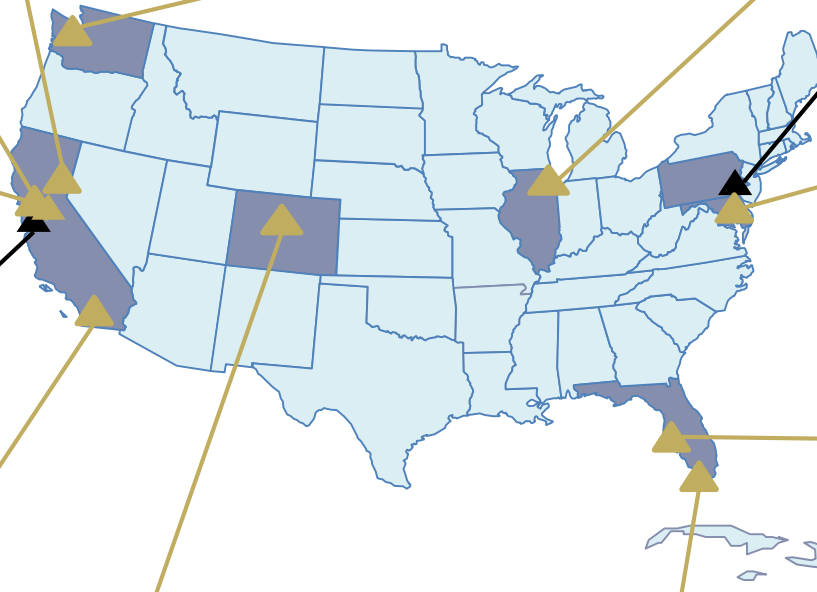

▲ Core Assets ▲ Non-Core Assets

Portfolio Detail

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$236

CORE REVPAR[1]

$226

OVERALL REVPAR[1]

- Core **portfolio quality unparalleled** in the public lodging REIT sector
- **Geographically diversified** portfolio located in strong markets

Core	Location	Number of Rooms	TTM ADR[1]	TTM OCC[1]	TTM RevPAR[1]	TTM Hotel EBITDA[1]	% of Total
Bardessono	Napa Valley, CA	62	$797	77%	$612	$6,464	4.7%
Hotel Yountville	Napa Valley, CA	80	$558	75%	$417	$6,418	4.7%
Ritz-Carlton St. Thomas	St. Thomas, USVI	180	$283	79%	$224	$10,291	7.5%
Pier House	Key West, FL	142	$432	81%	$350	$10,907	8.0%
Park Hyatt Beaver Creek	Beaver Creek, CO	190	$429	62%	$265	$9,238	6.8%
Marriott Seattle Waterfront	Seattle, WA	361	$284	85%	$240	$15,885	11.6%
Capital Hilton	Washington D.C.	550	$234	84%	$195	$13,748	10.1%
Sofitel Chicago Magnificent Mile	Chicago, IL	415	$216	79%	$171	$7,663	5.6%
Hilton Torrey Pines	La Jolla, CA	394	$214	85%	$183	$15,468	11.3%
Ritz-Carlton Sarasota	Sarasota, FL	266	$375	73%	$275	$12,709	9.3%
Total Core		**2,640**	**$296**	**80%**	**$236**	**$108,791**	**79.6%**
Non-Core							
Courtyard San Francisco Downtown[2]	San Francisco, CA	410	$286	87%	$248	$13,834	10.1%
Courtyard Philadelphia Downtown[2]	Philadelphia, PA	499	$186	83%	$154	$14,038	10.3%
Total Non-Core		**909**	**$232**	**85%**	**$196**	**$27,872**	**20.4%**
Total Portfolio		**3,549**	**$278**	**81%**	**$226**	**$136,663**	**100.0%**

Note: TTM Hotel EBITDA in thousands
(1) TTM as of 12/31/2018
(2) Announced repositioning to Autograph Collection by Marriott
Note: Does not include recently acquired Ritz-Carlton Lake Tahoe

2019 Potential Performance Catalysts

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Year Over Year RevPAR Potential Comparisons(1)

	2019 Q1	2019 Q2	2019 Q3	2019 Q4
Bardessono	**Wildfires Rebound**			
Hotel Yountville	**Wildfires Rebound**			
Park Hyatt Beaver Creek	**Low Snowfall Rebound**			
Sofitel Chicago	**New Rooms/New Mgmt.**			
Pier House	**Irma Rebound**			
Ritz-Carlton St. Thomas	**Irma Rebound**		**Soft Opening**	**Grand Opening**
Courtyard San Francisco	**New Rooms online/Moscone Open**			**Autograph Grand Opening**
Courtyard Philadelphia			**Autograph Grand Opening**	
Ritz-Carlton Sarasota		**Red Tide Rebound**		

(1) The timing, certainty, and degree of any potential RevPAR increase is subject to a number of variables and may not occur in this timeline or to the degree described or may not occur at all.

Upbranding Status Update – Autograph Conversions

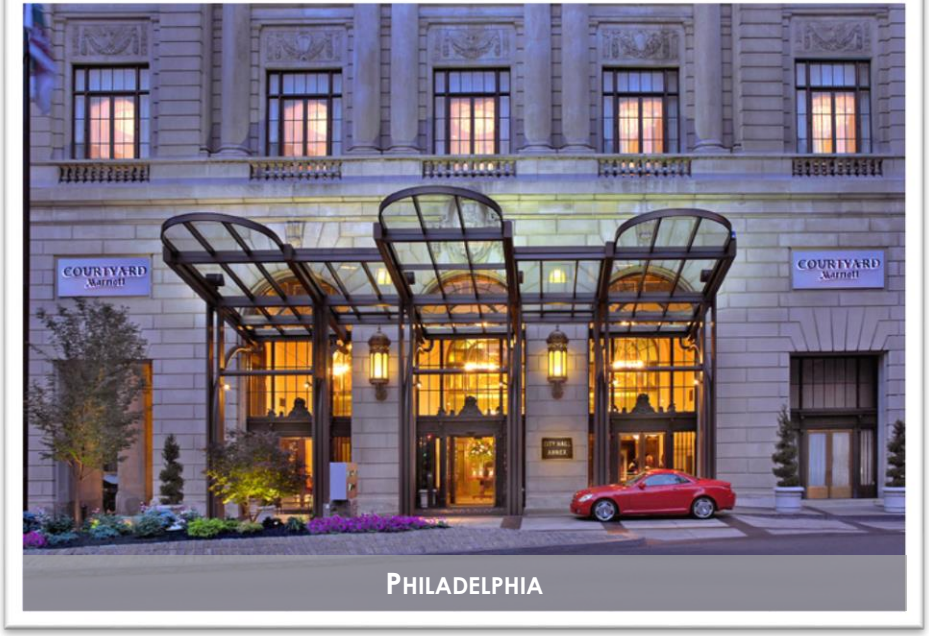
Courtyard San Francisco

- Investment cost: **$28.9 million**
- Expected RevPAR uplift: **$50**
- Estimated unlevered IRR: **22%**[1]

Construction Timing (Completion)

Guestrooms	Done	Restaurant	2/19 - 10/19
Lobby	2/19 - 10/19	Exterior	4/19 - 11/19





Courtyard Philadelphia

- Investment cost: **$19.8 million**
- Expected RevPAR uplift: **$25**
- Estimated unlevered IRR: **19%**[2]

Construction Timing (Completion)

Guestrooms	10/18 - 6/19	Restaurant	1/19 - 6/19
Lobby	12/18 - 4/19		

(1) 5yr. underwritten unlevered IRR, assumes exit cap rate of 6.5%
(2) 5yr. Underwritten unlevered IRR, assumes exit cap rate of 7.5%

Ritz-Carlton St. Thomas Update

- Launched central reservations on June 29, 2018 as St. Thomas Great Bay Resort to allow transient room nights to be booked directly on Marriott.com and OTA channels
- Permanent roof work is completed
- Guestroom model rooms were completed and reviewed with brand in July 2018


New Facade

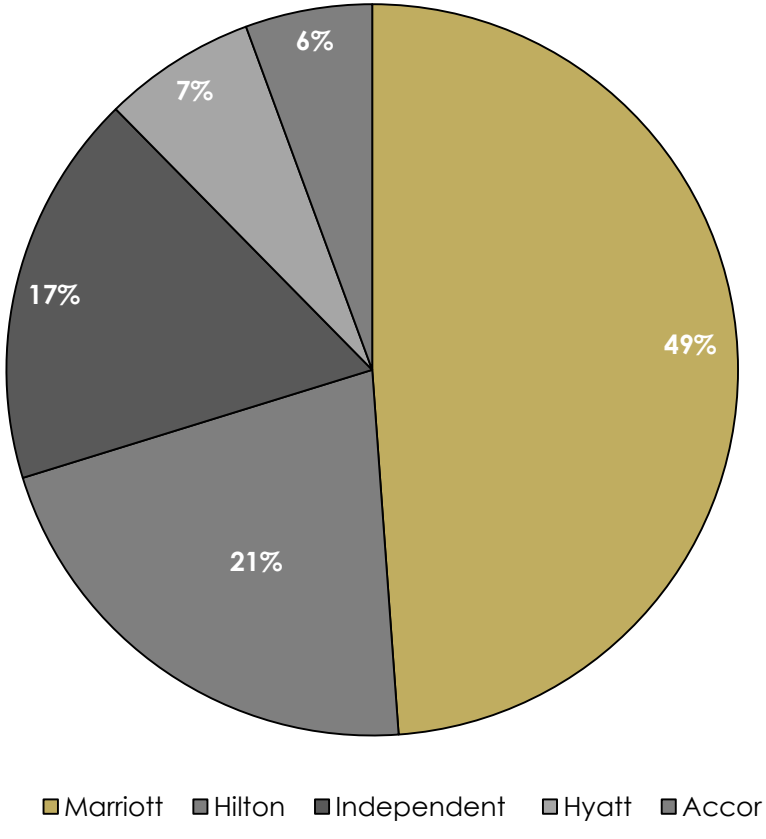


New Pool

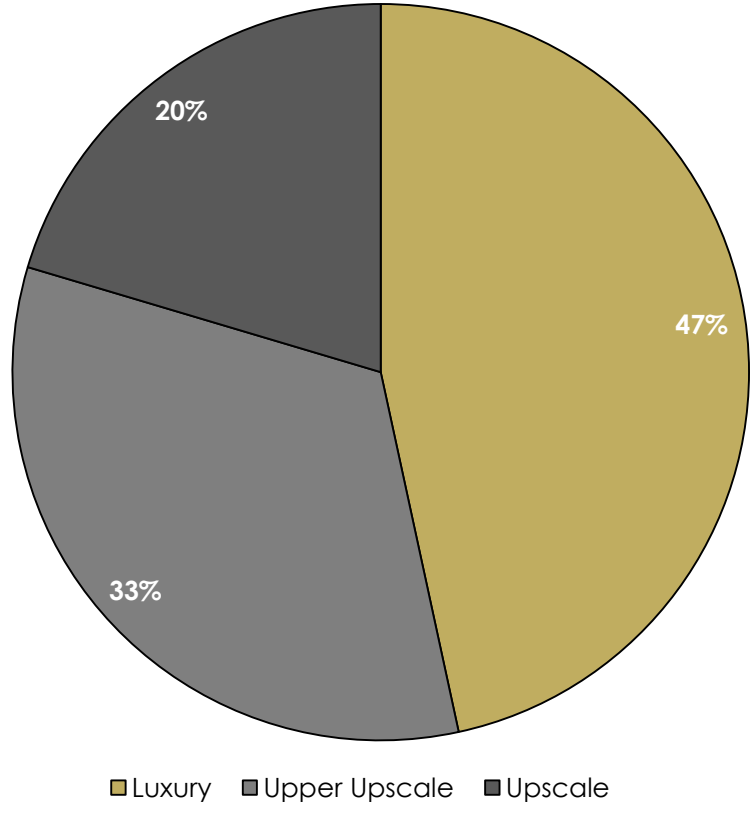
- Guestroom building work underway
- Current construction timeline has completion expected at the end of October 2019

EBITDA Contribution by Brand and Class

2018 Hotel EBITDA by Brand



2018 Hotel EBITDA by Class



Why We Focus on Luxury – Historical Performance

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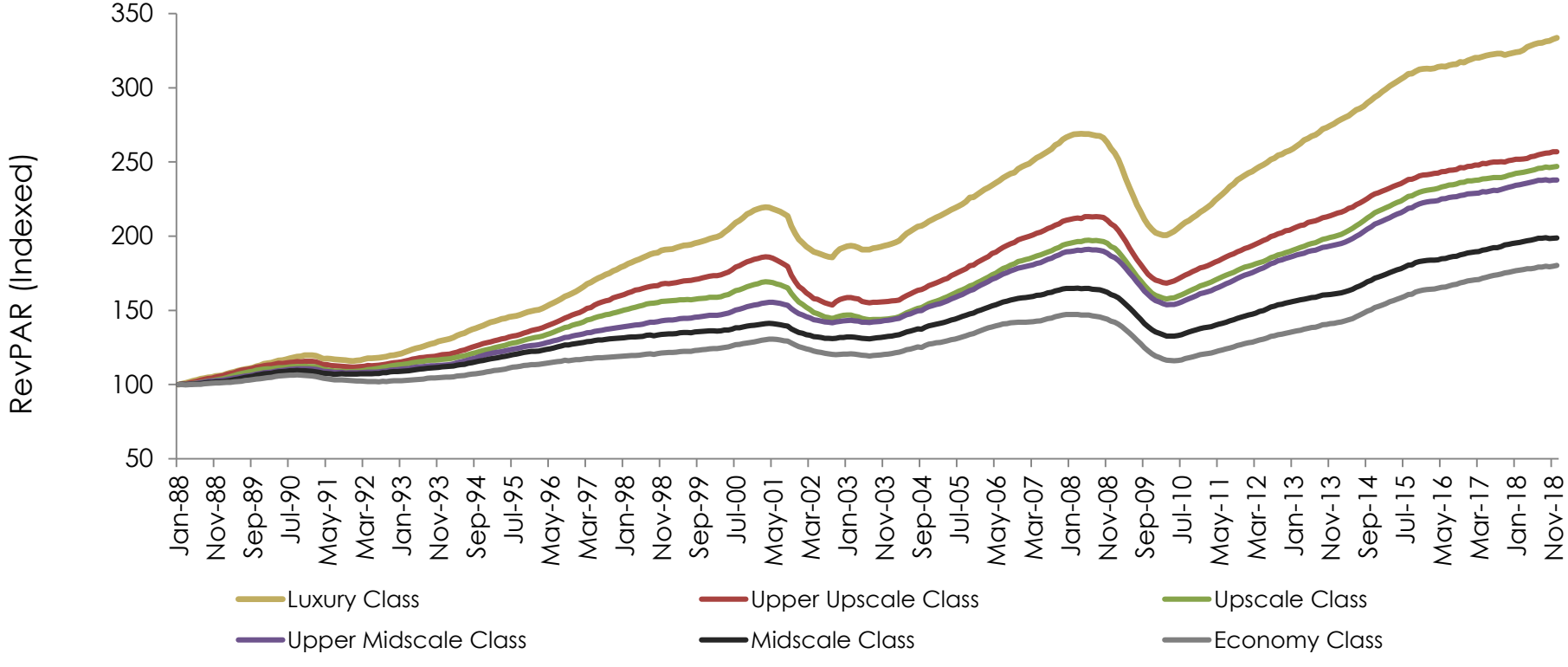
LUXURY

Greatest long-term RevPAR growth of **4.0%(1)**

UPPER UPSCALE

Second greatest long-term RevPAR growth of **3.1%(1)**



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

Luxury Outlook - 2019

Luxury is expected to continue to outperform other chain scales in 2019

Chain Scale	Occupancy	ADR	RevPAR
Luxury	(0.5)	3.8	3.3
Upper Upscale	(1.0)	3.0	1.9
Upscale	(0.8)	2.3	1.5
Upper Midscale	(0.5)	1.7	1.2
Midscale	(0.7)	1.9	1.2
Economy	0.0	2.3	2.4
Independent	(0.3)	2.9	2.6
U.S. Total	**(0.4)**	**2.7**	**2.3**

In 2019, **ADR** growth is expected to continue to drive all of the RevPAR growth

Source: PWC

External Growth – Luxury Markets

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~270,000 total luxury hotel rooms in U.S.(1)

Top 15 Luxury Markets by Rooms(1)

Market	Hotels	Rooms
Las Vegas, NV	18	26,108
New York, NY	63	15,435
Los Angeles/Long Beach, CA	62	12,535
Miami/Hialeah, FL	45	12,373
Hawaii	27	8,124
San Francisco/San Mateo, CA	44	7,970
Chicago, IL	22	7,712
San Diego, CA	39	7,414
Washington, DC-MD-VA	25	7,232
Orlando, FL	10	6,134
Atlanta, GA	19	5,658
Phoenix, AZ	13	5,039
New Orleans, LA	21	4,634
California Central Coast	53	4,301
New Jersey Shore	34	3,905

Top 15 Luxury Markets by RevPAR(1)(2)

Market	RevPAR
Hawaii	$ 443.5
Utah Area	$ 388.2
New York, NY	$ 384.2
San Francisco/San Mateo, CA	$ 326.3
Los Angeles/Long Beach, CA	$ 316.5
California Central Coast	$ 313.8
California North	$ 302.8
Boston, MA	$ 296.5
Colorado Area	$ 276.0
Miami/Hialeah, FL	$ 250.0
Orlando, FL	$ 240.4
Seattle, WA	$ 229.1
Washington, DC-MD-VA	$ 221.2
Austin, TX	$ 204.6
Denver, CO	$ 200.6

(1) Based on information provided by STR for luxury class as of 12/31/2018
(2) TTM as of 12/31/2018

Target Market Analysis(1)

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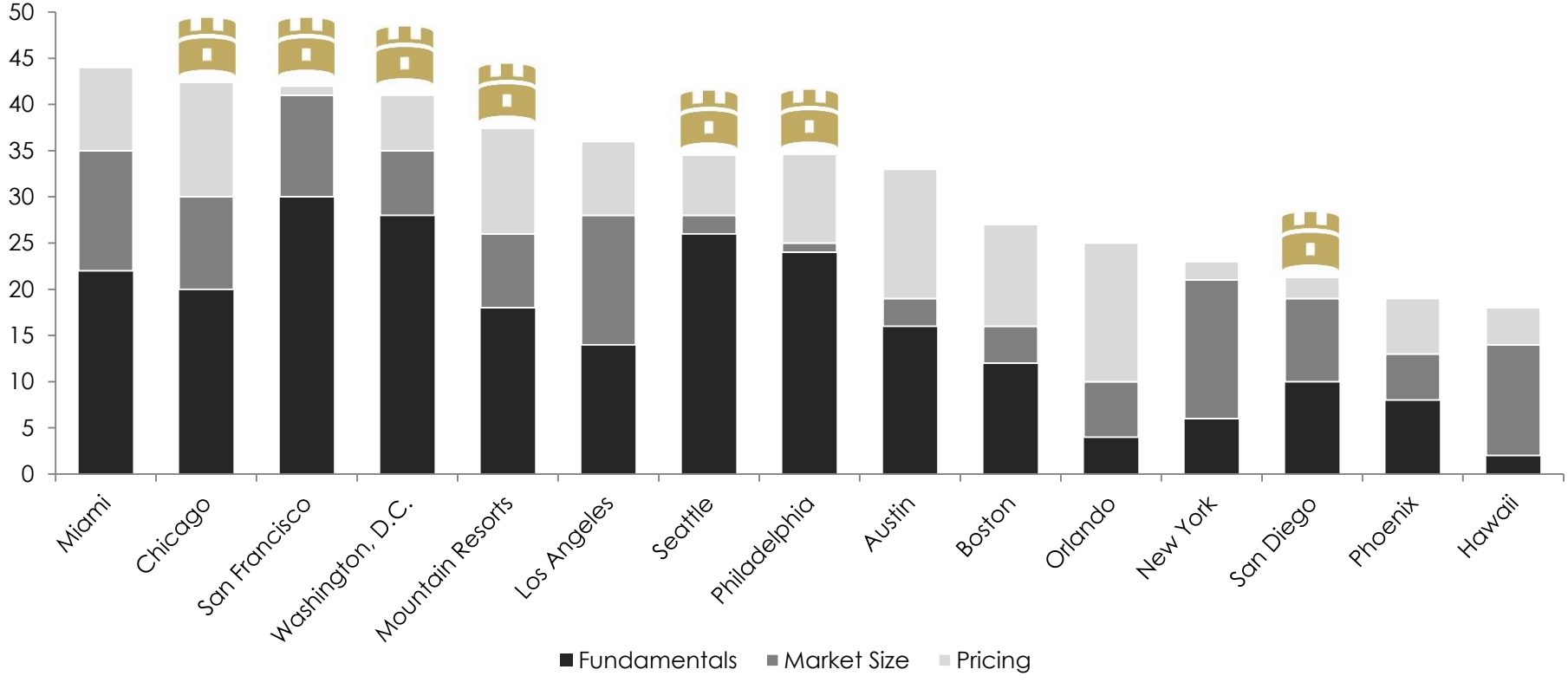
Market Size + Fundamentals + Pricing = Desirability



Source: STR, RCA, and Bloomberg
(1) Based on internal analysis as of 9/30/2018

Long-Term Trading Premium[1]

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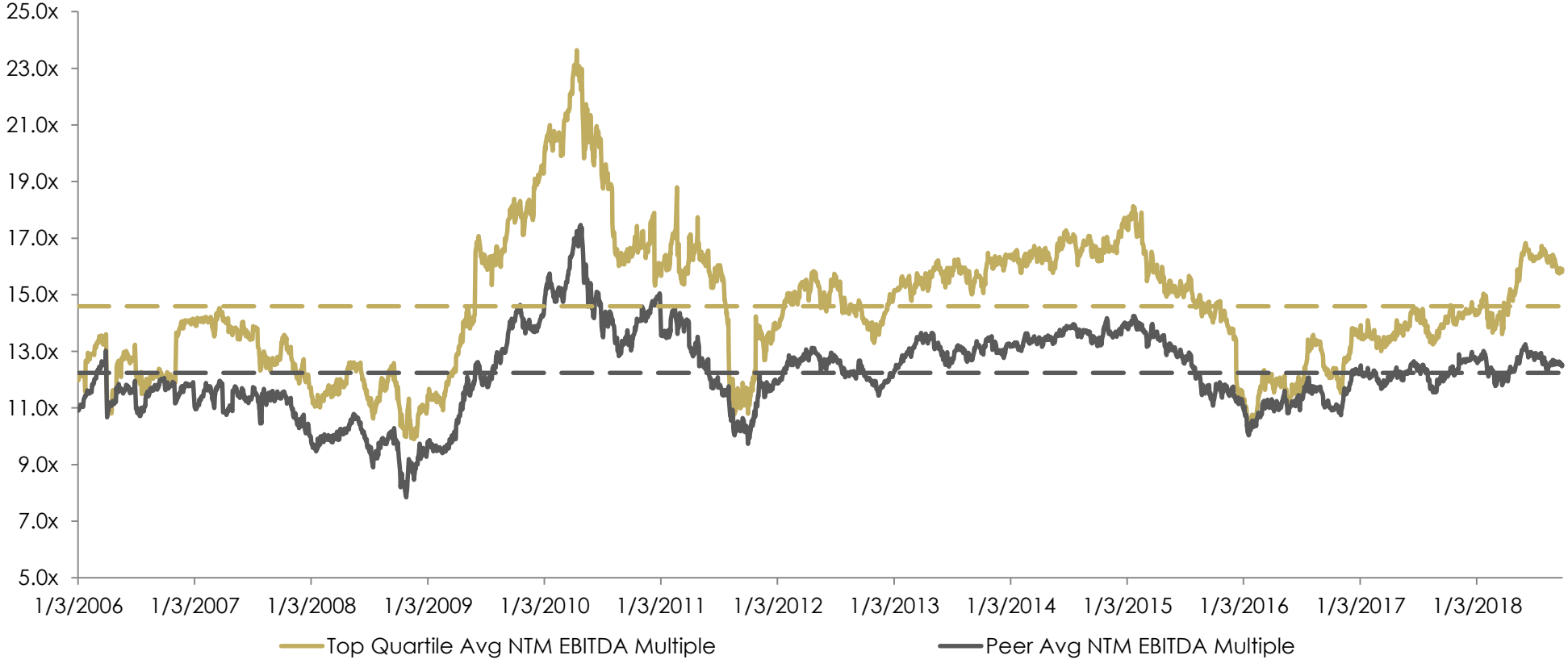
2.4

PREMIUM EBITDA TRADING MULTIPLE (TURNS)

The top quartile of lodging REITs (by RevPAR) have consistently had higher quality assets and **traded at a premium** relative to other peers over a long-term 10 year period



Source: STR, SNL
Top Quartile: BEE, PEB, LHO
Peers: AHT, CLDT, CHSP, DRH, FCH, HT, HPT, HST, INN, RLJ, SHO
(1) Data is from 1/1/2006 to 9/30/2018

Asset Management Overview[1]

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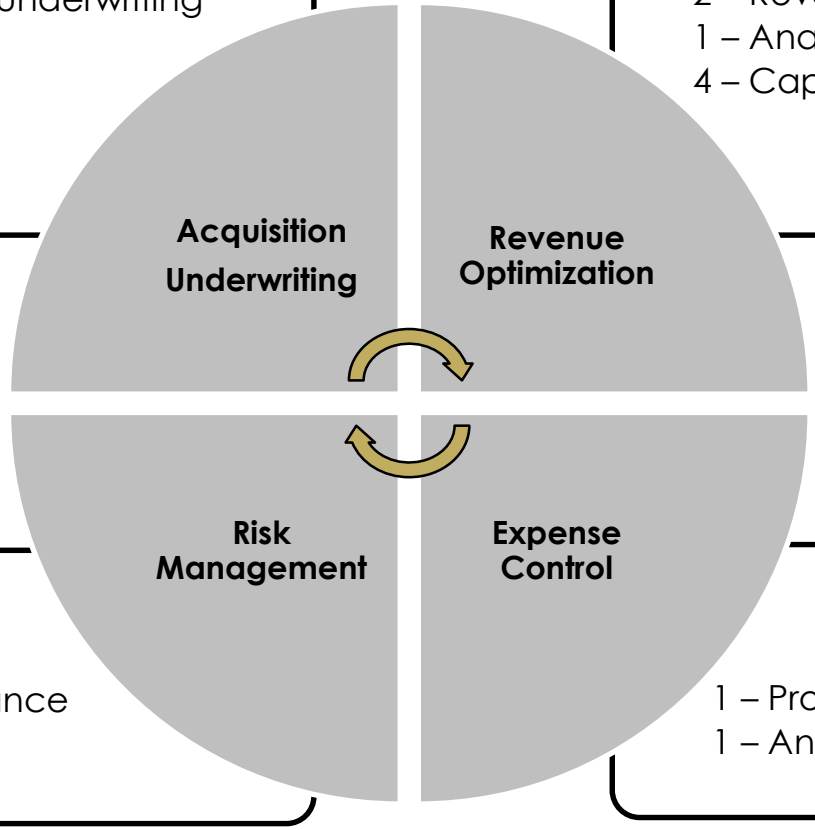
Senior Oversight

1 – Chief Operating Officer
8 – Asset managers
2 – Legal

1 – Director of Underwriting
1 – Analyst

2 – Revenue Optimization
1 – Analyst
4 – Capex specialists



3 – Risk & Insurance
1 – Analyst

1 – Property Tax specialist
1 – Analyst

(1) Employees provided by Ashford Inc., our advisor, and provide their services to other companies in addition to ours.

Past Operating Performance Relative to Peers

- Braemar has outperformed its REIT peers **each of the past 4 years** (Braemar results in **green** or **red**; REIT averages in black)

RevPAR Growth

2015	2016	2017	2018
7.3%	2.4%	-2.5%(1)	-1.6%(2)
4.9%	1.5%	0.4%	2.4%

Comparable Hotel EBITDA Growth

2015	2016	2017	2018
8.5%	3.7%	0.2%	3.1%
8.3%	2.5%	-2.3%	1.9%

Note: Comparable Results. Peers include CHSP, PEB, DRH, LHO (for years prior to 2018), and SHO

(1) Due to Hurricane damage, St. Thomas Ritz-Carlton experienced a RevPAR decrease of 38.1% during the Q4 2017, but recorded $4.1M of Business Interruption (BI) insurance income (including Pier House Key West), which is reflected in hotel EBITDA.

(2) Due to Hurricane damage, St. Thomas Ritz-Carlton experienced a RevPAR decrease of 53.6% YTD Q3 2018, but recorded $5.2M and $3.8M of BI insurance income in Q2 and Q3 2018 respectively, which is reflected in hotel EBITDA

Case Study – Pier House Resort

- Braemar purchased the asset in early 2014 for $92.7 million
- Remington had recently taken over property management & has a proven ability to deliver superior results
- Initial yield on cost was 7.4%, yield on cost at December 31, 2018 was 10.2%

2016

4.9%	170	206%
RPI Growth	Hotel EBITDA Margin Increase (bps)	Hotel EBITDA Flow-Through

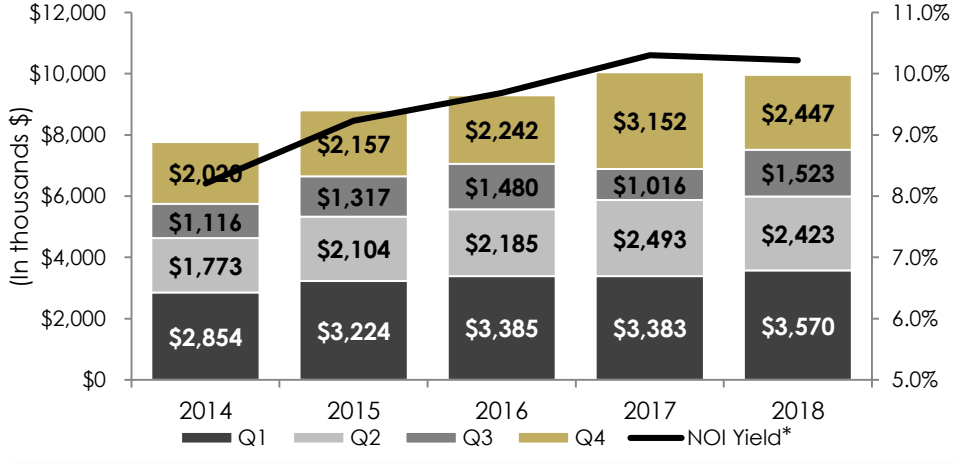
2017

0.6%	362	469%
RPI Growth	Hotel EBITDA Margin Increase (bps)	Hotel EBITDA Flow-Through

2018

-0.6%	-68	-19.9%
RPI Growth	Hotel EBITDA Margin Increase (bps)	Hotel EBITDA Flow-Through

Quarterly NOI and NOI Yield





(1) NOI yield based on gross book value

Case Study – Bardessono Hotel & Spa

- Purchased for $85 million unencumbered by management. Installed Remington as property manager.
- Initial TTM cap rate was 4.6%, yield on cost at December 31, 2018 was 8.5%

2016 (First Full Year of Ownership)

RevPAR Growth	Hotel EBITDA Margin Increase (bps)	Hotel EBITDA Flow-Through
9.7%	518	242%

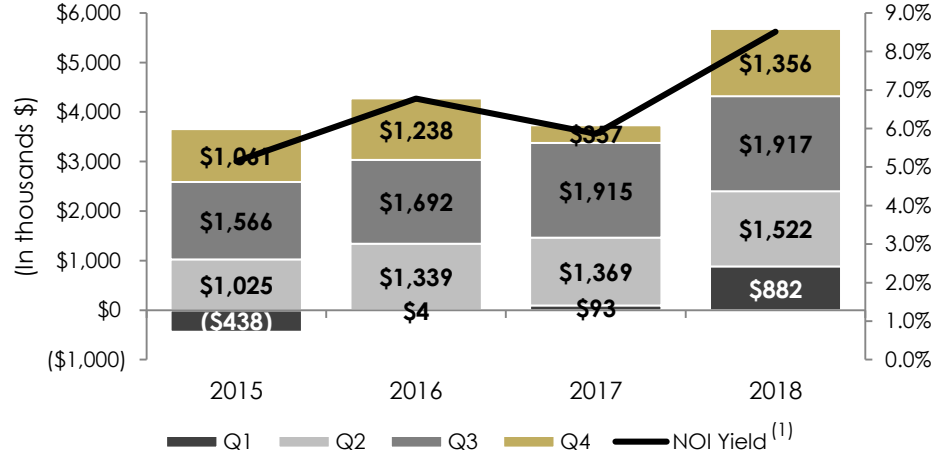
2017

RevPAR Growth	Hotel EBITDA Margin Increase (bps)	Hotel EBITDA Flow-Through
-4.2%	-147	52%

2018

RevPAR Growth	Hotel EBITDA Margin Increase (bps)	Hotel EBITDA Flow-Through
3.2%	773	102%

Quarterly NOI and NOI Yield





(1) NOI yield based on gross book value

Conservative Capital Structure

BRAEMAR HOTELS & RESORTS

TARGET LEVERAGE

45%

Gross Assets

Net Debt

OVERVIEW

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

Floating-rate debt typically provides a **natural hedge** to hotel cash flows

Intended to **Maximize flexibility** in all economic environments

Long-standing **lender relationships**

Cash Management Strategy

BRAEMAR HOTELS & RESORTS

10-15% **CASH TO GROSS DEBT TARGET**

$40.6M	5.1%	59%	41%
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	$175.6
Restricted Cash	$74.2
Accounts Receivable, net	$12.1
Prepaid Expenses	$4.2
Due from Third-Party Hotel Managers, net	$3.4
Investment in Ashford Inc.[2]	$11.9
Total Current Assets	**$281.4**
Accounts Payable, net & Accrued Expenses	$79.4
Dividends Payable	8.5
Due to Affiliates, net	4.2
Total Current Liabilities	**$92.1**
Net Working Capital	**$189.3**

Hilton Torrey Pines
La Jolla, CA



(1) As of 12/31/2018
(2) At market value as of 2/27/2019
(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

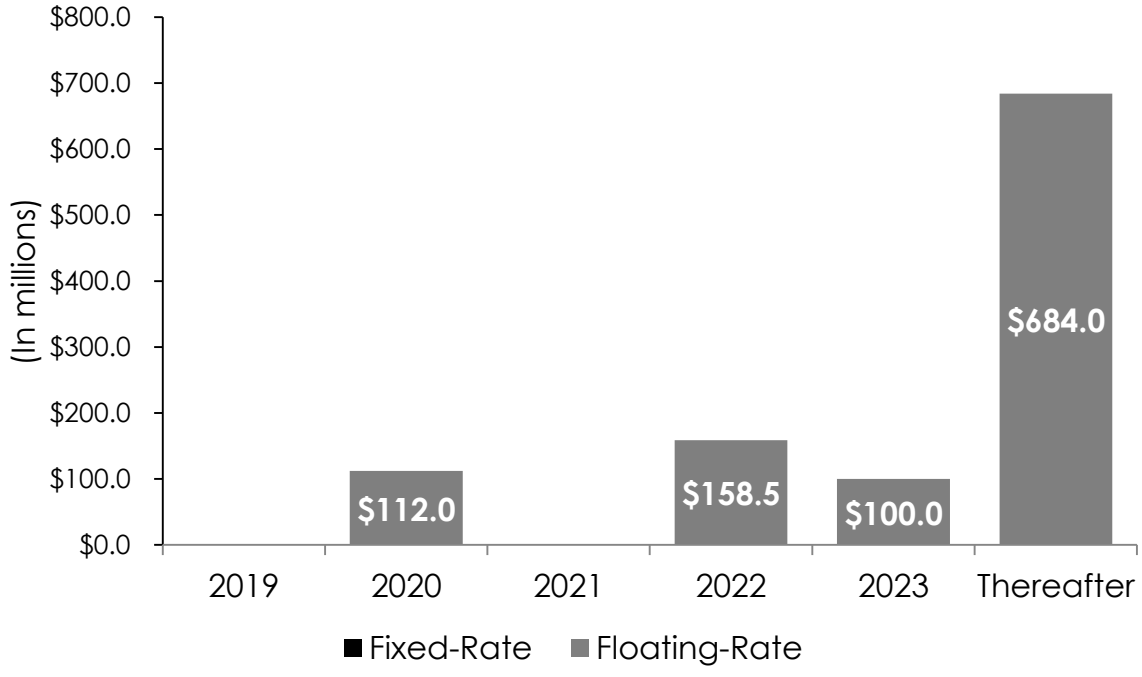
Debt Maturities



Overview

2020	2.0x	4.8%
Next Hard Debt Maturity	FCCR(1)(2)	Weighted Avg. Interest Rate(1)(2)

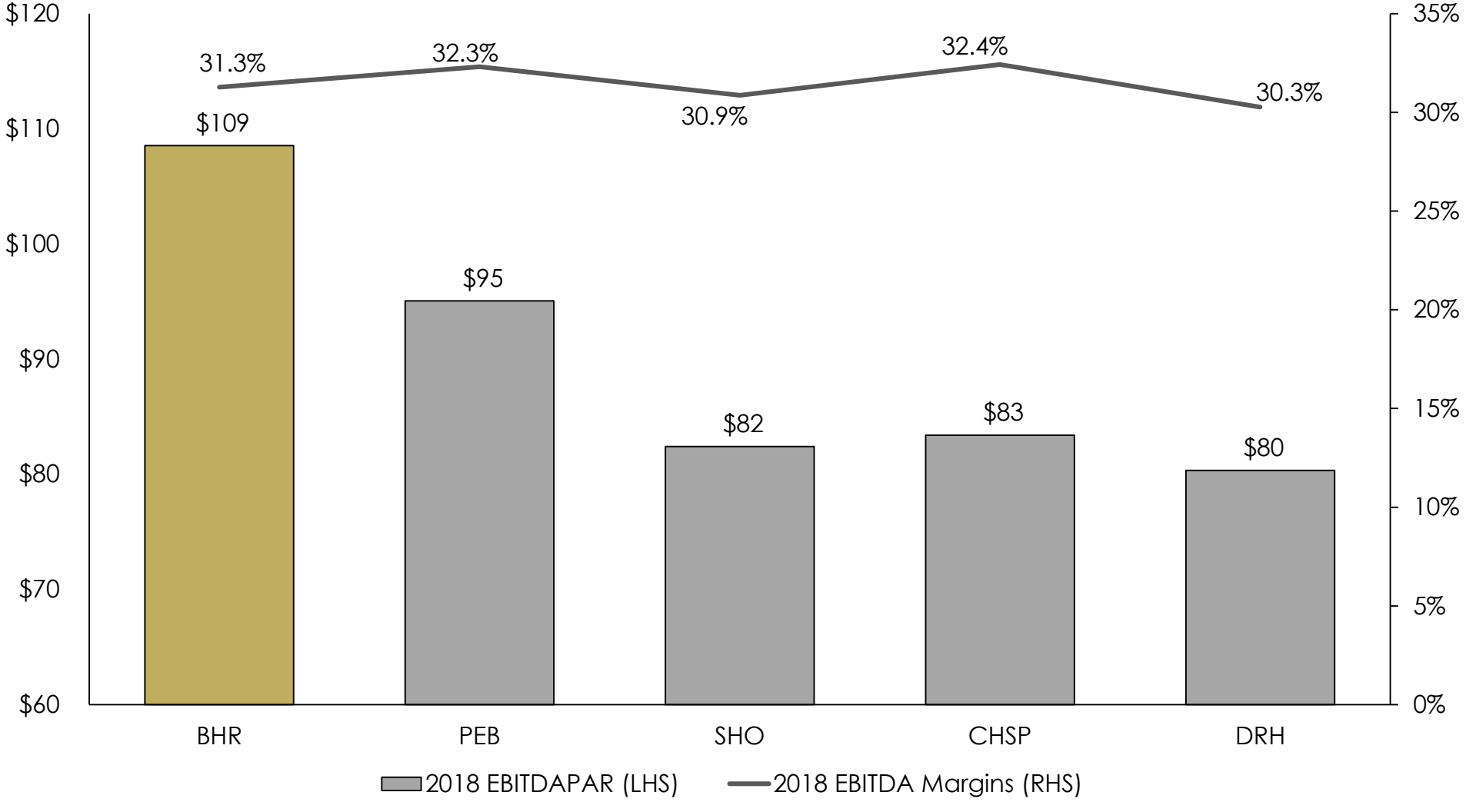
Laddered debt maturities(1)(2)



(1) As of 12/31/2018
(2) Pro forma for most recent refinancing of Capital Hilton and Hilton Torrey Pines, and most recent acquisition Ritz-Carlton Lake Tahoe.

Peer Operating Performance Analysis

Comparable Hotel EBITDAPAR & Comparable Hotel EBITDA Margins 2018



Source: company filings

Valuation

Valuation

100

Discount to average peer trading cap rate (bps)

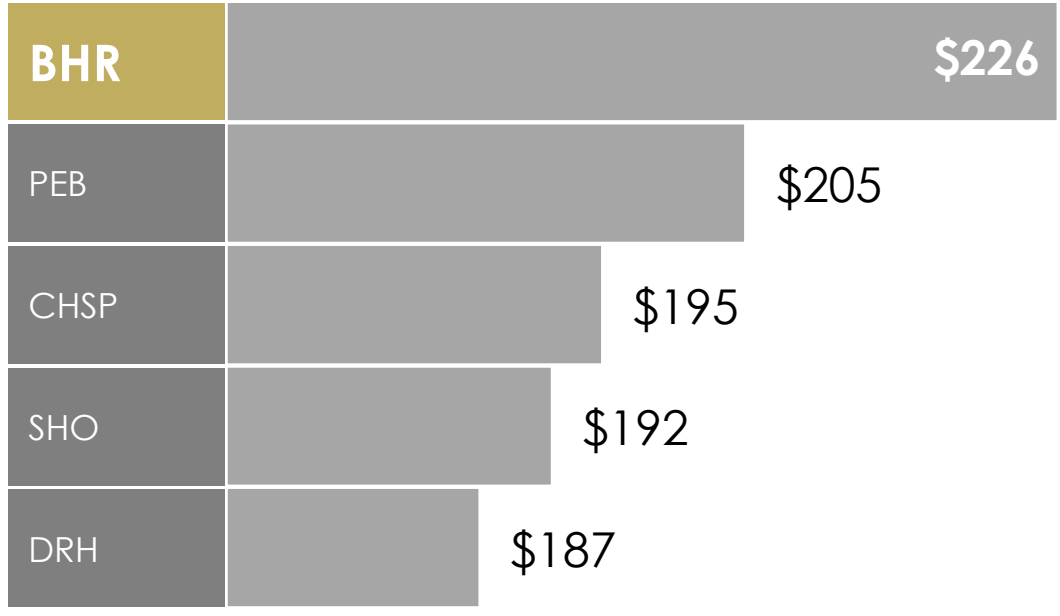
1.3

Discount to average peer trading EBITDA multiple (turns)

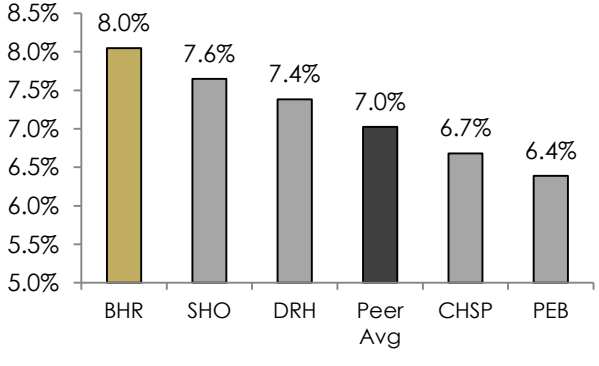
4.1

Discount to average peer trading AFFO multiple (turns)

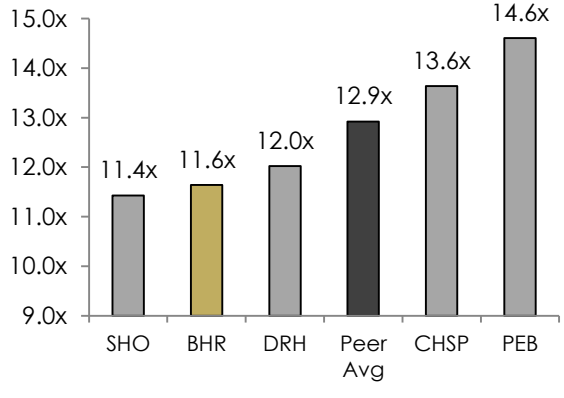
2018 Comparable RevPAR(1)



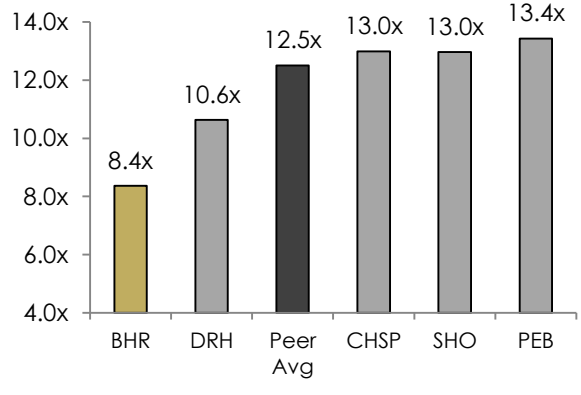
TTM Cap Rate(2)



TEV / 2019E EBITDA Multiple(2),(3)



Price / 2019E AFFO / Share Multiple(2),(3)



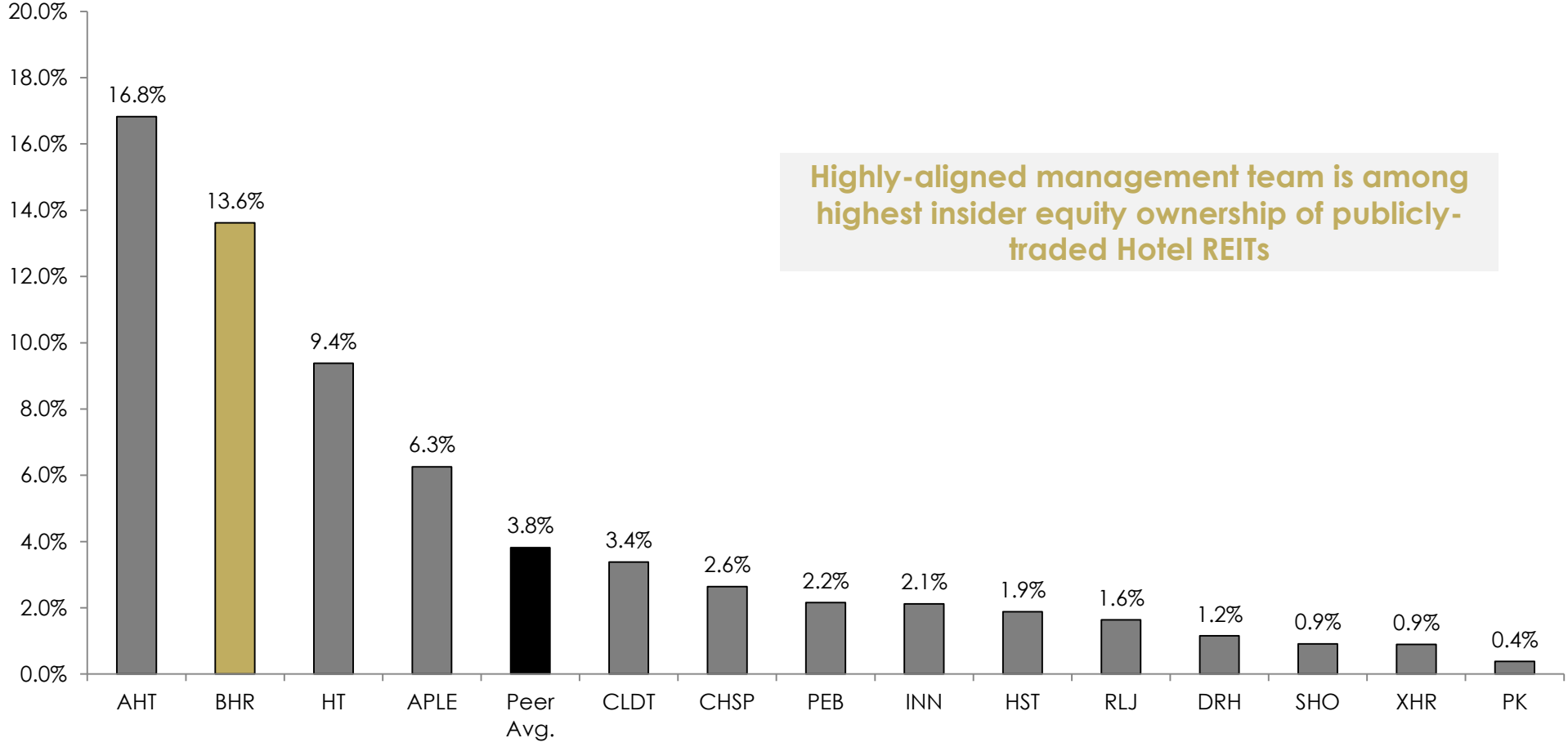
(1) As reported by company earnings releases
(2) Balance sheet data as of 12/31/2018; stock price as of 2/27/2019, not adjusted for JV interest
(3) Based on consensus estimates

Highly Aligned Management Team

13.6% Management has significant personal wealth invested in the Company

3.6x Insider ownership 3.6x higher than REIT industry average

$64M **Total dollar value of insider ownership (as of 2/27/2019)**



Highly-aligned management team is among highest insider equity ownership of publicly-traded Hotel REITs

REIT Avg includes: AHT, HT, APLE, CLDT, CHSP, RLJ, PEB, INN, HST, DRH, SHO, XHR, PK
Source: Proxy and Company filings
Note insider equity ownership for BHR includes direct interests and interests of related parties

Key Takeaways



Highest Quality Portfolio Amongst All Lodging REITs…In The Segment With Greatest Expected Growth Trajectory



Growing Organically: Rigorous Asset Management While Mining Portfolio for Investment Opportunities



Growing Externally: Redeploying Capital into Accretive Acquisitions

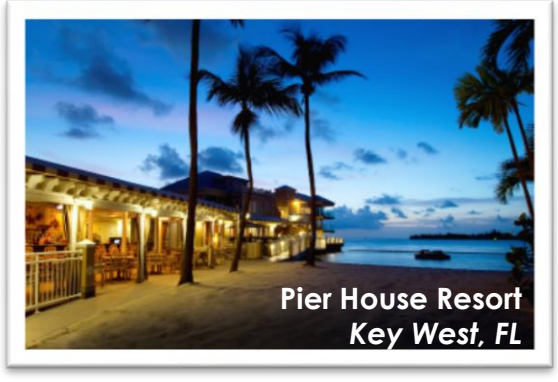


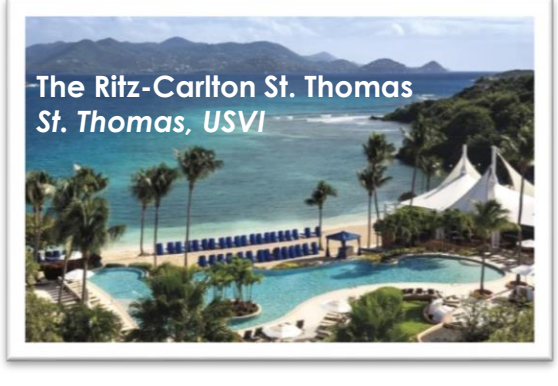
Shares Are Significantly Undervalued vs Peers



Highly Aligned Mgmt. Team That Is a Major Shareholder









Appendix

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

BRAEMAR HOTELS & RESORTS

	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018	Three Months Ended June 30, 2018	Three Months Ended March 31, 2018	TTM Ended December 31, 2018
Net income (loss)	$ (13,913)	$ (626)	$ 12,854	$ 4,270	$ 2,585
(Income) loss from consolidated entities attributable to noncontrolling interest	(274)	(1,695)	(89)	42	(2,016)
Net (income) loss attributable to redeemable noncontrolling interests in operating partnership	1,826	452	(1,235)	(292)	751
Preferred dividends	(2,083)	(1,707)	(1,708)	(1,707)	(7,205)
Net income (loss) attributable to common stockholders	(14,444)	(3,576)	9,822	2,313	(5,885)
Depreciation and amortization on real estate	14,320	13,720	14,052	12,258	54,350
Impairment charges on real estate	-	-	59	12	71
Net income (loss) attributable to redeemable noncontrolling interests in operating partnership	(1,826)	(452)	1,235	292	(751)
(Gain) loss on sale of hotel property	88	-	(15,711)	-	(15,623)
Equity in (earnings) loss of unconsolidated entities	(27)	81	62	3	119
Company's portion of FFO of OpenKey	(78)	(81)	(63)	(2)	(224)
FFO available to common stockholders and OP unitholders	(1,967)	9,692	9,456	14,876	32,057
Series B Cumulative Convertible Preferred Stock dividends	1,707	1,707	1,708	1,707	6,829
Transaction and management conversion costs	2,000	-	462	503	2,965
Other (income) expense	63	64	63	63	253
Interest expense accretion on refundable membership club deposits	300	226	150	-	676
Write-off of loan costs and exit fees	-	-	4,176	2	4,178
Amortization of loan costs	1,080	1,070	1,050	964	4,164
Unrealized (gain) loss on investments	4,672	(2,158)	6,024	(528)	8,010
Unrealized (gain) loss on derivatives	(721)	578	298	(73)	82
Non-cash stock/unit-based compensation	1,295	1,674	1,442	2,593	7,004
Legal, advisory and settlement costs	426	277	197	(1,141)	(241)
Advisory services incentive fee	(2,241)	1,380	691	170	-
Contract modification cost	-	-	-	-	-
Software implementation costs	-	-	-	-	-
Uninsured hurricane and wildfire related costs	-	-	(55)	467	412
Company's portion of adjustments to FFO of OpenKey	8	2	2	-	7
Adjusted FFO available to the Company and OP unitholders	$ 6,622	$ 14,512	$ 25,664	$ 19,603	$ 66,396
FFE reserve (net of noncontrolling interest)	(4,336)	(4,790)	(5,400)	(4,415)	(18,941)
Series B Cumulative Convertible Preferred Stock dividends	(1,707)	(1,707)	(1,708)	(1,707)	(6,829)
Cash available for distribution to the Company and OP unitholders	$ 579	$ 8,015	$ 18,556	$ 13,481	$ 40,626

Reconciliation of Net Income (Loss) to Comparable Hotel EBITDA

	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018	Three Months Ended June 30, 2018	Three Months Ended March 31, 2018	TTM Ended December 31, 2018
Net income (loss)	$ 6,525	$ 14,567	$ 38,623	$ 16,761	$ 76,476
Non-property adjustments	(26)	-	(15,423)	12	(15,437)
Interest income	(61)	(57)	(39)	(18)	(175)
Interest expense	4,342	4,100	4,335	3,123	15,900
Amortization of loan cost	284	279	277	199	1,039
Depreciation and amortization	15,092	14,474	14,811	13,006	57,383
Income tax expense (benefit)	(353)	(44)	382	154	139
Non-hotel EBITDA ownership expense	1,147	26	755	368	2,296
Hotel EBITDA including amounts attributable to noncontrolling interest	26,950	33,345	43,721	33,605	137,621
Less: EBITDA adjustments attributable to consolidated noncontrolling interest	(1,519)	(1,429)	(2,366)	(1,990)	(7,304)
Hotel EBITDA attributable to the Company and OP unitholders	$ 25,431	$ 31,916	$ 41,355	$ 31,615	$ 130,317
Non-comparable adjustments	(27)	(135)	(4,127)	3,331	(958)
Comparable hotel EBITDA	$ 26,923	$ 33,210	$ 39,594	$ 36,936	$ 136,663

Reconciliation of Net Income (Loss) to Adjusted EBITDAre

	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
Net income (loss)	$ (13,913)	$ 28,444	$ 2,585	$ 28,324
Interest expense and amortization of loan costs	13,712	10,194	49,653	38,937
Depreciation and amortization	15,092	12,689	57,383	52,262
Income tax expense (benefit)	(82)	(856)	2,432	(522)
Equity in (earnings) loss of unconsolidated entity	88	—	234	—
Company's portion of EBITDA of OpenKey	(77)	—	(220)	—
EBITDA	14,820	50,471	112,067	119,001
Impairment charges on real estate	—	60	71	1,068
(Gain) loss on sale of hotel property	(27)	(23,797)	(15,738)	(23,797)
EBITDAre	14,793	26,734	96,400	96,272
Amortization of favorable (unfavorable) contract assets (liabilities)	52	44	195	180
Transaction and management conversion costs	2,000	74	2,965	6,774
Other (income) expense	63	85	253	377
Write-off of loan costs and exit fees	—	1,531	4,178	3,874
Unrealized (gain) loss on investments	4,672	(6,314)	8,010	(9,717)
Unrealized (gain) loss on derivatives	(721)	527	82	2,056
Non-cash stock/unit-based compensation	1,295	665	7,004	(1,327)
Legal, advisory and settlement costs	426	203	(241)	3,711
Advisory services incentive fee	(2,241)	—	—	—
Contract modification cost	—	—	—	5,000
Software implementation costs	—	—	—	79
Uninsured hurricane and wildfire related costs	—	248	412	3,821
Company's portion of adjustments to EBITDAre of OpenKey	8	—	7	—
Adjusted EBITDAre	$ 20,347	$ 23,797	$ 119,265	$ 111,100