

BRAEMAR
HOTELS & RESORTS

December 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, the degree and nature of our competition, legislative and regulatory changes, including changes to the Internal Revenue Code of 1986, as amended (the "Code"), and related rules, regulations and interpretations governing the taxation of REITs; limitations imposed on our business and our ability to satisfy complex rules in order for us to qualify as a REIT for federal income tax purposes; and risks related to Ashford Inc.'s ability to complete the acquisition of Remington's hotel management business on the proposed terms. 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.

Management Team



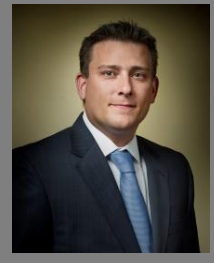
RICHARD J. STOCKTON
Chief Executive Officer & President

- 22 years of hospitality experience
- 3 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
- 16 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



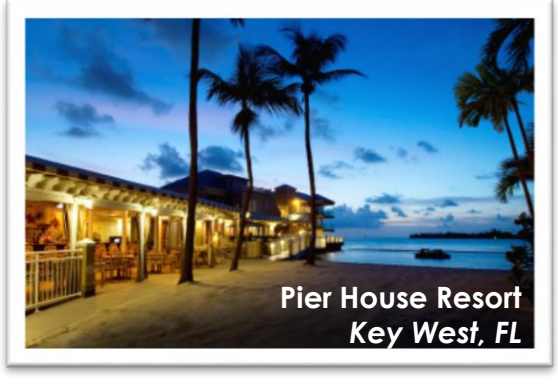
Targets conservative leverage of Net Debt / Gross Assets of 45% with non-recourse property debt



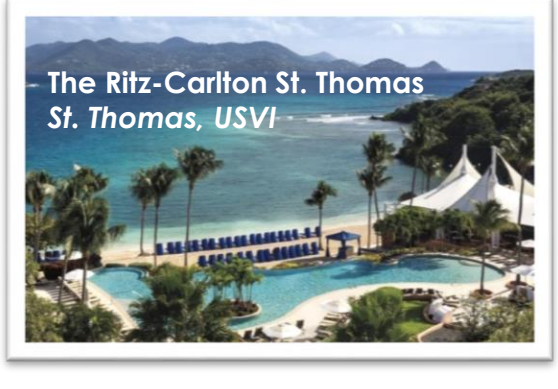
Highly-aligned management team and advisory structure



Bardessono Hotel & Spa
Yountville, CA



Pier House Resort
Key West, FL

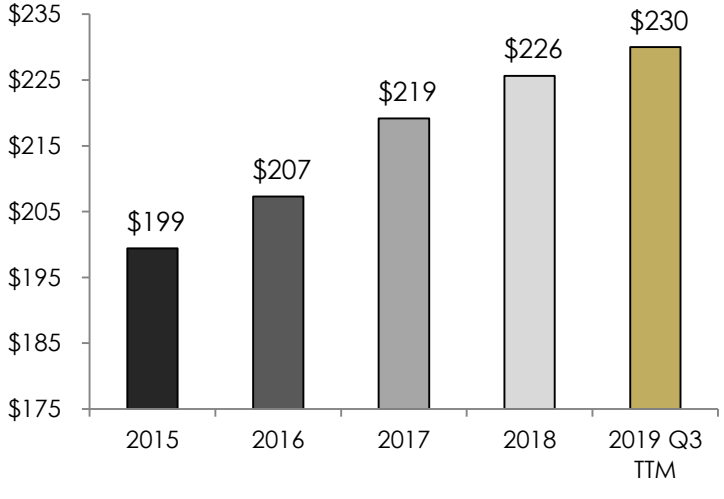


The Ritz-Carlton St. Thomas
St. Thomas, USVI

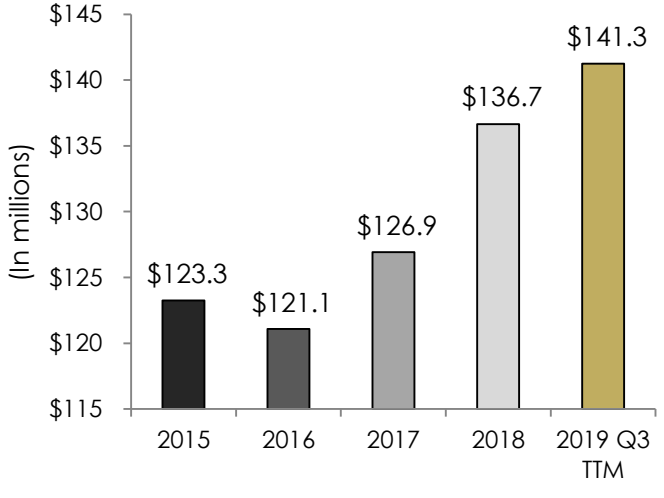
2019 Q3 Hotel Operating Results

Comparable Hotel Operating Results[1]	2019 Q3	2018 Q3	% Variance
ADR	$ 281.86	$ 280.01	0.7%
Occupancy	83.3%	85.6%	(2.6)%
RevPAR	$ 234.81	$ 239.58	(2.0)%
RevPAR (not under renovation)[2]	$ 250.48	$ 254.06	(1.4)%
Total Hotel Revenue[3]	$ 118,525	$ 119,790	(1.1)%
Hotel EBITDA[3]	$ 33,417	$ 35,558	(6.0)%
Hotel EBITDA Margin	28.2%	29.7%	(1.5)%

Comparable RevPAR[4]



Comparable Hotel EBITDA[4]



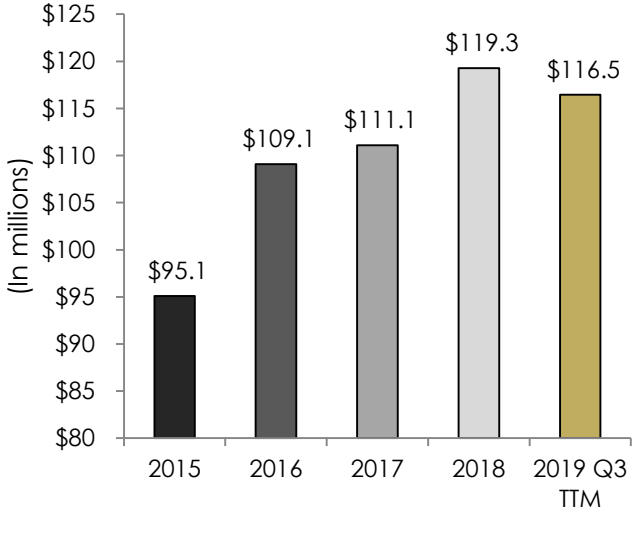
(1) Includes: Bardessono, Hotel Yountville, Ritz-Carlton St. Thomas, Pier House, Marriott Seattle Waterfront, Capital Hilton, Sofitel Chicago, Hilton Torrey Pines, Courtyard San Francisco "The Clancy", The Notary Hotel, Park Hyatt Beaver Creek, Ritz-Carlton Lake Tahoe and Ritz-Carlton Sarasota
(2) Excludes: Park Hyatt Beaver Creek, The Notary Hotel, Courtyard San Francisco "The Clancy", and St. Thomas Ritz-Carlton
(3) In thousands
(4) 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; 2019 Q3 TTM as reported on 10/30/2019

Quarter Highlights

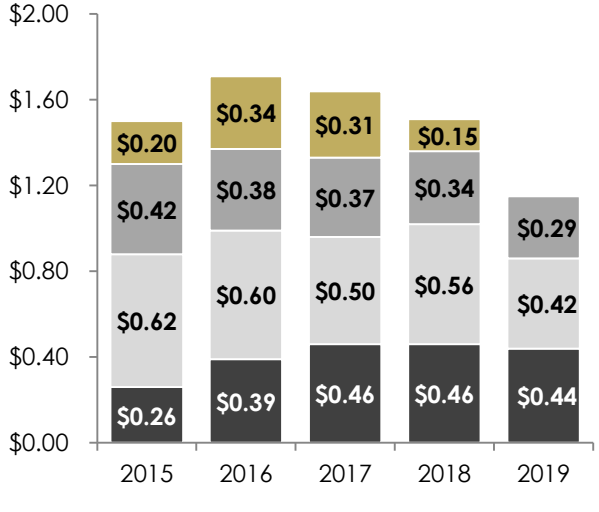
- Adjusted funds from operations (AFFO) was $0.29 per diluted share for the quarter and Adjusted EBITDAre was $28.6 million for the quarter.
- During the quarter, the Company announced the planned opening of The Clancy, an Autograph Collection property, in downtown San Francisco. The re-branded property, a conversion of the Courtyard San Francisco Downtown, is expected to officially open in early 2020.
- During the quarter, the Company announced the opening of The Notary Hotel, an Autograph Collection property, in downtown Philadelphia. The re-branded property is a conversion of the Courtyard Philadelphia Downtown hotel.
- Subsequent to quarter end, the Company announced a plan to dispose of the Ashford Inc. shares it owns.
- Subsequent to quarter end, the Company announced the opening of The Maple Grove Presidential Villa at the Bardessono Hotel & Spa in Yountville, CA.

Full Year Highlights

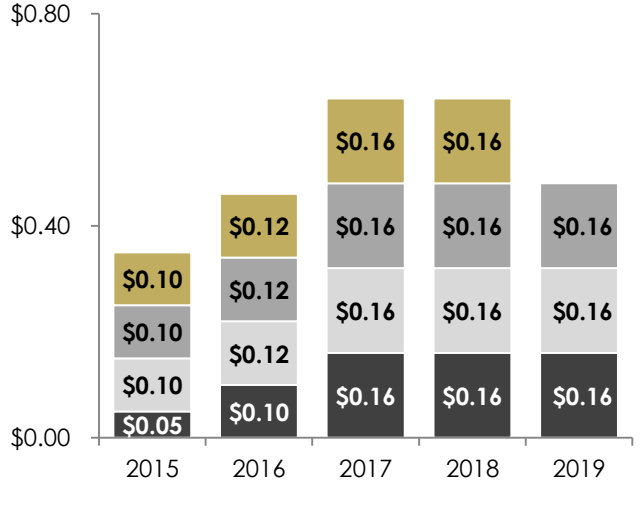
ADJUSTED EBITDARE



AFFO PER SHARE



QUARTERLY DIVIDEND PER SHARE



High-Quality Hotels in Leading Urban & Resort Markets

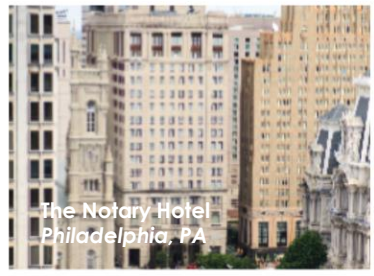
BRAEMAR HOTELS & RESORTS

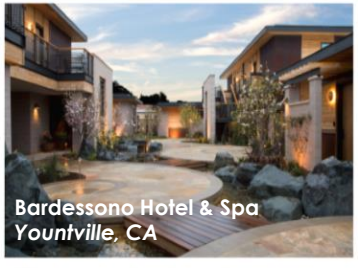


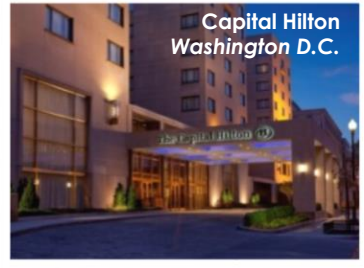














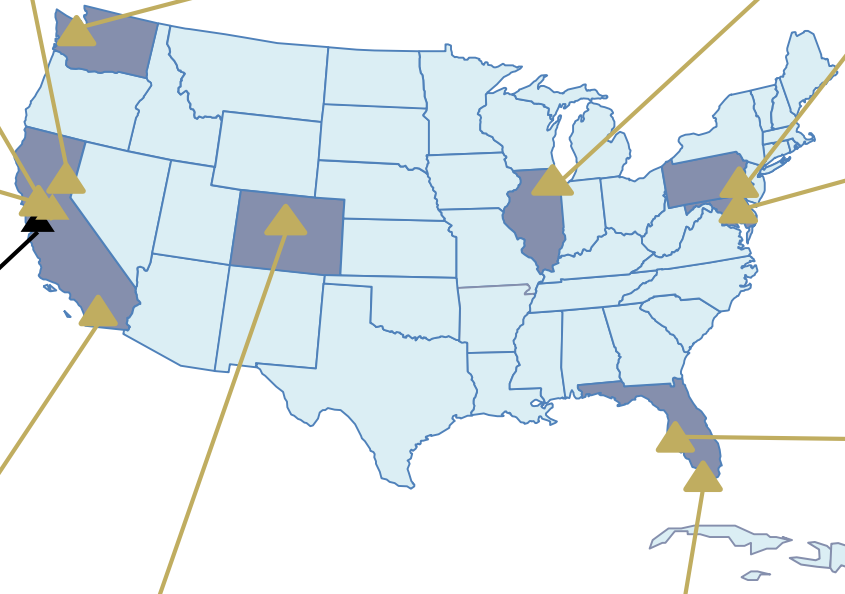












▲ **Core Assets** ▲ **Non-Core Assets**

Portfolio Detail

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$230

RevPAR(1)

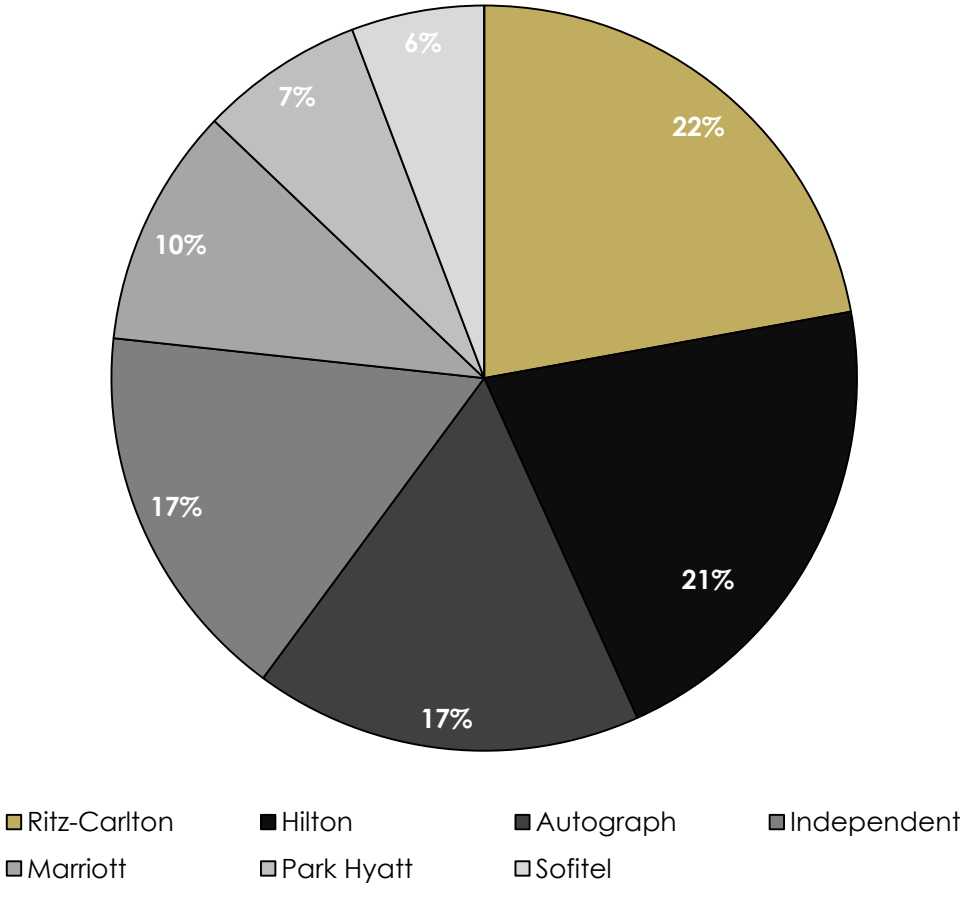
- Core **portfolio quality unparalleled** in the public lodging REIT sector
- **Geographically diversified** portfolio located in strong markets

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	$796	76%	$602	$5,800	4.1%
Hotel Yountville	Napa Valley, CA	80	$552	74%	$411	$6,151	4.4%
Ritz-Carlton St. Thomas	St. Thomas, USVI	180	$319	82%	$262	$9,972	7.1%
Pier House	Key West, FL	142	$452	80%	$362	$11,506	8.1%
Park Hyatt Beaver Creek	Beaver Creek, CO	190	$434	59%	$255	$10,052	7.1%
Marriott Seattle Waterfront	Seattle, WA	361	$266	84%	$224	$14,705	10.4%
Capital Hilton	Washington, D.C.	550	$233	83%	$193	$13,947	9.9%
Sofitel Chicago Magnificent Mile	Chicago, IL	415	$207	82%	$169	$8,138	5.8%
The Notary Hotel	Philadelphia, PA	499	$194	70%	$135	$9,736	6.9%
Hilton Torrey Pines	La Jolla, CA	394	$218	84%	$183	$15,882	11.2%
Ritz-Carlton Sarasota	Sarasota, FL	266	$386	72%	$276	$12,801	9.1%
Ritz-Carlton Lake Tahoe	Truckee, CA	170	$558	69%	$383	$8,503	6.0%
Total Core		**3,309**	**$292**	**77%**	**$226**	**$127,193**	**90.0%**
Non-Core							
Courtyard San Francisco Downtown(2)	San Francisco, CA	410	$298	89%	$264	$14,057	10.0%
Total Non-Core		**410**	**$298**	**89%**	**$264**	**$14,057**	**10.0%**
Total Portfolio		**3,719**	**$293**	**79%**	**$230**	**$141,250**	**100.0%**

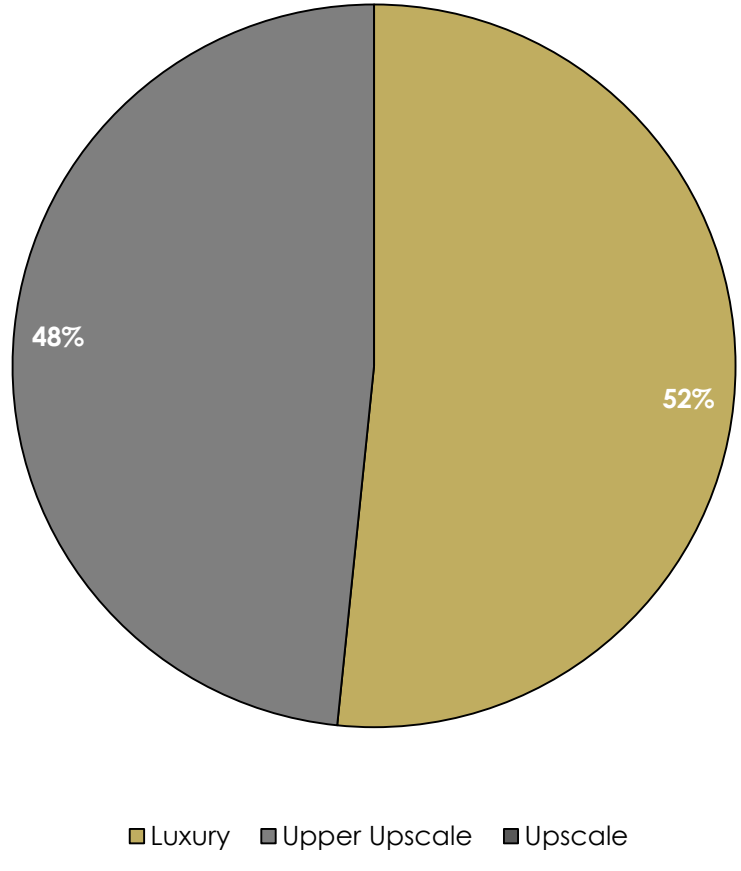
Note: TTM Hotel EBITDA in thousands
(1) TTM as of 9/30/2019
(2) Announced repositioning to "The Clancy" // Autograph Collection by Marriott

EBITDA Contribution by Brand and Class

2019 Q3 TTM Hotel EBITDA by Brand(1)



2019 Q3 TTM Hotel EBITDA by Class(1)



(1) Comparable TTM as of 9/30/2019, see appendix for a reconciliation of TTM hotel net income (loss) to hotel TTM EBITDA; pro forma for Autograph conversion of Courtyard San Francisco

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%

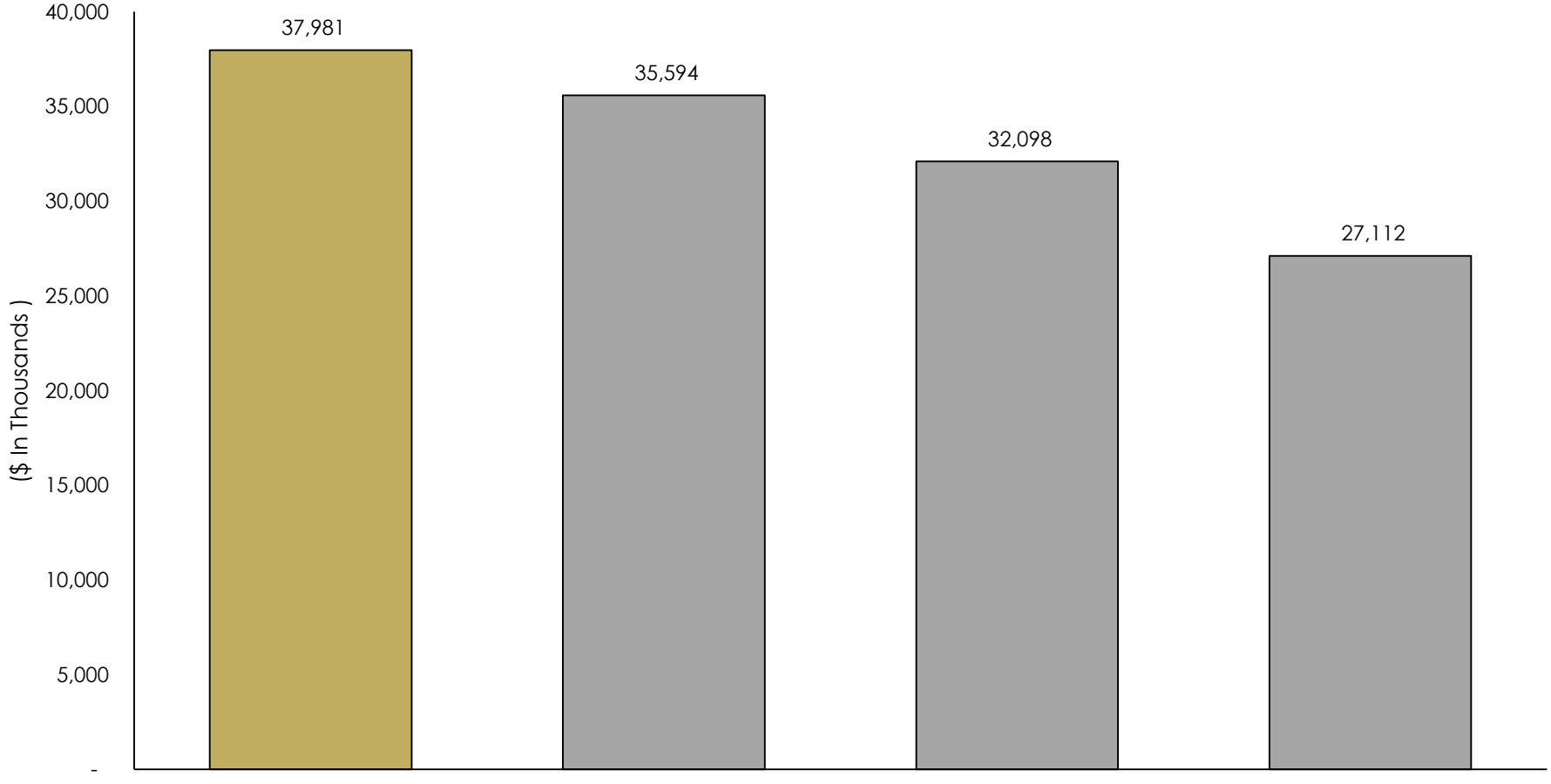
Note: Comparable Results. Peers include CHSP, PEB, DRH, LHO (for years prior to 2018), and SHO

(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 49.3% in 2018, but recorded BI insurance, which is reflected in hotel EBITDA

Peer Operating Performance Analysis

Comparable Hotel EBITDA Per Room (Q3 2019)



	BHR	PEB	SHO	DRH
Comparable Hotel EBITDA Margin	**30%**	**32%**	**31%**	**30%**

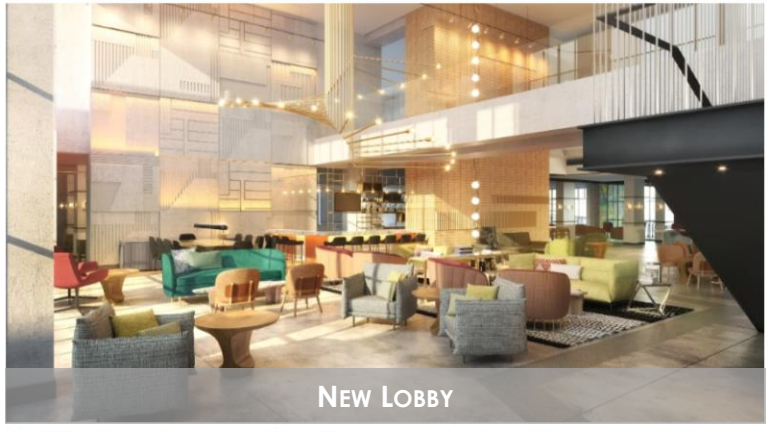
Source: company filings

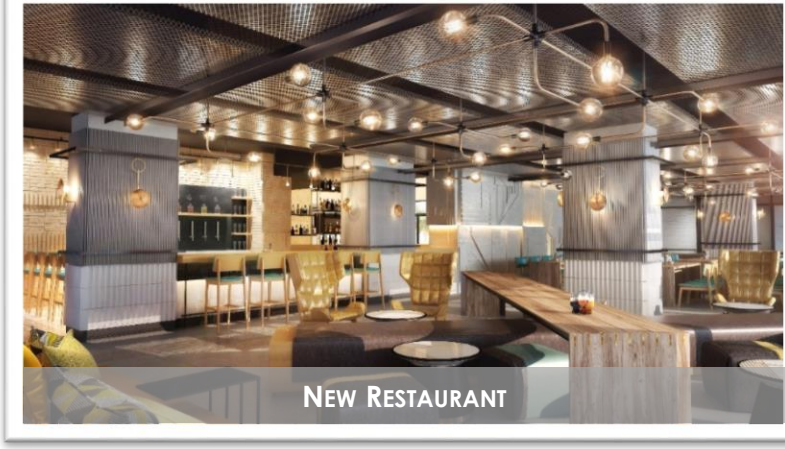
Courtyard San Francisco "The Clancy" – Recent Developments


NEW FACADE

Financial Highlights

Investment Cost	**$ 32.1 million**
Expected RevPAR uplift	**$ 50**
Estimated EBITDA	**$18.5M vs. $14.6M(1)**
Estimated unlevered IRR	**~ 20%(2)**


NEW LOBBY


NEW RESTAURANT

Construction Timing (Completion)

Guestrooms	Done
Lobby	2/19 - 3/20
Restaurant	2/19 - 3/20
Exterior	4/19 - 3/20

(1) Metrics are Courtyard and Autograph stabilized 2022 underwriting performance comparisons
(2) 5yr. underwritten unlevered IRR assumes exit cap rate of 6.5%, RevPAR uplift of $50, displacement during renovation, and EBITDA flow of 13% - 51.6% post repositioning

Ritz-Carlton St. Thomas – Recent Developments

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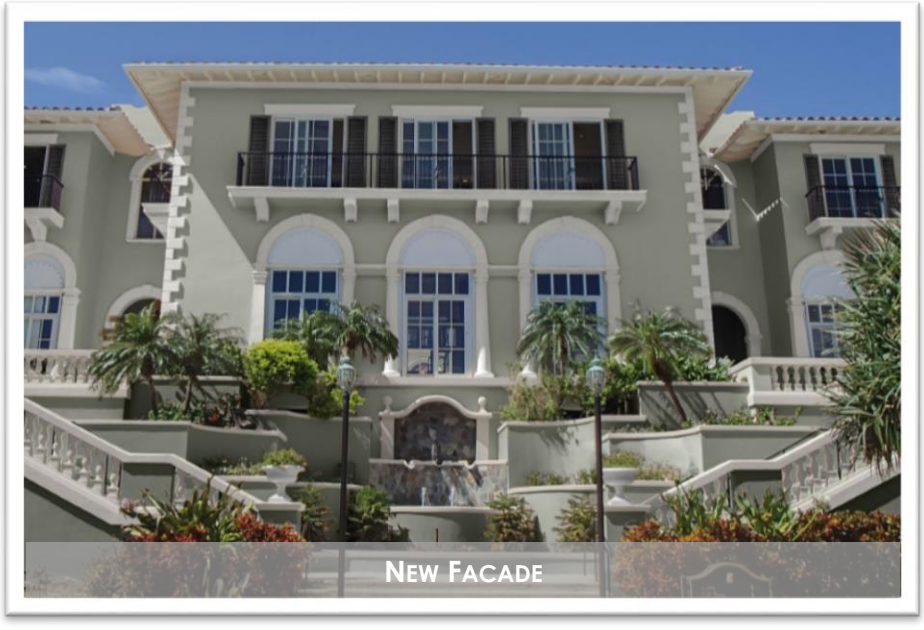
Renovation Status

- Permanent roof work is completed
- Guestroom renovations underway
- Target opening November 2019
- Forward booking rate +10% vs. pre-hurricane

Reservations open November 22nd and after



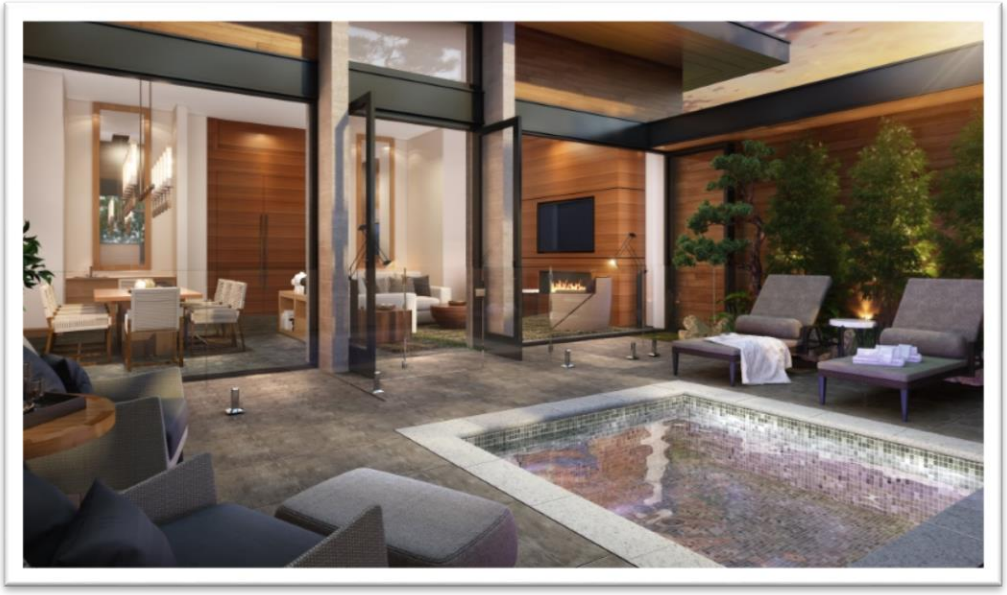


Capital Investments(1)

Lobby and New Retail Outlets	**$ 2.2M**
Repositioning Restaurant	**$ 5.6M**
New Family Pool	**$ 3.2M**
Pool Cabanas	**$ 1.4M**
Market/Cafe	**$ 1.3M**
Other Capital Improvements	**$ 9.5M**
Total Capital	**$ 23.2M**

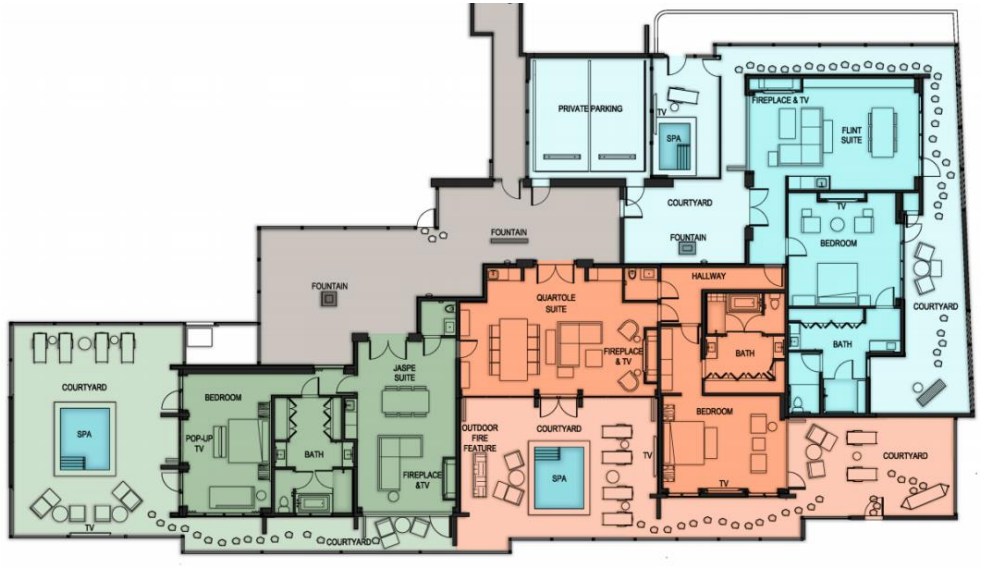
(1) Non-insurance capital improvements; total capital improvements of $23.2M includes $14.7M of ROI Projects

Bardessono Hotel & Spa – Recent Developments



Highlights

- Completed construction of luxury villa consisting of 3 large suites (1,000+SF)
- ADR: $2,500 – $3,500/night per suite
- $100K+ in revenue during the first month of sales





Why We Focus on Luxury – Historical Performance

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LUXURY

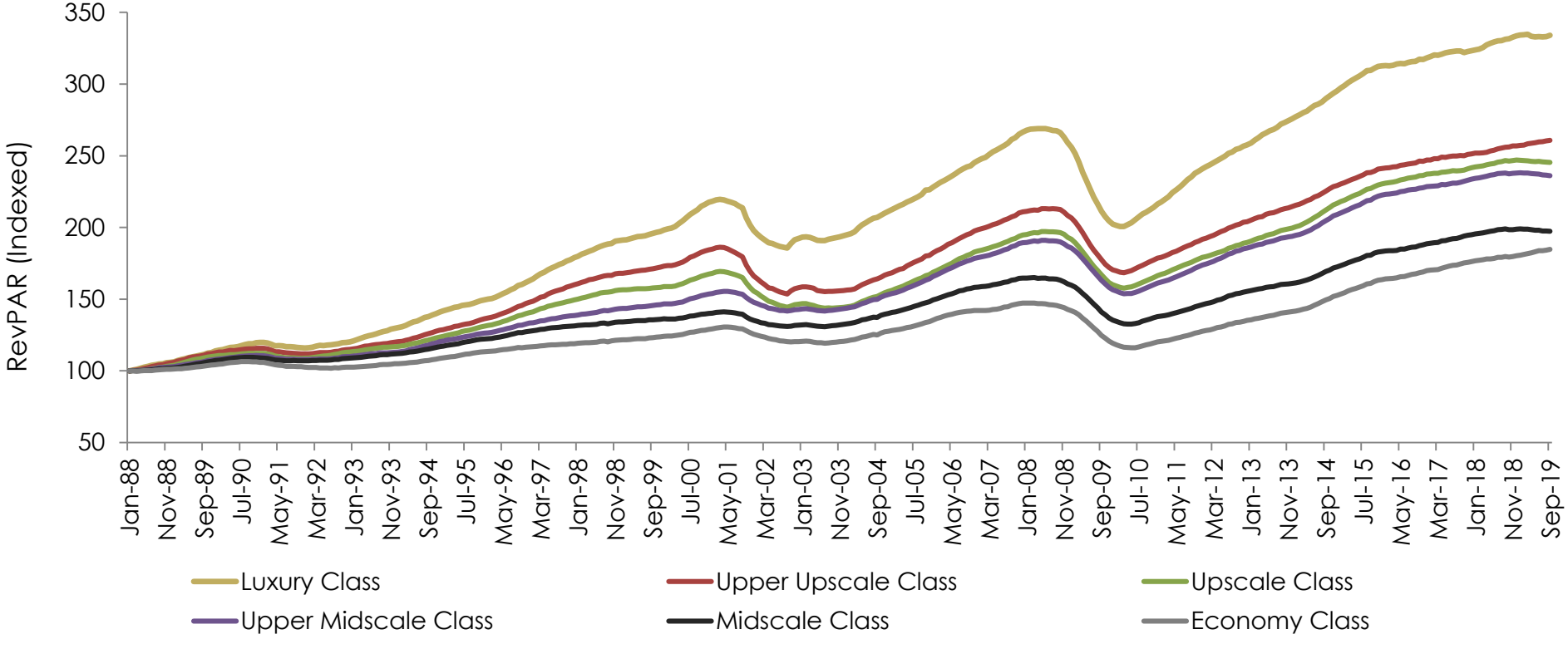
Greatest long-term RevPAR growth of

3.9%(1)

UPPER UPSCALE

Second greatest long-term RevPAR growth of

3.1%(1)



Source: STR
(1) CAGR from 12/31/1987 to 9/30/2019

Market Outlook - 2020

Luxury and Upper Upscale are expected to outperform other chain scales in 2020

Chain Scale	Occupancy	ADR	RevPAR
Luxury	(0.1)%	2.0%	1.9%
Upper Upscale	(0.4)%	1.2%	0.8%
Upscale	(0.3)%	0.7%	0.4%
Upper Midscale	(0.0)%	0.4%	0.4%
Midscale	(0.0)%	0.2%	0.2%
Economy	(0.0)%	0.9%	0.8%
Independent	(0.0)%	1.1%	1.1%
U.S. Total	**0.0%**	**1.0%**	**1.0%**

In 2020, **ADR** growth is expected to drive all of the RevPAR growth

Source: PwC Hospitality Directions, August 2019

Internal Growth - 2020

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Portfolio Positioned for Growth



Autograph Conversion — **Complete Q1 2020**



Autograph Conversion — **Completed July 2019**



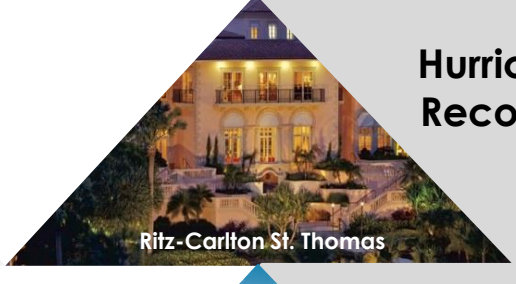
Beach Improvement — **Completed 2019**



Government Shutdown — **No Signs of Impact**



Villa Construction — **Completed Q3 2019**



Hurricane Recovery — **Complete Q4 2019**



Lobby — **Completed Q3 2019**



Large Supply Growth — **Supply Growth Slowing**

External Growth – Luxury Markets

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~272,000 total luxury hotel rooms in U.S.(1)

Top 15 Luxury Markets by Rooms(1)

Market	Hotels	Rooms
Las Vegas, NV	18	24,137
New York, NY	61	15,238
Los Angeles/Long Beach, CA	65	13,163
Miami/Hialeah, FL	39	11,174
Chicago, IL	26	8,158
Hawaii	27	8,136
San Francisco/San Mateo, CA	45	8,023
San Diego, CA	38	7,773
Washington, DC-MD-VA	26	7,345
Orlando, FL	9	6,022
Atlanta, GA	18	5,300
California Central Coast	56	5,047
Phoenix, AZ	13	5,045
New Orleans, LA	21	4,569
Boston, MA	16	4,295

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

Market	RevPAR
Hawaii	$471.79
Utah Area	$430.37
New York, NY	$374.95
San Francisco/San Mateo, CA	$330.72
California Central Coast	$329.63
Los Angeles/Long Beach, CA	$319.56
California North	$316.92
Boston, MA	$287.08
Colorado Area	$285.86
Miami/Hialeah, FL	$248.82
Orlando, FL	$239.60
Washington, DC-MD-VA	$223.00
Nashville, TN	$218.51
Seattle, WA	$216.21
Austin, TX	$215.42

(1) Based on information provided by STR for luxury class as of 9/30/2019
(2) TTM as of 9/30/2019

Target Market Analysis(1)

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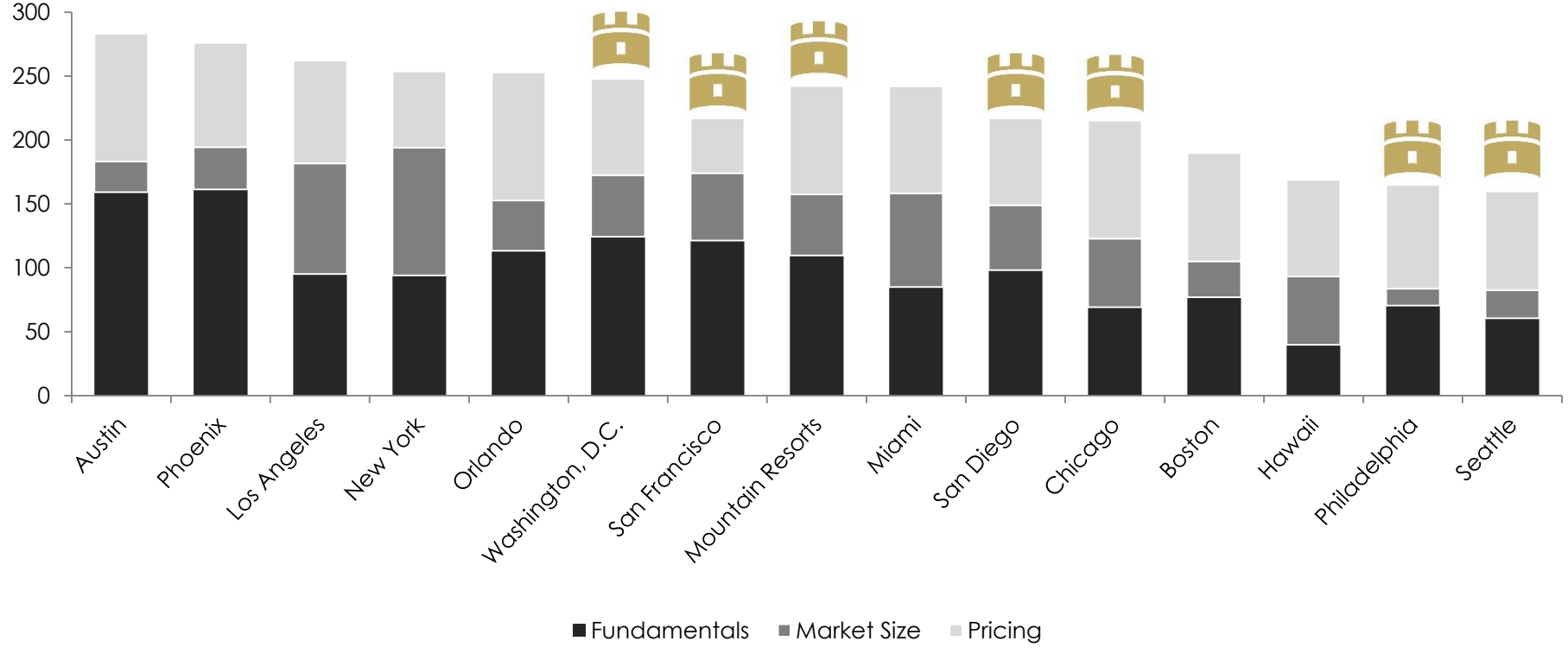
Market Size + Fundamentals + Pricing = Desirability



Source: STR, RCA, and Bloomberg
(1) Based on internal analysis as of 9/30/2019

Note: Fundamentals includes forecasts for RevPAR, employment growth, % of Union employed, and Office Rent Index.

Funding External Growth – Joint Venture Capital

Rationale

- Access lower cost alternative capital
- Maintain transaction pipeline

Investor

- Institutional
- Private Equity
- Family Office

Incentive Fees

5%-20% (GP)

80%-95% (LP)

Joint Venture

- Asset
- Portfolio
- Fund

Benefits

- Promoted structure
- Diversification
- Accretive growth
- ROFOs
- Exit strategy optionality

Asset Management - Overview



Revenue Optimization

Legal

Asset Managers

Risk/Property Tax

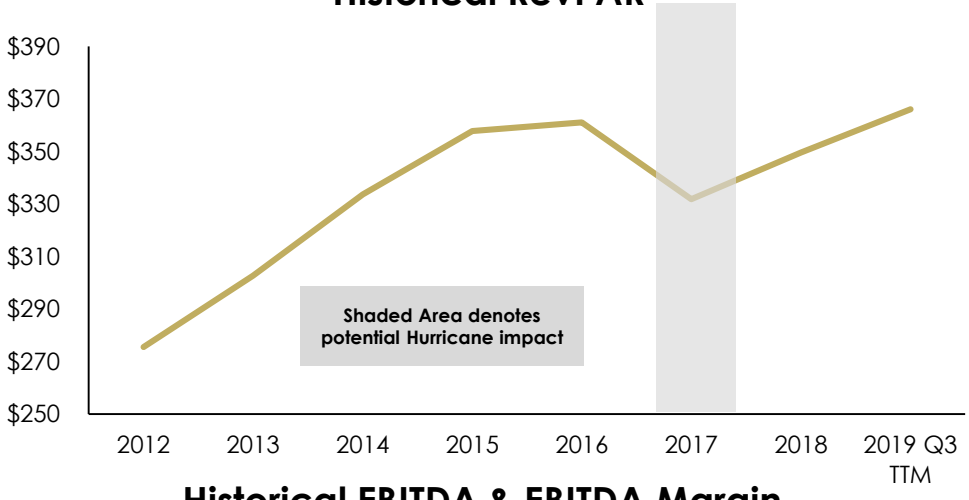
Analytics

Capital Management

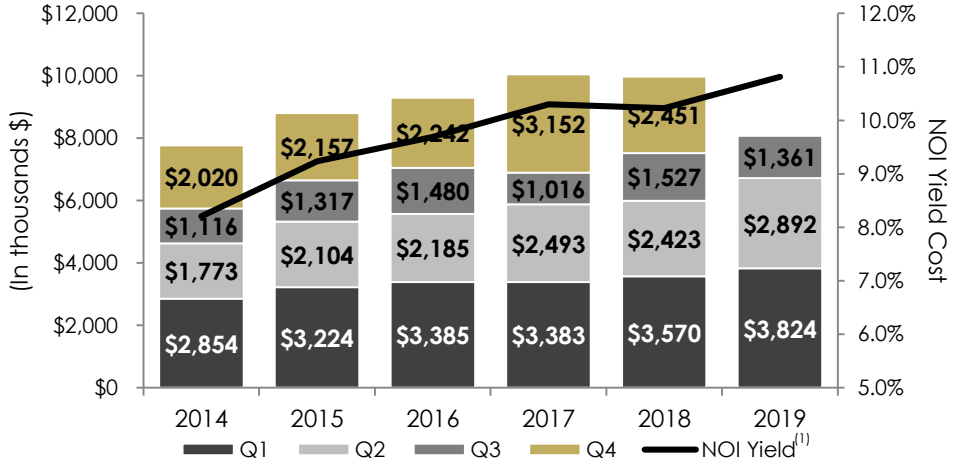
Case Study – Pier House Resort

- 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 on September 30, 2019 was 10.8%[1]

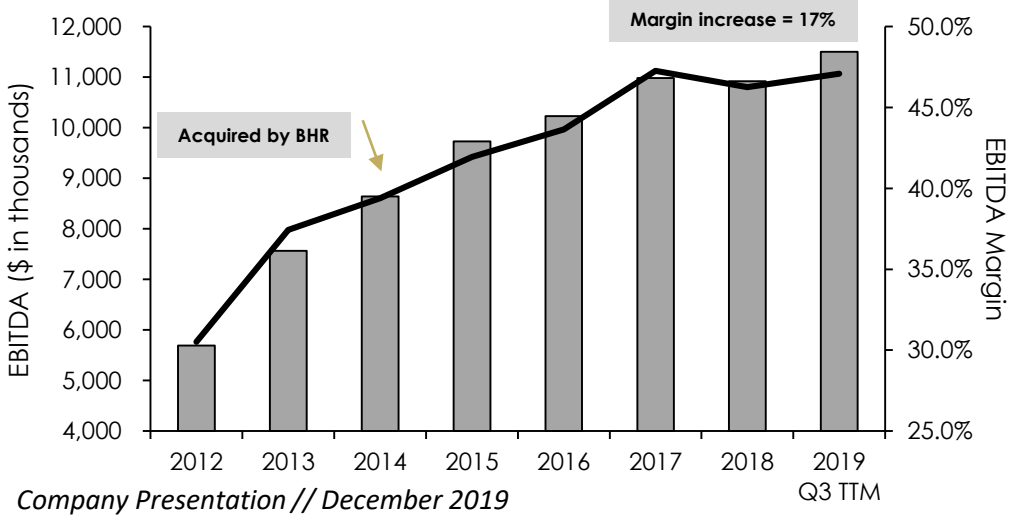
Historical RevPAR



Quarterly NOI and NOI Yield



Historical EBITDA & EBITDA Margin



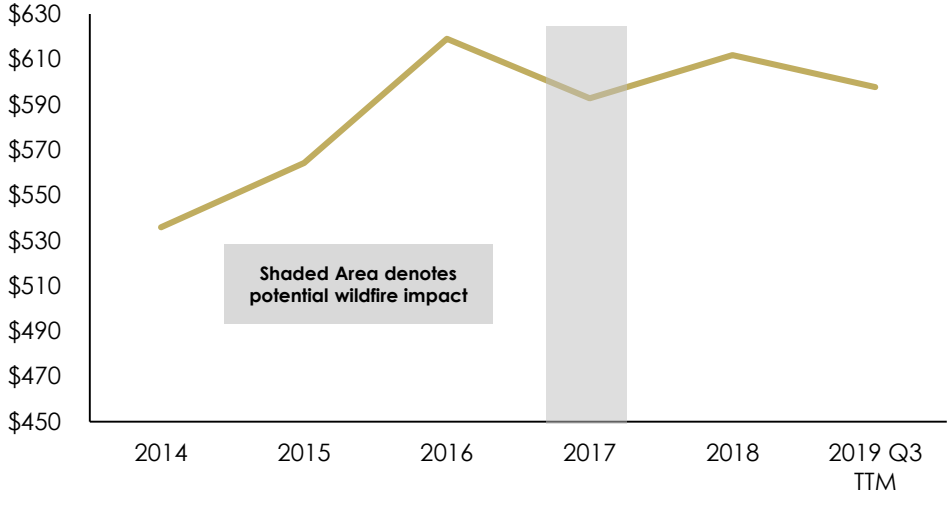


(1) TTM NOI yield based on gross book value

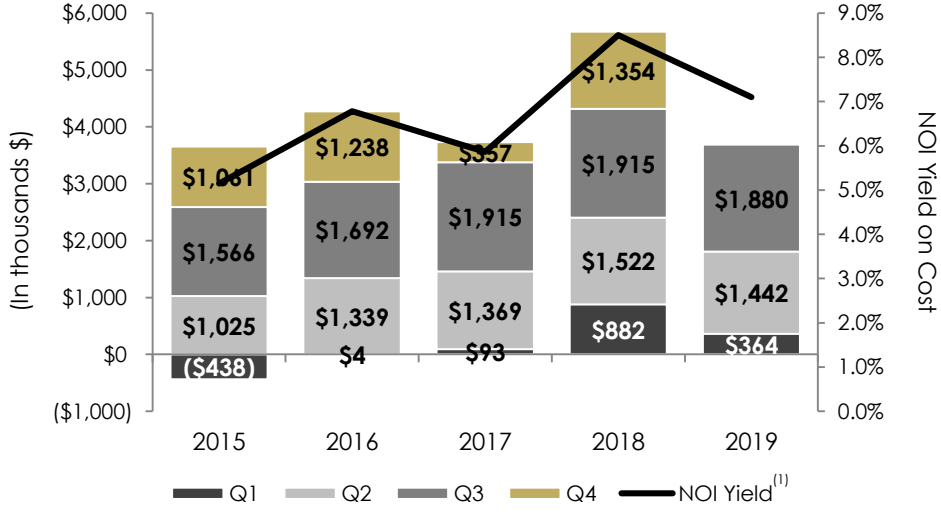
Case Study – Bardessono Hotel & Spa

- Purchased for $85 million unencumbered by management. Installed Remington as property manager.
- Initial TTM cap rate was 4.6%, yield on cost on September 30, 2019 was 7.1%(1)

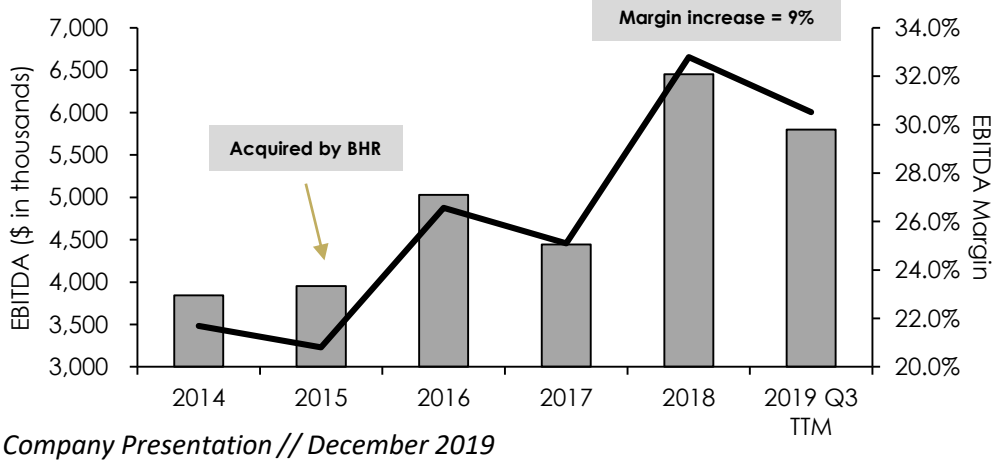
Historical RevPAR



Quarterly NOI and NOI Yield



Historical EBITDA & EBITDA Margin



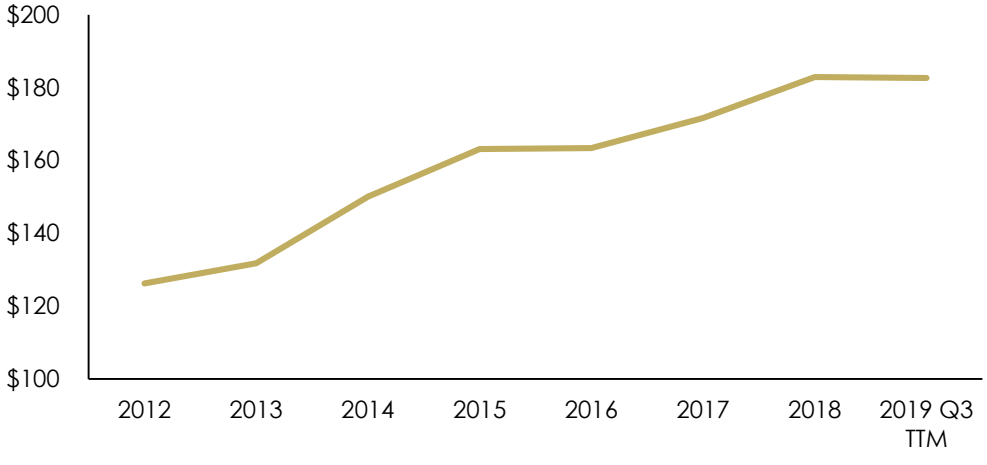


(1) TTM NOI yield based on gross book value

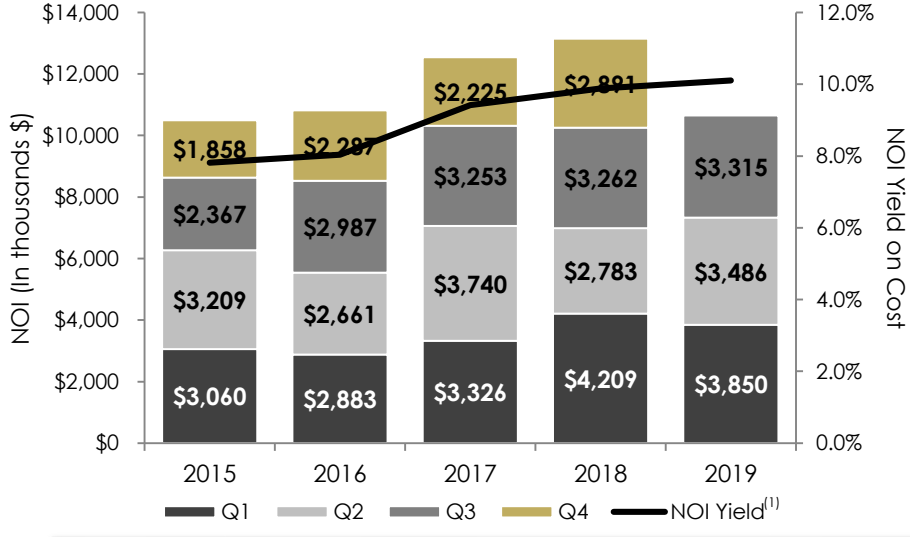
Case Study – Hilton La Jolla Torrey Pines

- Hired an on-property sales person to supplement our sales cluster
- Hired new GM; Extended the current ground lease
- NOI yield on cost was 7.8% in 2015, yield on cost on September 30, 2019 was 10.1%[1]

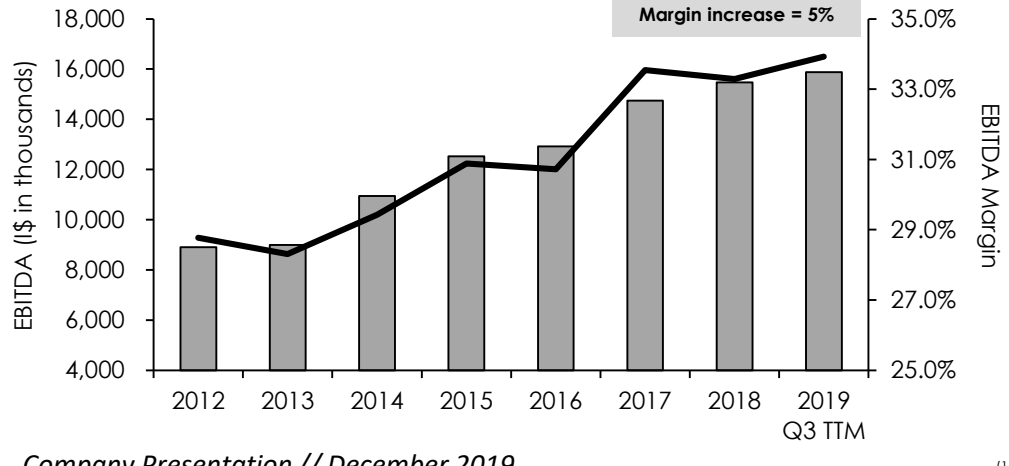
Historical RevPAR



Quarterly NOI and NOI Yield



Historical EBITDA & EBITDA Margin





(1) TTM 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% — **Cash to Gross Debt Target**

$29.0M	7.0%	83%	49%
CAD[1],[4],[5]	Dividend Yield[3]	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	$76.4
Restricted Cash	$55.6
Accounts Receivable, net	$18.5
Prepaid Expenses	$6.1
Due from Third-Party Hotel Managers, net	$16.0
Investment in Ashford Inc.[2]	$4.7
Total Current Assets	**$177.4**
Accounts Payable, net & Accrued Expenses	$108.3
Dividends Payable	9.5
Due to Affiliates, net	4.4
Total Current Liabilities	**$122.2**
Net Working Capital	**$55.2**



(1) As of 9/30/2019
(2) The company announced in 10/2/2019 that it will dispose of Ashford Inc.'s shares. Ashford Inc. purchased 19,897 shares for $30, and the remaining 174,983 shares were distributed on a pro-rata basis to Braemar common shareholders and unitholders
(3) As of 11/13/2019
(4) 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
(5) GAAP reconciliation in appendix

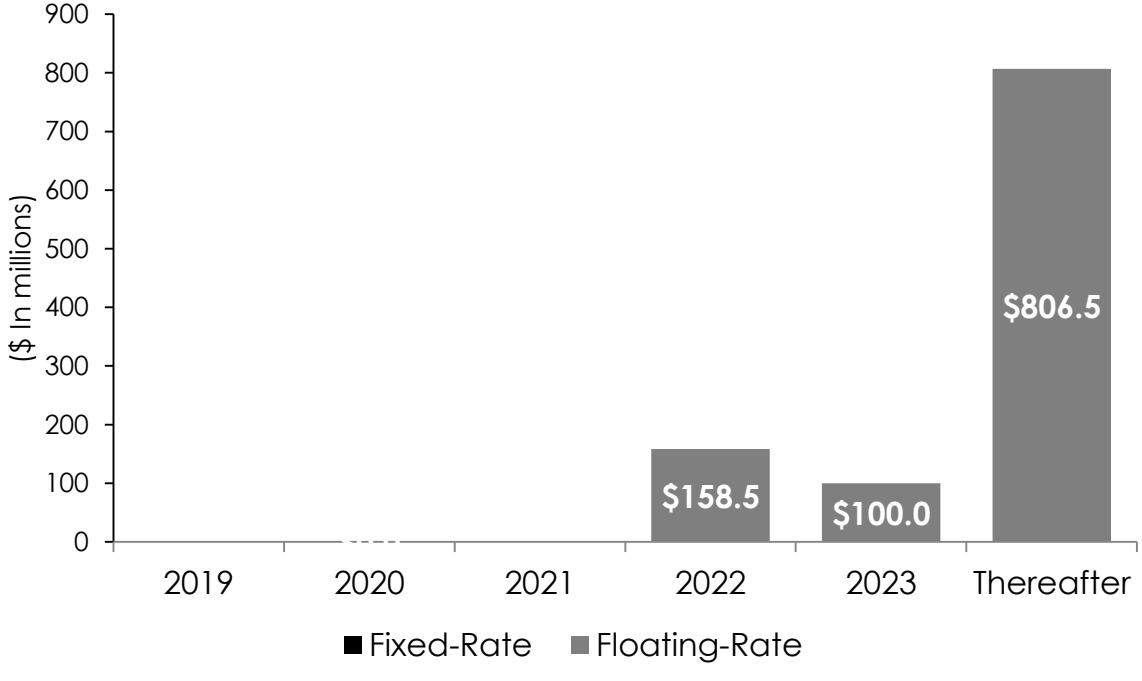
Debt Maturities



Overview

2022	1.6x	4.3%
Next Hard Debt Maturity	FCCR(1)	Weighted Avg. Interest Rate(1)

Laddered debt maturities(1)



(1) As of 9/30/2019

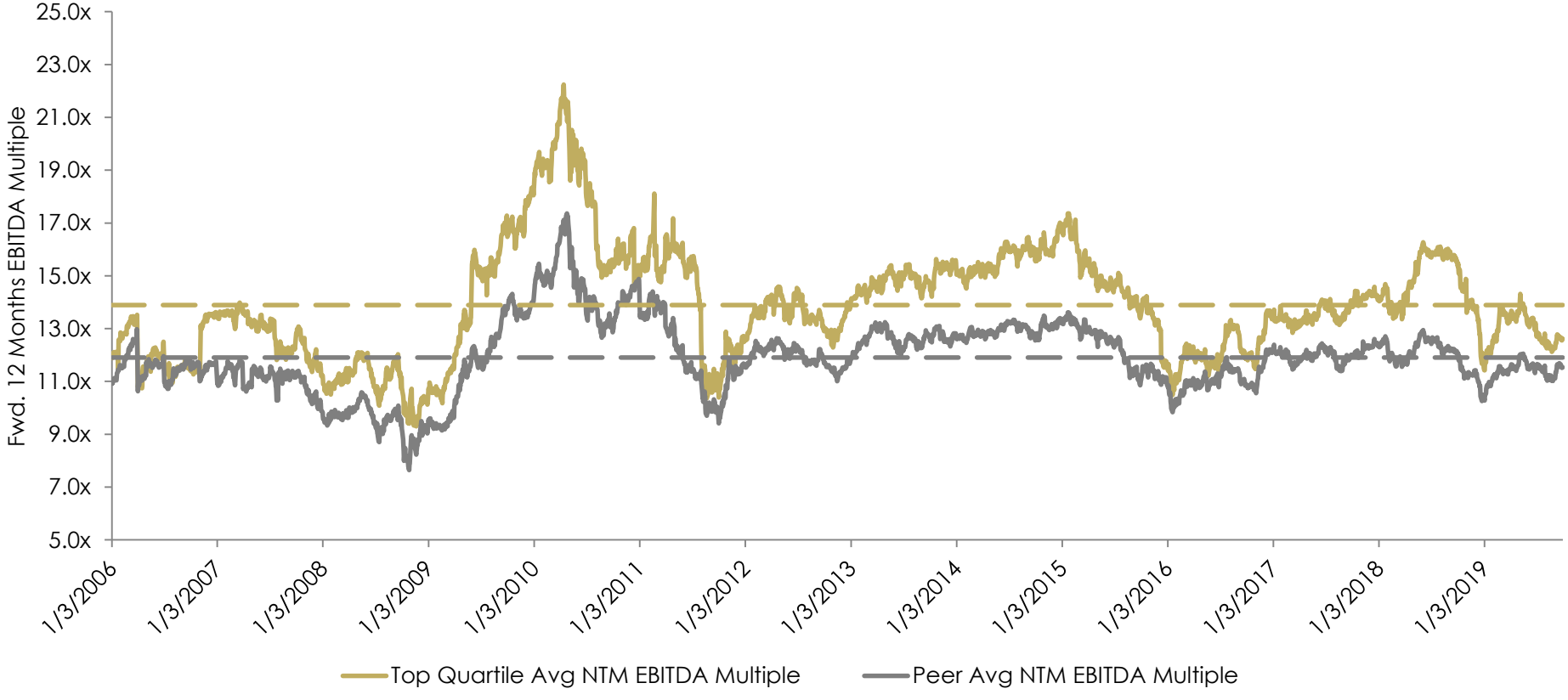
Long-Term Trading Premium[1]

BRAEMAR HOTELS & RESORTS

2.0

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

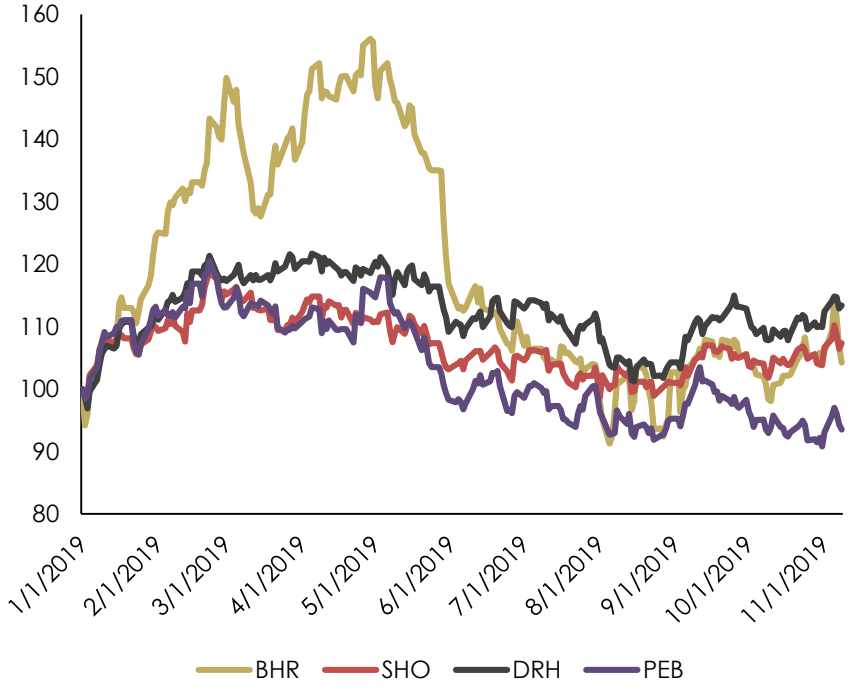


Source: STR, SNL
Top Quartile: BEE, PEB, LHO, CHSP, SHO, HT (depending on existence)
Peers: AHT, CLDT, DRH, FCH, HT, HPT, HST, INN, RLJ, SHO, APLE, PK, XHR, CHSP, SHO (depending on existence)
(1) Data is from 1/1/2006 to 9/30/2019

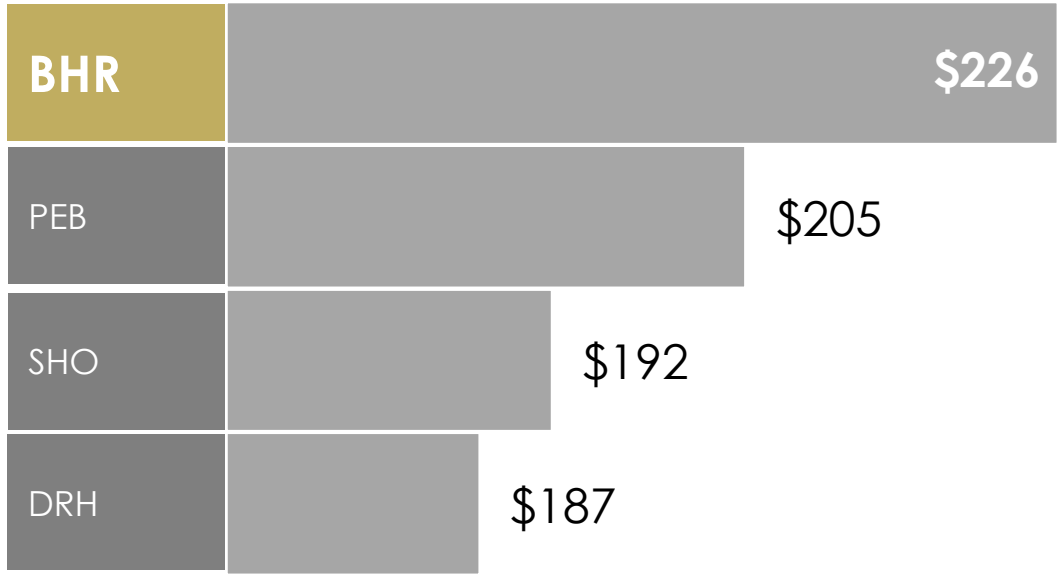
Valuation

BRAEMAR HOTELS & RESORTS

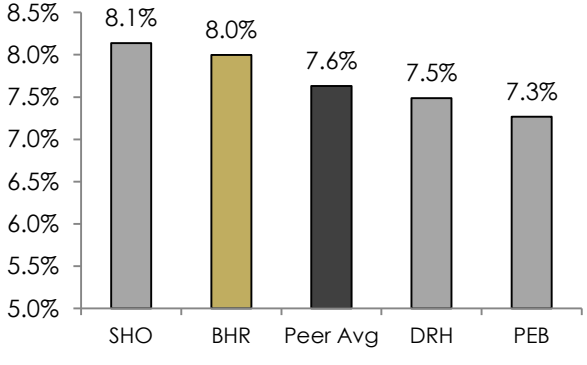
Stock Price Performance 2019 - YTD



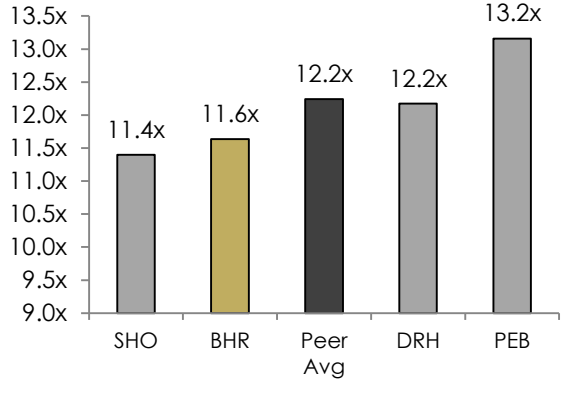
2018 Comparable RevPAR(1)



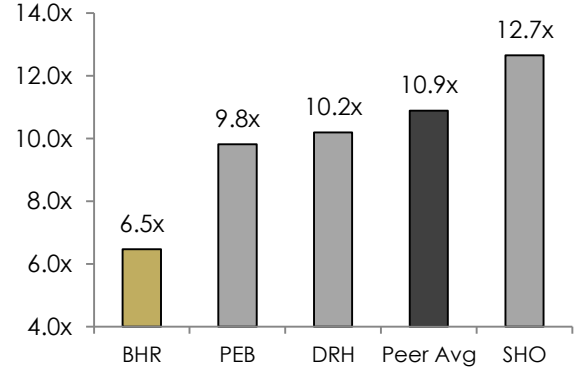
TTM Cap Rate(2)



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



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



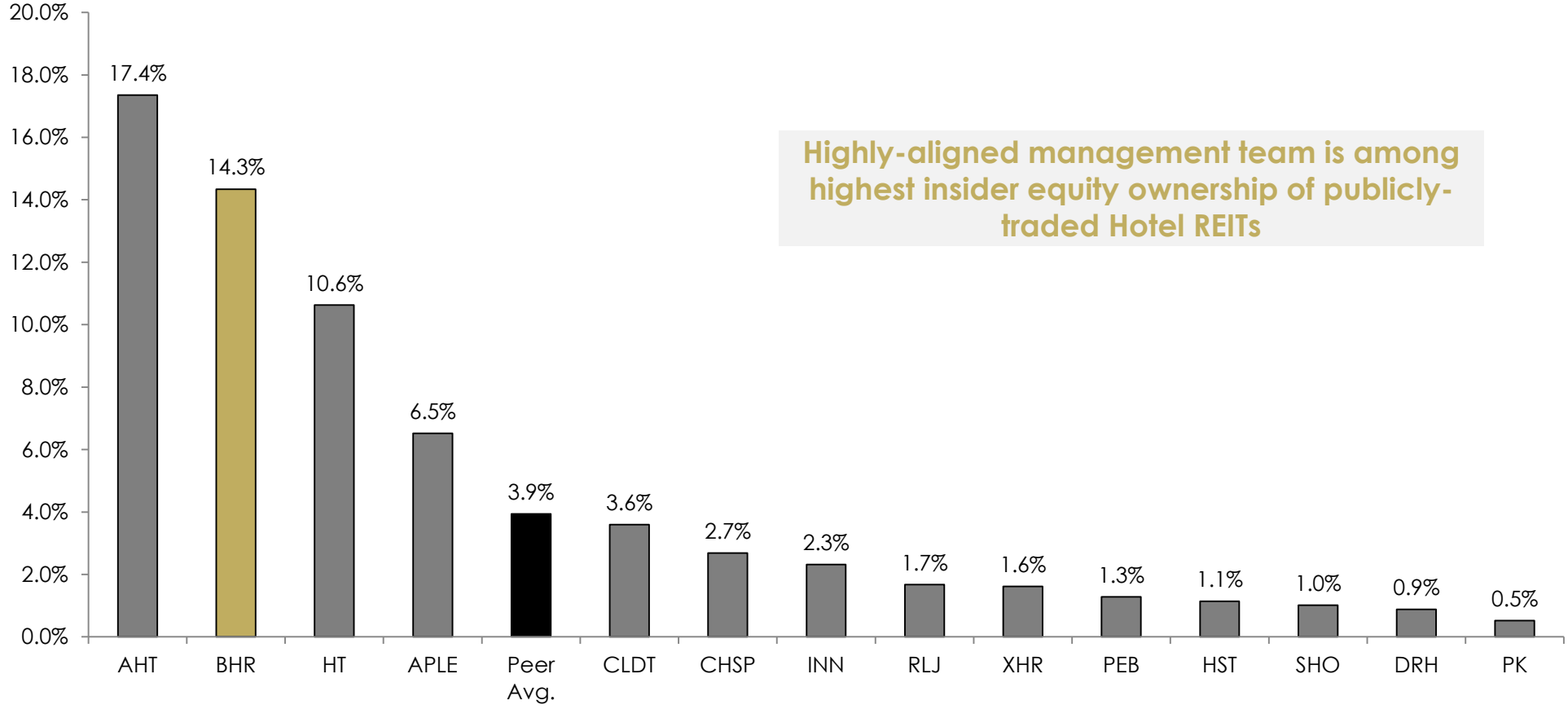
(1) As reported by company earnings releases
(2) Balance sheet data as of 9/30/2019; stock price as of 11/13/2019, not adjusted for JV interest
(3) Based on consensus estimates,

Highly Aligned Management Team

14.3% Management has significant personal wealth invested in the Company

3.7x Insider ownership 3.7x higher than REIT industry average

$49M **Total dollar value of insider ownership (as of 11/13/2019)**



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 Likely Undervalued vs Peers



Highly Aligned Mgmt. Team That Is a Major Shareholder



Bardessono Hotel & Spa
Yountville, CA



Pier House Resort
Key West, FL



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



Appendix

Portfolio Performance

Core	RevPAR 2019 Q3 Growth YoY	TTM RevPAR 2019 Q3 Growth YoY	TTM Hotel EBITDA Per Room[(1)]
Bardessono	2.1%	5.2%	$93.5
Hotel Yountville	8.0%	5.9%	$76.9
Ritz-Carlton St. Thomas	*	*	$55.4
Pier House	-6.0%	7.3%	$81.0
Park Hyatt Beaver Creek	-2.9%	-4.8%	$52.9
Marriott Seattle Waterfront	-6.1%	-7.8%	$40.7
Capital Hilton	2.9%	-2.6%	$25.4
Sofitel Chicago Magnificent Mile	-8.0%	-0.6%	$19.6
The Notary Hotel	-6.5%	-14.8%	$19.5
Hilton Torrey Pines	-5.1%	2.4%	$40.3
Ritz-Carlton Sarasota	6.4%	-0.1%	$48.1
Ritz-Carlton Lake Tahoe	3.6%	2.4%	$50.0
Total Core	**-2.0%**	**-1.9%**	**$38.4**
Non-Core			
Courtyard San Francisco Downtown "The Clancy"	-3.3%	8.9%	$34.3
Total Portfolio	**-2.2%**	**-0.6%**	**$38.0**

(1) In thousands
• Denotes unavailability of data
Note: Ritz-Carlton St. Thomas is excluded from these metrics.

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

BRAEMAR HOTELS & RESORTS

In thousands

	Three Months Ended September 30, 2019	Three Months Ended June 30, 2019	Three Months Ended March 31, 2019	Three Months Ended December 31, 2018	TTM Ended September 30, 2019
Net income (loss)	$ (8,954)	$ (5,623)	$ (1,322)	$ (13,913)	$ (29,812)
(Income) loss from consolidated entities attributable to noncontrolling interest	(1,899)	248	(99)	(274)	(2,024)
Net (income) loss attributable to redeemable noncontrolling interests in operating partnership	1,465	865	440	1,826	4,596
Preferred dividends	(2,533)	(2,532)	(2,532)	(2,083)	(9,680)
Net income (loss) attributable to common stockholders	(11,921)	(7,042)	(3,513)	(14,444)	(36,920)
Depreciation and amortization on real estate	16,036	17,669	15,904	14,320	63,929
Net income (loss) attributable to redeemable noncontrolling interests in operating partnership	(1,465)	(865)	(440)	(1,826)	(4,596)
Equity in (earnings) loss of unconsolidated entities	48	51	50	(27)	122
(Gain) loss on sale of hotel property	1,163	(9)	-	88	1,242
Company's portion of FFO of OpenKey	(51)	(49)	(51)	(78)	(229)
FFO available to common stockholders and OP unitholders	3,810	9,755	11,950	(1,967)	23,548
Series B Cumulative Convertible Preferred Stock dividends	1,708	1,707	1,707	1,707	6,829
Transaction and management conversion costs	506	235	634	2,000	3,375
Other (income) expense	114	139	117	63	433
Interest expense accretion on refundable membership club deposits	213	213	225	300	951
Write-off of loan costs and exit fees	335	-	312	-	647
Amortization of loan costs	1,029	1,003	1,155	1,080	4,267
Unrealized (gain) loss on investments	1,471	4,626	(707)	4,672	10,062
Unrealized (gain) loss on derivatives	754	(654)	872	(721)	251
Non-cash stock/unit-based compensation	2,359	2,021	1,528	1,295	7,203
Legal, advisory and settlement costs	203	75	71	426	775
Advisory services incentive fee	(132)	(1,105)	1,314	(2,241)	(2,164)
Contract modification cost	-	-	-	-	-
Software implementation costs	-	-	-	-	-
Uninsured hurricane and wildfire related costs	-	-	-	-	-
Company's portion of adjustments to FFO of OpenKey	5	8	11	8	27
Adjusted FFO available to the common stockholders and OP unitholders	$ 12,375	$ 18,023	$ 19,189	$ 6,622	$ 56,204
FFE reserve (net of noncontrolling interest)	(5,148)	(5,186)	(5,688)	(4,336)	(20,358)
Series B Cumulative Convertible Preferred Stock dividends	(1,708)	(1,707)	(1,707)	(1,707)	(6,829)
Cash available for distribution to the Company and OP unitholders	$ 5,519	$ 11,130	$ 11,794	$ 579	$ 29,017

Reconciliation of Net Income (Loss) to Comparable Hotel EBITDA

In thousands except room and per room data

	Three Months Ended September 30, 2019	Three Months Ended June 30, 2019	Three Months Ended March 31, 2019	Three Months Ended December 31, 2018	TTM Ended September 30, 2019
Net income (loss)	$ 9,196	$ 12,770	$ 16,470	$ 6,525	$ 44,961
Non-property adjustments	1,441	(9)	-	(26)	1,406
Interest income	(79)	(77)	(62)	(61)	(279)
Interest expense	4,829	4,965	4,856	4,342	18,992
Amortization of loan cost	229	209	345	284	1,067
Depreciation and amortization	16,831	18,474	16,686	15,092	67,083
Income tax expense (benefit)	(78)	422	115	(353)	106
Non-hotel EBITDA ownership expense	1,048	1,395	1,279	1,147	4,869
Hotel EBITDA including amounts attributable to noncontrolling interest	33,417	38,149	39,689	26,950	138,205
Less: EBITDA adjustments attributable to consolidated noncontrolling interest	(1,545)	(2,527)	(1,866)	(1,519)	(7,457)
Hotel EBITDA attributable to the Company and OP unitholders	$ 31,872	$ 35,622	$ 37,823	$ 25,431	$ 130,748
Non-comparable adjustments	-	138	606	2,301	3,045
Comparable hotel EBITDA	$ 33,417	$ 38,287	$ 40,295	$ 29,251	$ 141,250
Number of Rooms					3,719
Comparable Hotel EBITDA per Room					$ 37,981

Reconciliation of Net Income (Loss) to Comparable Hotel EBITDA

In thousands

	Three Months Ended September 30, 2018
Net income (loss)	$ 14,567
Non-property adjustments	-
Interest income	(57)
Interest expense	4,100
Amortization of loan cost	279
Depreciation and amortization	14,474
Income tax expense (benefit)	(44)
Non-hotel EBITDA ownership expense	26
Hotel EBITDA including amounts attributable to noncontrolling interest	33,345
Less: EBITDA adjustments attributable to consolidated noncontrolling interest	(1,429)
Hotel EBITDA attributable to the Company and OP unitholders	$ 31,916
Non-comparable adjustments	2,213
Comparable hotel EBITDA	$ 35,558

Reconciliation of Net Income to Hotel EBITDA by Property

In thousands

	TTM Ended September 30, 2019													
	Capital Hilton Washington D.C.	La Jolla Hilton Torrey Pines	Chicago Sofitel Magnificent Mile	Bardessono Hotel & Spa	Key West Pier House Resort	Hotel Yountville	Park Hyatt Beaver Creek	The Notary Hotel	San Francisco Courtyard Downtown	Sarasota Ritz-Carlton	Lake Tahoe Ritz-Carlton	Seattle Marriott Waterfront	St. Thomas Ritz-Carlton	Hotel Total
Net income (loss)	$ 6,105	$ 10,315	$ 895	$ 108	$ 9,383	$ 697	$ 1,528	$ 437	$ 3,852	$ (2,194)	$ (133)	$ 10,630	$ 3,285	$ 44,961
Non-property adjustments	—	—	—	—	—	(9)	—	1,186	—	(23)	—	—	278	1,406
Interest income	(54)	(74)	—	—	—	—	—	(16)	(16)	(68)	—	(50)	(1)	(279)
Interest expense	—	—	—	2,000	9	2,549	3,504	—	—	6,053	1,750	—	3,127	18,992
Amortization of loan cost	—	—	—	137	—	145	275	—	—	314	96	—	100	1,067
Depreciation and amortization	7,811	5,633	6,724	3,001	2,421	2,658	4,205	7,629	9,734	8,472	3,183	4,012	1,600	67,083
Income tax expense (benefit)	—	(44)	—	—	—	—	—	94	—	—	—	—	56	106
Non-hotel EBITDA ownership expense	85	52	519	556	(311)	112	540	405	487	247	537	113	1,527	4,869
Hotel EBITDA including amounts attributable to noncontrolling interest	13,947	15,882	8,138	5,802	11,502	6,152	10,052	9,735	14,057	12,801	5,433	14,705	9,972	138,205
Less: EBITDA adjustments attributable to consolidated noncontrolling interest	(3,486)	(3,971)	—	—	—	—	—	—	—	—	—	—	—	(7,457)
Equity in earnings (loss) of unconsolidated entities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Company's portion of EBITDA of OpenKey	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Hotel EBITDA attributable to the Company and OP unitholders	$ 10,461	$ 11,911	$ 8,138	$ 5,802	$ 11,502	$ 6,152	$ 10,052	$ 9,735	$ 14,057	$ 12,801	$ 5,433	$ 14,705	$ 9,972	$ 130,748
Non-comparable adjustments	—	—	—	(2)	4	(1)	—	—	—	—	3,071	—	—	3,045
Comparable hotel EBITDA	$ 10,461	$ 11,911	$ 8,138	$ 5,800	$ 11,506	$ 6,151	$ 10,052	$ 9,735	$ 14,057	$ 12,801	$ 8,504	$ 14,705	$ 9,972	$ 141,250

Reconciliation of net income (loss) to EBITDA and Adjusted EBITDA

In thousands

	Three Months Ended September 30, 2019	Three Months Ended June 30, 2019	Three Months Ended March 31, 2019	Three Months Ended December 31, 2018	TTM Ended September 30, 2019
Net income (loss)	$ (8,954)	$ (5,623)	$ (1,322)	$ (13,913)	$ (29,812)
Interest expense and amortization of loan costs	13,646	14,055	14,193	13,712	55,606
Depreciation and amortization	16,831	18,474	16,686	15,092	67,083
Income tax expense (benefit)	155	411	927	(82)	1,411
Equity in (earnings) loss of unconsolidated entity	48	51	50	88	237
Company's portion of EBITDA of OpenKey	(50)	(48)	(49)	(77)	(224)
EBITDA	21,676	27,320	30,485	14,820	94,301
(Gain) loss on sale of hotel property	1,163	(9)	—	(27)	1,127
EBITDAre	22,839	27,311	30,485	14,793	95,428
Amortization of favorable (unfavorable) contract assets (liabilities)	129	118	119	52	418
Transaction and management conversion costs	506	235	634	2,000	3,375
Other (income) expense	114	139	117	63	433
Write-off of loan costs and exit fees	335	—	312	—	647
Unrealized (gain) loss on investments	1,471	4,626	(707)	4,672	10,062
Unrealized (gain) loss on derivatives	754	(654)	872	(721)	251
Non-cash stock/unit-based compensation	2,359	2,021	1,528	1,295	7,203
Legal, advisory and settlement costs	203	75	71	426	775
Advisory services incentive fee	(132)	(1,105)	1,314	(2,241)	(2,164)
Company's portion of adjustments to EBITDAre of OpenKey	4	7	11	8	30
Adjusted EBITDAre	$ 28,582	$ 32,773	$ 34,756	$ 20,347	$ 116,458