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HOSPITALITY TRUST







Investor Presentation

May 2007









Ashford Advantages

- Proactive, disciplined approach
- Best in class, diversified portfolio
- Outperforms REIT peers
- High dividend yield with strong coverage
- Active capital recycler
- Commitment to internal growth initiatives

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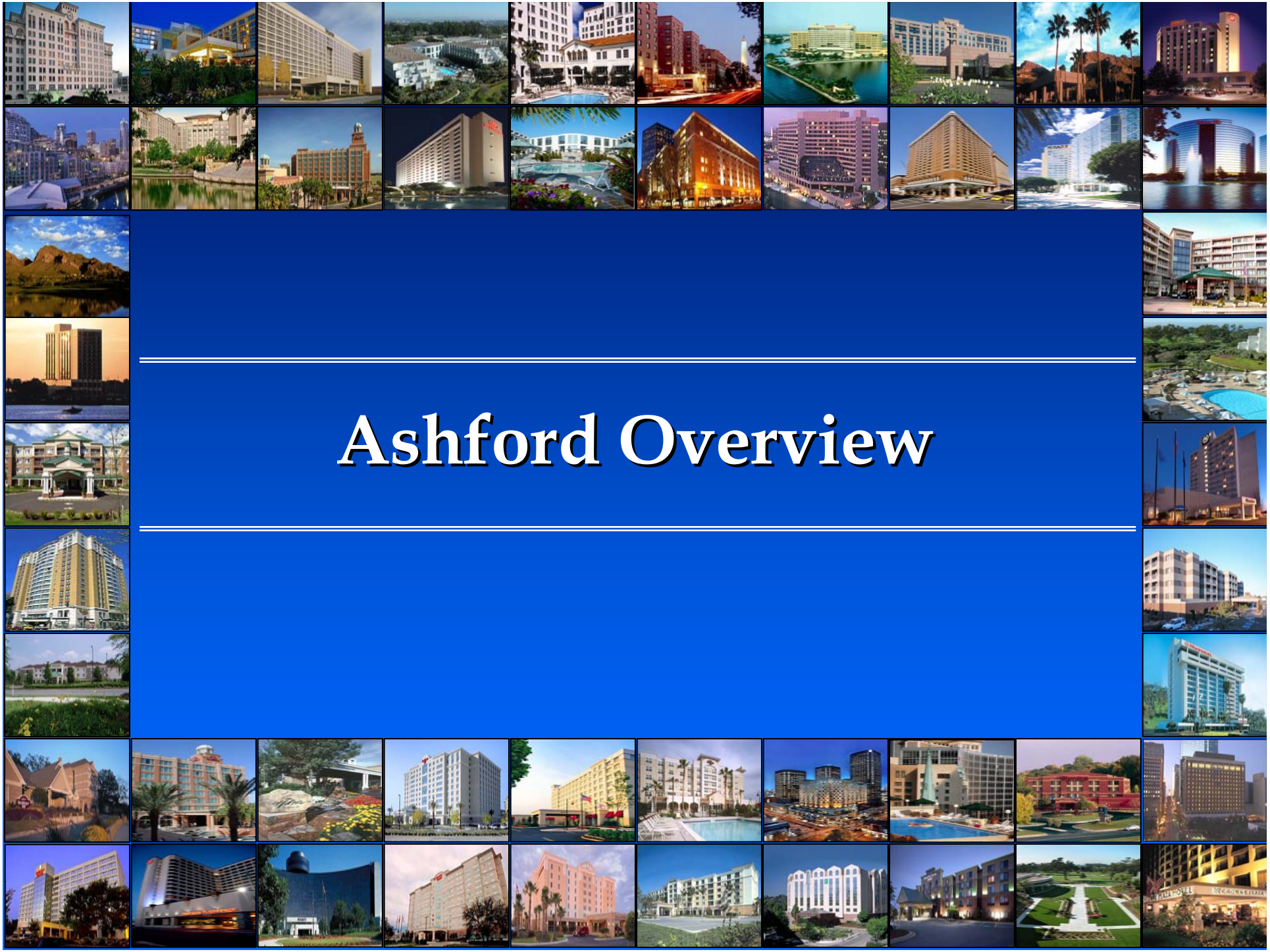

Ashford Overview









Ashford Overview

	AHT
Total Enterprise Value (1)	$4.5B
# of Hotels	126
# of Rooms	27,902
ADR (2)	$135.91
RevPAR (2)	$98.08
% Upper Upscale & Luxury (3)	61%
% Hilton & Marriott (3)	82%
% Top 25 MSA (3)	78%
% Top 50 MSA (3)	92%
Dividend Yield % (1)	7.0%
% Insider Ownership (4)	7.4%
Net Debt / TEV (4)	57%

(1) Assumes 5/8/07 share price of $12.02.
(2) All hotels included in continuing operations for the 1Q ´07.
(3) Represents 2006 EBITDA proforma for CNL transaction.
(4) Proforma for April equity raise.

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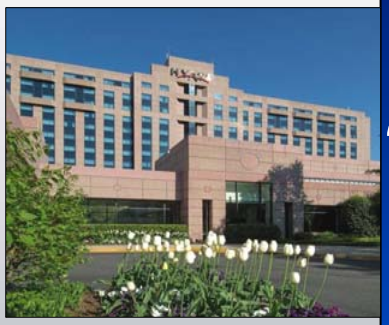





Investment Strategy

- Primary strategy is direct hotel investments, supplemented by secondary strategies throughout cycles to enhance returns

Expansion | **Early Decline** | **Late Decline** | **Recovery**

SECONDARY STRATEGIES:
Mezzanine Lending
1st Mortgages
Sale Leasebacks
(2% of Gross Assets)

PRIMARY STRATEGY:
Direct Hotel Ownership
(98% of Gross Assets)

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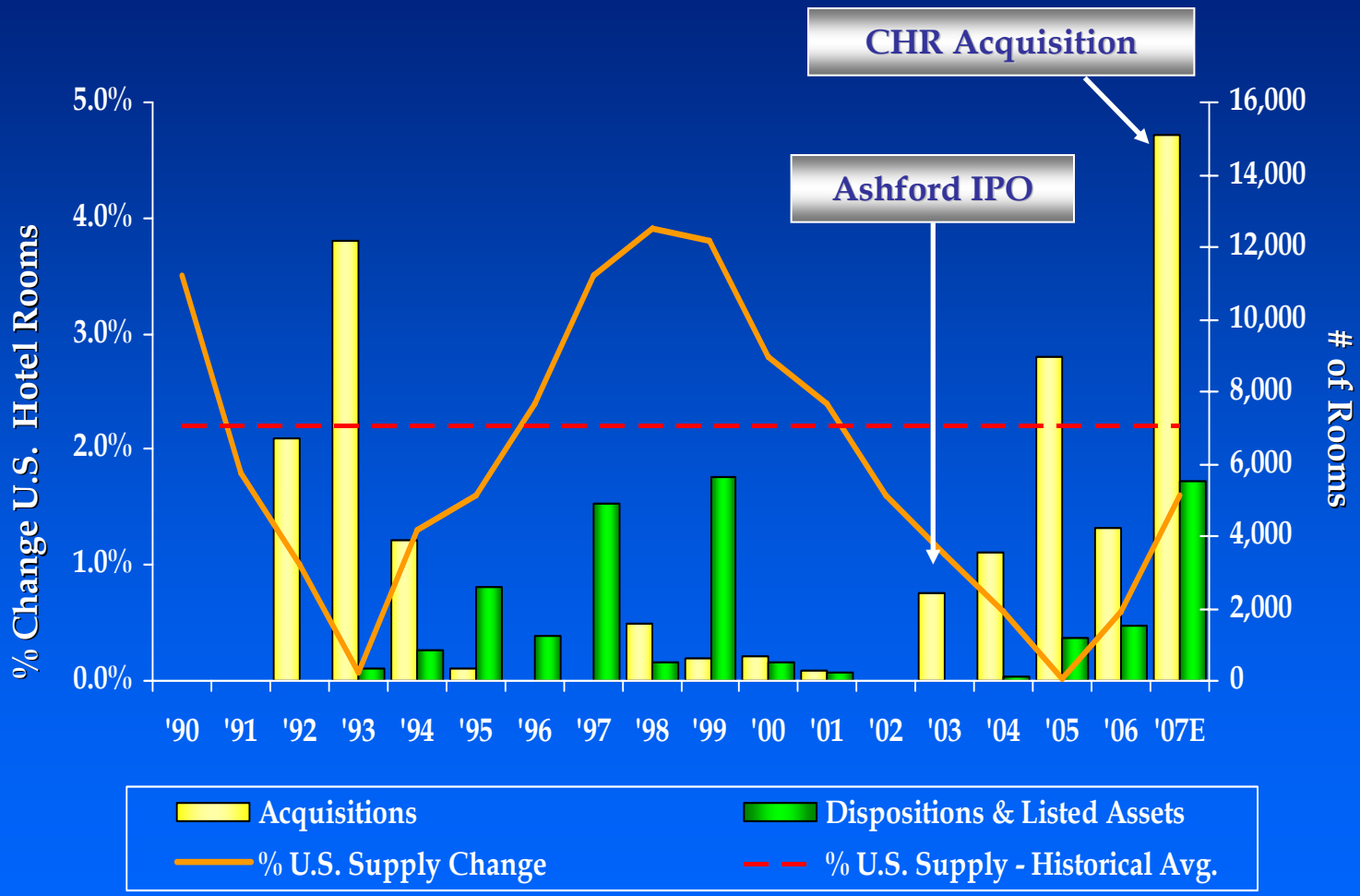
Investment Track Record

- Proven market cycle judgment and investment discipline



Source: Company estimates & Smith Travel Research.









Management Strategies

- Portfolio Management and Internal Growth Strategies
  - Optimize risk-adjusted returns via portfolio mix
  - Enhance top and bottom line performance

Portfolio Management	Internal Growth
Value Creation	RevPAR Growth
Capital Appreciation	Market Penetration
Dividend Growth	Margin Improvement
Investment Allocation	Higher Quality Assets
Efficient Capital Structure	Guest Satisfaction/Loyalty
Risk/Reward Balance	

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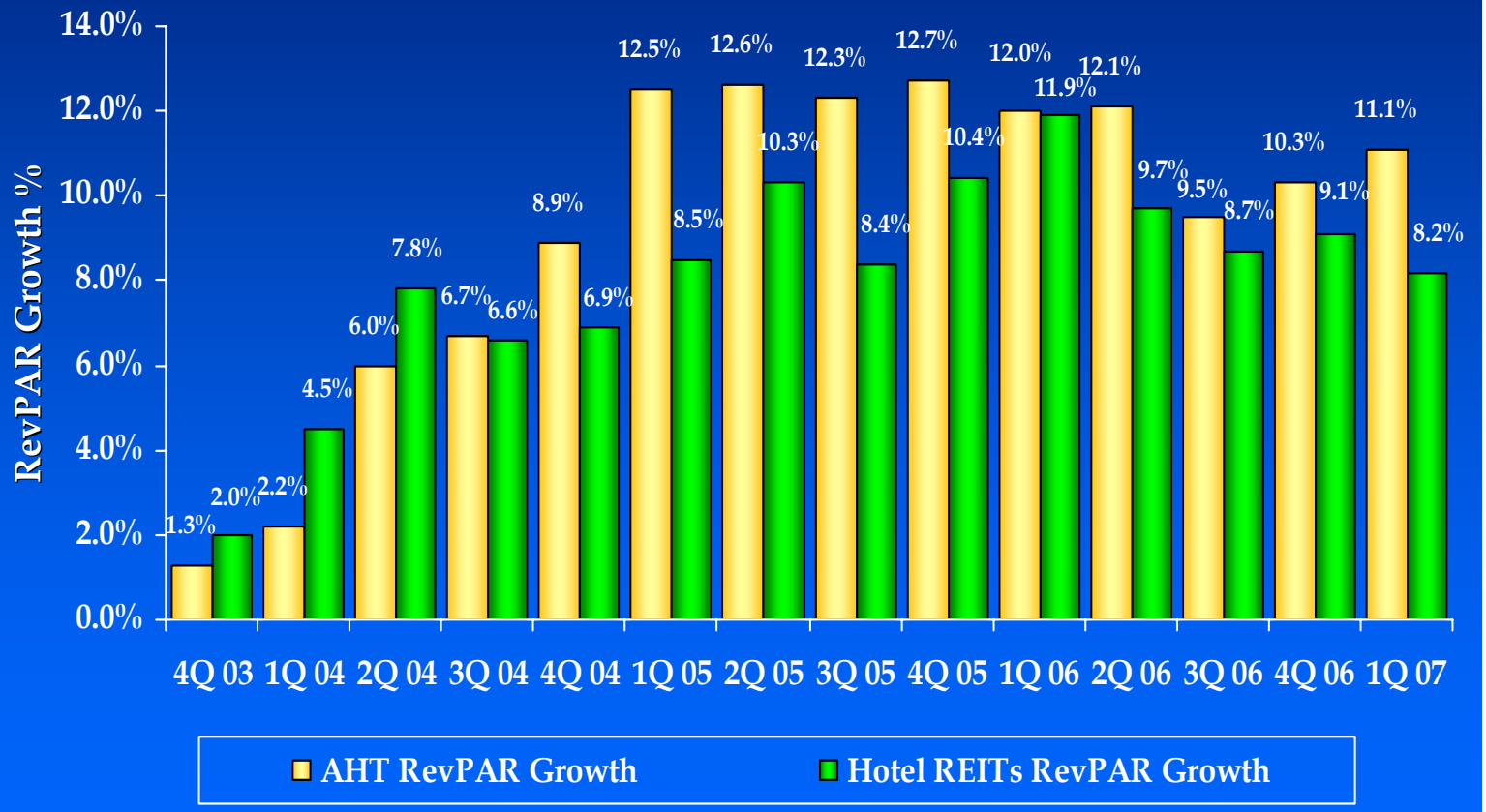
RevPAR Growth Outperformance

- **RevPAR growth outperformed REIT peer average 11 consecutive quarters**



Note: Hotel REITs include: BEE, DRH, EHP, ENN, FCH, HIH, HPT, HST, HT, KPA, LHO, SHO & WXH. AHT RevPAR growth numbers are for those hotels not under renovation. Comparable numbers used for peers when available.

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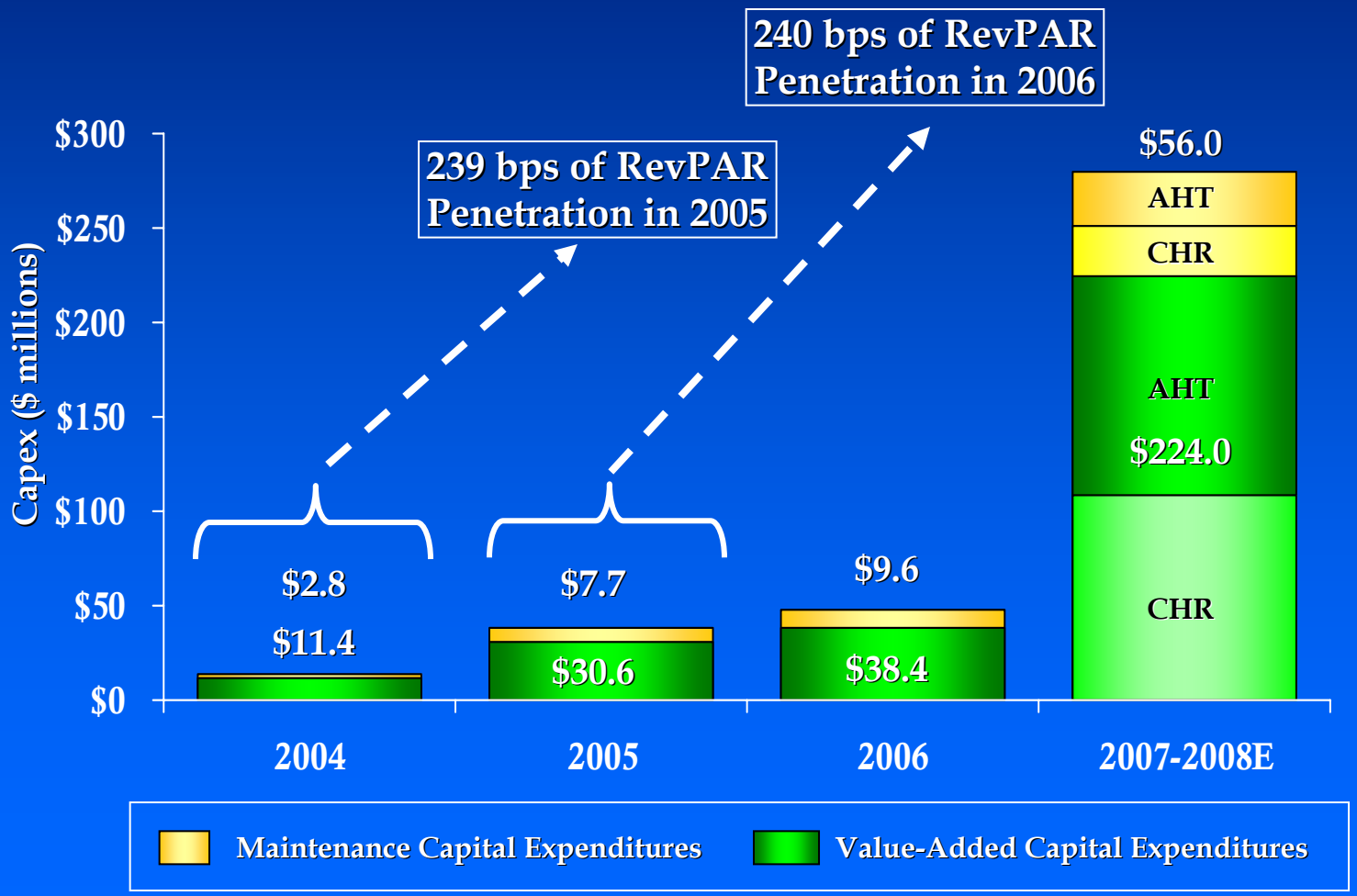
Value-Added Capex

- Focus on value-added capex grows RevPAR and captures market share through higher RevPAR penetration



Source: Company estimates.









Asset Management Opportunities

- There are numerous value-add asset management opportunities across the CHR & AHT portfolio:

CHR Portfolio

Embassy Suites Portland, OR	Renaissance Tampa Tampa, FL	Hilton Orange County Costa Mesa, CA
Marriott Legacy Plano, TX		Hilton Lincoln Centre Dallas, TX
Capital Hilton Washington DC	Hilton El Conquistador Tucson, AZ	Marriott Seattle Waterfront Seattle, WA

Opportunities

Rebrand / Reposition	Lease space
Room / Public Area Refresh	Retail conversions
Restaurant reconcepts	Excess land
Residential components	Additional rooms
Expand meeting space	Spa additions

AHT Portfolio

Hyatt Dulles Herndon, VA	Sea Turtle Inn Jacksonville, FL	Radisson Indianapolis, IN
Crowne Plaza Key West, FL	Hilton Santa Fe Santa Fe, NM	JW Marriott San Francisco, CA

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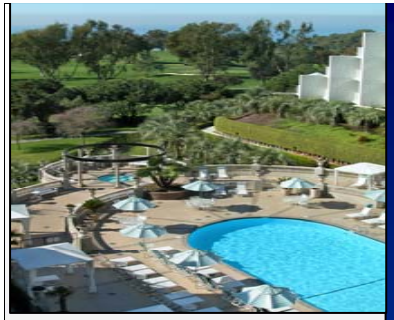


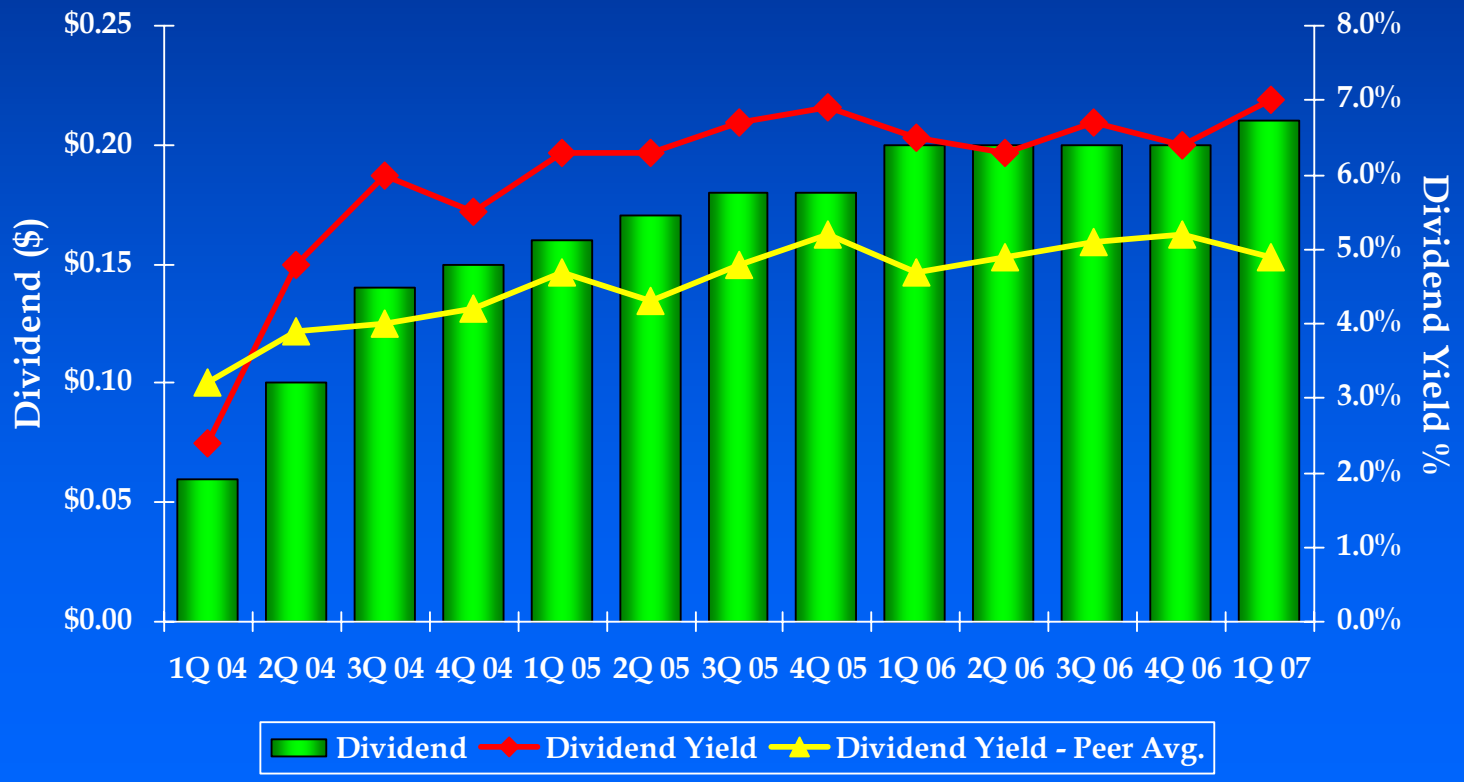






Strong Dividend

- Dividend Growth: 250% since 1Q 2004
- Strong Dividend CAD Coverage:
  - 1Q 2007 – 1.33x
  - Full Year 2006 – 1.24x
- Attractive dividend yield of 7.0% (1)



(1) Assumes 5/8/07 stock price of $12.02.

Note: Peers include BEE, DRH, EHP, ENN, FCH, HIH, HPT, HST, HT, KPA, LHO, SHO & WXH.

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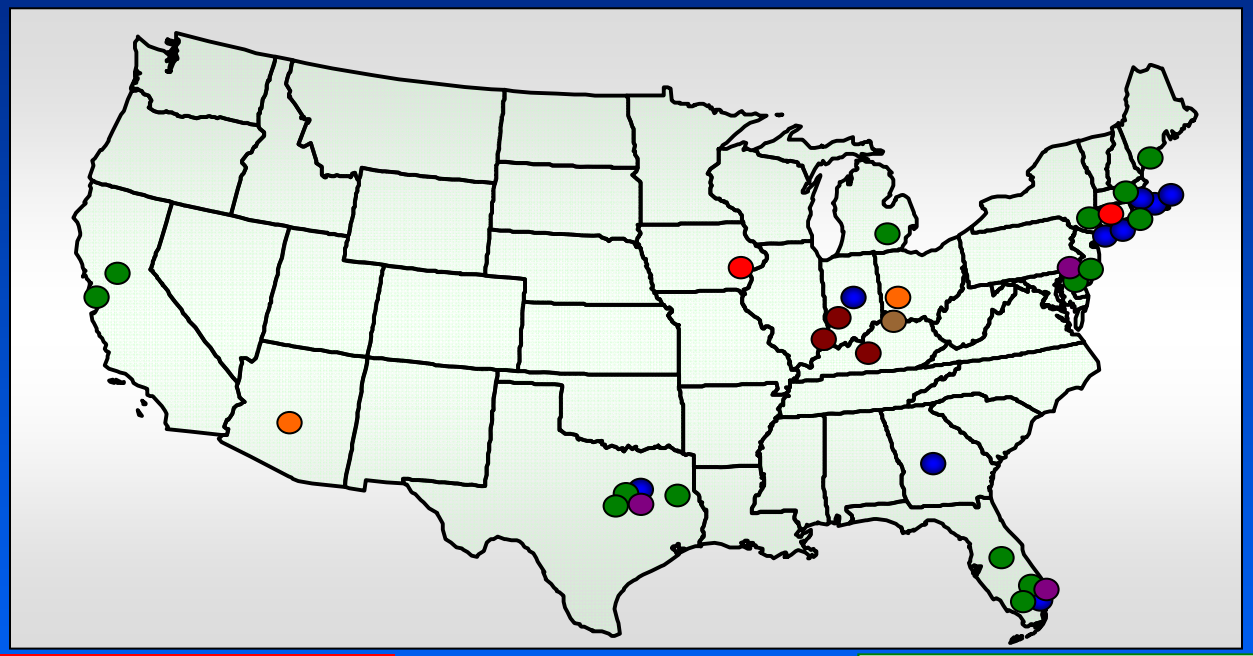
Capital Recycling

- Capital recycling of assets out of portfolio purchases enhances value and delivers higher returns
- $170 million sales price of Phase I assets is nearly 25% higher than book value



MIP Portfolio (2)
Marriott (1)
Sheraton (1)

Full Service Portfolio (2)
Embassy Suites (1)
Doubletree Suites (1)

Dunn Portfolio (3)
Fairfield Inn (2)
Hampton Inn (1)

FGS Portfolio (9)
Best Western (1)
Gull Wing Suites (1)
Holiday Inn (1)
Howard Johnson (2)
Inn on the Square (1)
Ramada Inn (2)
Radisson (1)

'05 CNL Portfolio (15)
Residence Inn (8)
TownePlace Suites (7)

Office Buildings (3)
Fort Worth, TX
W. Palm Beach, FL
Bucks County, PA

Contributed Assets (1)
Radisson (1)



CHR Transaction Overview









Deal Rationale

- Transformational transaction
  - $2.4 billion acquisition of high-quality, well-located assets
  - Creative approach to a rare opportunity
- Substantially increases company's growth prospects
  - 3rd largest lodging REIT
  - High RevPAR growth potential
- Enhances cyclical sustainability
  - Increases ownership of Hilton & Marriott brands
  - Concentration in high quality, upper-upscale hotels

CHR Deal Metrics	
FTM NOI Cap Rate	7.6%
FTM EBITDA Multiple	11.1x
FTM EBITDA Yield	9.0%
Price per Key - Total	$177,000
Price per Key – Full Service	$215,000
Price per Key – Select Service	$125,000

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* Based on 2006 property EBITDA & MSA rankings according to 2000 US Census. Top 25 includes Montreal, Canada.









Recent Portfolio Transactions

- The attractiveness of the relative values per key are highlighted when compared with recent hotel portfolio deals:

Transaction Metrics – $ Price Per Key		
Ann. Date	Target	$ / Key
April 2007	Crescent 6-Hotel Portfolio	$ 320,000
April 2007	Highland Hospitality	$ 225,000
April 2007	Eagle Hospitality	$ 190,000
February 2006	MeriStar Hospitality	$ 182,000
January 2007	CNL 51-Hotel Portfolio	$ 177,000
April 2007	Innkeepers USA	$ 155,000
April 2007	Winston Hotels	$ 125,000

Current AHT Value per Key (1)	$ 160,000

1) Assumes 5/8/07 stock price of $12.02 and mezzanine platform valuation at book value.
Source: Real Capital Analytics, Morgan Keegan research and internal estimates.

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Ashford Property Portfolio

Marriott (68)

Marriott	7	Residence Inn Marriott	16
JW Marriott Hotels & Resorts	2	SpringHill Suites Marriott	12
Renaissance Hotels & Resorts	1	Fairfield Inn Marriott	2
Courtyard Marriott	20	TownePlace Suites Marriott	8

Hilton (39)

Hilton	14	Embassy Suites Hotel	14
DoubleTree Hotel	3	Hilton Garden Inn	1
Homewood Suites Hilton	1	Hampton Inn	6

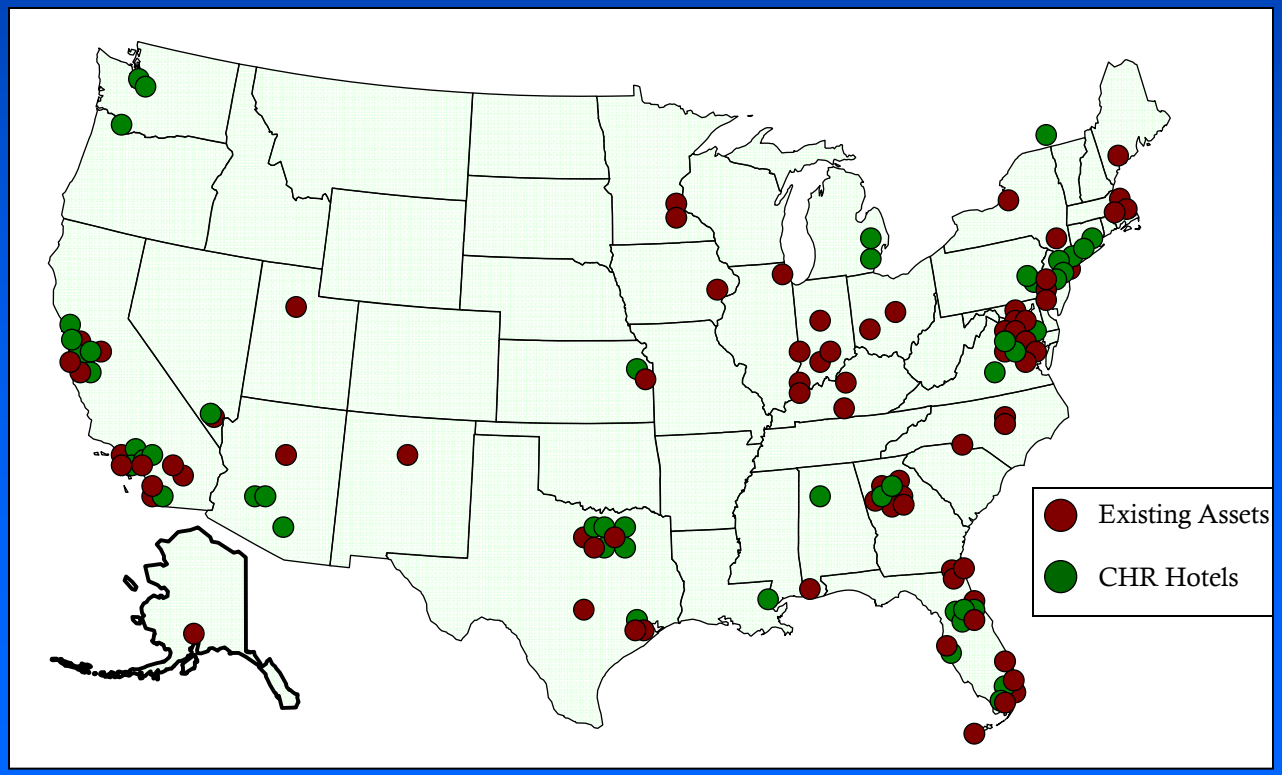
Hyatt (5)

Hyatt 5

Starwood (7)

Sheraton Hotels & Resorts	6
Westin Hotels & Resorts	1

Other (7)





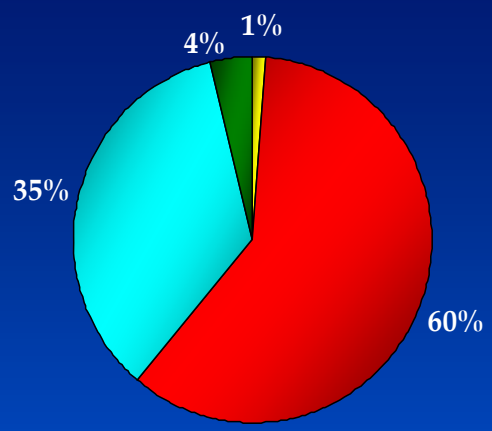




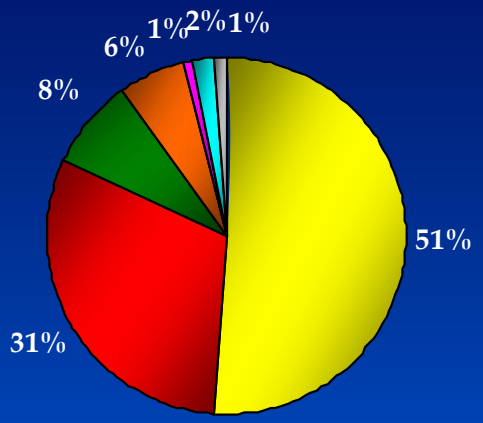


"Best in Class" Portfolio Mix

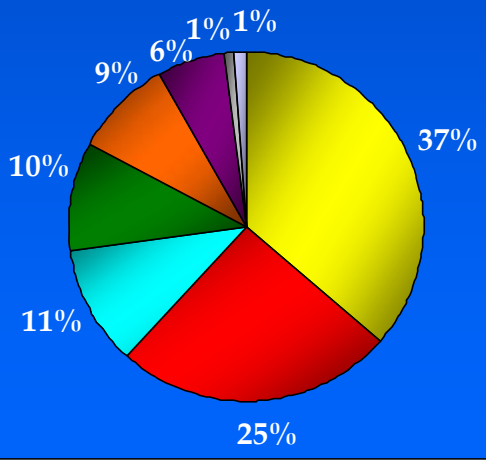
Chain Scale



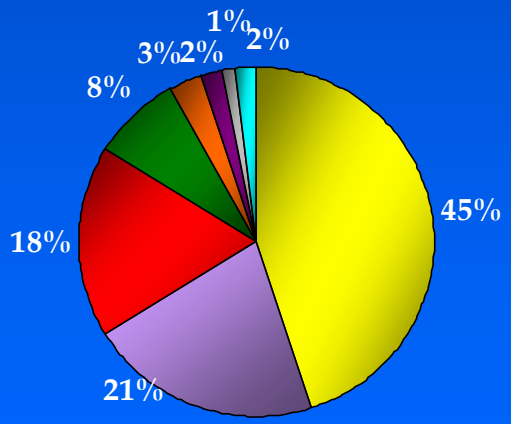
Brand



Geography



Manager



Note: Proforma based on 2006 EBITDA.

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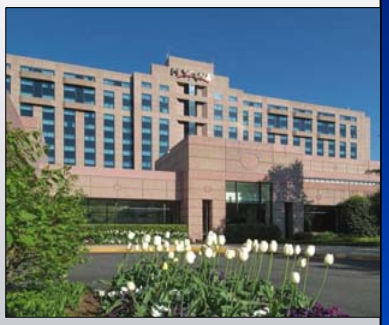





Value-Added Strategies

- Ashford's experienced management team is pursuing operational efficiencies, asset management opportunities and financial savings as opposed to a simple buy and hold strategy

Completed Strategies
Improved debt terms
Marriott restructuring
Hyatt Dearborn JV buyout

Current Strategies
$135 million of capex
Hilton JV refinancing
Economies of scale
Low G&A add
Brand leverage

Potential Strategies
$400 million of asset sales
Joint ventures
Potential repositionings
ROI projects

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Deleveraging Strategy

- Goal to achieve a leverage ratio of sub 60% within 12 months
- Commitment to delever the company through:
  - Selective asset sales
    - Phase I sales of $170 million (16 hotels & 2 office buildings) expected to mostly close by end of Q2
    - Potential Phase II sales of approximately $400 million
  - Strategic joint ventures
    - $370 million joint venture discussion
  - Capital market strategies
  - Internal cash flow growth

		Potential Strategies	
	Current	$400M Ph. II Sales	$370M JV
Market Cap	$1.7	$1.7	$1.7
Enterprise Value	$4.5	$4.1	$3.8
Net Debt	$2.6	$2.2	$1.9
Net Debt / TEV	57%	53%	49%

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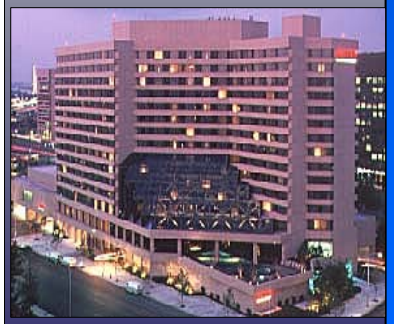
Note: Equity raise and market cap assumes 5/8/07 price of $12.02 per share.



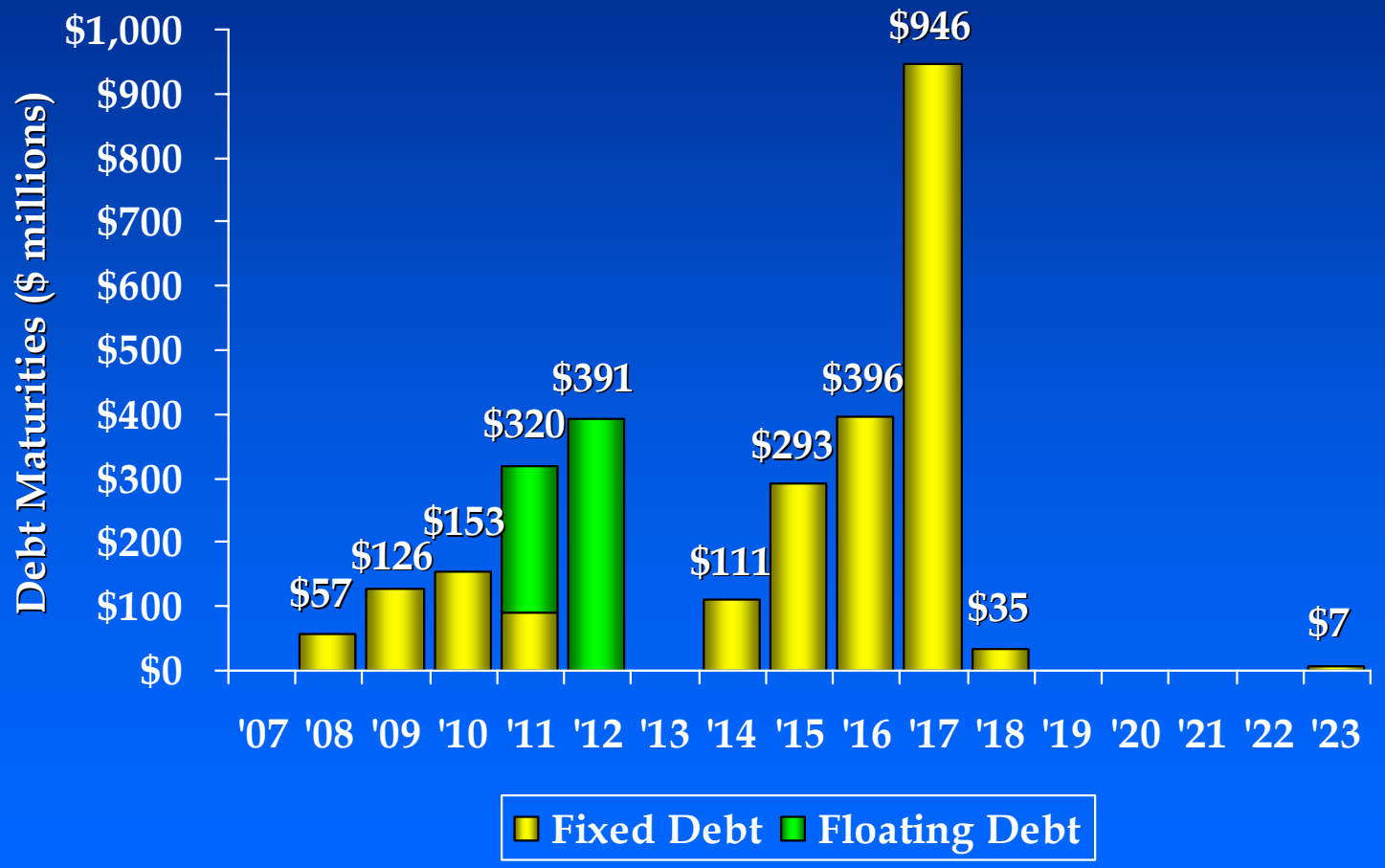






Debt Maturity Schedule

- Ashford's debt is not only priced very attractively with a weighted average cost of debt of 6.0%, but also has a diversified maturity schedule



Source: Company estimates.

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Lodging Overview



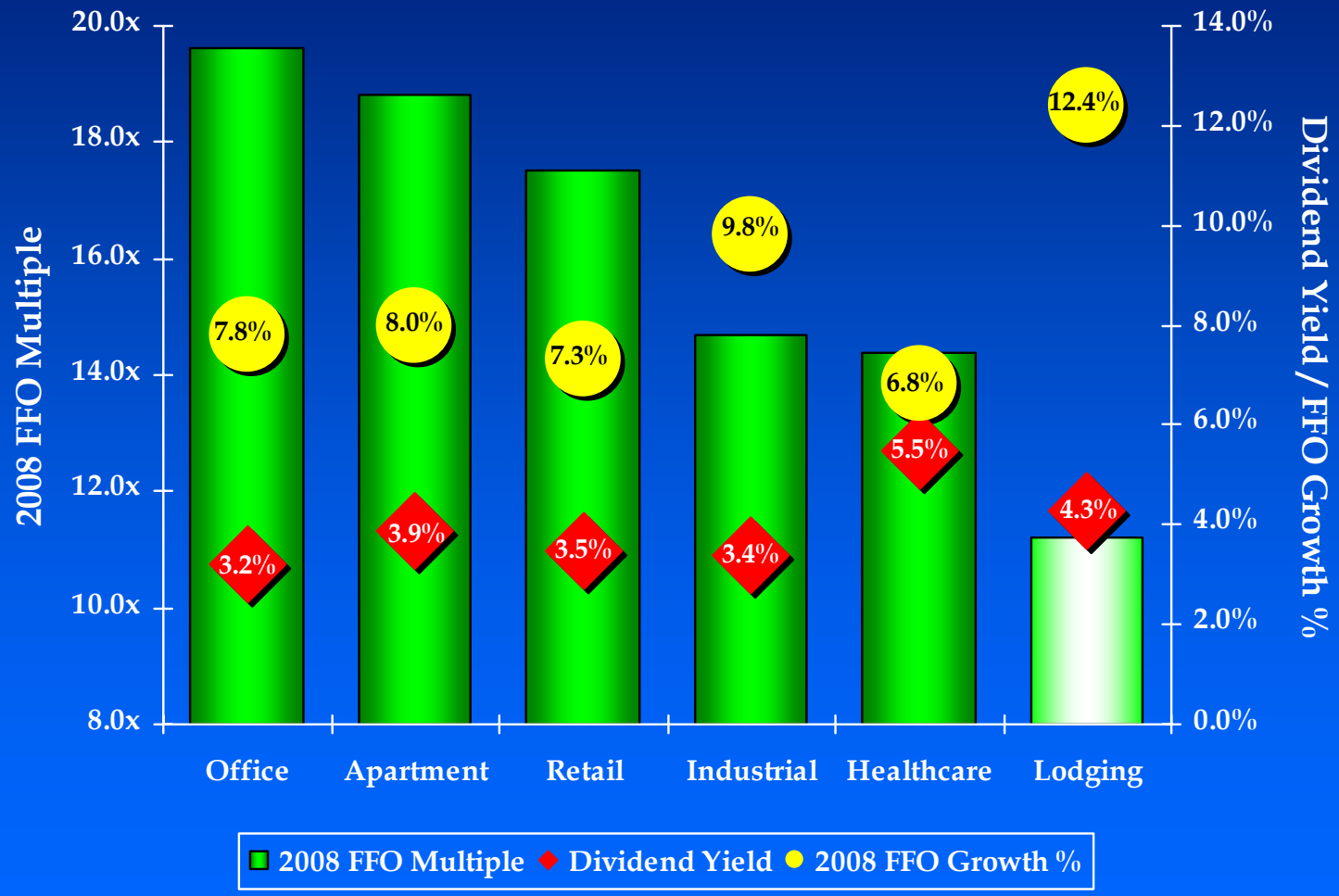






Lodging REITs vs. Other REITs

- Lodging REITs lag other multiples despite having one of the highest dividend yields and the highest projected 2008 FFO growth



Source: FBR Property Week – 5/8/07.



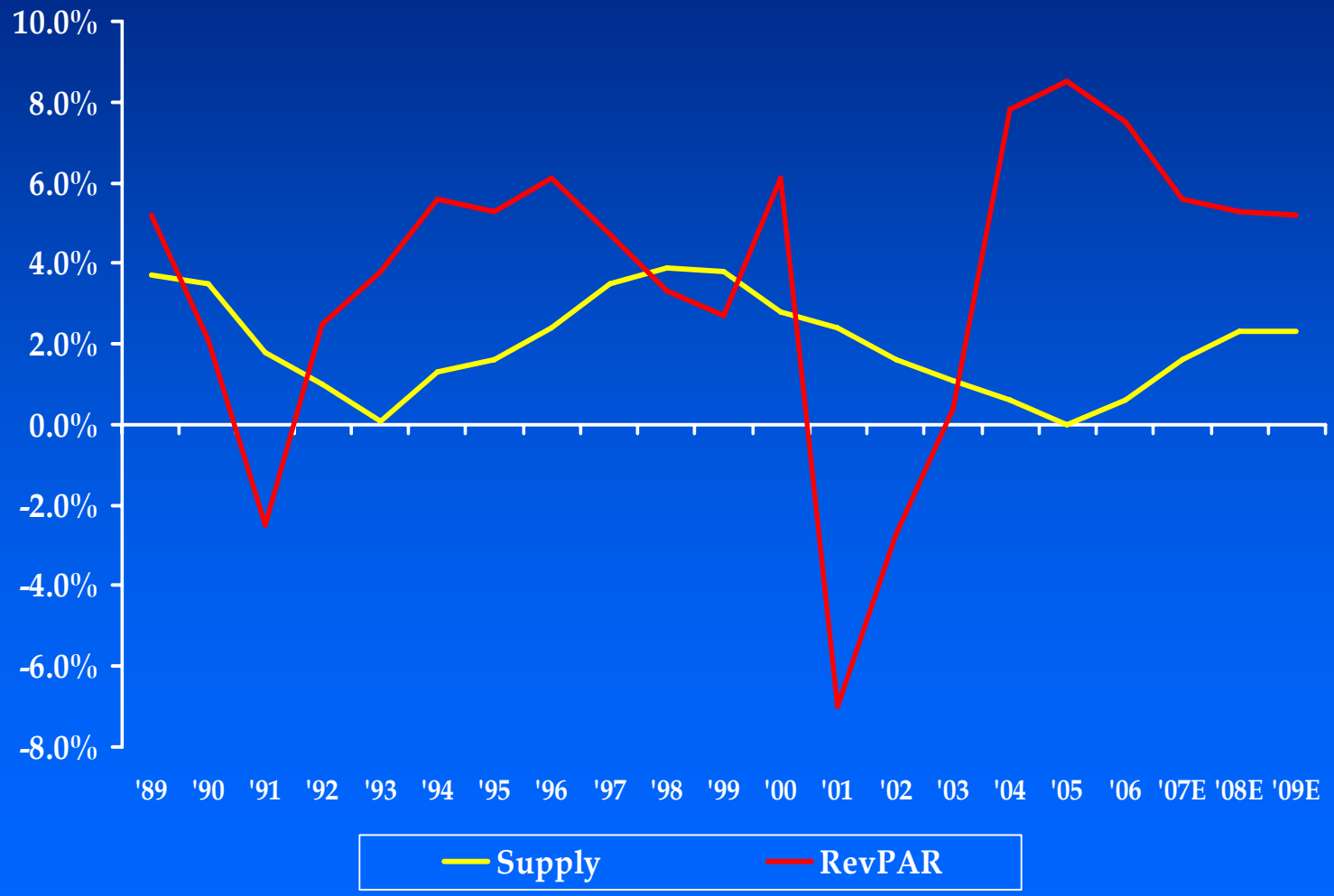




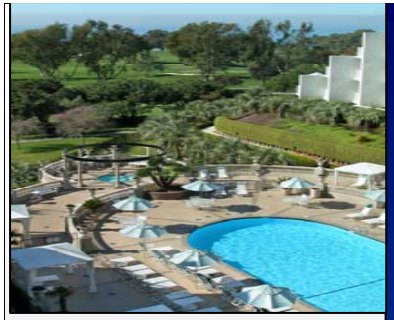


RevPAR / Supply Spread

- There is still a very favorable spread between new room supply and RevPAR growth



Source: Smith Travel Research & Pricewaterhouse Coopers.









Supply Overview

- Supply growth is still well below historical averages

2007 US Supply Growth

Market	'07 Growth	Hist. Growth	% AHT EBITDA[1]
Total US	1.6%	2.1%	99%
Top 25 Markets	1.7%	- -	78%
Upper Upscale	1.6%	2.5%	60%
Upscale	3.6%	7.2%	35%

1) Percentage of 2006 EBITDA proforma for CNL transaction.
Source: Lodging Econometrics, Smith Travel Research, PricewaterhouseCoopers & Merrill Lynch research.
Note: Historical numbers represent monthly average since 1988.

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Real NOI Below Peak Levels

- Though the lodging industry has had strong results for the last couple of years, hotels' net operating incomes are still well below the peak levels of 2000 in real terms



Source: PKF Hospitality Research.
Note: NOI is before capital reserve, debt service, rent, income taxes, depreciation & amortization.

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Lodging Values

- High construction costs and strong inflows of hotel capital support further value appreciation



Source: Smith Travel Research, Pricewaterhouse Coopers, Bureau of Labor & Statistics & HVS International.









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Conclusion

- Proactive, disciplined approach
- Best in class, diversified portfolio
- Outperforms REIT peers
- High dividend yield with strong coverage
- Active capital recycler
- Commitment to internal growth initiatives
- Strong industry fundamentals

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