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JP Morgan Conference

March 2008

Safe Harbor

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

These forward-looking statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated including, without limitation: general volatility of the capital markets and the market price of our common stock; changes in our business or investment strategy; availability, terms and deployment of capital; availability of qualified personnel; changes in our industry and the market in which we operate, interest rates or the general economy, 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. 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.






Ashford Advantage

- AHT's diversified platform should perform better in periods of economic uncertainty
- AHT's risk profile is mitigated by its capital recycling strategies
- AHT's strategies are designed to further secure the dividend
- AHT's dividend is covered by the operating business. Its capital recycling strategies are match funded through asset sales

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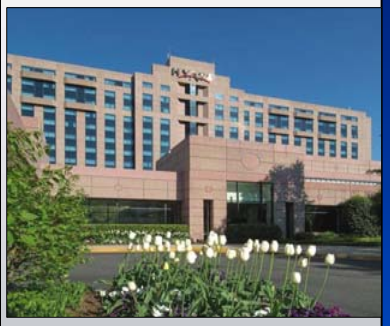





Ashford Snapshot

Portfolio Statistics	AHT
Total Enterprise Value (1)	$3.7 Bil
Peer Comparison (2)	3rd largest
# of Hotels	110
# of Rooms	25,483
ADR (3)	$137.80
RevPAR (3)	$101.61
RevPAR Growth (3)	7.2%
Financial Statistics	
# Shares Outstanding(4)	141.7 M
Avg. Daily Trading Volume (3 Month)	1.5 M
2007 FFO per Share / Y-o-Y % Growth	$1.28 / 13.3%
Net Debt / Gross Assets	61%
Debt Weighted Average Maturity	7 years
Debt Weighted Average Cost(5)	5.2%
EBITDA / Interest Expense – 2007	2.7x
Dividend Yield % (1)	13.4%
CAD Dividend Coverage – 2007	1.20x
Price per Key(6)	$141,500

(1) Assumes 3/20/08 share price of $6.26.
(2) Ranked by Total Enterprise Value of pure lodging peers.
(3) All hotels included in continuing operations not under renovation for twelve months ended 12/31/07.
(4) Diluted shares as of 4Q '07.
(5) Assumes 3/25/08 LIBOR of 2.65%.
(6) Assumes 3/20/08 share price and mezzanine platform valuation at book value.

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AHT Opportunity

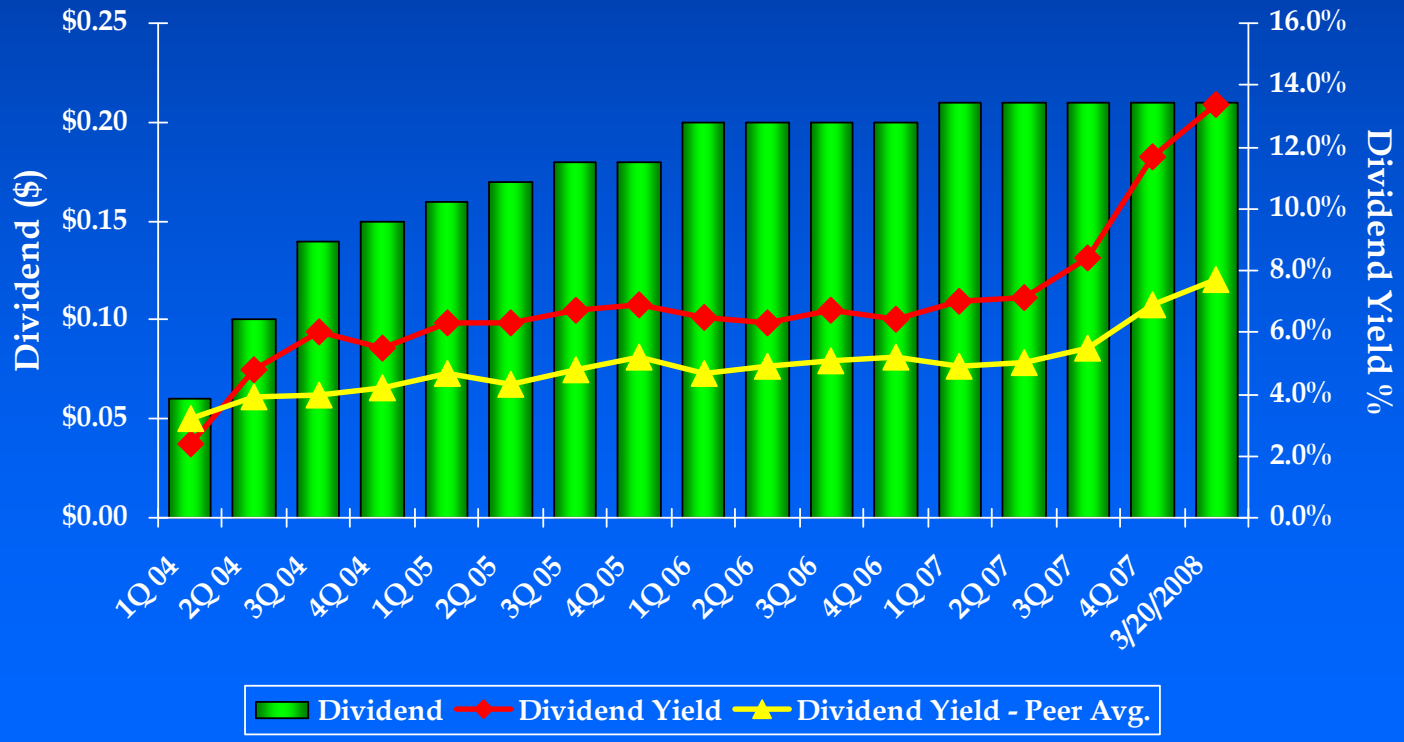
- **Despite economic uncertainty, AHT provides attractive risk adjusted returns:**
  - **Diversified hotel portfolio yields less volatile income stream**
    - **Chain scale**
    - **Brand**
    - **Geography**
    - **Investment strategy**
  - **Flexible capital recycling provides opportunities throughout the entire hotel cycle**
    - **Mezz**
    - **Stock buybacks**
    - **ROI capex**
  - **Attractive dividend yield and coverage**
  - **Attractive stock price relative to per key values**






Attractive Dividend

- Dividend covered by operating business
- Strong dividend CAD/AFFO coverage:
  - 2007 – 1.20x CAD coverage
  - 2007 – 1.52x AFFO coverage
  - Consistently paid one of the highest covered dividends of lodging REIT peers
- Highest in peer group with dividend yield of 13.4%[(1)]



(1) Assumes 3/20/08 stock price of $6.26.

Note: Peers include BEE, DRH, FCH, HPT, HST, HT, LHO, and SHO.

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Capital Strategy

- Because of AHT's flexible capital recycling platform, several accretive opportunities exist in the near-term
- AHT's capital recycling strategies are currently match funded through asset sales and cash flow above our dividend

2008 Capital Strategy	
Sources of Capital	**Uses of Capital**
• Cash flow above dividend	• Debt pay down
• Asset sales	• Mezzanine lending
	• Capex
	• Share buybacks

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Potential Asset Sales

- Since its IPO, AHT has sold 41 assets, including 2 office buildings, for $522 million
  - Weighted average cap on TTM NOI of 6.7%
- In 2007, AHT sold 22 assets for $380 million
- AHT plans to dispose of at least $600 million of hotel assets through outright sale or JVs
  - AHT is actively marketing a broad representation of its portfolio, representing approx. $2 billion of assets, to capitalize on buyer demand
  - AHT will sell provided pricing is attractive
- Ability to sell enhanced by existing debt terms
  - 80% of the assets have assumable debt (either in part or with the entire pool, by contractual right or subject to lender approval)
  - Weighted average cost of fixed rate debt of 5.8%

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Mezzanine Opportunities

- AHT has a proven track-record of issuing mezzanine loans at the most advantageous times in the debt cycle

		2003 – 2005	2006 – Early 2007	Late 2007 - Present
Market Spreads	Float	L + 800 – 1,200	L + 275 – 500	L + 600 – 900
	Fixed	N/A	N/A	12.0% - 14.0%
Covenants		Tight	Loose	Tight
AHT Loans	Float	12	3	2
	Fixed	2	0	2
$ Value of Loans(1)	Float	$130.9m	$37.3m	$24.6m
	Fixed	$12.0m	N/A	$38.4m
Wt. Avg. Rate(1)	Float	L + 957	L + 536	L + 1,338
	Fixed	14.0%	N/A	13.2%

- AHT is actively pursuing expansion of its mezzanine platform as attractive returns are again available in the marketplace

(1) Value of the loans and weighted average rate reflect AHT's ownership and current yield.

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PREI Joint Venture

- **AHT has partnered with Prudential Real Estate Investors (PREI) to form a hotel lending joint venture**

- $400 million equity
- 75% PREI / 25% AHT
- AHT promote equal to 1.3x venture yield

PREI® Prudential Investment Management

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- PREI's equity will be senior to AHT's
- JV will have ROFR on all AHT's mezz opportunities
- Current investments: $21.5m Westin portfolio loan and $70.0m 29-property loan

- **Advantage of JV structure**
  - Provides opportunity to achieve outsized yields at same or less risky LTVs
  - Creates access to a greater number of deals, which increases diversity, reduces risk and smoothes income streams

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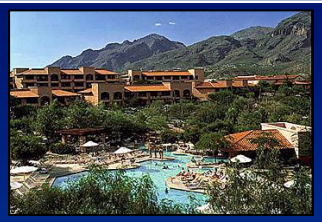
Recent Mezzanine Originations






	Westin Resort Portfolio	Hotel La Jolla	Ritz-Carlton Key Biscayne	JER Portfolio
Properties	2 Westin resorts (Tucson, AZ) (Hilton Head, SC)	Hotel La Jolla (La Jolla, CA)	Ritz-Carlton Key Biscayne (Miami, FL)	22 full-service 7 select-service
Keys	899	108	302 188 Condo Units	8,633
$ Value Loan AHT's Share	$21.5m $5.4m	$7.0m	$33.0m	$70.0m $17.5m
AHT Current Yield	17.6%	L + 900	12.5%	17.9% (L + 1,515)
Term	10 years	3 years 2 1-year extensions	10 years	3 years 2 1-year extensions
In PREI JV?	Yes	No	No	Yes
TTM DSCR	1.07x	0.58x (Debt 100% guaranteed)	1.10x	1.72x
LTV	69 – 76%	61 – 79%	63 – 78%	68 – 72%
AHT Last Dollar of Debt	$257,000 / key	$278,700 / key	$655,600 / key (Excludes condo units)	$185,900 / key

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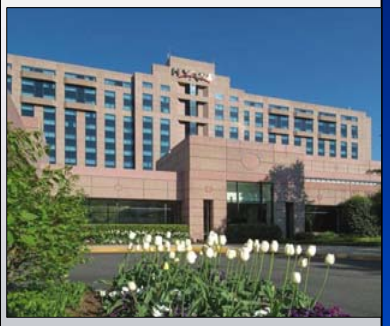



2008 Capex Plan

- $190 million of potential capital expenditure in 2008
- AHT is contractually obligated or has already initiated $80 million of projects and has the flexibility to defer other projects to 2009 - 2010
  - $60 million are normal capex projects
  - $50 million are discretionary ROI projects
- Several capital-intensive assets are candidates for outright sale or JV, which could reduce 2008 capex needs by up to $37 million
- Should lodging fundamentals soften in the near-term, AHT will be prudent in its capital allocation and use discretion in determining the timing and magnitude of projects

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Share Buybacks

- $50m share repurchase program approved by the Board in December 2007
- AHT repurchased 2.4m shares of common stock at an average price of $7.67 during the fourth quarter
  - Approx. $25 million of share repurchase authorization remains
- Accretive use of capital given AHT's current stock price and 13.4% dividend yield(1)
- AHT will be opportunistic with the share buyback program, recognizing that other alternative uses of capital exist

(1) Assumes 3/20/08 stock price of $6.26.

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Debt Swap Strategy

- AHT swapped $1.8 billion of its existing fixed-rate debt for floating-rate debt in March 2008
  - 5-year swap
  - Weighted average interest rate on fixed-rate debt of 5.84%
  - Interest rate on swapped fixed-rate debt of L + 264
  - 25 bps reduction in LIBOR yields annual net interest expense savings of $4.5 million
  - Based upon today's forward curve, AHT's interest expense savings over the next twelve months would be $15 million

- AHT's post-swap weighted average cost of debt is 5.16%(1)

(1) Assumes 3/25/08 LIBOR of 2.65%.

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Debt Maturity Schedule

- AHT's debt is favorably priced and has a diversified maturity schedule
  - 2007 interest charge coverage of 2.7x
- AHT's last dollar of net debt as of 12/31/07 is $95,000 per key



Note: Company estimates as of 4Q '07. Last dollar of debt includes debt attributable to JV partners, mezzanine platform valuation at book value, 4Q '07 room count, and reflects the sale of JW Marriott New Orleans. Debt maturity schedule assumes extendable loans are extended and excludes JV debt.

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Diversified Portfolio

- Ashford has the broadest diversification of hotel assets
- Advantages:
  - Diversifies exposure across economic markets
  - High quality select service assets provide stability
    - 35% of 2007 EBITDA
  - High concentration of EBITDA in top 25 markets
    - 77% of 2007 EBITDA
  - Less concentrated risk to new supply
  - Mezzanine lending provides attractive yields and is lower in risk than owning hotel properties

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Note: Proforma based on TTM 12/31/07 owned EBITDA for the 110 hotels in continuing operations.



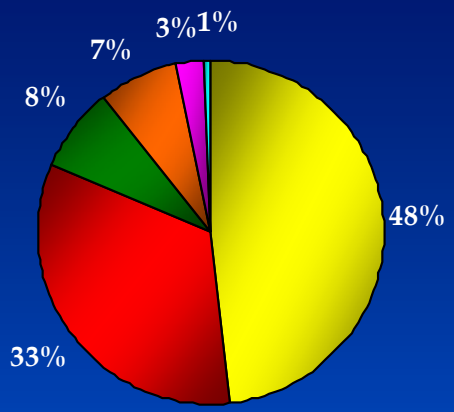




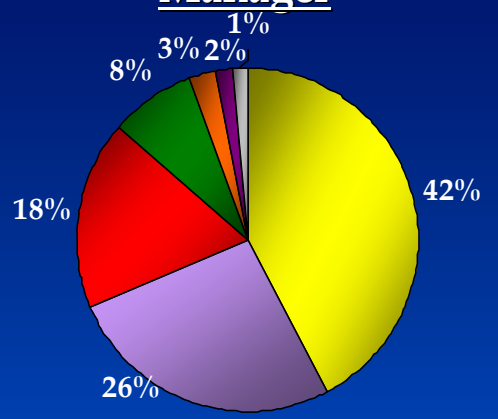


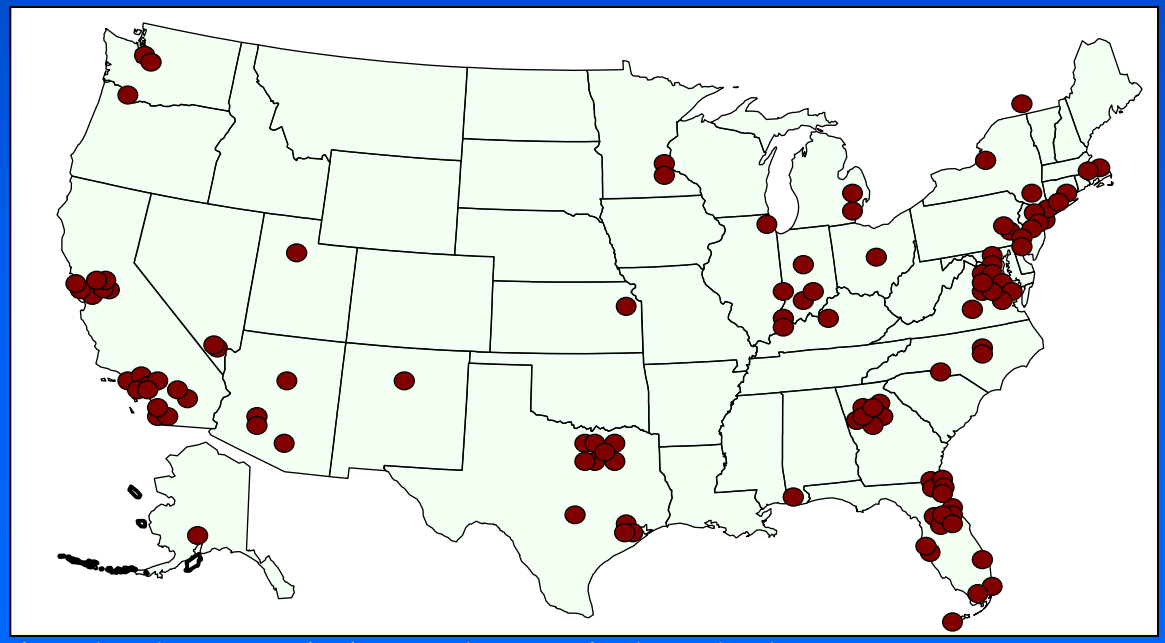
Broad Portfolio Mix

Brand



Manager





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Recession Plan

- In light of uncertainty regarding 2008 economic environment, all property managers have created contingency plans
  - Submit plans based on 2%, 5% or 10% decline in revenues
  - Goal to maintain 50% GOP flow through cost-cutting initiatives
- AHT asset management is proactively monitoring hotel performance
  - No fewer than 3 visits to each property in 2008
  - Booking pace will be randomly checked and cancellations closely monitored
- AHT has 26% of EBITDA operated by affiliate Remington, which enhances ability to more rapidly implement operational changes to preserve margins

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