ASHFORD
HOSPITALITY TRUST



NAREIT Annual Convention

November 2011

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.

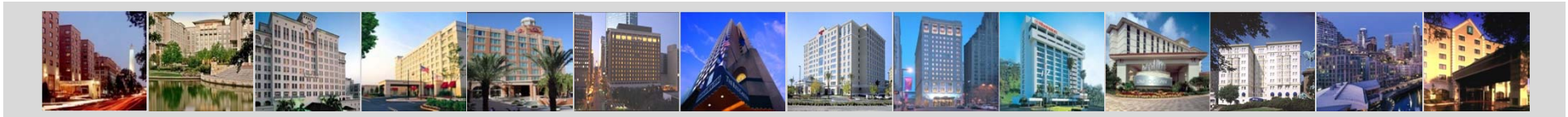
These forward-looking statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated including, without limitation: general volatility of the capital markets and the market price of our common stock; changes in our business 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.

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 Ashford Hospitality Trust, Inc. and may not be relied upon in connection with the purchase or sale of any such security.



PROPERTY TOUR



Marriott Suites Dallas Market Center



















Marriott Suites Dallas Market Center

- Acquired as part of the CNL portfolio in April 2007
- 265 suites
- Built in 1998
- 5,300 sq ft of meeting space
- Managed by Marriott
- Located in the heart of Market Center with easy access to both DFW Airport and Love Field Airport
- Achieved a 78% cumulative NOI flow since 2007
- 65% of hotel guests are Marriott Reward members, the highest # of Marriott Reward members for all Marriott hotels in Texas and in the top 10% of the Marriott system
- Ranks #15 out of 343 Marriott full-service hotels in North America in guest satisfaction
- Consistent rate and RevPAR leader in it STR comp set, with an ADR premium of $25-$30 over comp set hotels
- In 2010, the hotel was ranked among Trip Advisor's best hotels in Dallas
- Guestrooms, lobby and concierge lounge were renovated in 2007 and meeting space and restaurant in early 2011



Marriott Suites Dallas Market Center

Opportunities

- Drive weekday "premium rate mix" through an aggressive pricing posture on the 125 known sell out days in 2012
- The hotel will focus specifically on increasing local catering sales as it has experienced increased demand for small, local catering events fueled by Texas Regional Sales Office
- Due to increased recent demand, property is discounting less for banquet menus and coffee breaks as evident in increased profit margin since 2009
- Implement a more direct sales focus on need weekends (non-event weekends) to insure hotel gains a larger share of the leisure, sports and social market business
- Currently evaluating paid parking revenue increase opportunity and reduced security costs with gated parking
- Converting some king rooms to doubles to sustain weekend leisure demand



Marriott DFW Airport



















Marriott DFW Airport

- Acquired as part of the Highland portfolio in March 2011
- 484 rooms, 7 suites
- Built in 1982
- 17,800 sq ft of meeting space
- Managed by Marriott
- Located just two miles away from the DFW airport and is highly visible and easily accessible from primary airport routes
- For its current Marriott GSS wave, hotel's overall satisfaction score is 91.3%, the highest for all Marriott airport properties and 11.7% points above the brand average
- Hotel ranks #21 of 78 among Trip Advisor hotels in Irving
- Business mix is 52% transient, 38% group, and 10% airline contract related
- Guestroom soft and case goods renovation including bathrooms was completed in 2006. In 2008, the lobby was renovated to a Marriott Great Room concept and the meeting space received a soft goods renovation. Former Pitcher's Sports Bar was fully renovated and repositioned as a Crosswinds Sports Bar in 2010



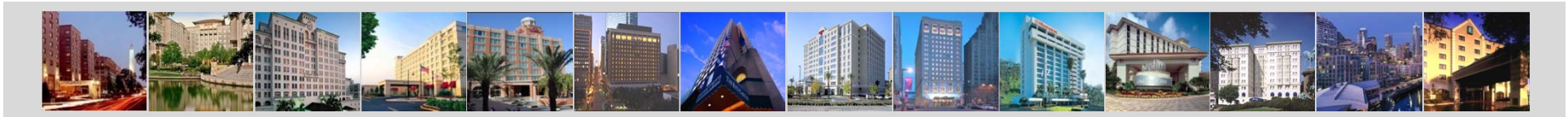
Marriott DFW Airport

Opportunities

- Through managing its Group Arrival Pattern mix more vigilantly, hotel will achieve higher rated midweek business and more shoulder weekend group business
- Ashford requested Marriott to add an on-property Destination Sales Executive to close more group sales opportunities
- Increase catering sales through adding more catering free sale dates on traditionally low periods
- Renovation and reposition of all-purpose restaurant Trinity Grill and closing of JW Steak House is planned in 2012
  - The restaurant repositioning should save $100k in operating cost by allowing the opportunity to close one kitchen
  - The incremental cost of repositioning is $650k, for a total cost of $1.4m

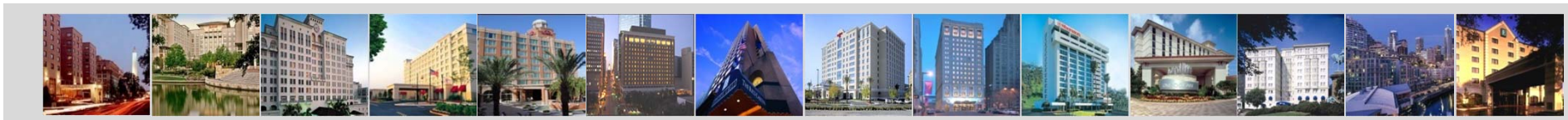


ASHFORD OVERVIEW



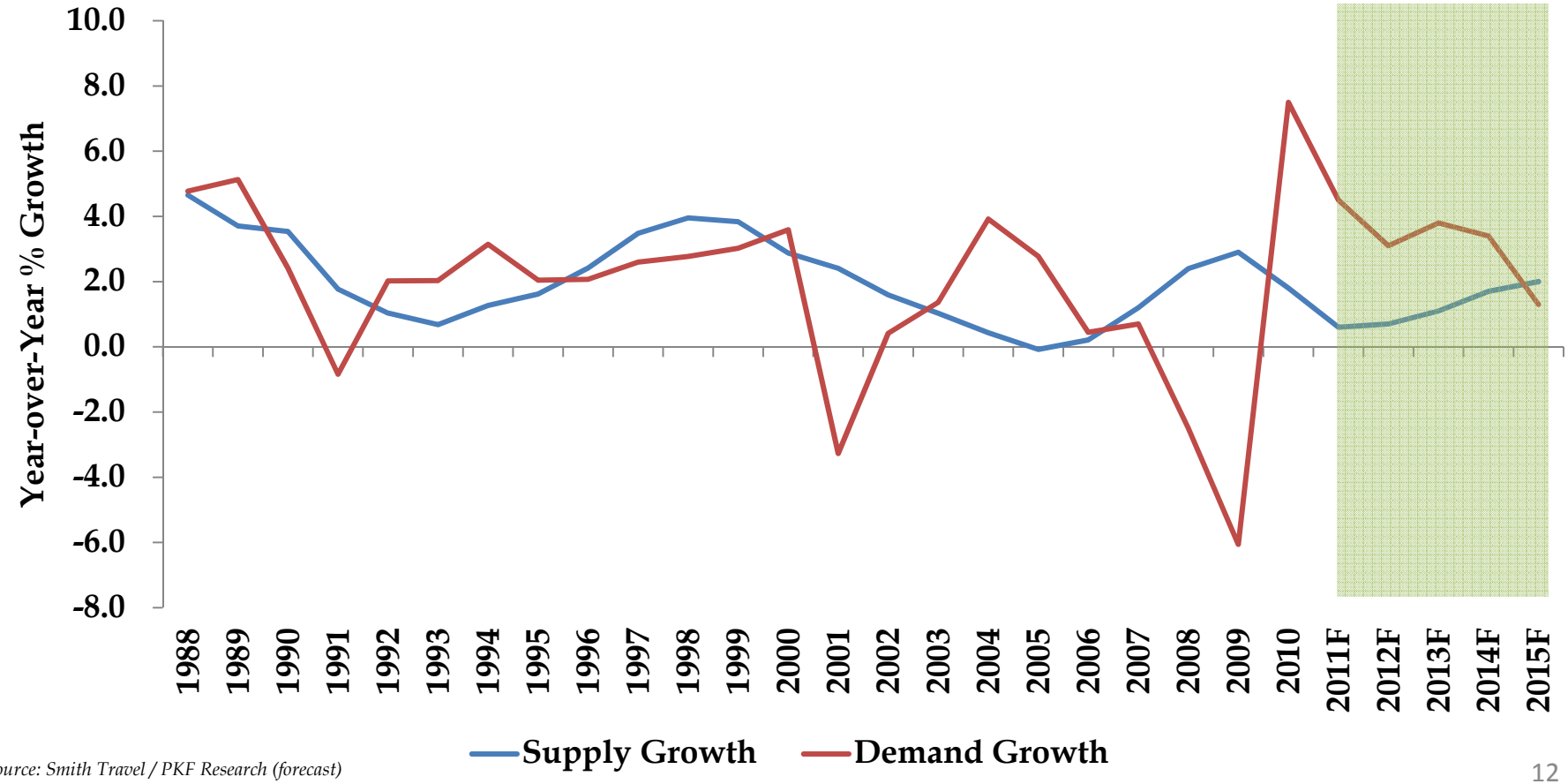
Ashford Overview

- Favorable macro market dynamics
- Focused portfolio, positioned for growth
- Proactive debt and equity capital market strategies
- Outperformance
- High insider ownership



Attractive Supply/Demand Imbalance

- **Demand increase is currently expected to outpace supply increase through 2014**



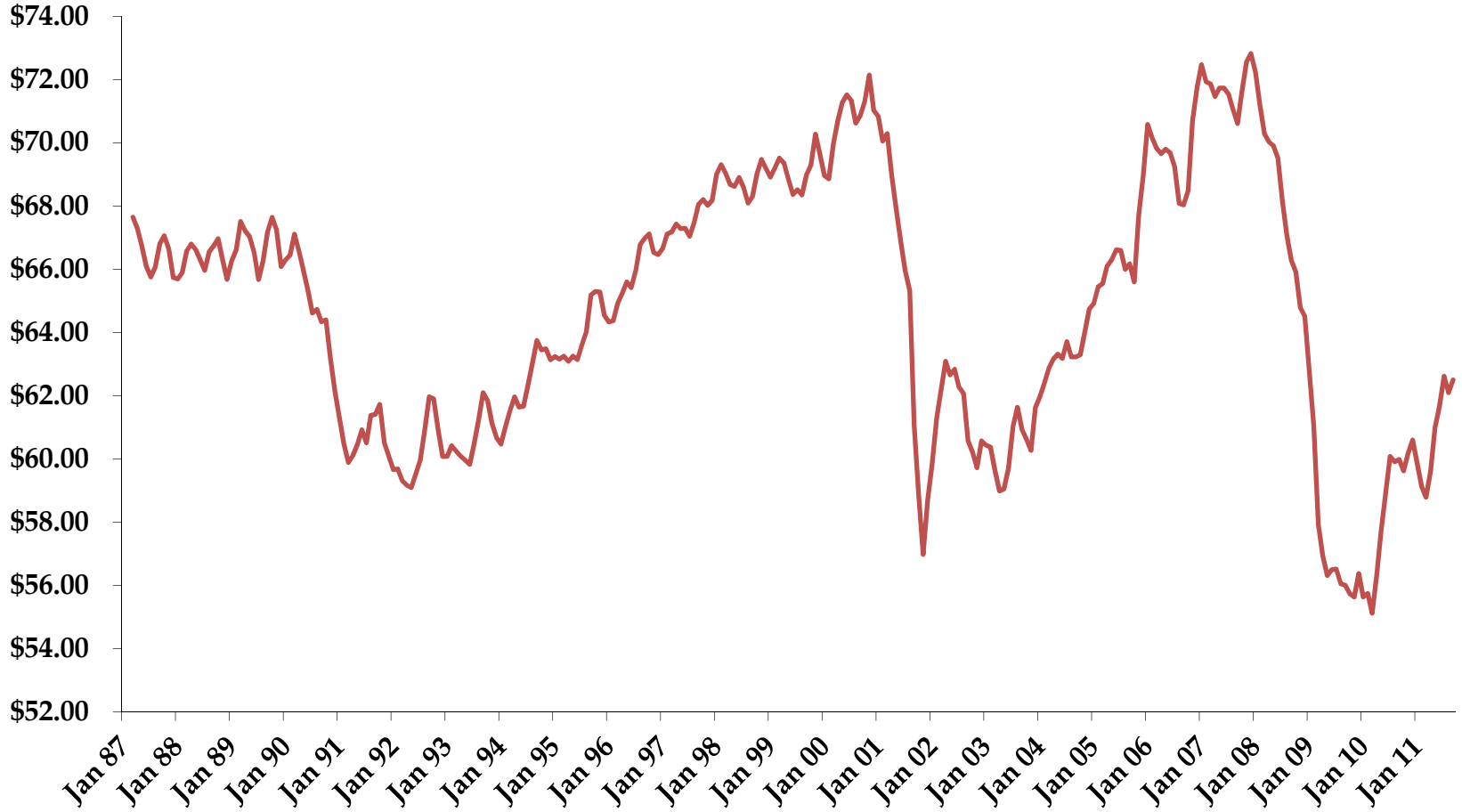
Source: Smith Travel / PKF Research (forecast)



Attractive Industry Fundamentals



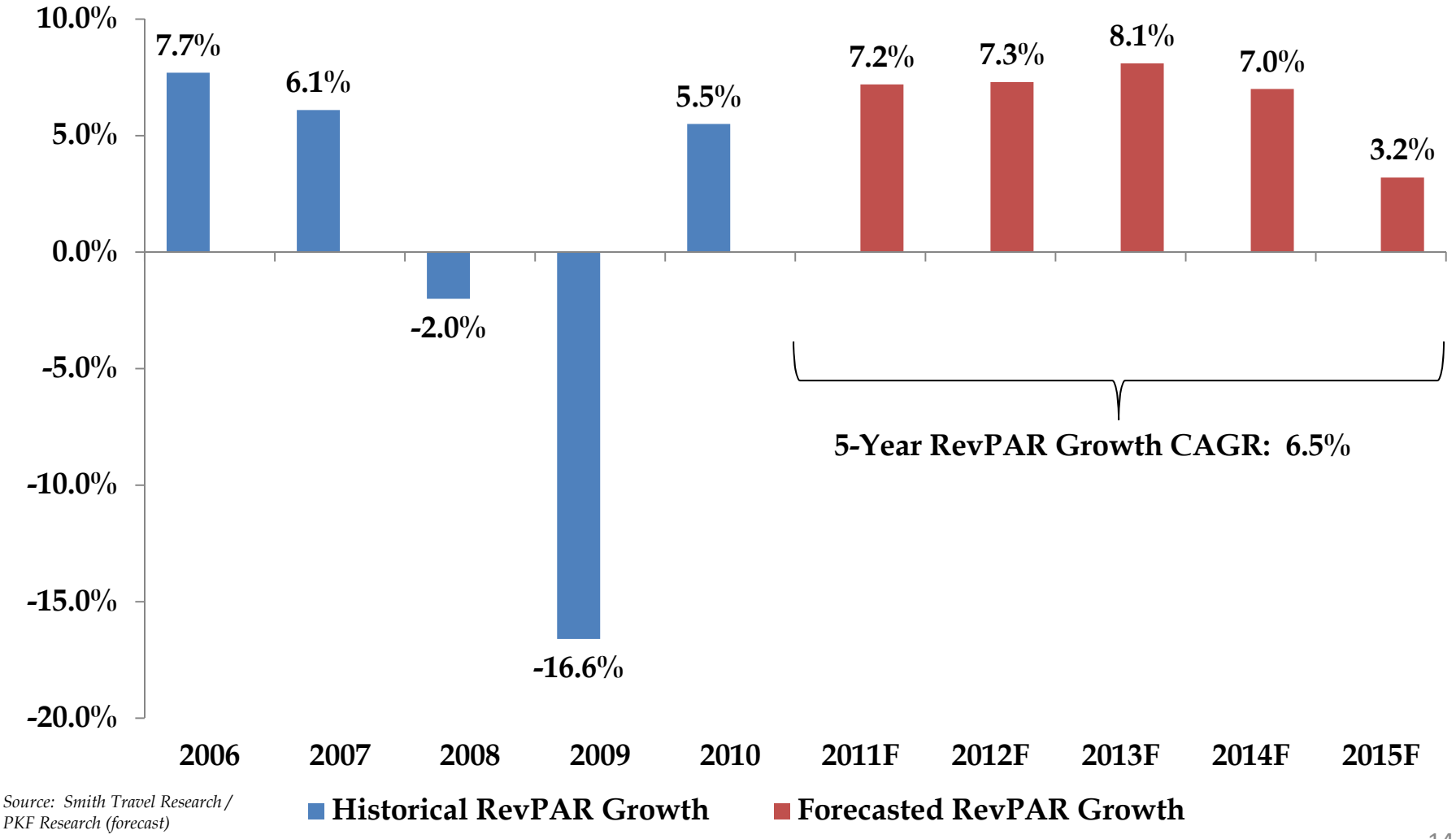
Trailing 3-Mo Avg Seasonally-Adjusted Real RevPAR (2011 $'s)



Source: Smith Travel Research (non-seasonally adjusted nominal monthly figures)



PKF's Nominal US RevPAR Forecast



Source: Smith Travel Research / PKF Research (forecast)



Ashford Snapshot

Portfolio Statistics*	
Total Enterprise Value	$4.0 B
Total Gross Assets	$4.9 B
Peer Comparison	2nd Largest
# of Hotels	124
# of Owned Rooms	26,139
# of Property Managers	6
$ ADR	$131.02
$ RevPAR	$96.10
RevPAR Growth %	6.4%

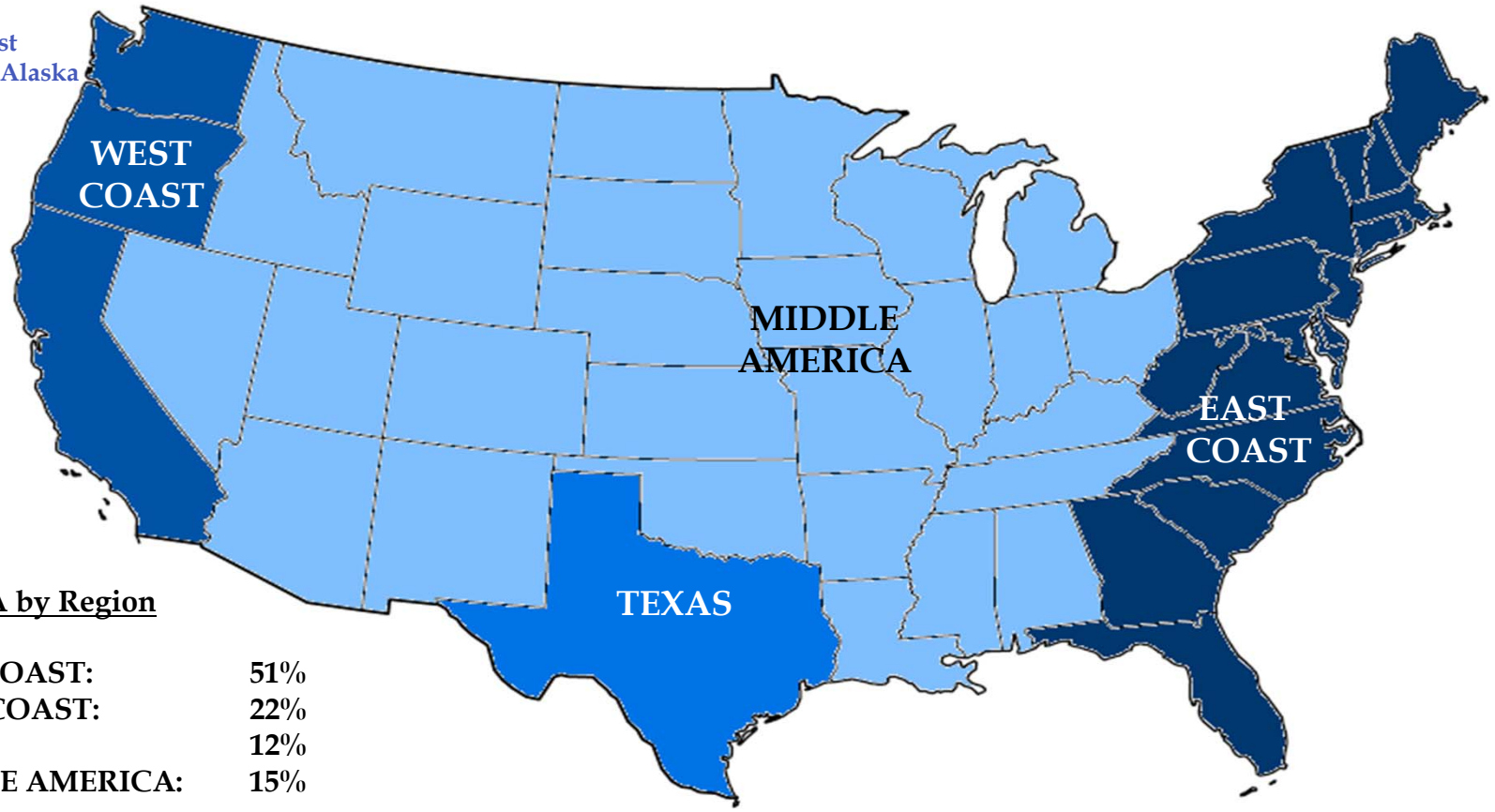
Financial Statistics*	
Recent Share Price	$7.74 (11/11/11)
# Fully Diluted Shares	84.3 M
Leverage Ratio	59.4%
Debt Wtd. Avg. Maturity	4.1 Years
Debt Wtd. Avg. Cost	3.20%
Quarterly Dividend	$0.10
Dividend Yield	5.2%
TTM AFFO per Share	$1.86
Cash on Hand	$180.9 M

** As of September 30, 2011*



Broad Geography

- Ashford's geographic footprint encompasses 29 states and Washington DC



EBITDA by Region

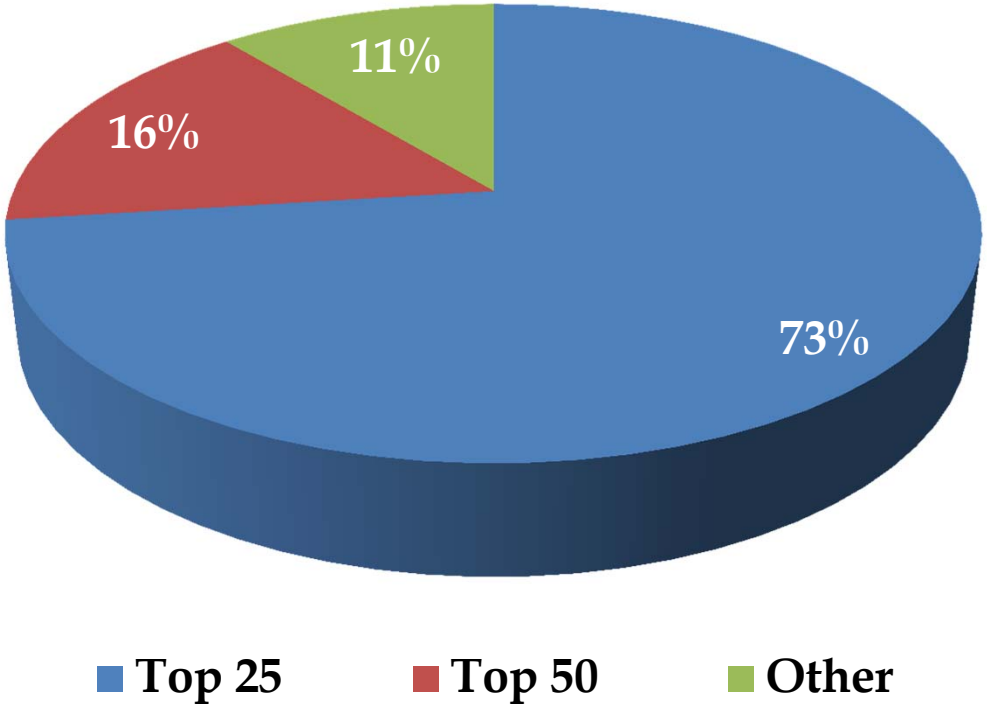
EAST COAST:	51%
WEST COAST:	22%
TEXAS:	12%
MIDDLE AMERICA:	15%



MSA

- **The vast majority of Ashford's EBITDA comes from top 25 markets, with nearly 90% coming from top 50 markets**

As % of TTM Q3 2011 EBITDA

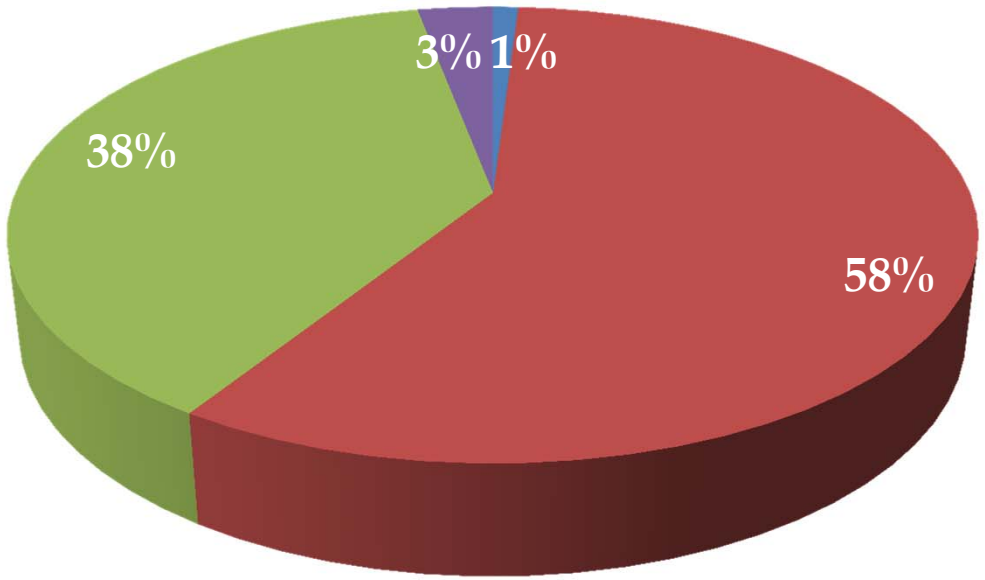


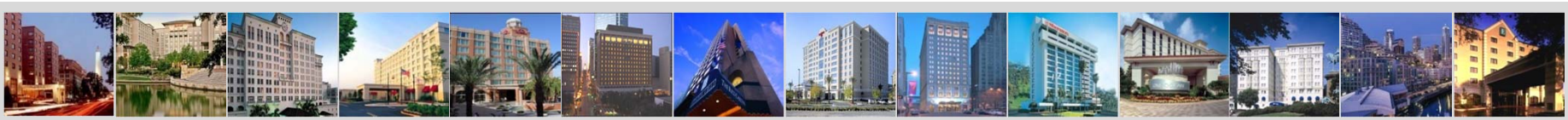


Chain Scale

- **Approximately 96% of Ashford's EBITDA comes from upper upscale and upscale assets**

As % of TTM Q3 2011 EBITDA

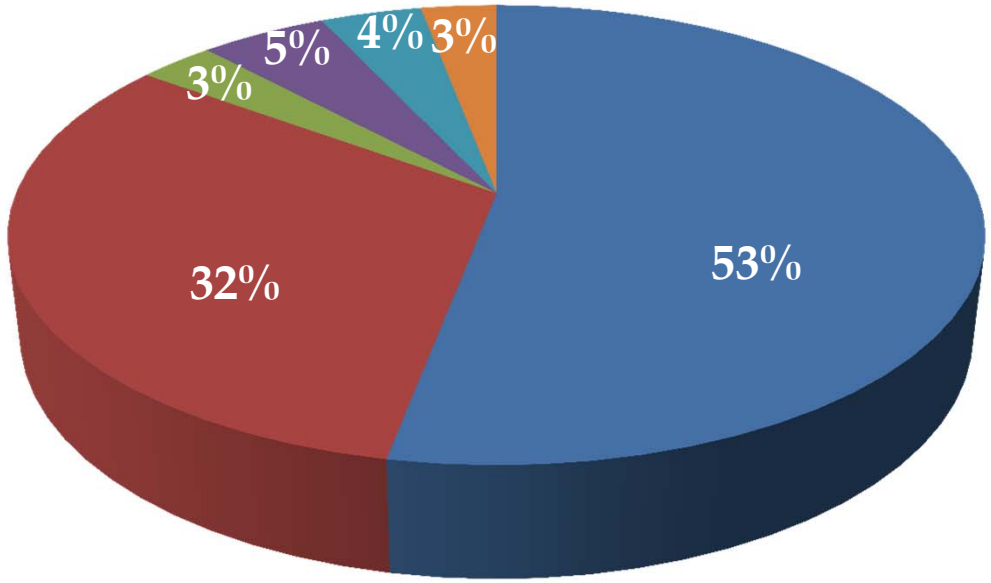




Brand Family

- 85% of Ashford's EBITDA comes from Marriott and Hilton branded assets

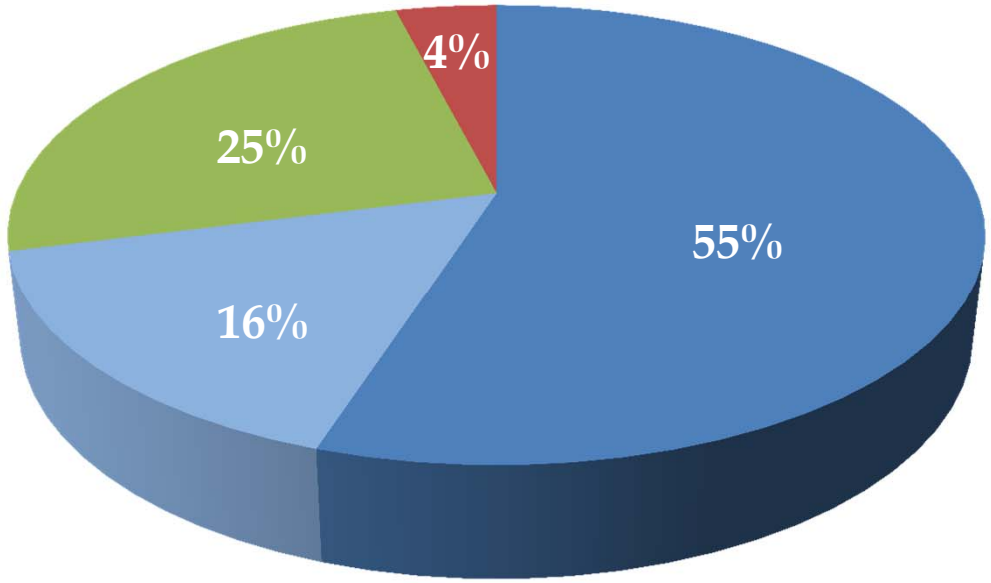
As % of TTM Q3 2011 EBITDA





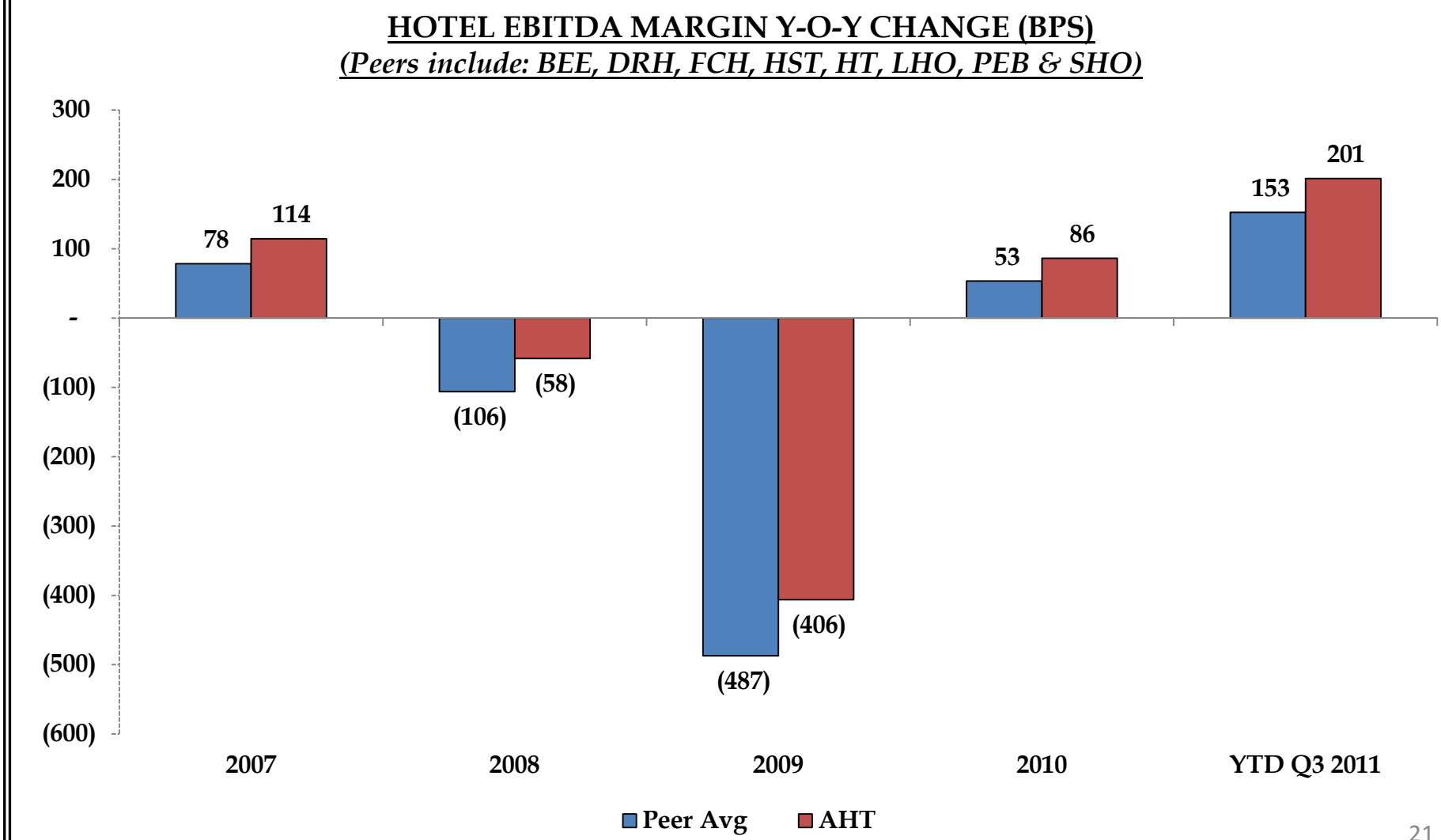
Transient vs. Group vs. Contract

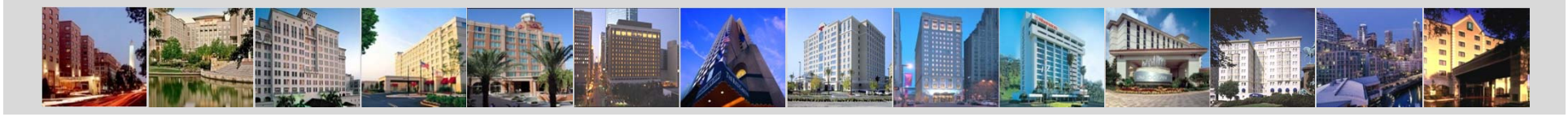
- Our customers are predominantly transient, with a strong emphasis on corporate business



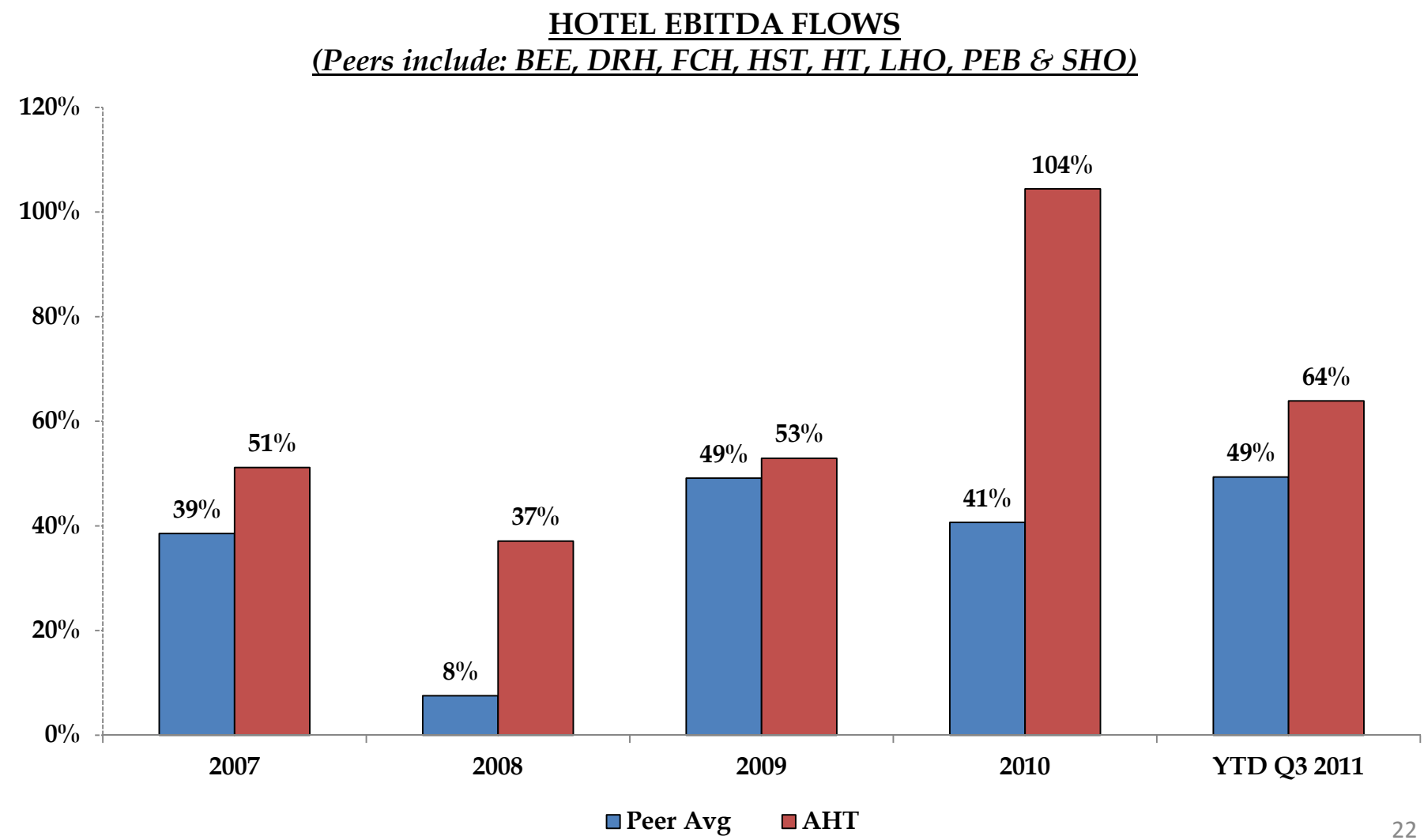


Hotel EBITDA Margin Change Comparison



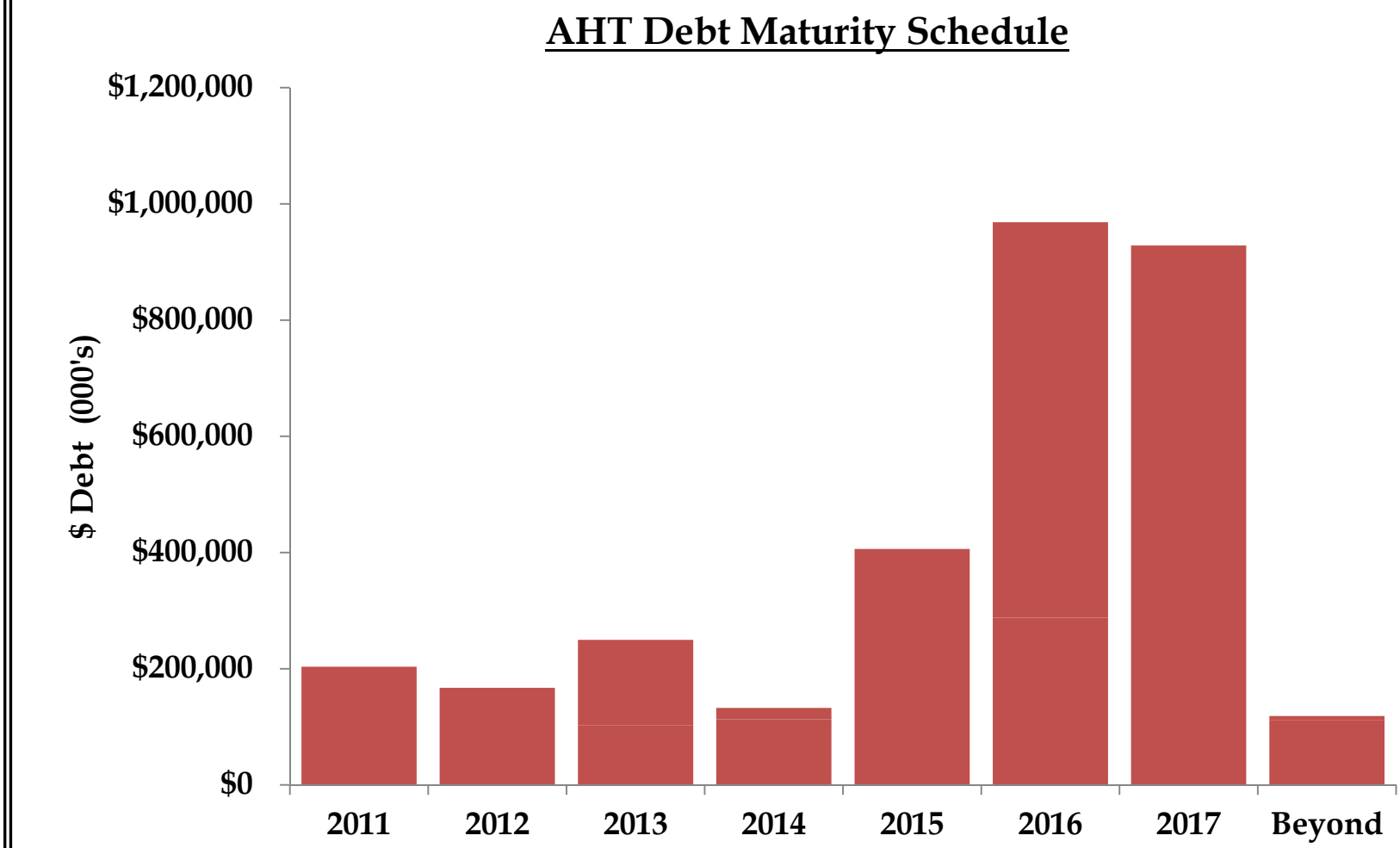


Hotel EBITDA Flows Comparison



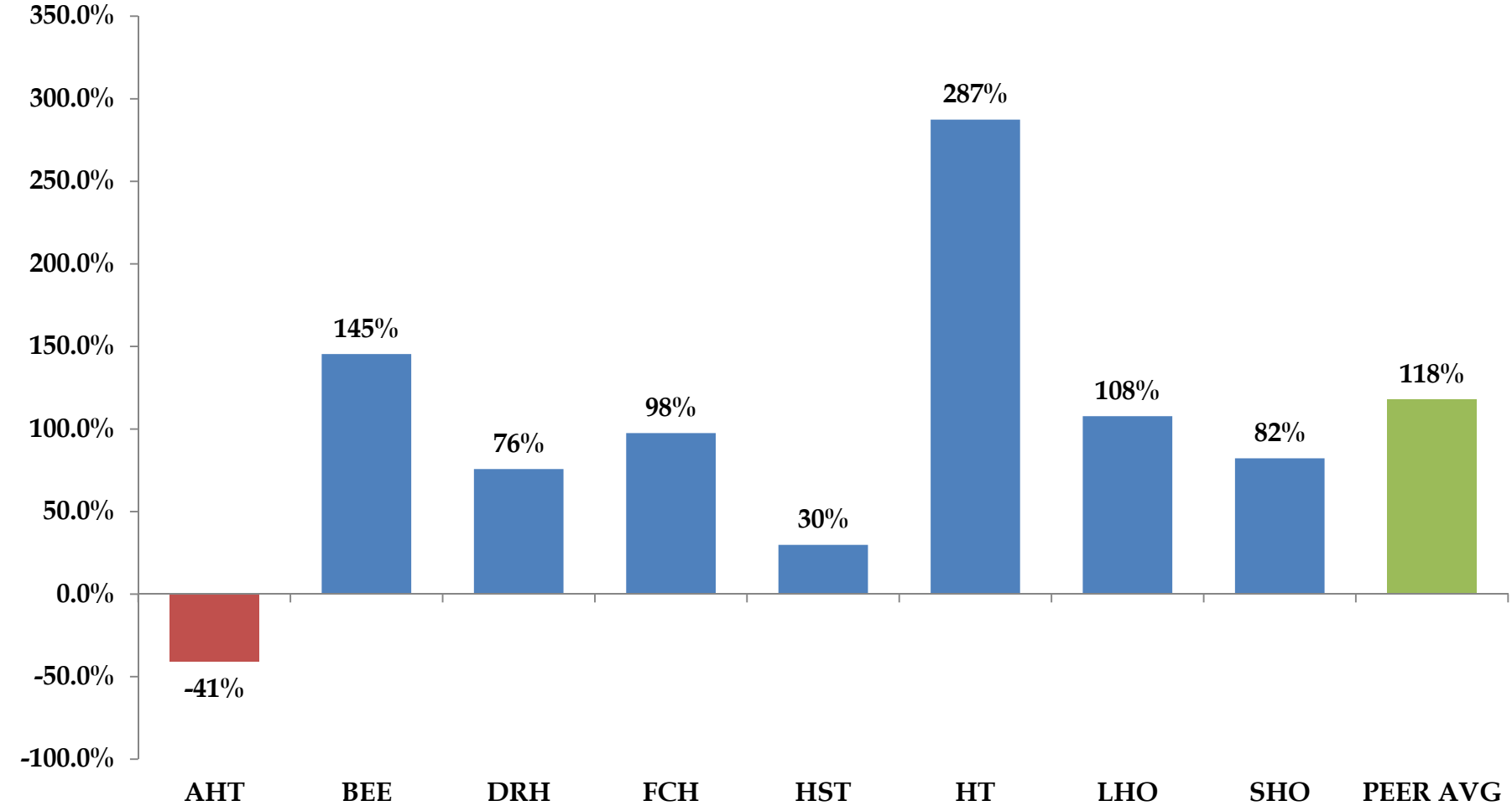


Debt Maturity Schedule





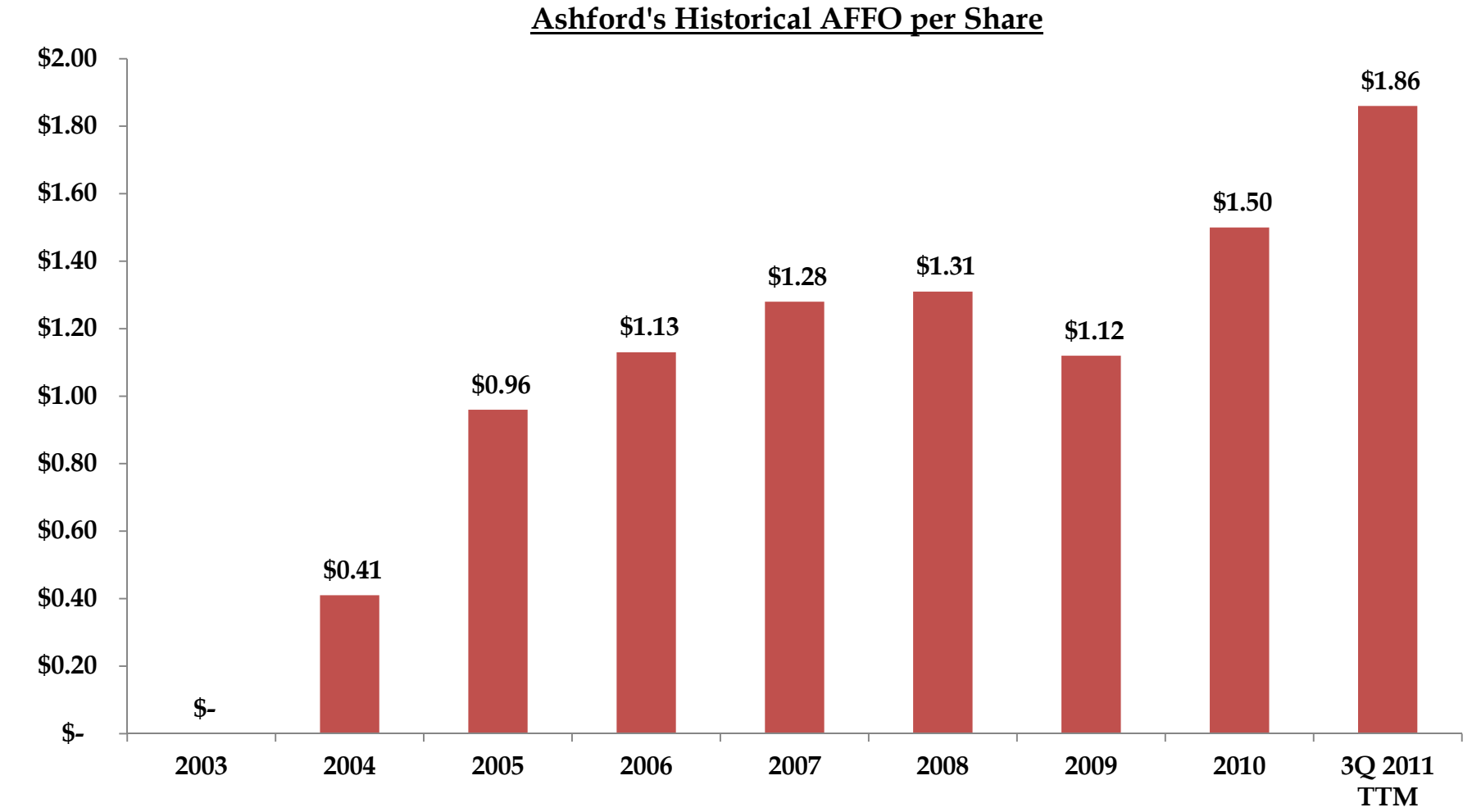
Significantly Reduced Share Count



Source: SNL, Company Filings & Street Research.

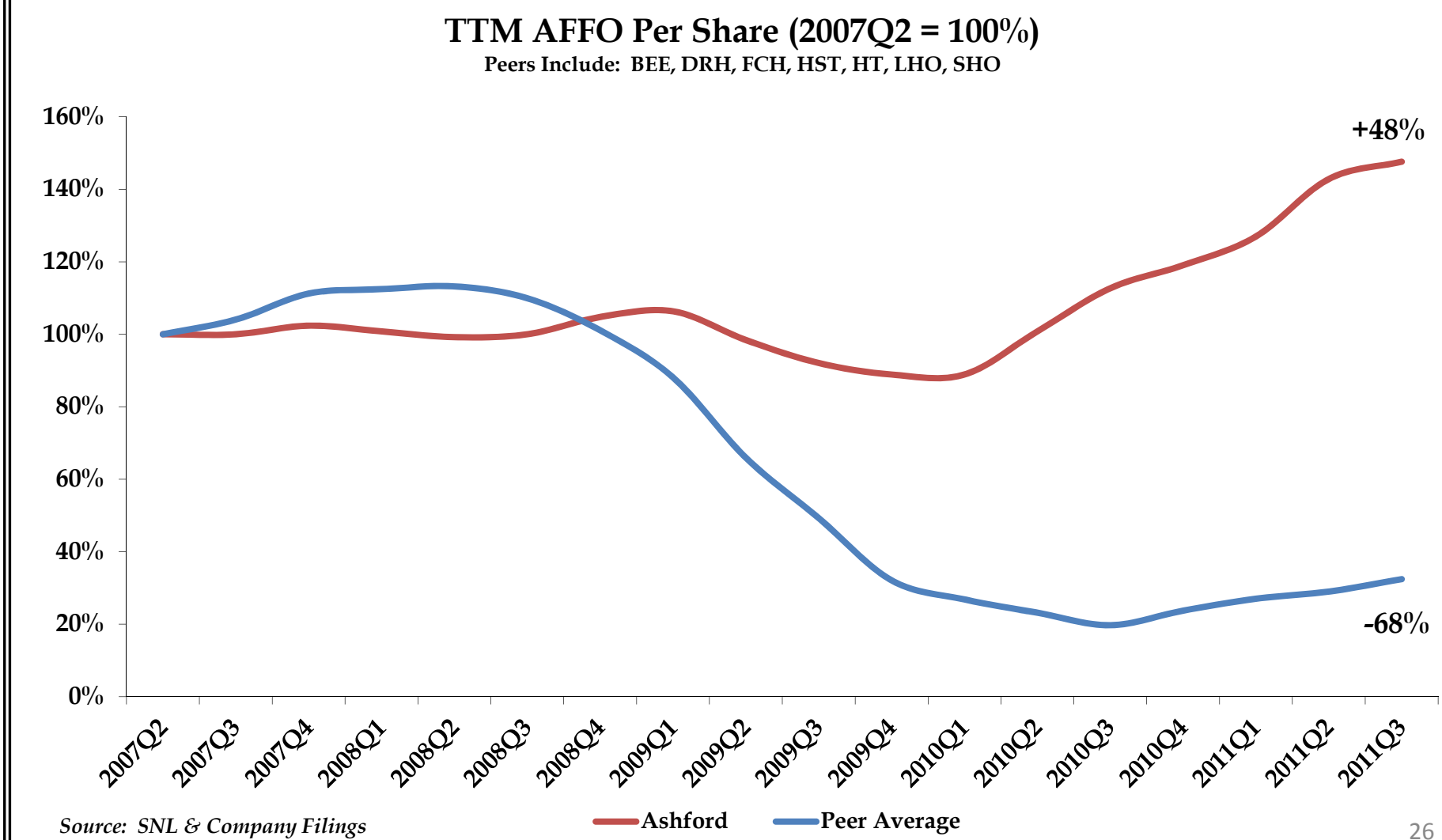


Consistent Earnings Growth





AFFO per Share Outperformance



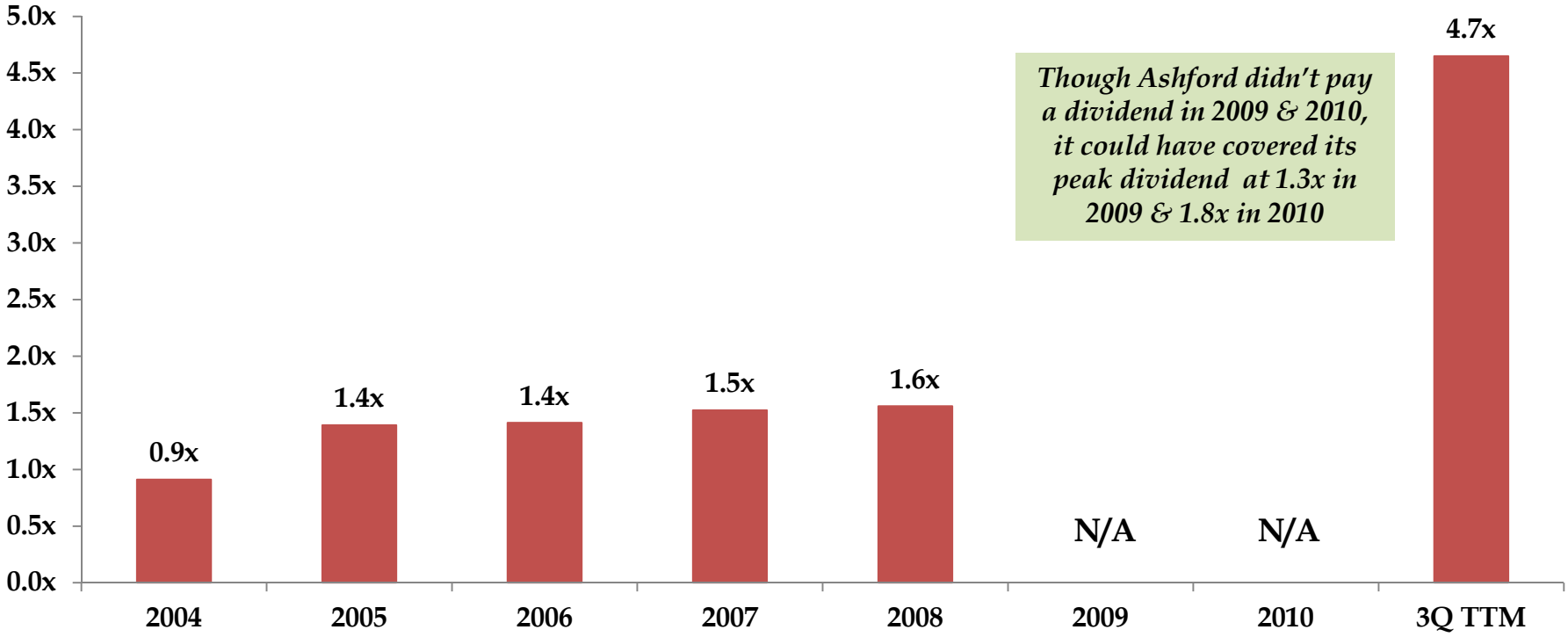
Source: SNL & Company Filings



Reinstated Dividend w/ Growth Potential

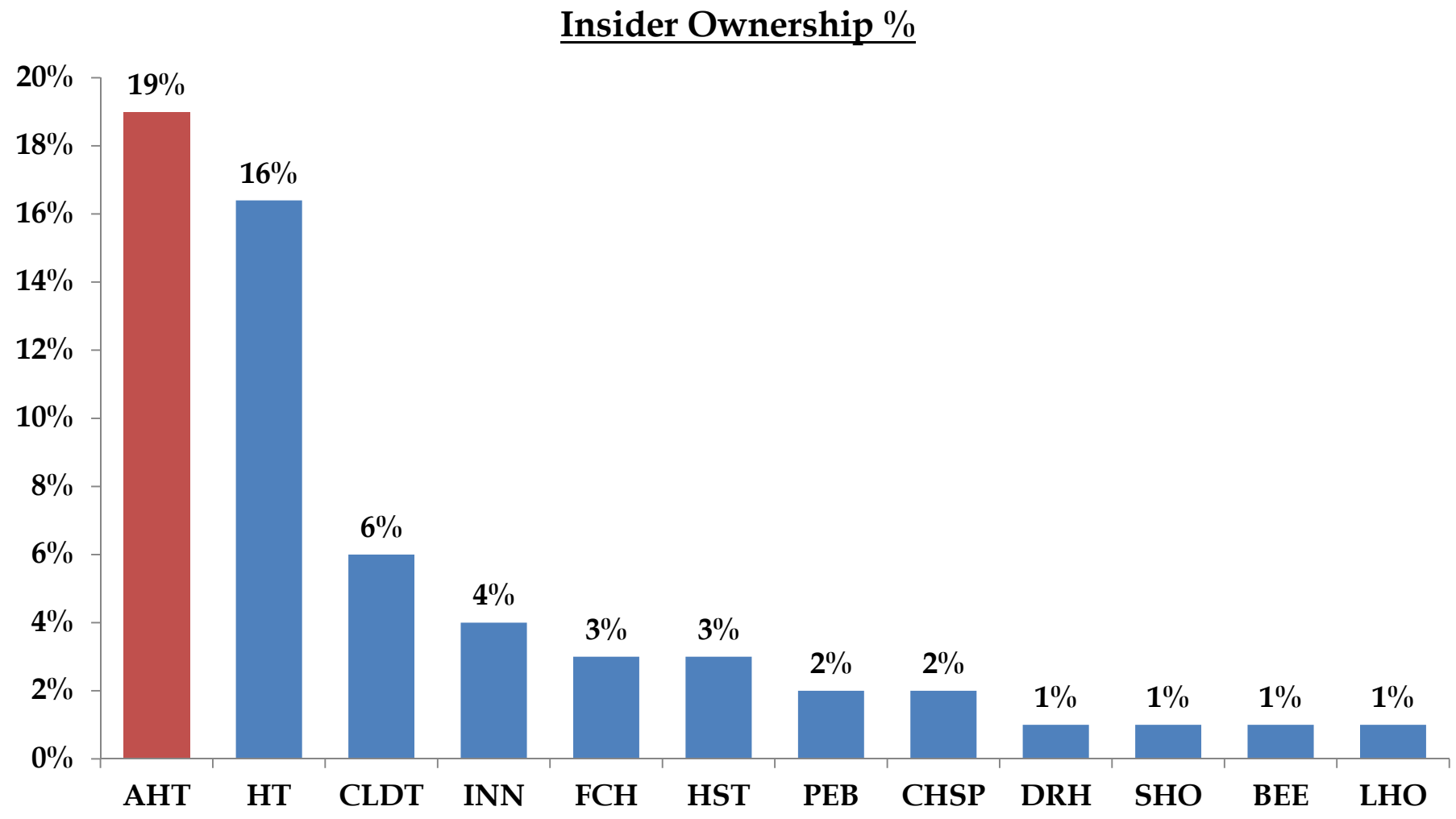
- Given the material reduction in our common share count, Ashford is well positioned to cover and potentially grow its dividend

AFFO Per Share / Dividend Coverage





Most Highly-Aligned Management Team

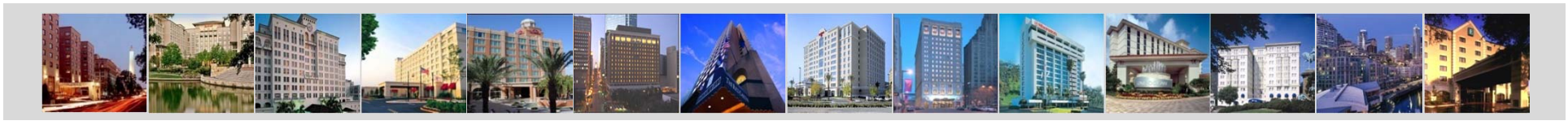


Source: 2011 Proxy Filings

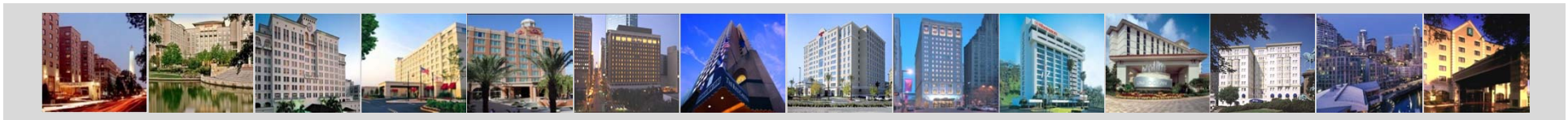


Ashford Overview

- Favorable macro market dynamics
- Focused portfolio, positioned for growth
- Proactive debt and equity capital market strategies
- Outperformance
- High insider ownership



HIGHLAND TRANSACTION UPDATE



Highland Portfolio



Hilton Parsippany



Renaissance Palm Springs



The Melrose – Washington, DC



Marriott DFW Airport



Hyatt Regency Wind Watch



Marriott Plaza San Antonio



Boston Back Bay Hilton



Hilton Tampa Westshore



Renaissance Nashville



Marriott Sugar Land



Hyatt Regency Savannah



Ritz-Carlton Atlanta



Westin Princeton



Renaissance Portsmouth



The Silversmith - Chicago



Highland Transaction Summary

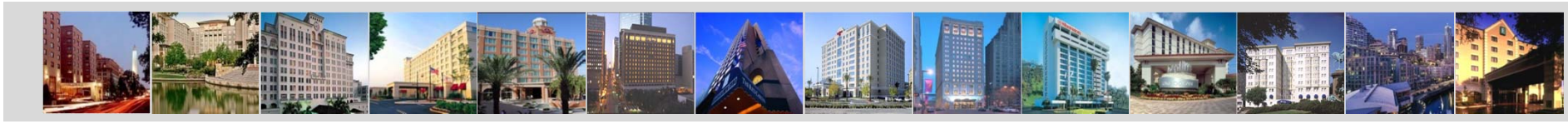
Transformational 28-hotel, $1.3 billion acquisition with 8,084 rooms

Primarily upper-upscale and luxury full-service assets

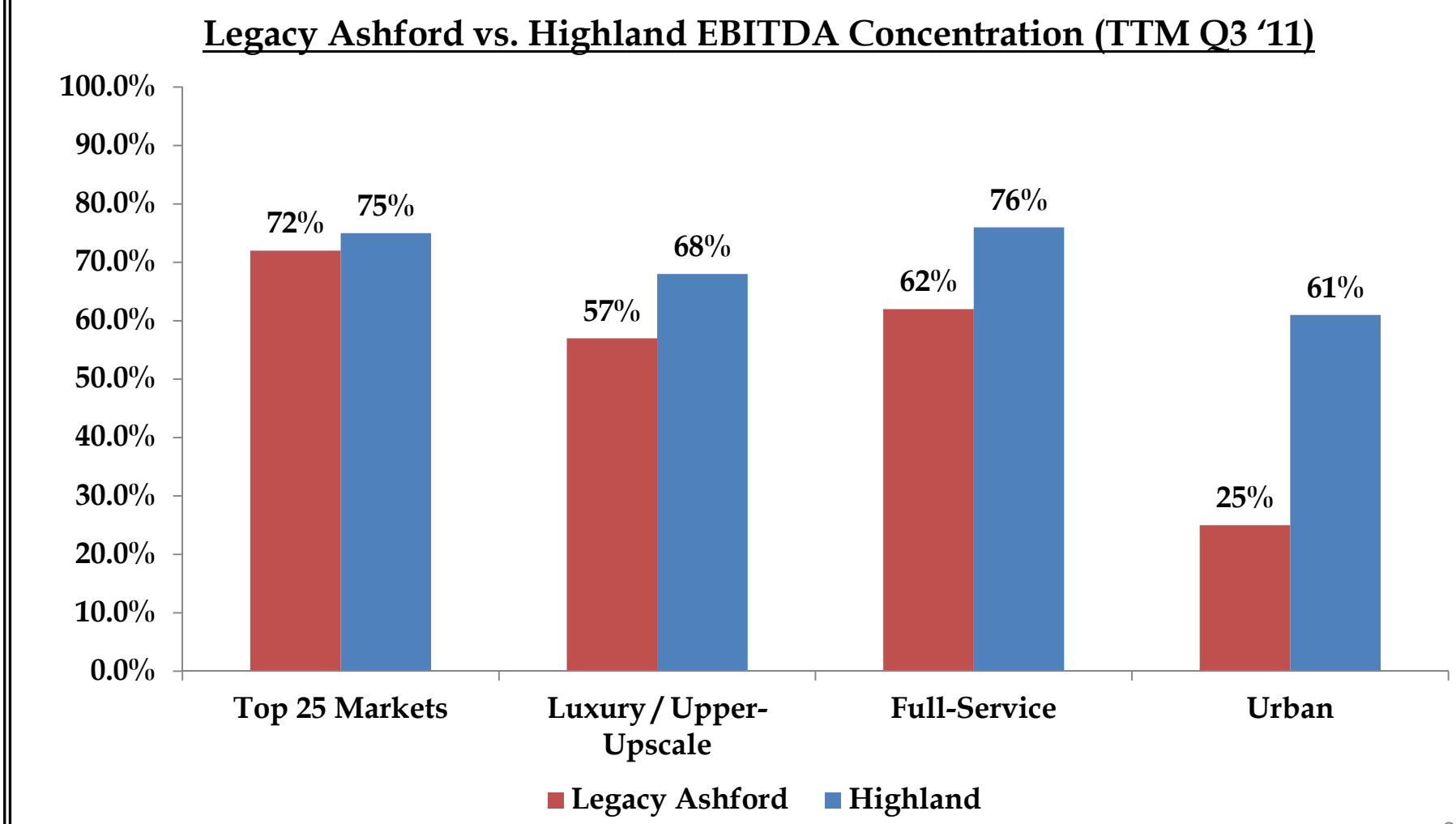
Expands Ashford's presence in key markets (Washington D.C and NY/NJ) and into new markets (Boston and Nashville)

Significant growth potential with affiliate manager Remington taking over management of 17 hotels

2010 EBITDA flows of 18% vs. AHT's of 104% and NOI 36% below peak



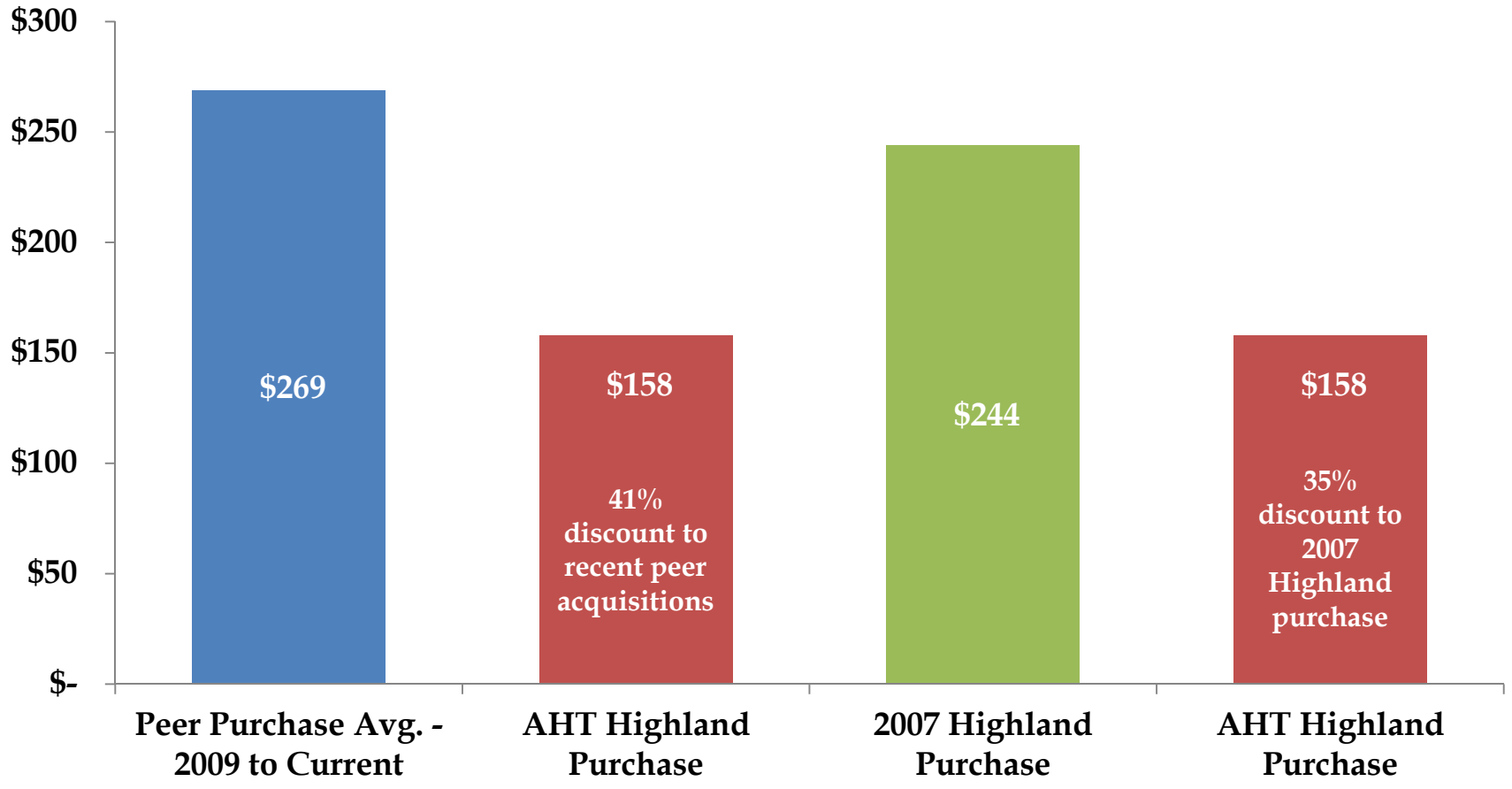
Portfolio Upgrade





Price Per Key Comparison

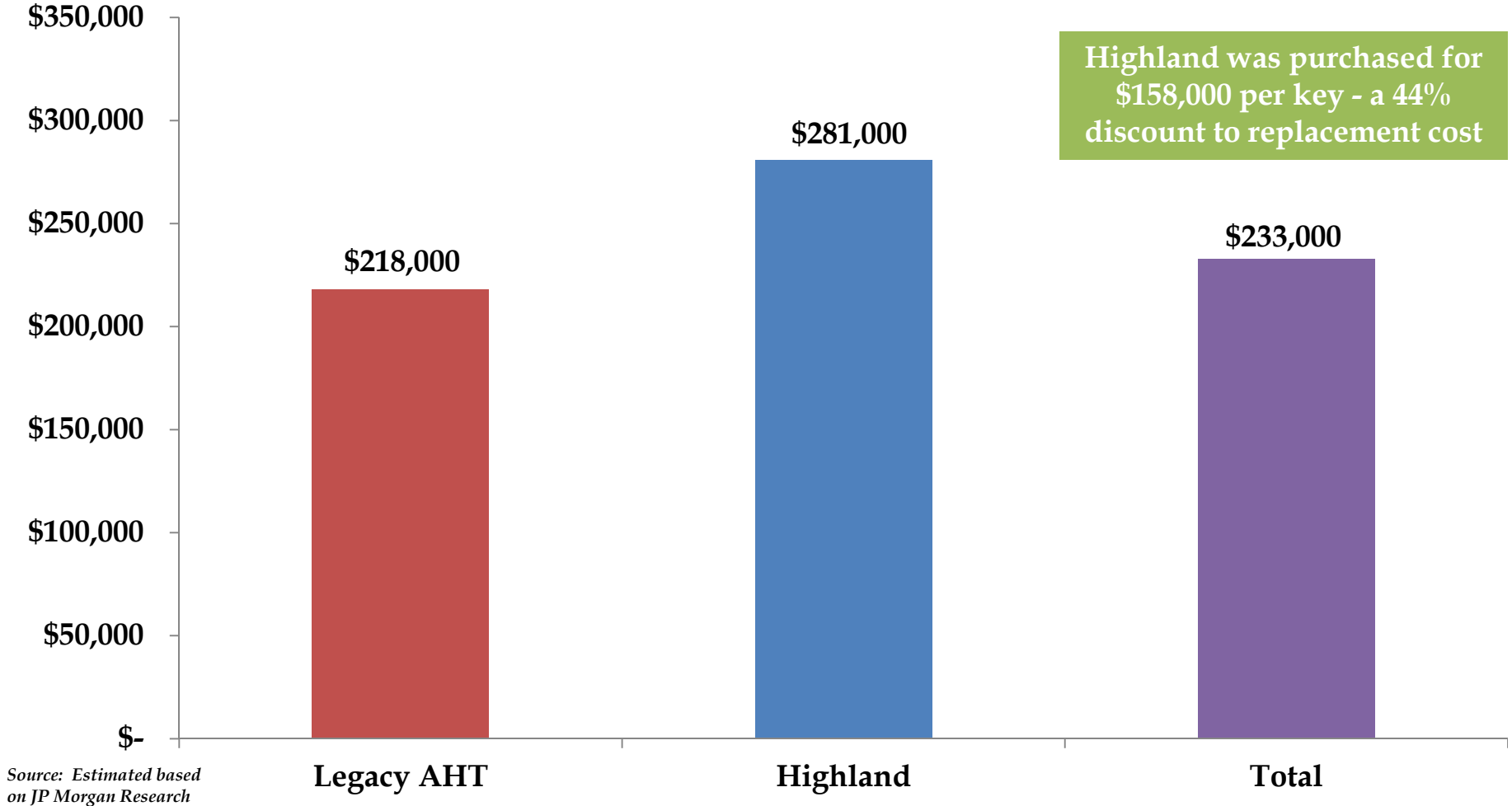
Highland Purchase Price Per Key Comparison ($ Thousands)



Source: Real Capital Analytics & company filings.



Replacement Cost per Key



Source: Estimated based on JP Morgan Research Report



Highland Operational Goals

- When we took over the portfolio there were <u>two primary operational goals</u>:

Put cost structures in place to achieve maximum operating flow throughs

- The portfolio was seriously neglected when we took over
- We felt confident that the Remington-managed properties were going to put in significant cost cuts
- We also wanted to see significant improvement in the brand-managed properties even though no manager change was occurring

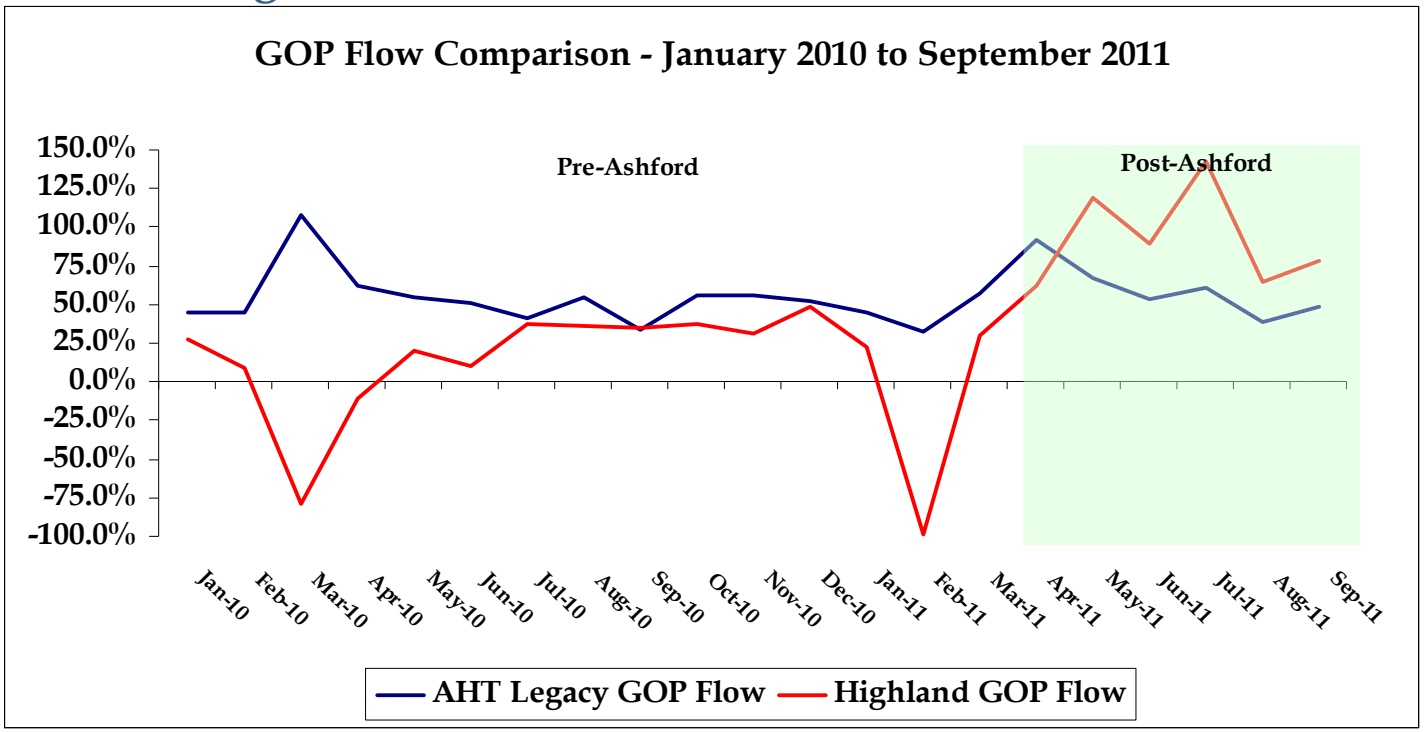
Improve the non-brand managed properties RevPAR Yield Index

- The sales forces of the non-brand managed properties were decimated
- Remington had to fill nearly 2 dozen sales positions across the portfolio
- Our expectation was to see positive RevPAR yield growth sometime in the 4Q '11 or 1Q '12

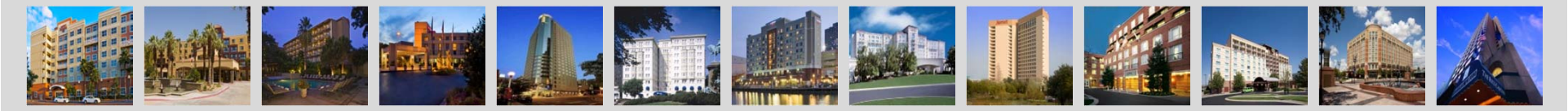


Highland Portfolio - GOP Flow Comparison

- Ashford's Asset Management and Remington's combined expertise have enabled our legacy portfolio to outperform while Highland consistently lagged benchmark goals until we took over in March 2011

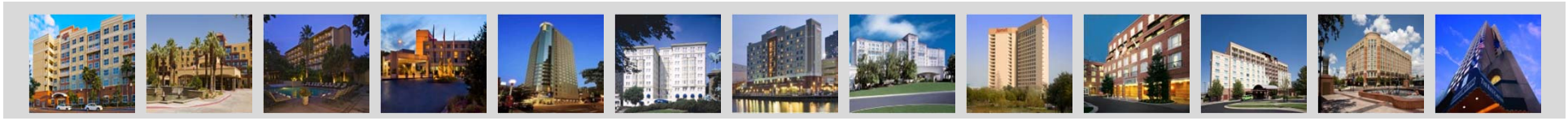


GOP Flow	2010	1st Qtr 2011	2nd Qtr 2011	3rd Qtr 2011
	0.2%	8.8%	94.6%	78.6%



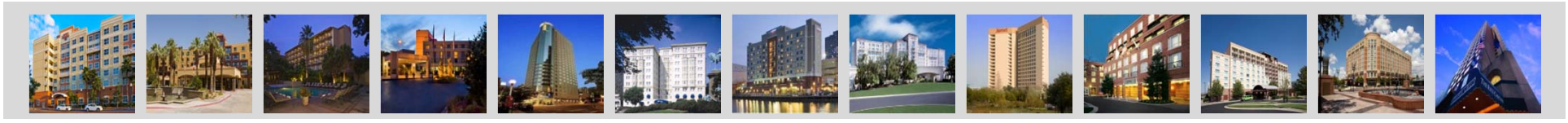
Highland Portfolio - Year Over Year Comparisons

	GOP Margin Change BPS	GOP Flow
1st Quarter	<95> Pre-Ashford	8.8% Pre-Ashford
2nd Quarter	218 Post-Ashford	94.6% Post-Ashford
3rd Quarter	280 Post-Ashford	78.6% Post-Ashford



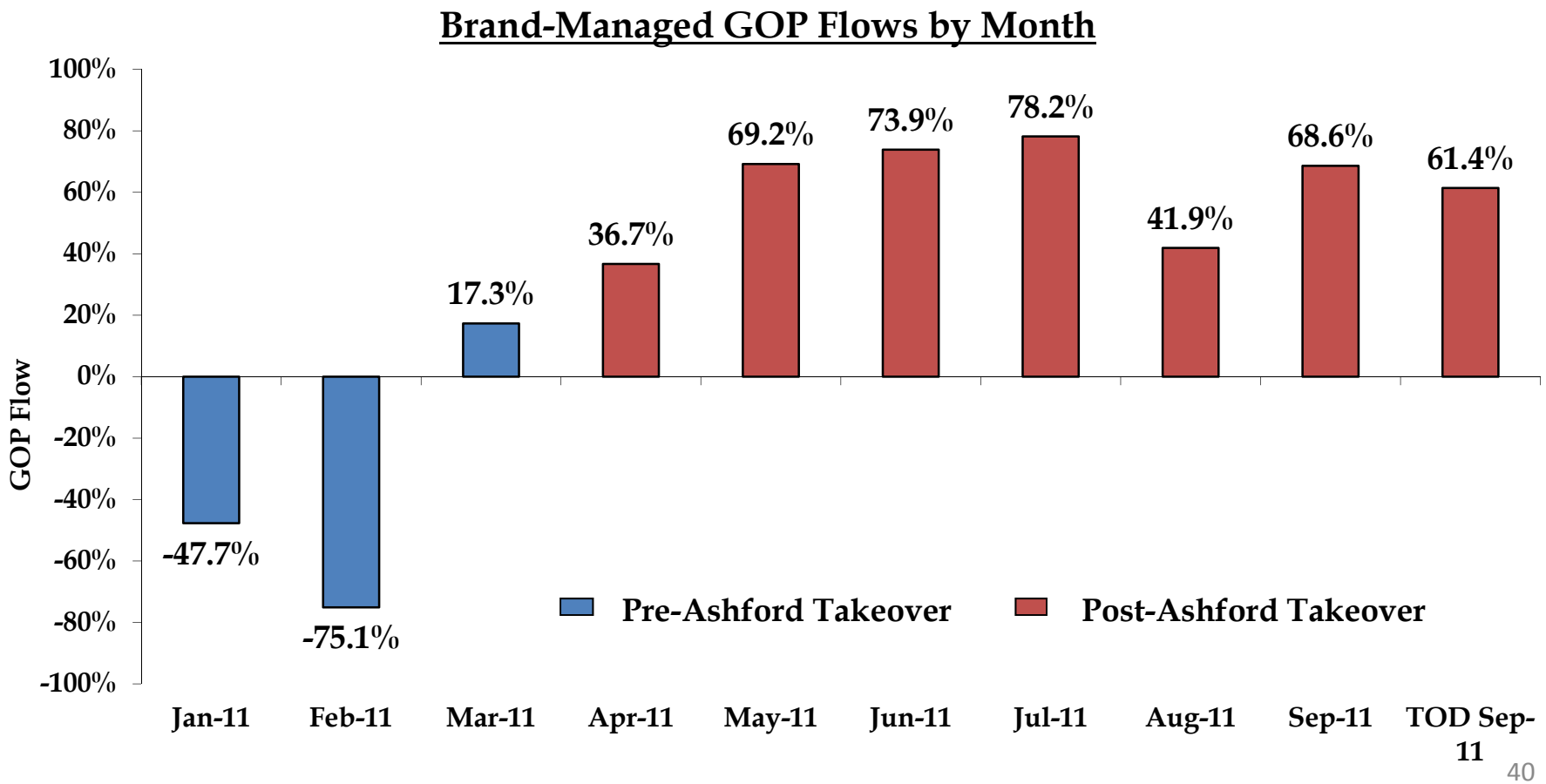
Highland Portfolio – Performance by Manager

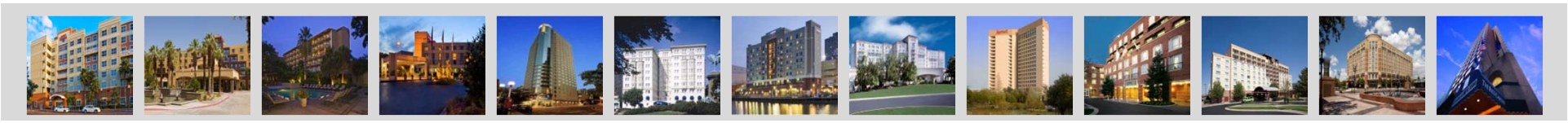
	GOP Margin Change BPS	GOP Flow
3rd Quarter	366 Remington	93.3% Remington
3rd Quarter	199 Non-Remington	58.7% Non-Remington



Highland Portfolio - GOP Flow Comparison

- **Brand-managed properties have also shown significant flow improvement due to Ashford asset management expertise**





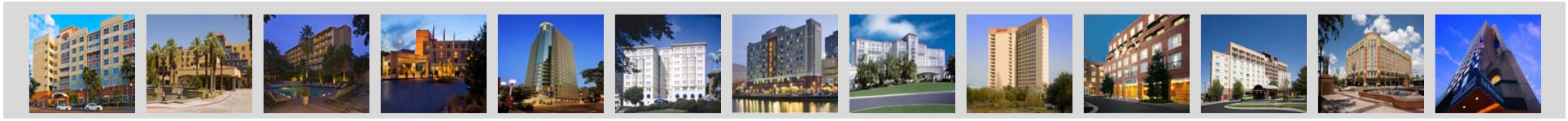
Case Study – Crowne Plaza Ravinia



Financial Statistics	TOD 2011
ADR Growth	3.1%
Occupancy Growth	-4.2%
RevPAR Growth	-1.2%
GOP Margin Improvement	775 bps
GOP Flow	238%
Comp Set Rank	5 of 8

- Eliminated 6 managerial/supervisory positions
- Despite RevPAR decrease, banquet and catering sales are up significantly (~ $1.0m) due to aggressive selling efforts
- Since takeover, property has achieved $567K GOP $ surplus over AHT metric despite 1.2% RevPAR decline

Definite Bookings	2011	2012
At Takeover	<21%>	<28%>
As of 11/04/11	<4%>	23%

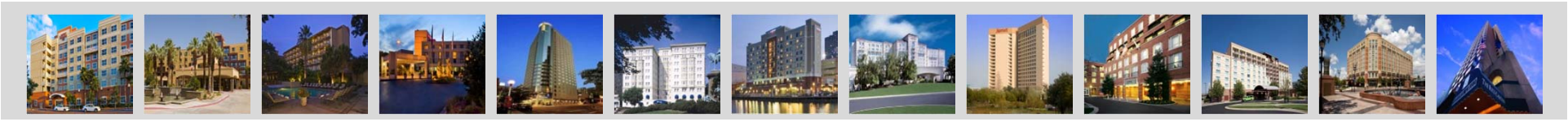


Case Study – Hyatt Savannah



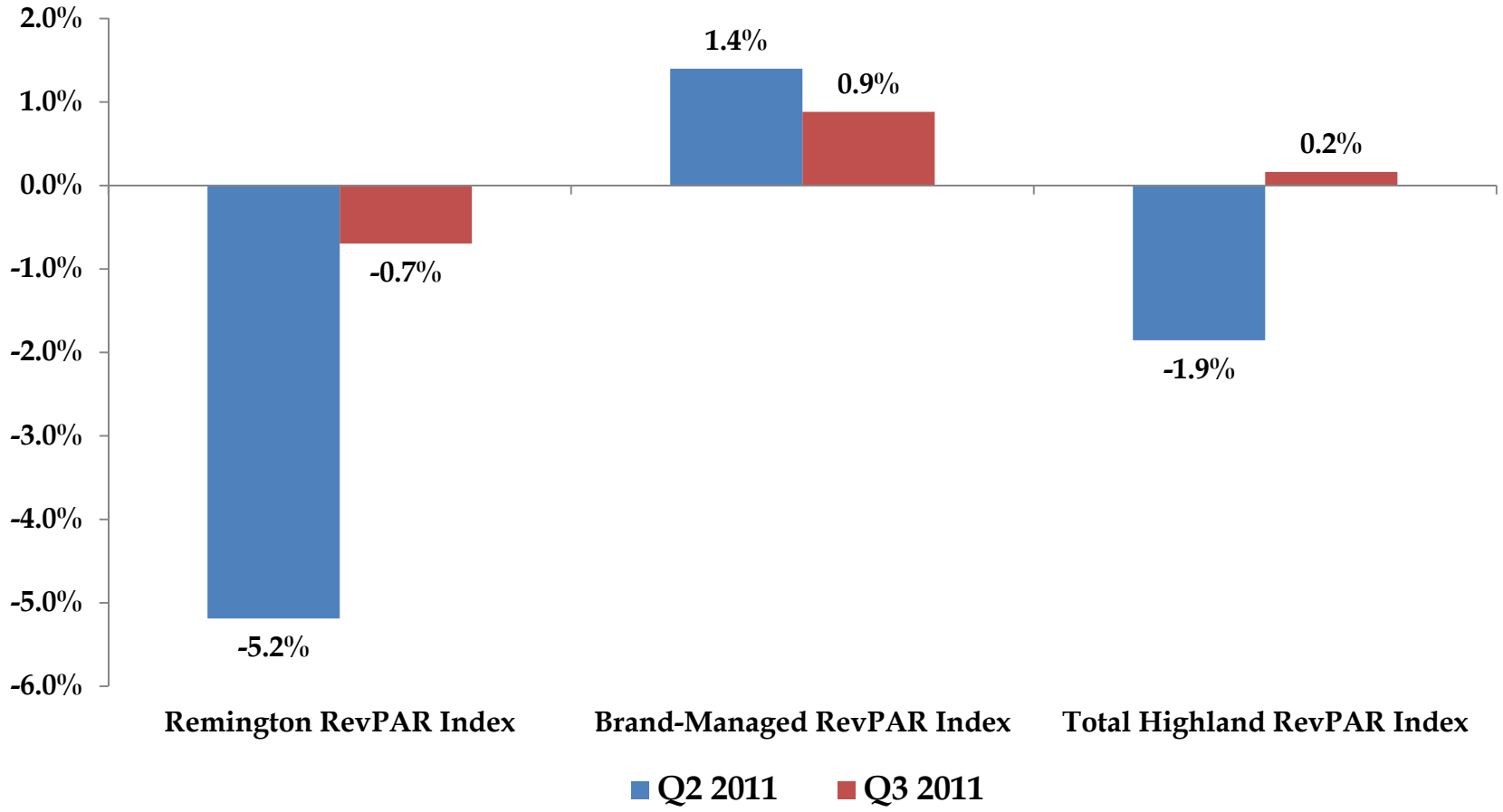
Financial Statistics	TOD 2011
ADR Growth	-4.5%
Occupancy Growth	-0.6%
RevPAR Growth	-3.9%
GOP Margin Improvement	7 bps
GOP Flow	67.9%
Comp Set Rank	1 of 6

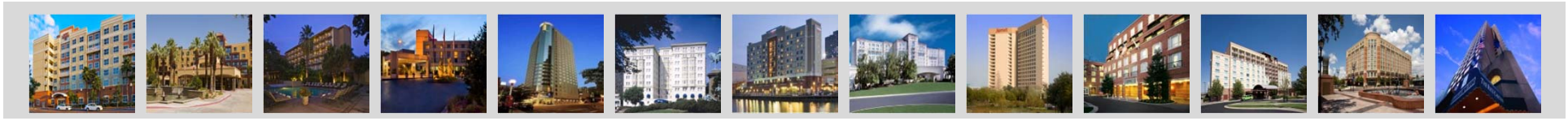
- Since takeover, property has achieved $74K GOP $ surplus over AHT metric despite -2.9% revenue decline
- Asset Management team in collaboration with Hyatt has identified ~$375K annualized savings
  - Eliminated 5 supervisory/management positions since takeover
  - Increased usage of contract labor
- For the month of October, property has achieved 133.7% GOP flow with 745 bps GOP margin improvement



Remington RevPAR Index Improvement

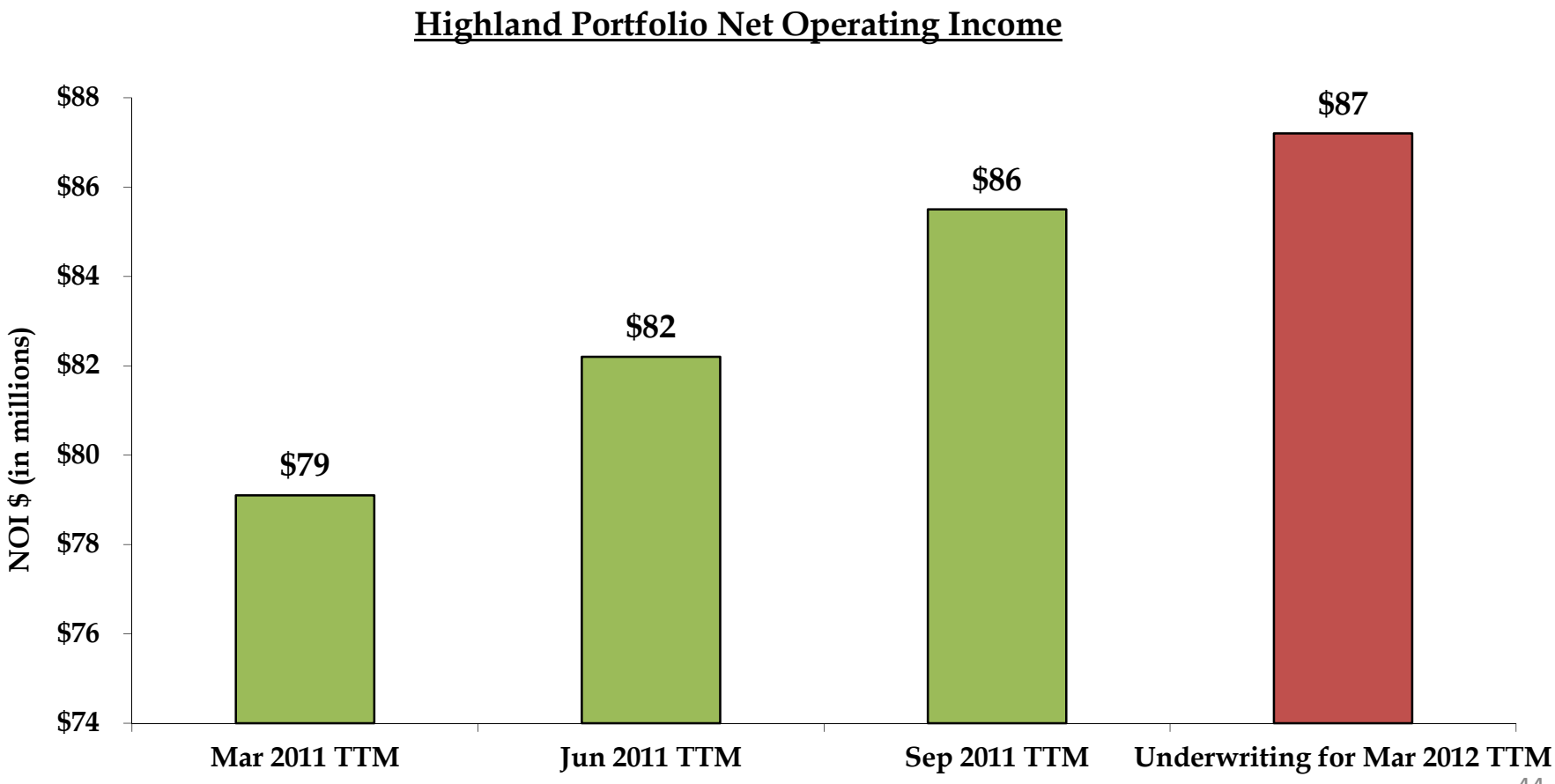
- RevPAR for Remington-managed properties is improving sooner than expected and is beginning to more closely match brand-managed properties

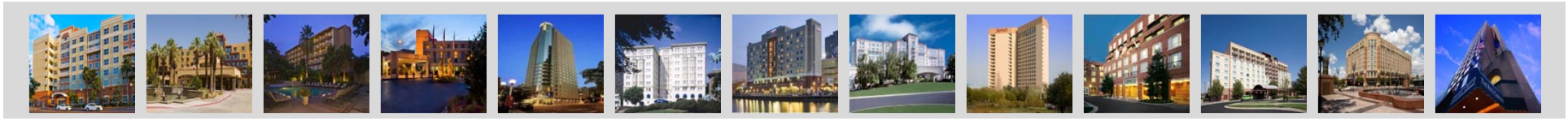




Highland Portfolio NOI

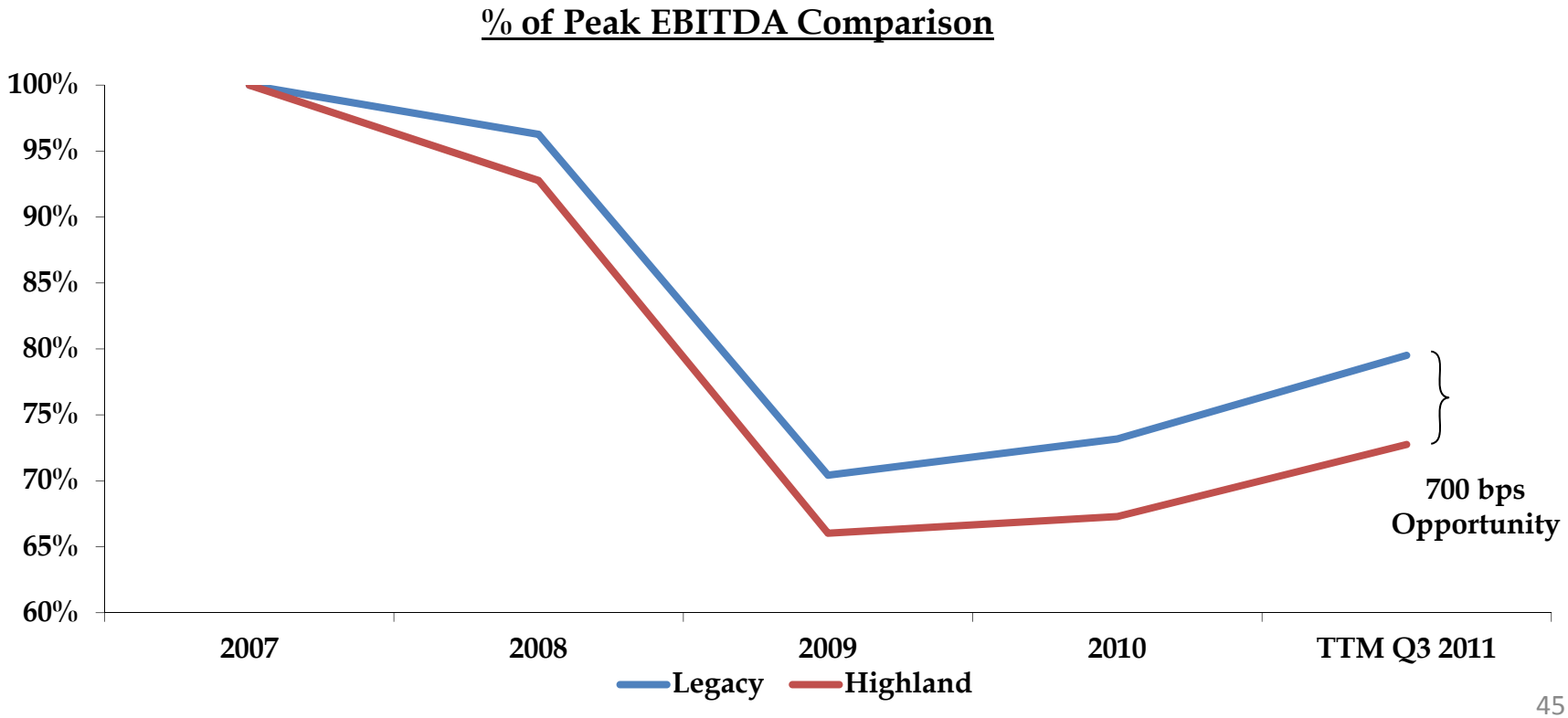
- **Highland NOI is exceeding expectations, currently at 88% of first 12 months underwriting growth in only six months' time**

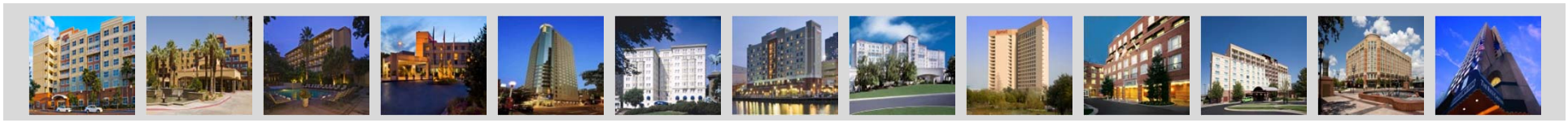




Significant Operational Upside

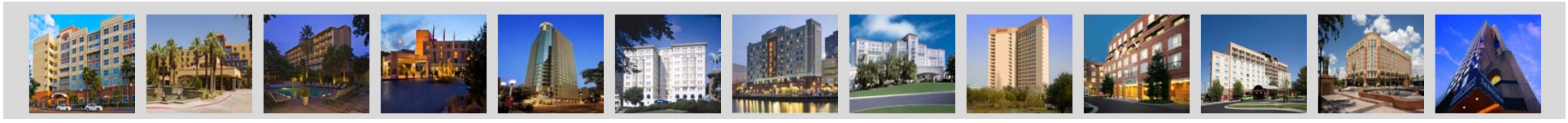
- If Highland's EBITDA was the same % of its peak level as our legacy portfolio, its EBITDA would be almost $10 million higher
- This would equate to about an additional $1.40 in share price at a 12x EBITDA multiple





Key Capex Renovations

Property	Project	Scheduled Start Date	Budget
Courtyard Denver	Lobby Bistro	Completed in Q2'11	$875,000
Hyatt Windwatch	Exterior Façade	In progress	$1,400,000
Marriott Omaha	Lobby & Restaurant	Early November	$1,350,000
The Churchill	Lobby & Restaurant	Mid-November	$871,000
The Melrose	Guestrooms & Public Space	Late-November	$8,050,000
Courtyard Savannah	Guestrooms & Bistro Lobby	Early-December	$2,475,000
Marriott San Antonio	Guestrooms & Corridors	Mid-December	$3,815,000
Courtyard Boston Tremont	HVAC	January-February	$5,781,000
Hilton Boston Back Bay	66 Guestrooms & Meeting Space	February	$2,160,000
Ritz-Carlton Atlanta	Meeting Space	February	$757,000
HGI Virginia Beach	Guestrooms & Corridor	Q1 2012	$2,000,000
The Silversmith	Guestrooms & Public Space	Q2 2012	$5,000,000
Marriott DFW	Restaurant Renovation	On Hold for Repositioning	$750,000



Case Study – CY Denver Lobby Bistro

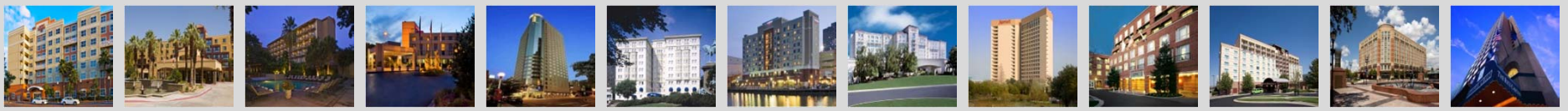






GSS Lobby Rankings		
2009	Pre-Renovation	510 out of 780
2010	Pre-Renovation	560 out of 808
1H 2011	During Renovation	771 out of 818
2H 2011	Post-Renovation	263 out of 819

- Courtyard Bistro Lobby renovation was completed in Q2 2011
- Lobby GSS scores improved greatly from previous years
- Q3 2011 RevPAR index was up to 108.7 from 104.5 in Q3 2010

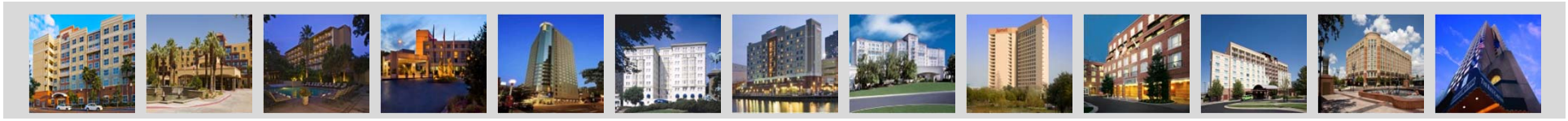


Case Study – Melrose Hotel



Financial Statistics	TTM Q3 2011
ADR	$161.29
Occupancy	75.9%
RevPAR	$122.45
NOI	$3.6m
Peak NOI (2007)	$6.2m
RevPAR Index	84.7%
Comp Set Rank	7 of 7

- Last renovation in 2002
- RevPAR Index dropped from 101.4% in 2007 to 83.6% YTD September 2011
- Location on Pennsylvania Ave. adjacent to Georgetown and 8 blocks from White House and National Mall
- Over sized rooms of average 425 sq. ft. with 35 suites
- Good curb appeal despite current condition
- Underutilized street-level restaurant and bar space
- Planned $8.1m renovation to address all aspects of hotel



Highland Transaction Conclusion

We purchased a remarkable portfolio for nearly half of its replacement cost and materially below what our peers are paying for assets

We have made significant progress in achieving operational flow throughs and pushing RevPAR yield index

In only six months' time our asset management group has managed to achieve nearly 90% of its 1st year NOI target

The Highland portfolio is off its peak substantially more than our legacy portfolio, providing us with additional upside

Our strategic capex will help realize additional upside potential



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