









ASHFORD HOSPITALITY TRUST

Investor & Analyst Day – May 2013

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Introduction

Deric Eubanks

Senior Vice President - Finance

Safe Harbor







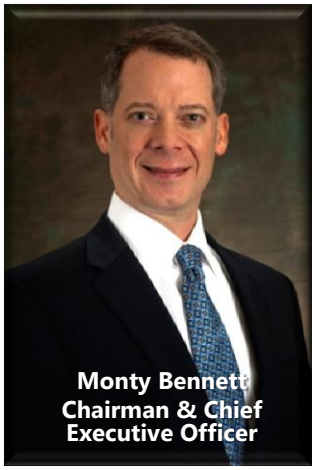

In keeping with the SEC's "Safe Harbor" guidelines, certain statements made during this presentation could be considered forward-looking and subject to certain risks and uncertainties that could cause results to differ materially from those projected. When we use the words "will likely result," "may," "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.

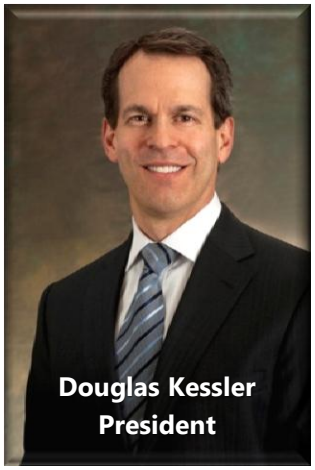
These forward-looking statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated including, without limitation: general volatility of the capital markets and the market price of our common stock; changes in our business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

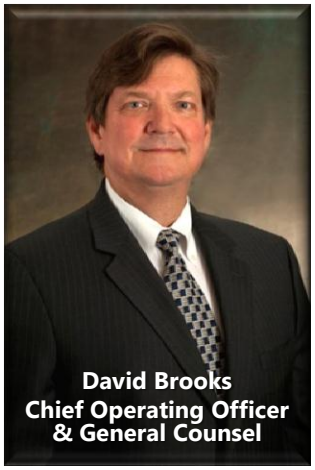
EBITDA is defined as net income before interest, taxes, depreciation and amortization. EBITDA yield is defined as trailing twelve month EBITDA divided by the purchase price. EBITDA, FFO, AFFO, CAD and other terms are non-GAAP measures, reconciliations of which have been provided in prior earnings releases and filings with the SEC.

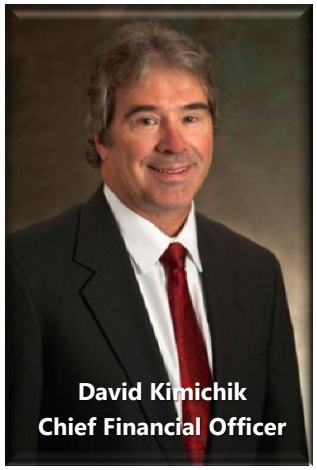
This overview is for informational purposes only and is not an offer to sell, or a solicitation of an offer to buy or sell, any securities of Ashford Hospitality Trust, Inc. and may not be relied upon in connection with the purchase or sale of any such security.

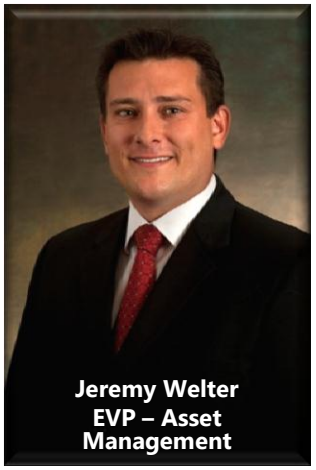
Management Team Attending


Monty Bennett
Chairman & Chief Executive Officer

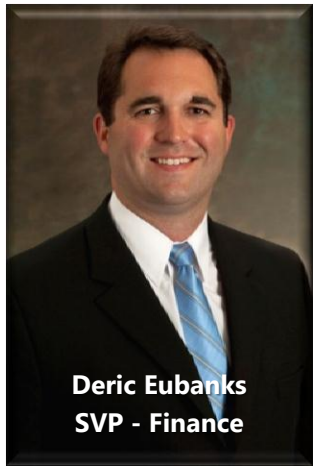

Douglas Kessler
President


David Brooks
Chief Operating Officer & General Counsel


David Kimichik
Chief Financial Officer


Jeremy Welter
EVP – Asset Management


Rob Hays
SVP – Corp. Finance & Strategy


Deric Eubanks
SVP - Finance













Timeline



9:05 to 9:45am

Economy, Industry & Company Overview

Monty Bennett, Chairman & Chief Executive Officer



9:45 to 9:55am

Management Team Overview

David Brooks, Chief Operating Officer & General Counsel



9:55 to 10:05am

Capital Structure & Balance Sheet Update

David Kimichik, Chief Financial Officer

10:05 to 10:15am

Coffee Break & Sign-up for 1-on-1 Meetings













Timeline



10:15 to 10:25am

Risk & Return

Rob Hays, Senior Vice President-Corporate Finance /Strategy



10:25 to 10:45am

Asset Management Overview

Jeremy Welter, Executive Vice President - Asset Management



10:45 to 11:00am

Recent Acquisitions & Highland Update

Doug Kessler, President

11:00 to 11:30am

Question & Answer Session

Management Team

11:30 to 12:30pm

Lunch with Management




















Presentation Overview

Monty Bennett

Chairman & Chief Executive Officer

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Presentation Overview

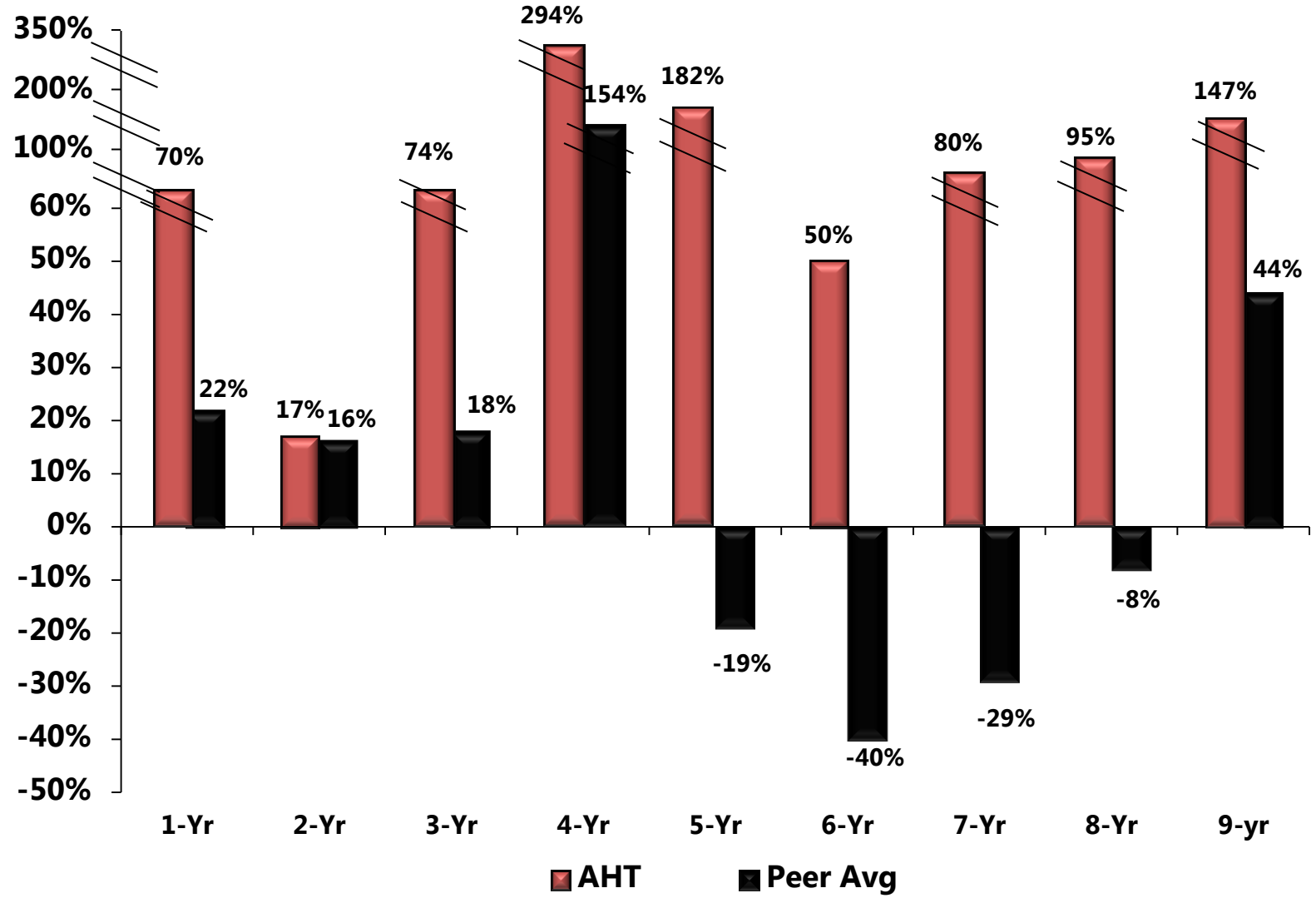
- Ashford has delivered superior shareholder returns
- There is still significant upside remaining in this lodging cycle
- Ashford has a strong, covered dividend and invests in hard assets with inflation protection
- Ashford has demonstrated capital markets skill throughout cycles
- Ashford management team's results and depth of experience exceed peers








Total Shareholder Return















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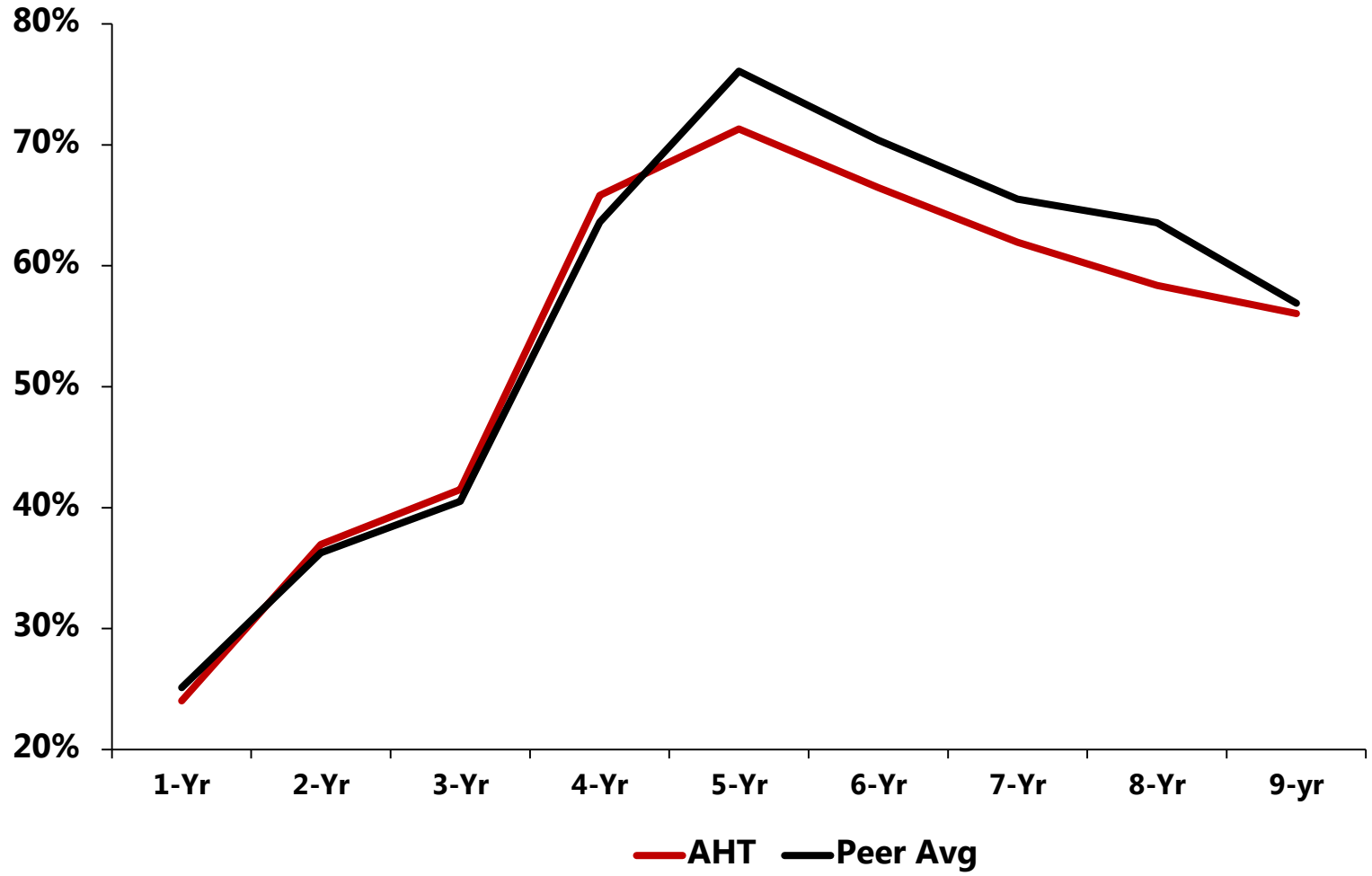
Peer average includes: BEE, CHSP, CLDT, DRH, FCH, HST, HT, INN, LHO, PEB, RLJ, SHO
Trailing Total Shareholder Returns as of 5/9/13
Source: Bloomberg

Total Shareholder Return - Volatility

- Ashford's volatility has been lower than the peer average










Peer average includes: BEE, CHSP, CLDT, DRH, FCH, HST, HT, INN, LHO, PEB, RLJ, SHO
Trailing Volatility as of 5/9/13
Source: Bloomberg

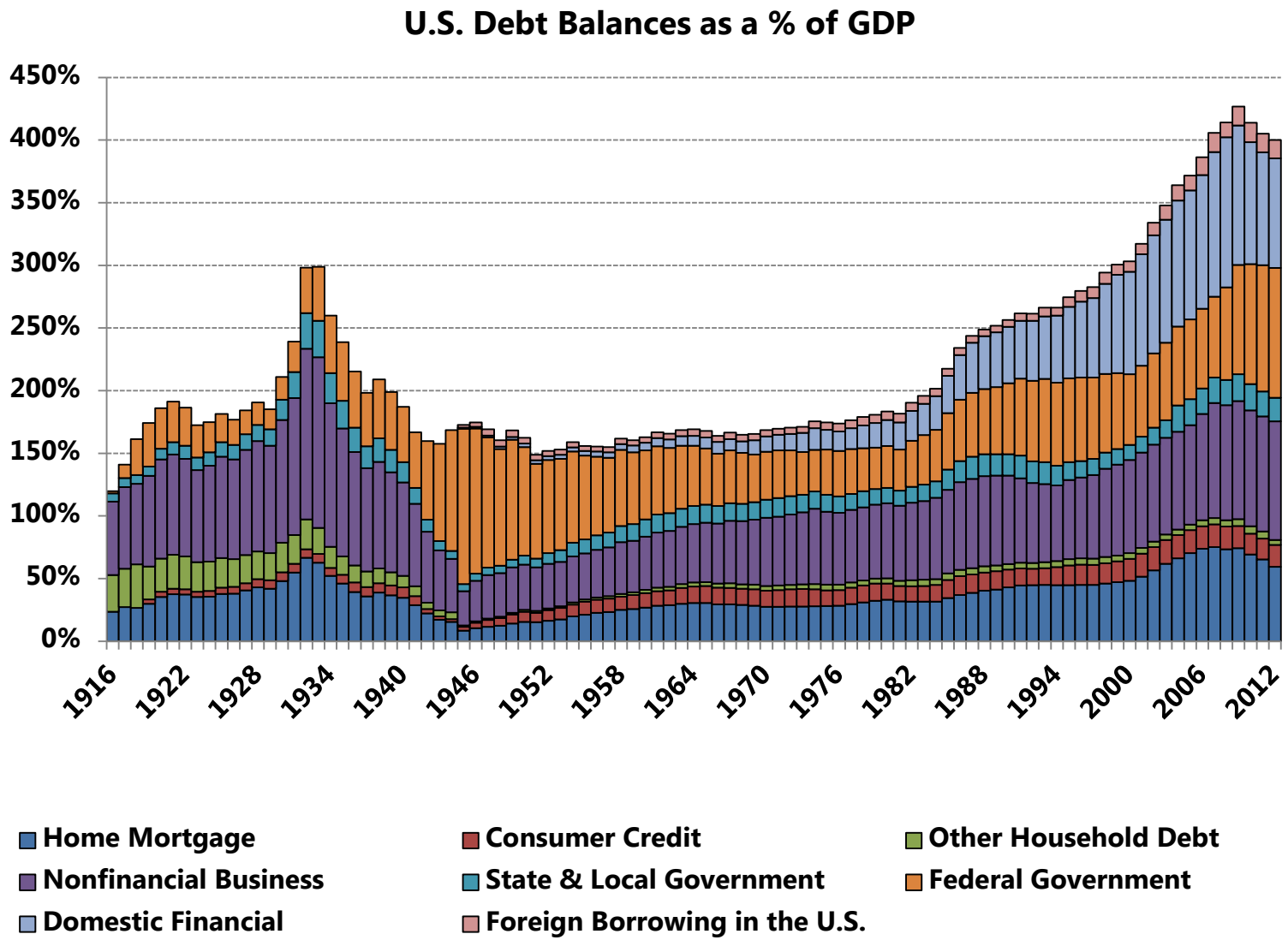
Economic & Industry Overview








Historical US Debt Balances



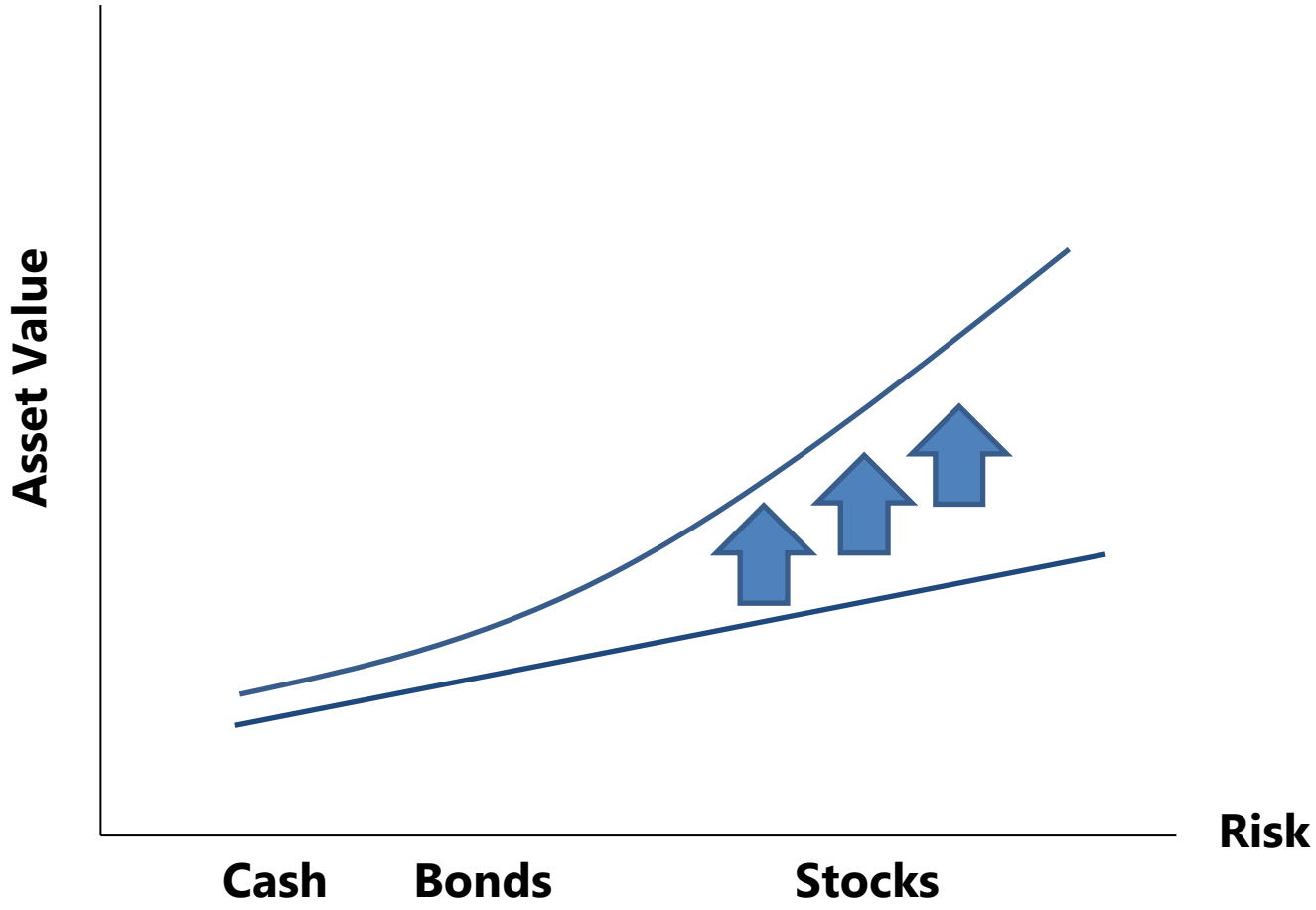







Impact of Quantitative Easing

- Quantitative Easing is pushing up asset values

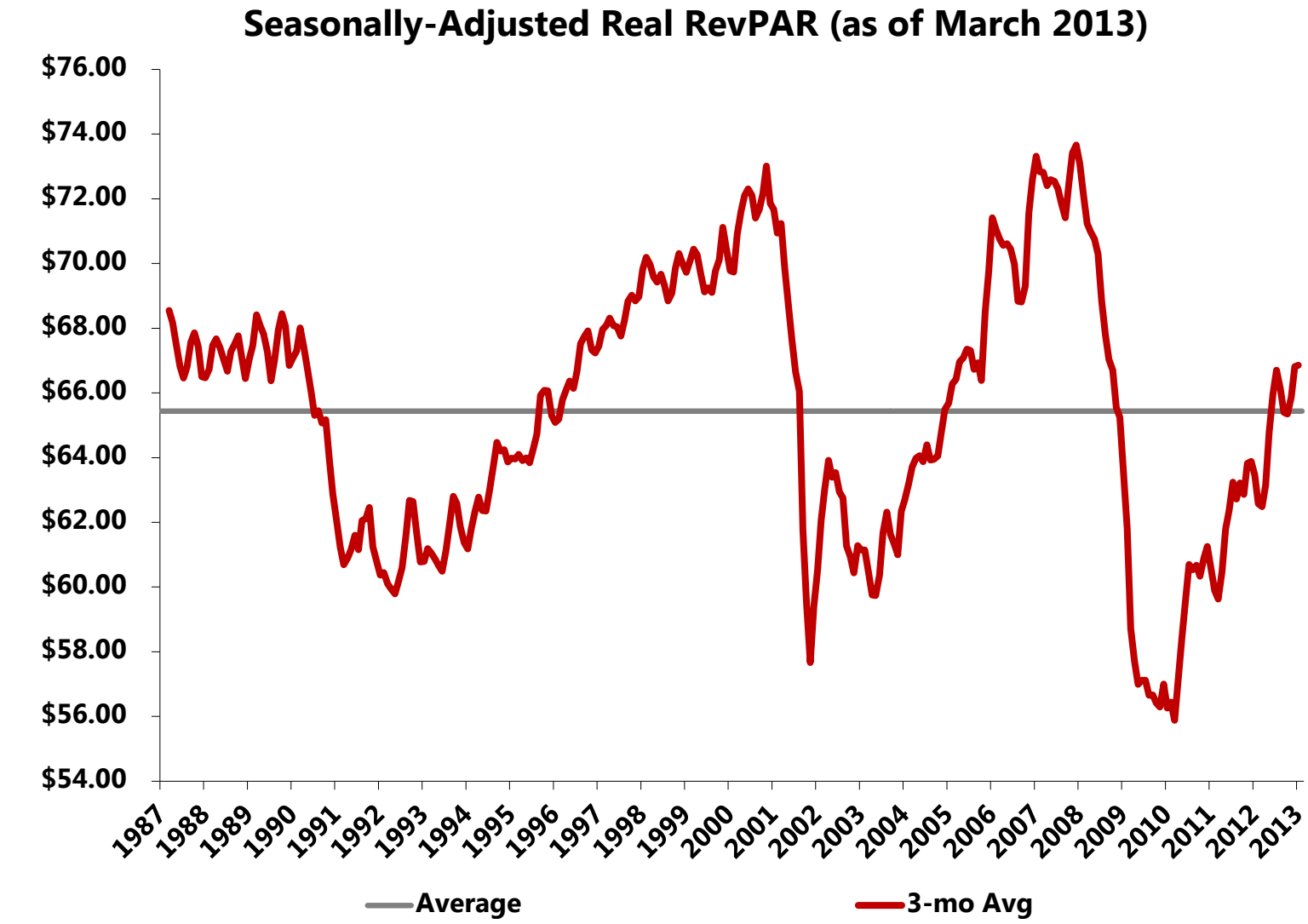









Real RevPAR Growing









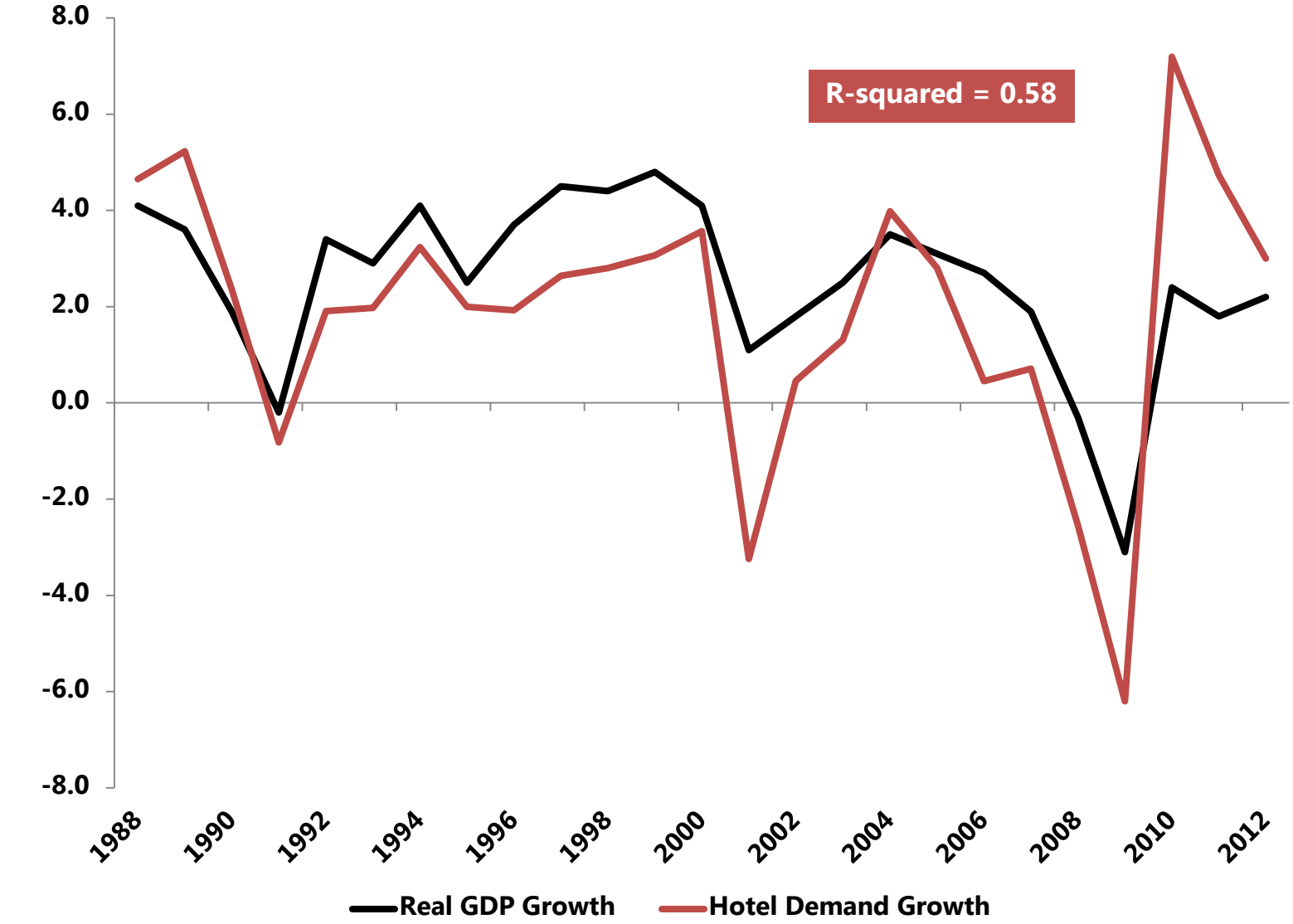






Source: U.S. Dept. of Commerce: BEA & Historical Statistics of the United States: - Cambridge

Hotel Demand Driven by Economy







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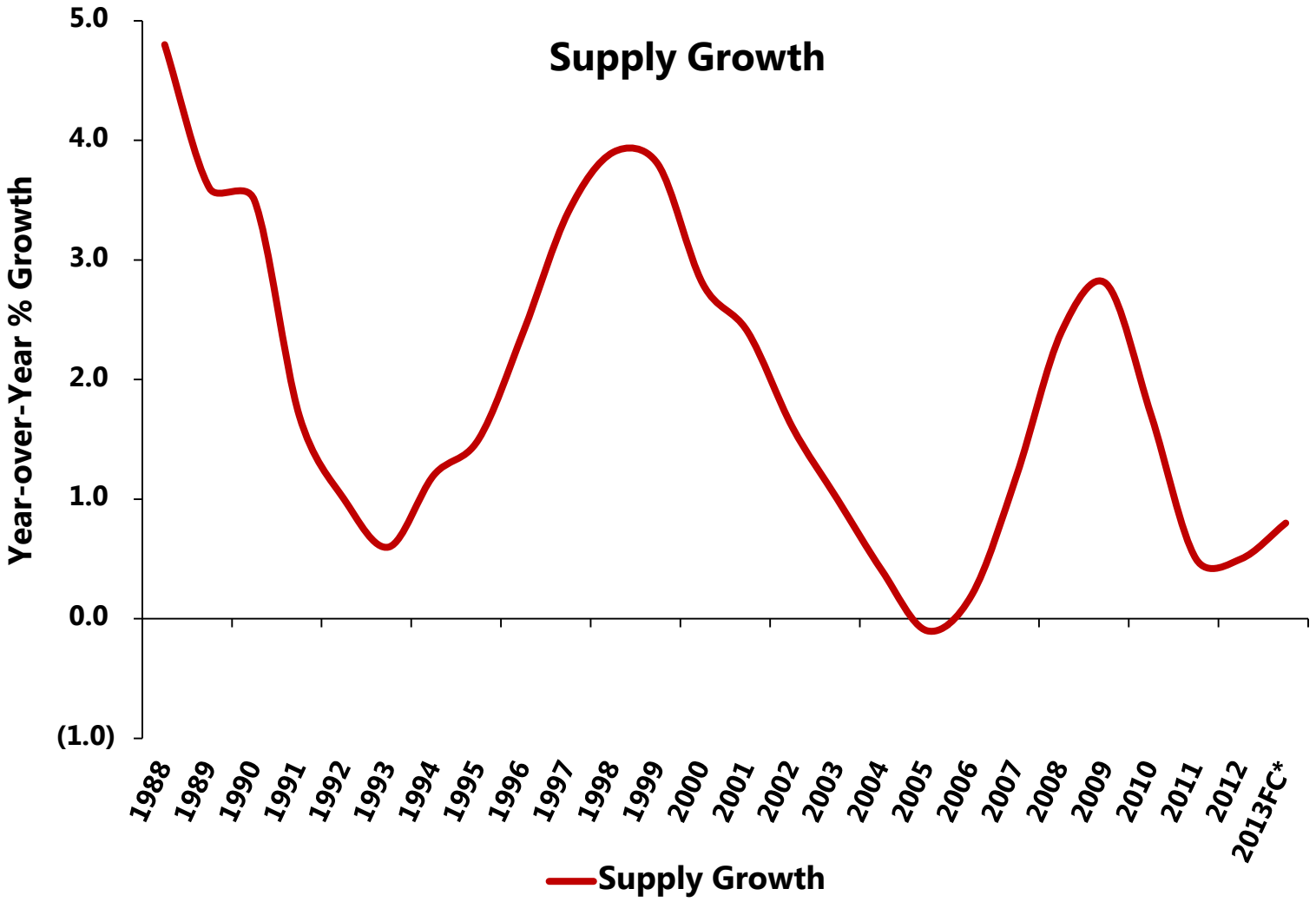
Source: Smith Travel Research & U.S. Dept. of Commerce: BEA

Historically Low Supply Growth





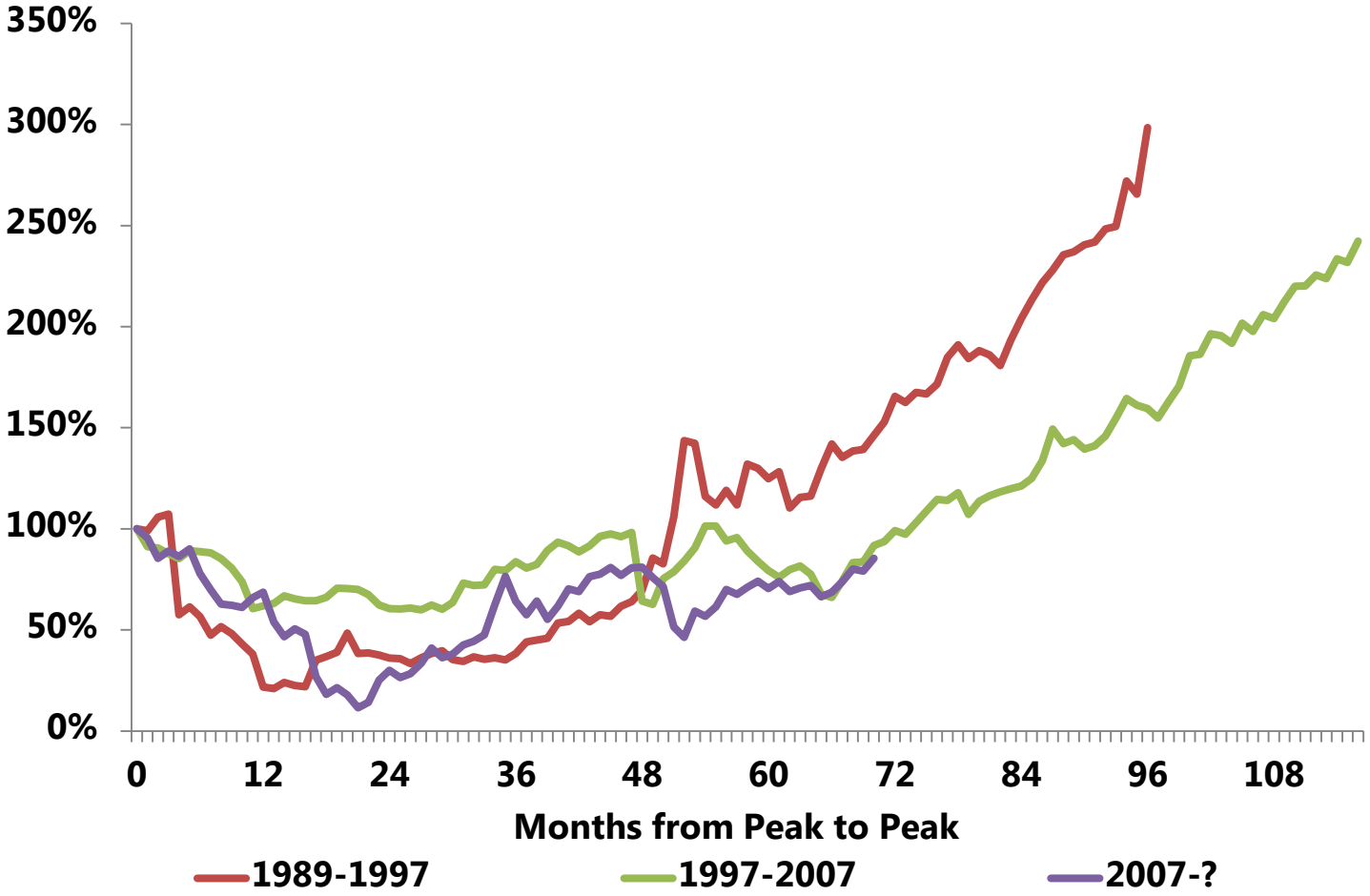





Source: Smith Travel Research & PKF
* PKF Forecast

Historical Stock Returns

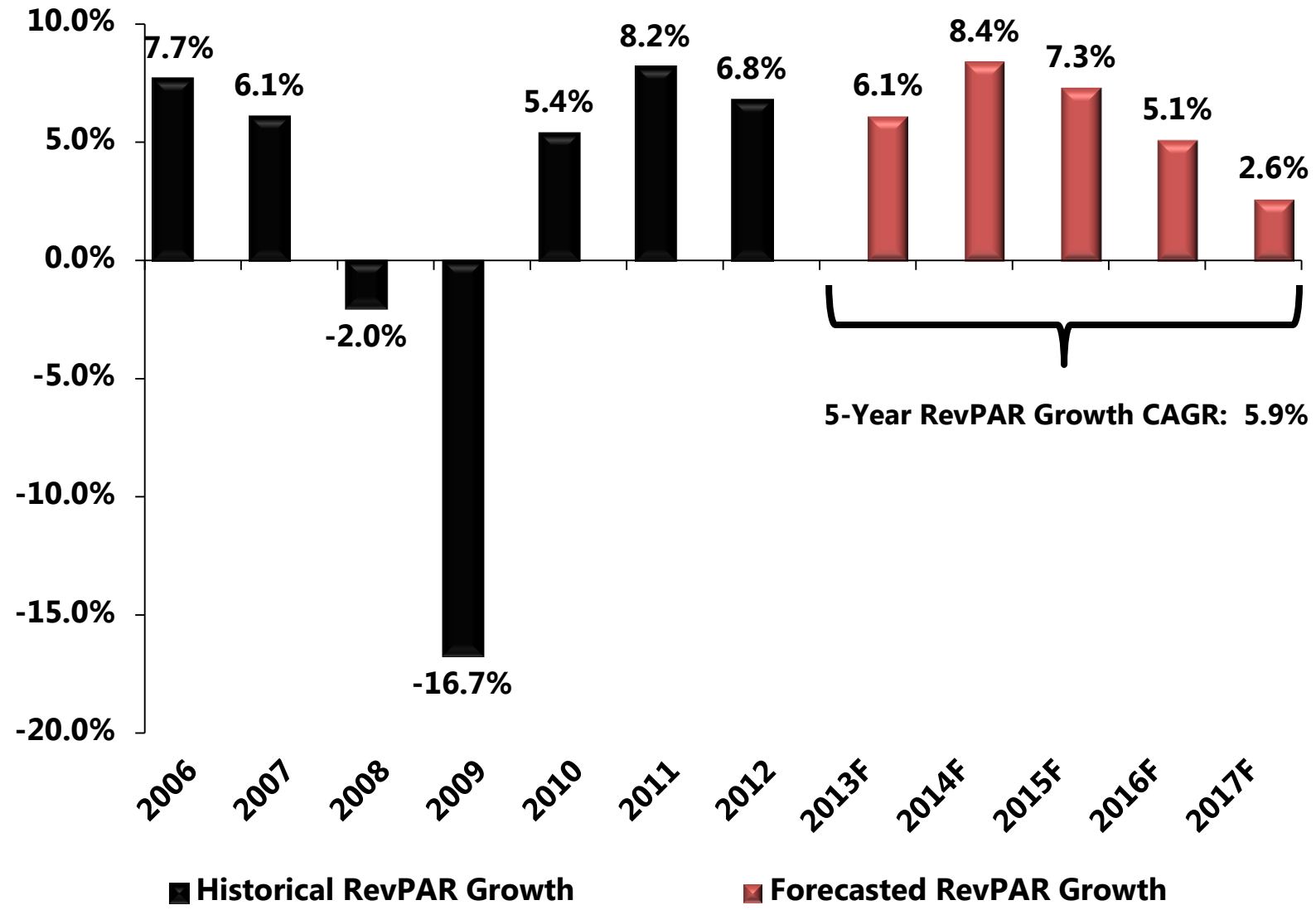
- Historically, attractive returns from this point in the cycle



Index includes AHT, BEE, DRH, FCH, HST, HT, LHO, and SHO.
* Companies are included in the data from the time of their IPO.



RevPAR Forecast - PKF















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Source: Smith Travel Research & PKF

Potential Industry EBITDA Growth Rates

- With strong potential RevPAR gains, those companies with reasonable flow-throughs could experience significant EBITDA growth
- PKF estimates 2-year cumulative EBITDA growth of about 25%*

CUMULATIVE 2-YEAR EBITDA GROWTH

2-YEAR EBITDA FLOW %	COMPOUNDED 2-YEAR REVPAR GROWTH RATE				
	5.0%	**5.5%**	**6.0%**	**6.5%**	**7.0%**
20.0%	8.2%	9.0%	9.9%	10.7%	11.6%
25.0%	10.3%	11.3%	12.4%	13.4%	14.5%
30.0%	12.3%	13.6%	14.8%	16.1%	17.4%
35.0%	14.4%	15.8%	17.3%	18.8%	20.3%
40.0%	**16.4%**	**18.1%**	**19.8%**	**21.5%**	**23.2%**
45.0%	**18.5%**	**20.3%**	**22.2%**	**24.2%**	**26.1%**
50.0%	**20.5%**	**22.6%**	**24.7%**	**26.8%**	**29.0%**
55.0%	**22.6%**	**24.9%**	**27.2%**	**29.5%**	**31.9%**
60.0%	24.6%	27.1%	29.7%	32.2%	34.8%
65.0%	26.7%	29.4%	32.1%	34.9%	37.7%
70.0%	28.7%	31.6%	34.6%	37.6%	40.6%

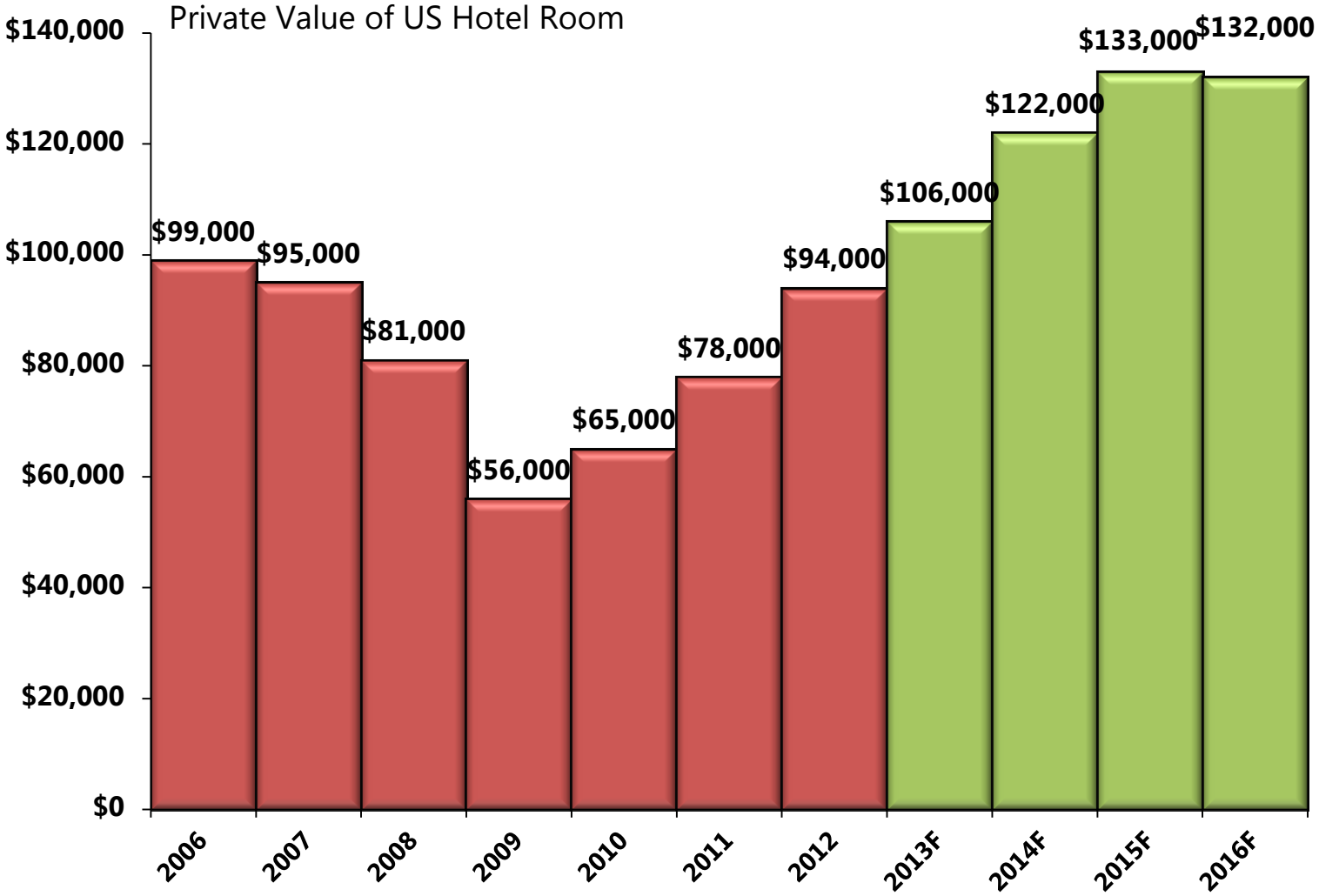







*Based on PKF RevPAR/ADR/Occupancy projections and EBITDA growth resulting from PKF EBITDA change regression equation

Projected Hotel Room Value Growth















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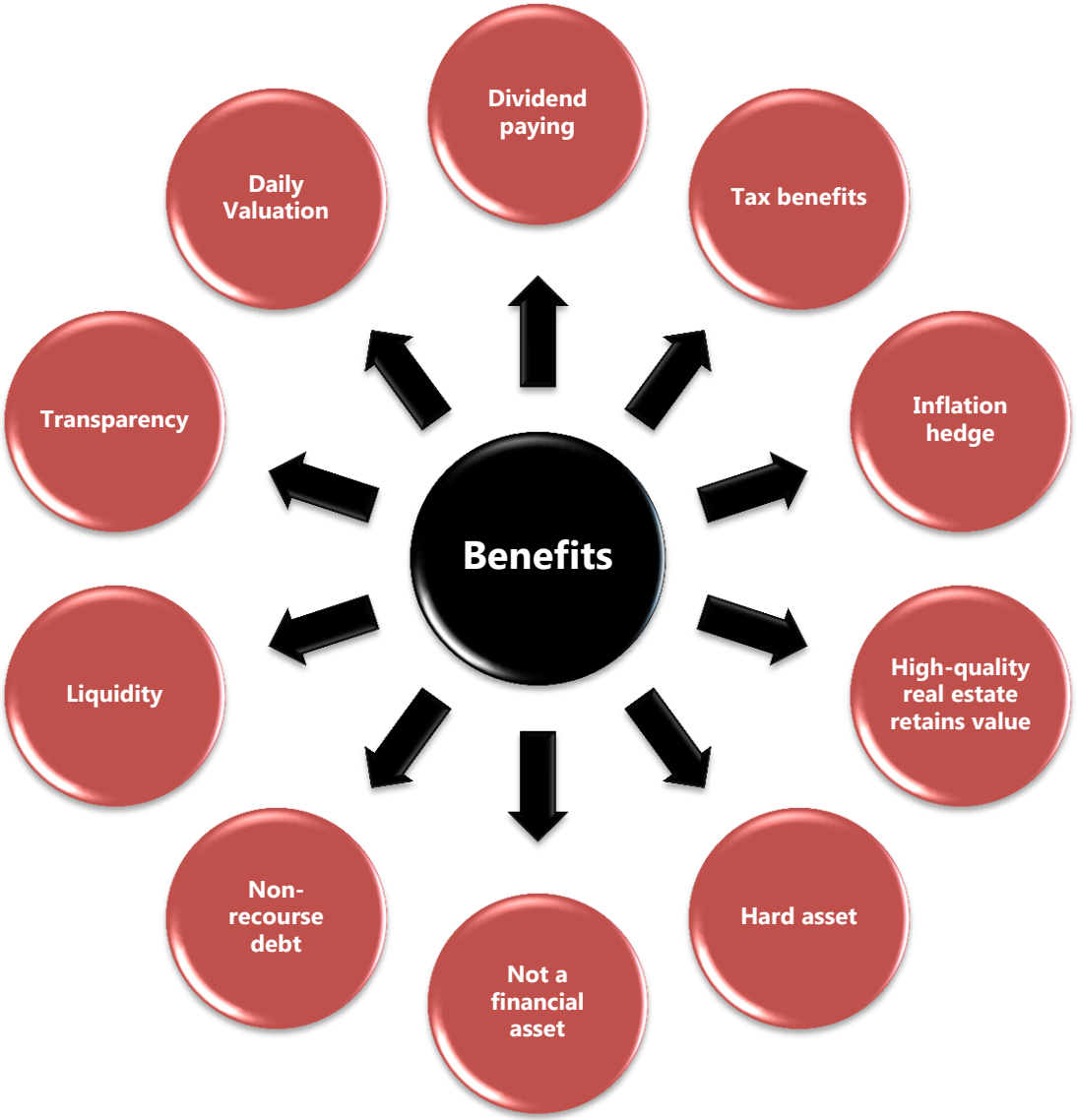
Source: HVS

Advantages of REITs









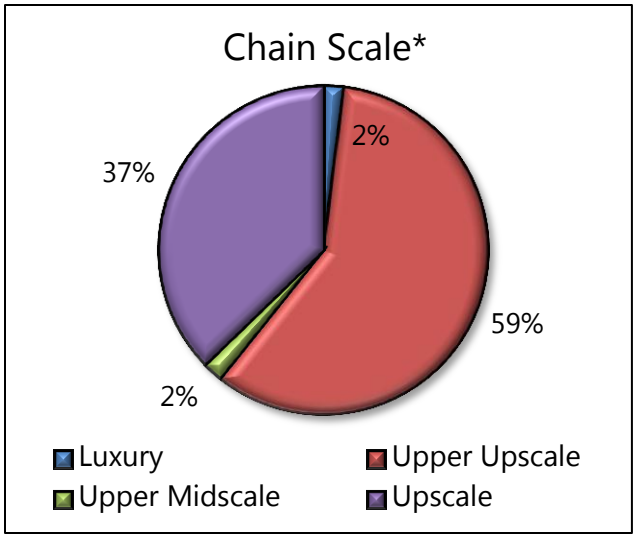

Company Highlights

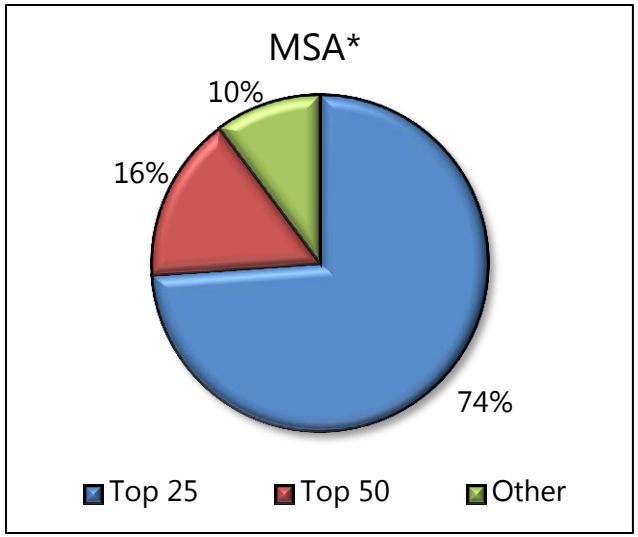


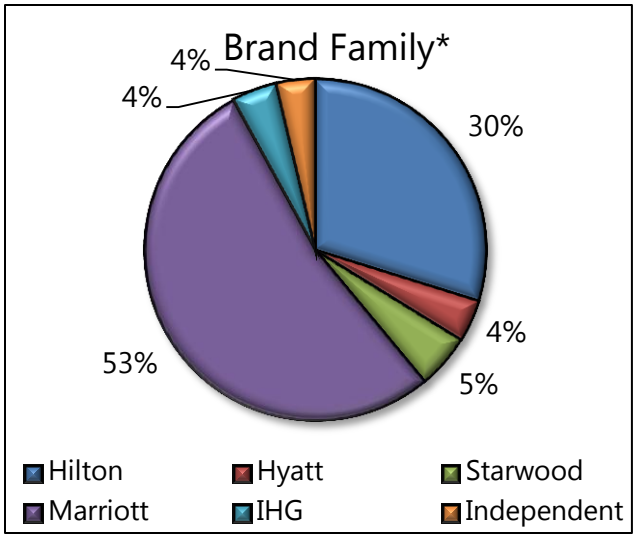


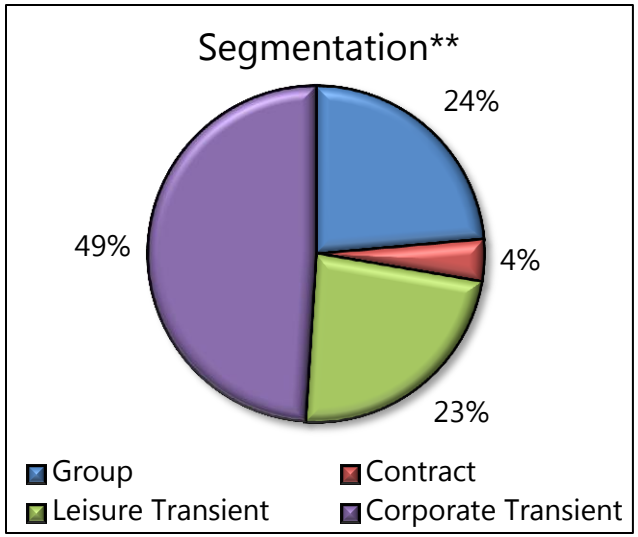



Portfolio Overview





















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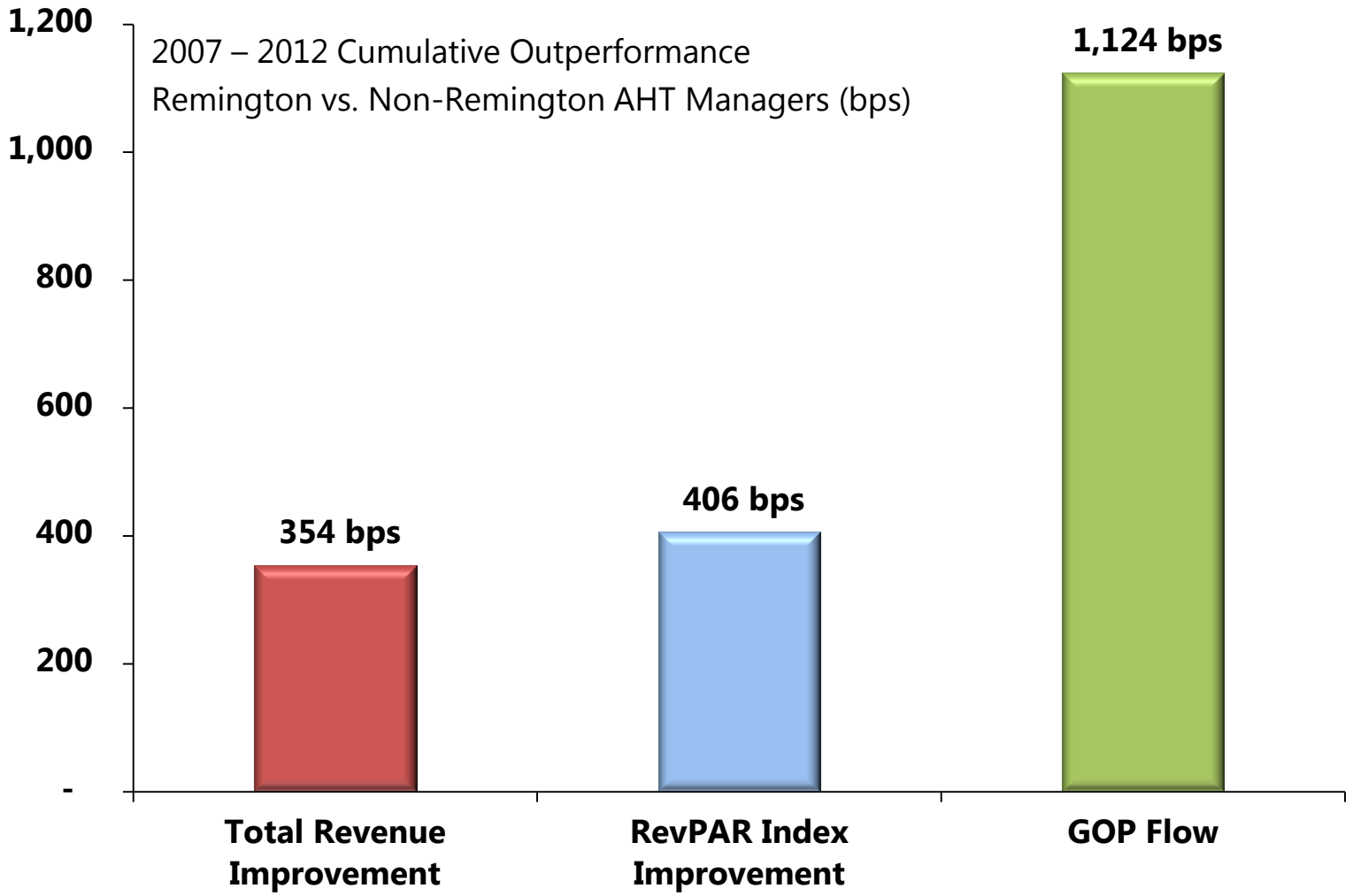
*TTM 3/31/13 EBITDA

** Based on TTM room nights as of 12/31/12

Remington Outperformance





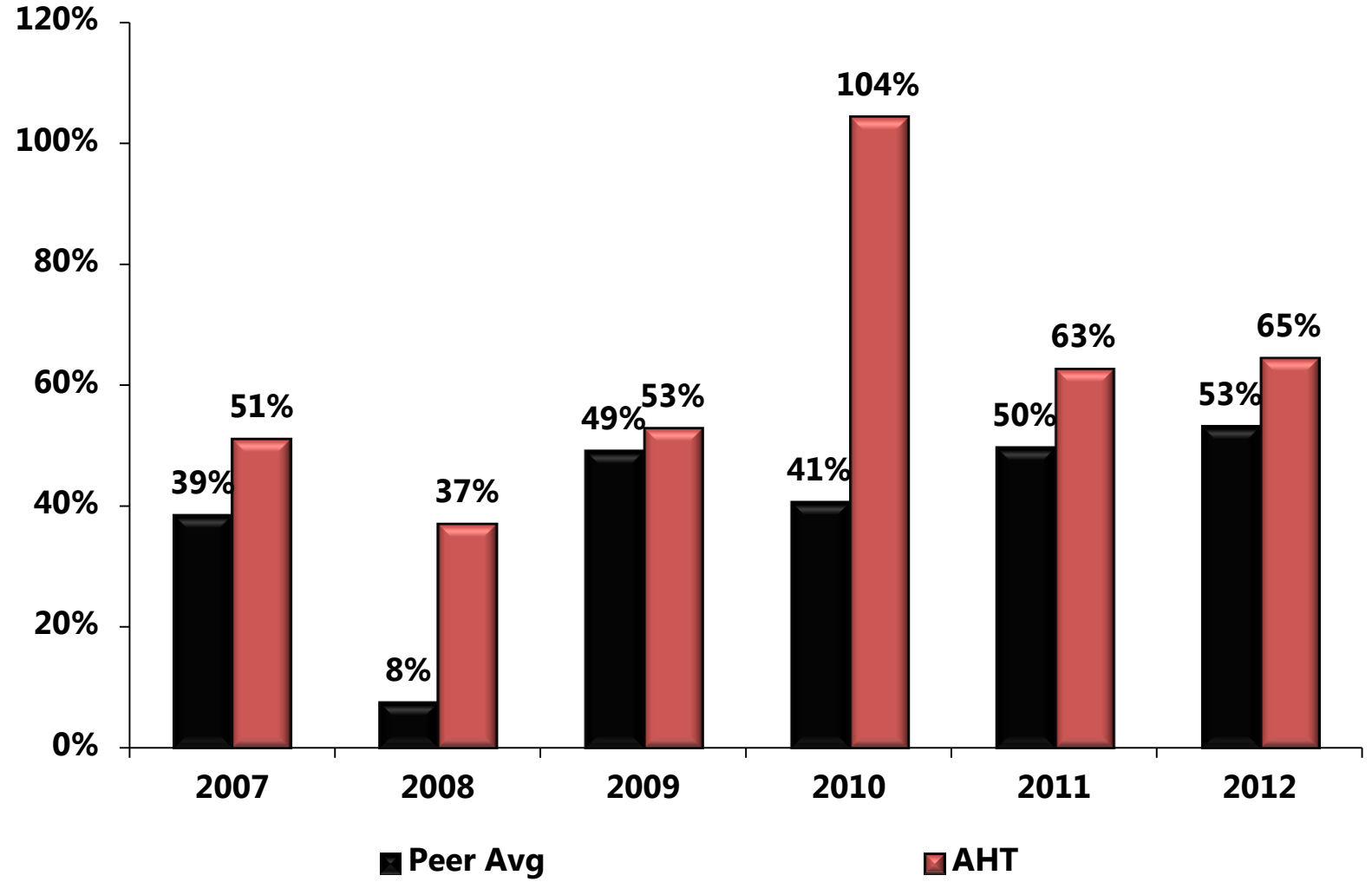





NOTE: Legacy portfolio only

Asset Management Outperformance

- Ashford consistently beats peers in hotel EBITDA flow throughs





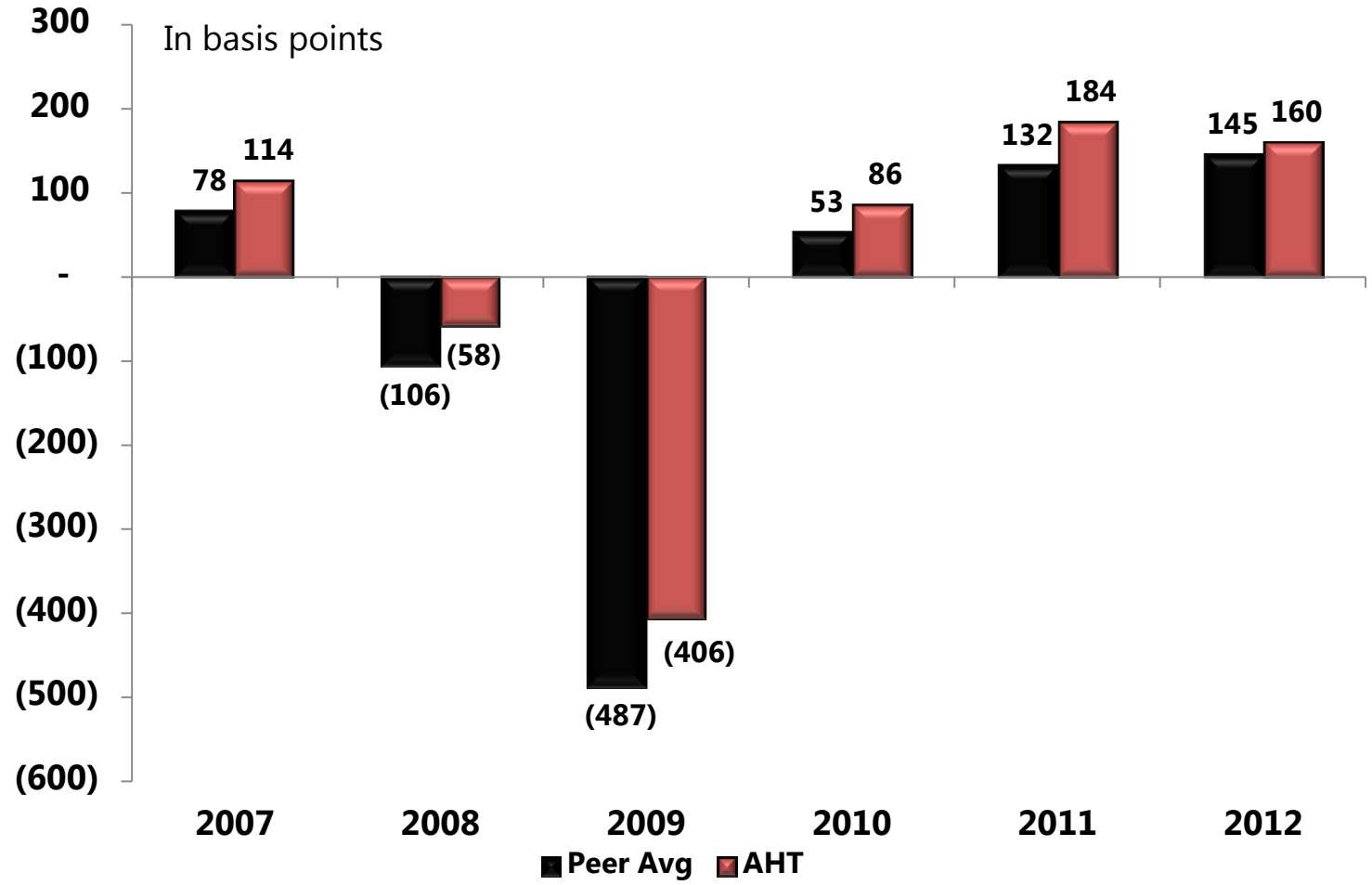





Peers include: BEE, CHSP, DRH, FCH, HST, HT, LHO, PEB, SHO
Source: Company Filings

Margin Change vs. Peers

- Ashford consistently beats peers in Hotel EBITDA margin change





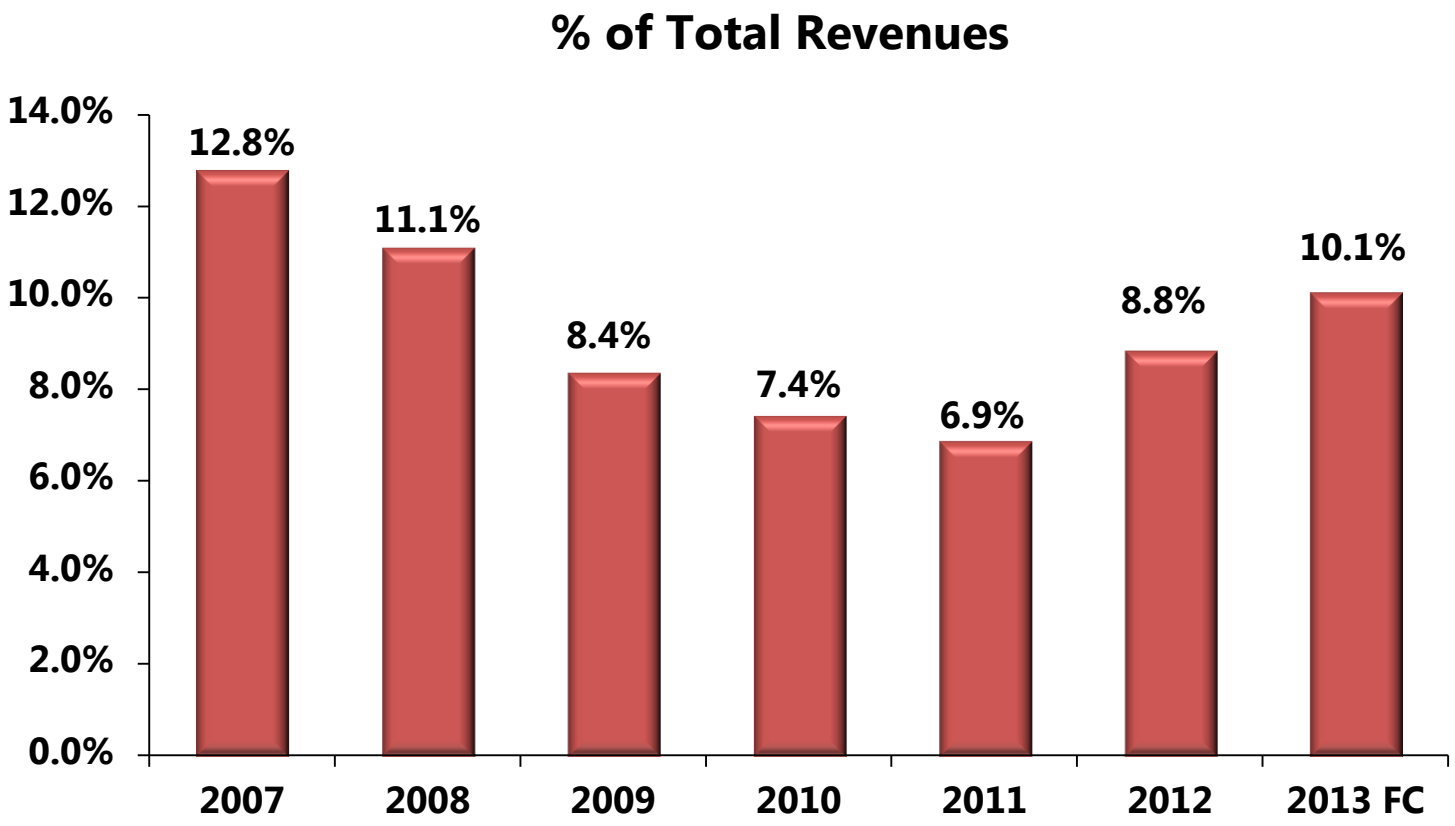





Peers include: BEE, CHSP, DRH, FCH, HST, HT, LHO, PEB, SHO
Source: Company Filings

Capex Spend

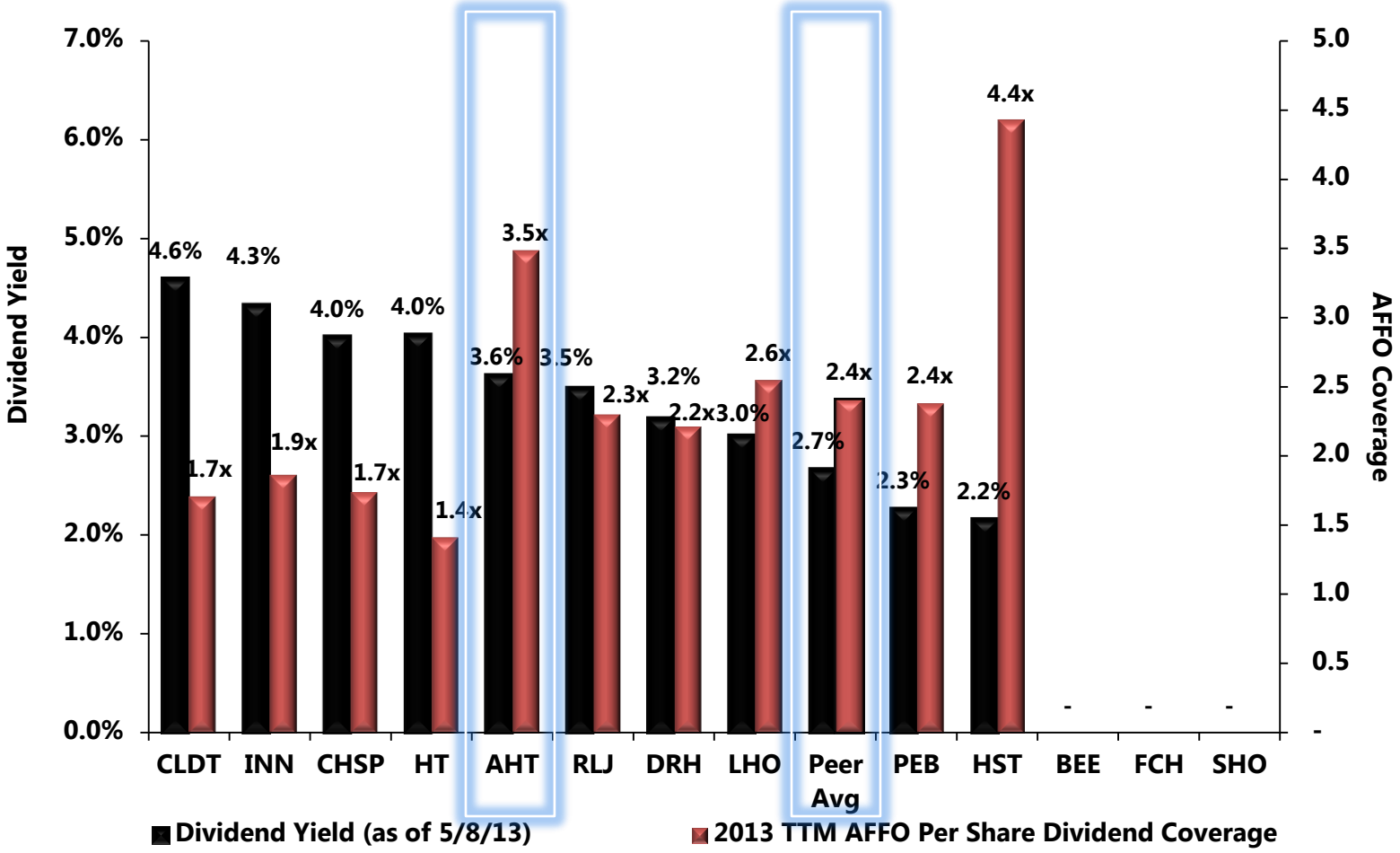
- Consistently invest in our hotels above the traditional FF&E reserve





Attractive Dividend Yield & Coverage

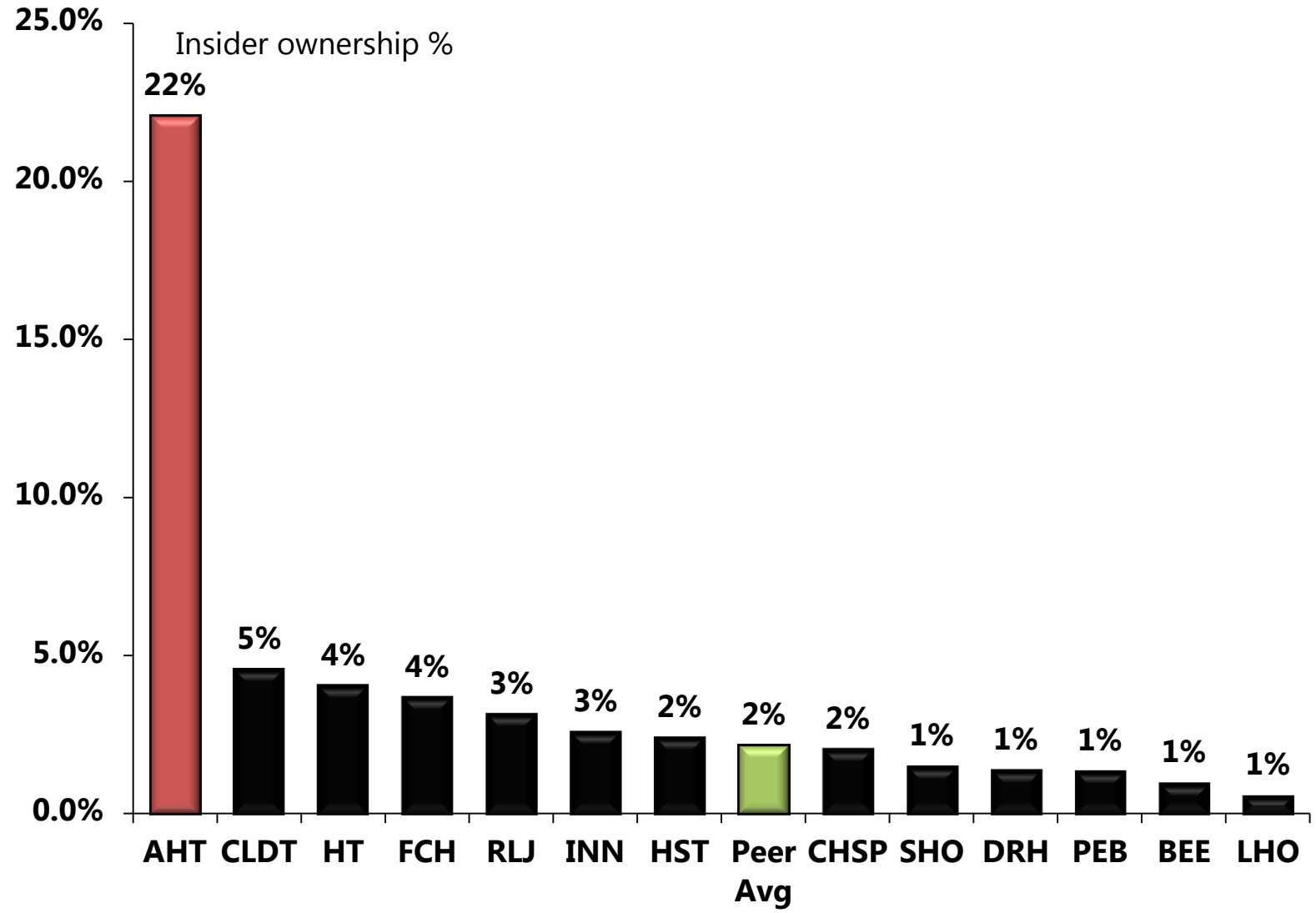
- Ashford has both a high dividend yield and strong dividend coverage





Source: Company filings, First Call & Bloomberg

Most Highly-Aligned Management















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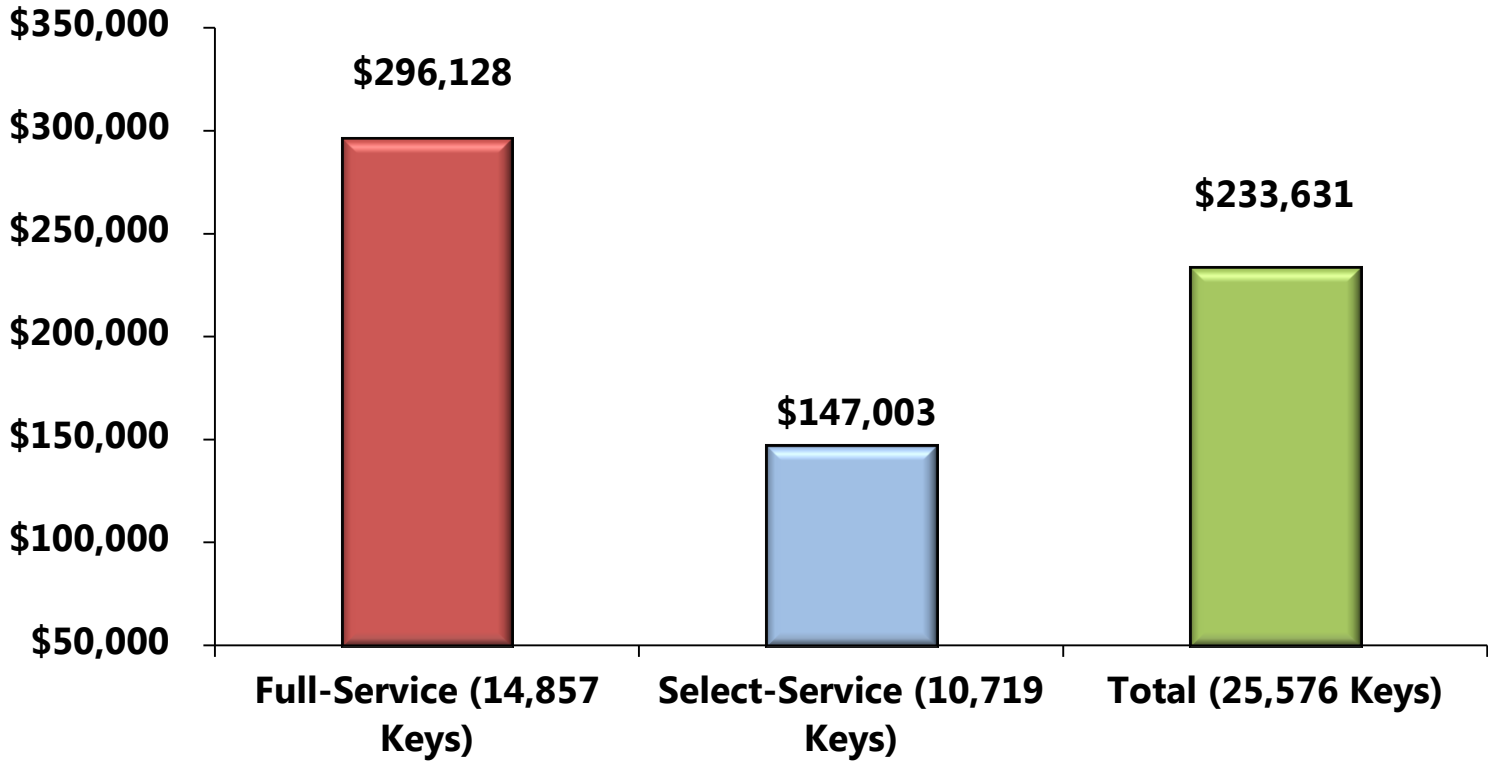
Source: Company Filings & SNL

Replacement Cost per Key

- At the current stock price AHT trades for approximately $173k per key, a 26% discount to estimated replacement cost





Estimated based on JP Morgan research report

Compelling Valuation

- Ashford currently trades at about 12.2x 2013 Consensus EBITDA
- Multiple discount relative to peers has expanded over the past several months

	2013 Consensus EBITDA Multiple	
	As of 10/26/12	As of 5/10/13
Ashford	11.2x	12.2x
Hotel REIT Peer Avg.	11.8x	13.8x
AHT Variance to Peer Avg.	**(0.6x)**	**(1.6x)**



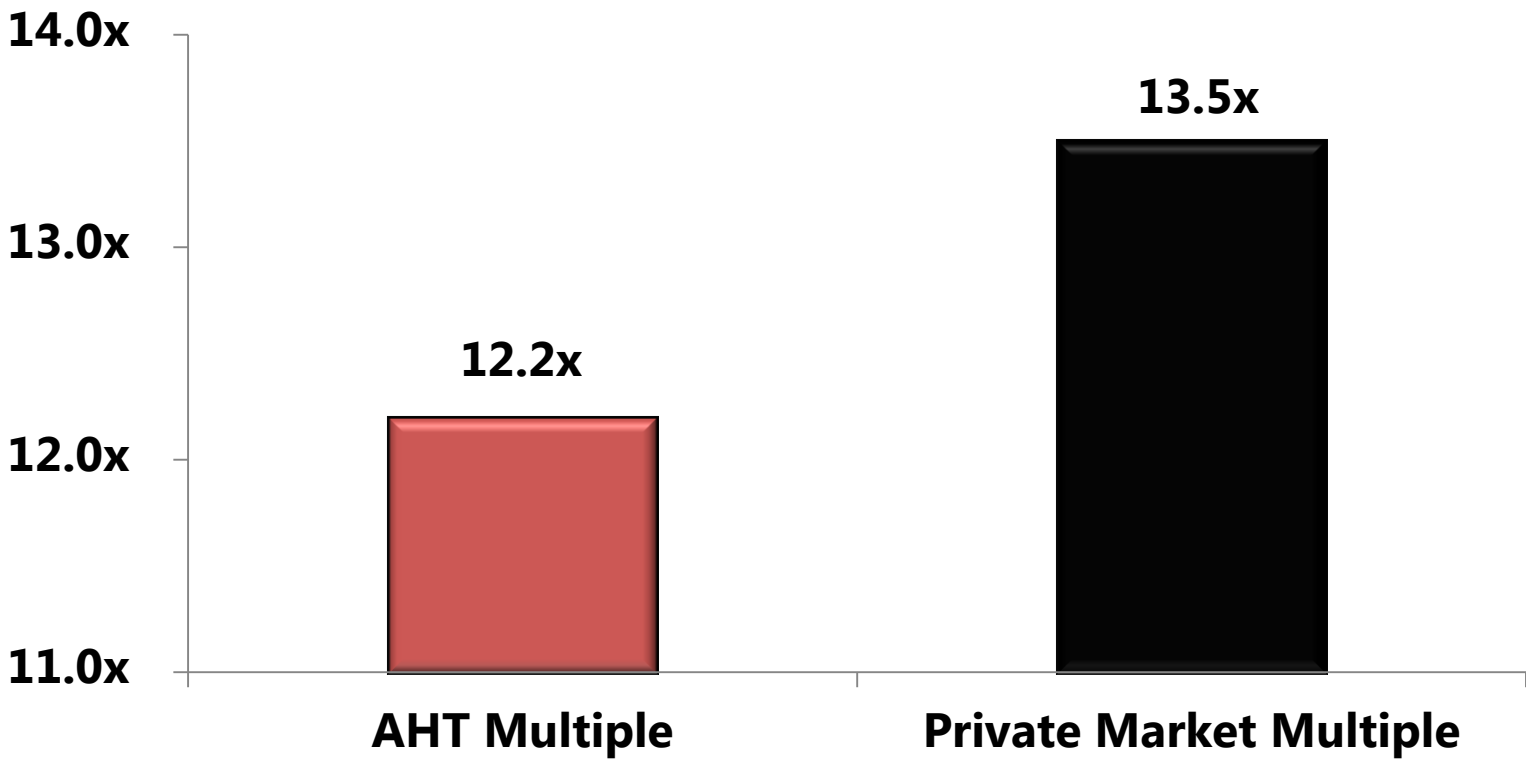





Source: Citi Equity Research

Compelling Valuation

- Ashford currently trades at about 12.2x 2013 Consensus EBITDA
- Similar hotels are trading in the private market at around 13.5x forward EBITDA










Summary

- Ashford has delivered superior shareholder returns
- There is still significant upside remaining in this lodging cycle
- Ashford has a strong, covered dividend and invests in hard assets with inflation protection
- Ashford has demonstrated capital markets skill throughout cycles
- Ashford management team's results and depth of experience exceed peers















Management Team Overview

David Brooks

Chief Operating Officer & General Counsel

Industry Experience

- Senior Executives each have over 20 years of experience in Lodging and Real Estate
- All Executives that took Ashford public 10 years ago are still here
- Proven track record of creating value through multiple hotel cycles
- Hotel operations & capital markets expertise








Capital Markets Experience

Seasoned Management Team with Breadth of Experience

Asset diversification	Interest rate swaps	Deep Brand Relationships
Common stock buybacks	Preferred stock buybacks	Hedging derivatives
Mezzanine lending	Large portfolio transactions	Joint ventures








Transactions

- History of large portfolio acquisitions:

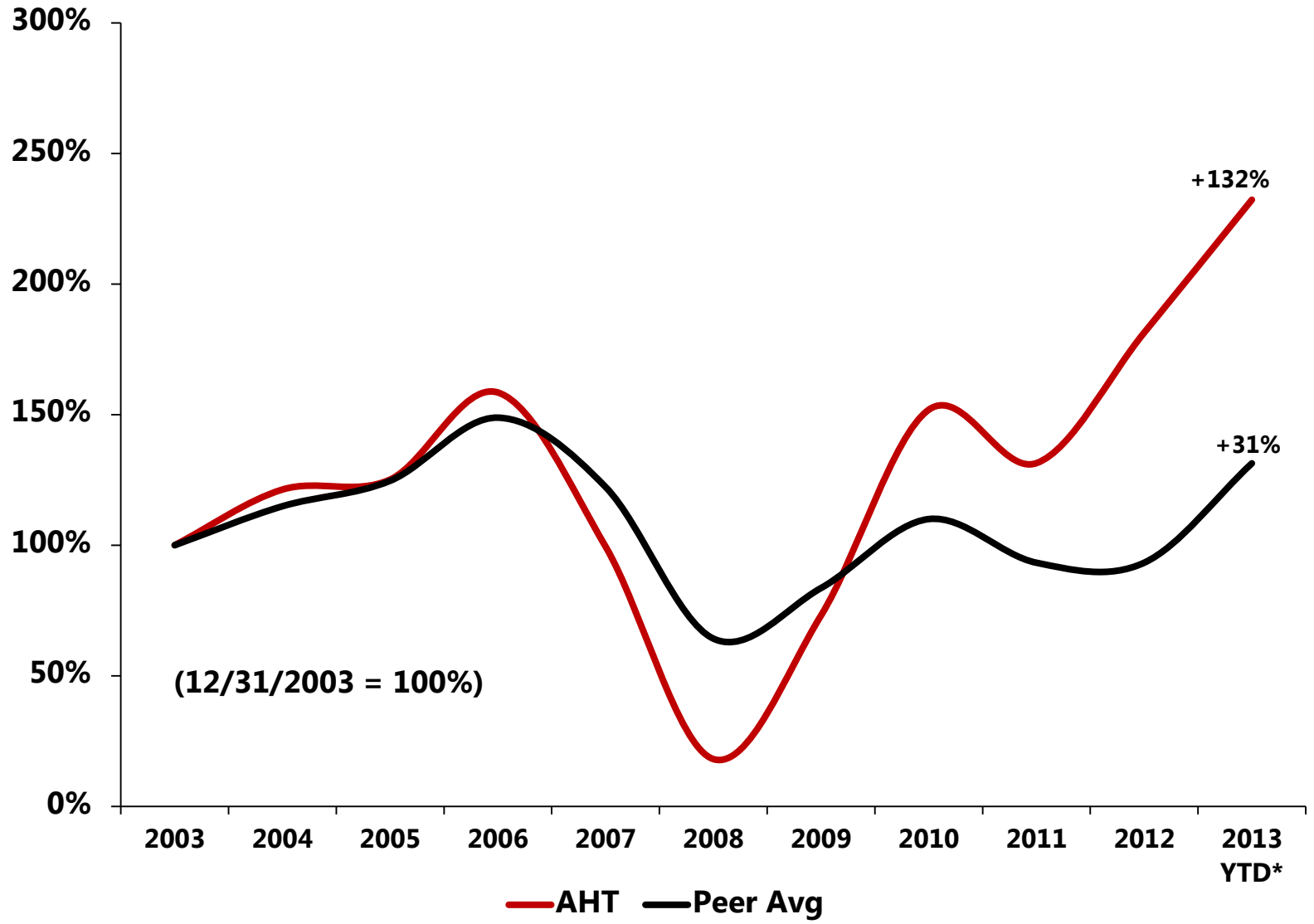
RTC Portfolios	$1.0 billion (1992-1994)
FGSB Portfolio	$250 million (2004)
CNL Portfolio #1	$465 million (2005)
MIP Portfolio	$270 million (2006)
CNL Portfolio #2	$2.4 billion (2007)
Highland Hospitality Portfolio	$1.3 billion (2011)








Total Shareholder Return










Peer average includes: BEE, CHSP, CLDT, DRH, FCH, HST, HT, INN, LHO, PEB, RLJ, SHO
Trailing Total Shareholder Returns as of 5/9/13
Source: Bloomberg

Management Team Summary

- Close alignment with shareholders through significant insider ownership
- Innovative strategies to maximize shareholder value
- Proven history of complex transactions
- Experienced and stable management team















Capital Structure & Balance Sheet Update

David Kimichik

Chief Financial Officer

Capital Structure

As of Q1 2013 - $ in millions

Stock Price	$13.00
Fully Diluted Shares Outstanding (mm)	87.2
Equity Value	**$1,133.4**
Preferred Equity (Par Value)	393.9
Legacy Debt	2,339.7
Share of Highland Debt	807.2
Less: Cash & Marketable Securities	(234.2)
Total Enterprise Value	**$4,439.9**








Low Risk on Balance Sheet

HIGHER LEVERAGE DOES NOT EQUAL HIGHER RISK

All debt is non-recourse

Highest leveraged loans have longest time to maturity

Strong liquidity

- Excess cash flow
- Undrawn $165m credit facility
- $234m of unrestricted cash & marketable securities at the end of Q1

Upcoming maturities have solid debt yields

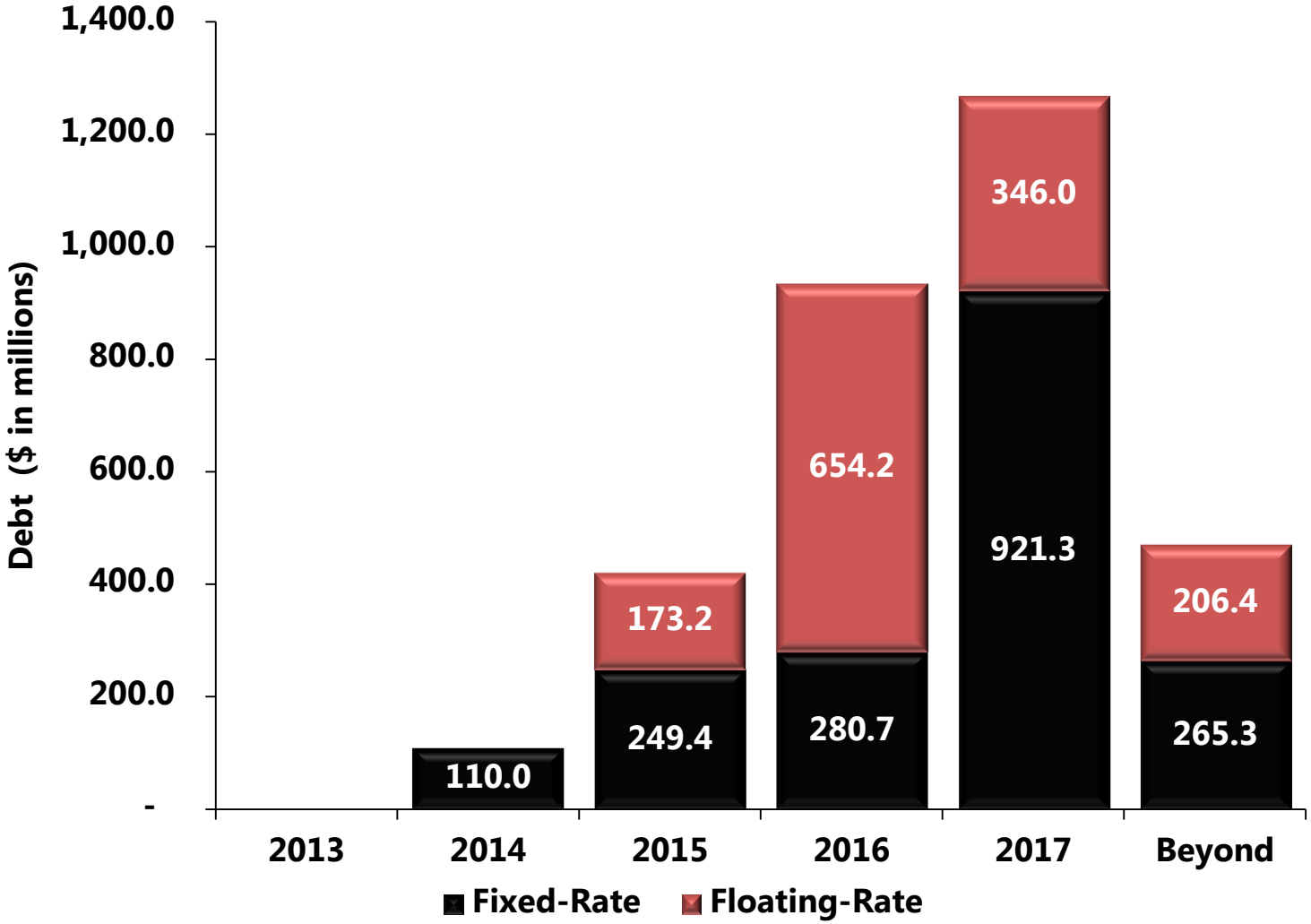
- No remaining 2013 maturities
- 2012 weighted average EBITDA debt yield on maturities through 2016 is 12.1%








Debt Maturity Schedule










Upcoming Debt Maturities

GEMSA Manchester
1 Hotel
May 2014
$5.2 million
10.1% TTM EBITDA Debt Yield

UBS Pool 1
8 Hotels
December 2014
$104.0 million
11.5% TTM EBITDA Debt Yield

BoA MIP
5 Hotels
March 2015
$172.4 million
10.6% TTM EBITDA Debt Yield

Merrill Pool 1
10 Hotels
July 2015
$151.9 million
13.8% TTM EBITDA Debt Yield

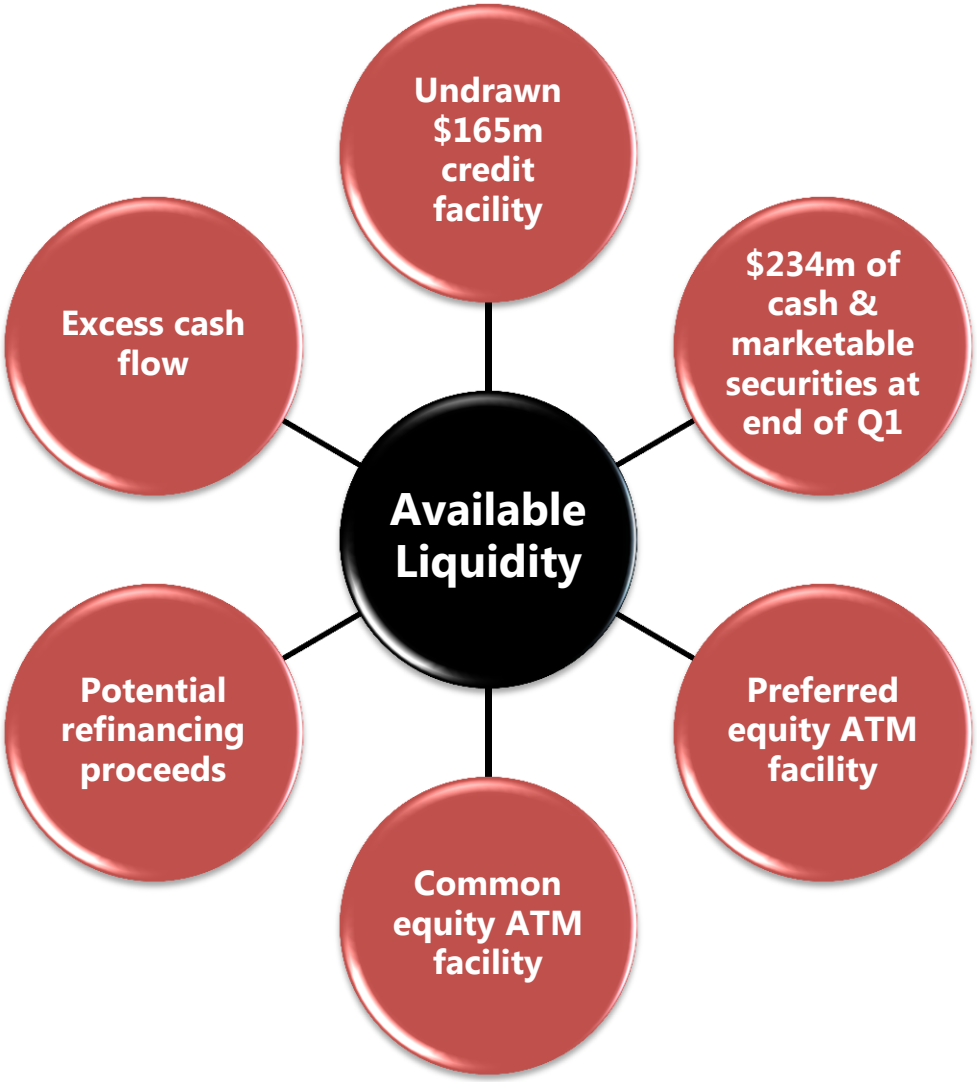
UBS Pool 2
8 Hotels
December 2015
$96.4 million
11.6% TTM EBITDA Debt Yield








Available Liquidity










10 Minute Coffee Break
Sign up for 1–on-1s















Risk & Return

Rob Hays

Senior Vice President – Corporate Finance & Strategy

Definition

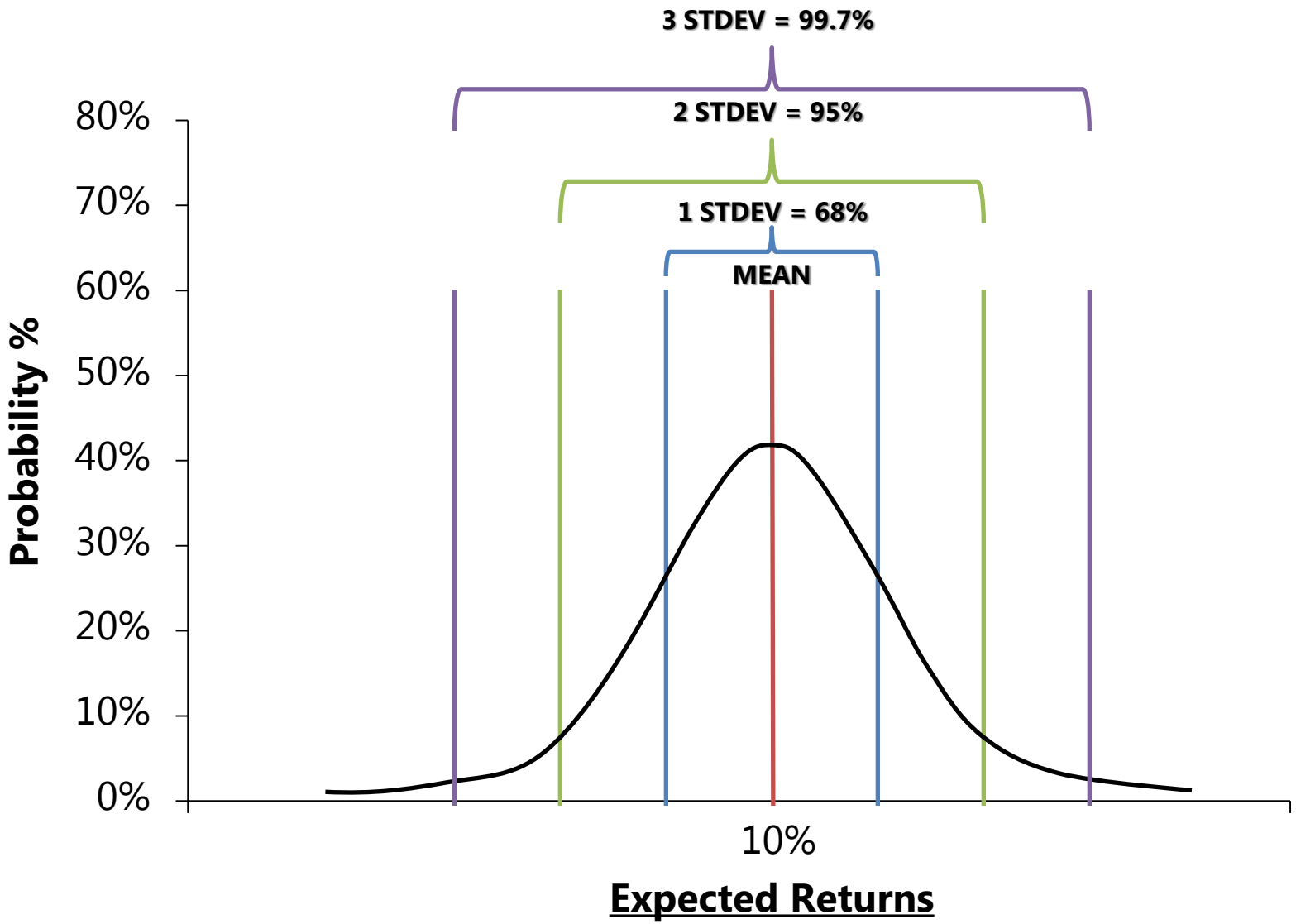
RISK = VARIABILITY OF RETURNS








Understanding Risk



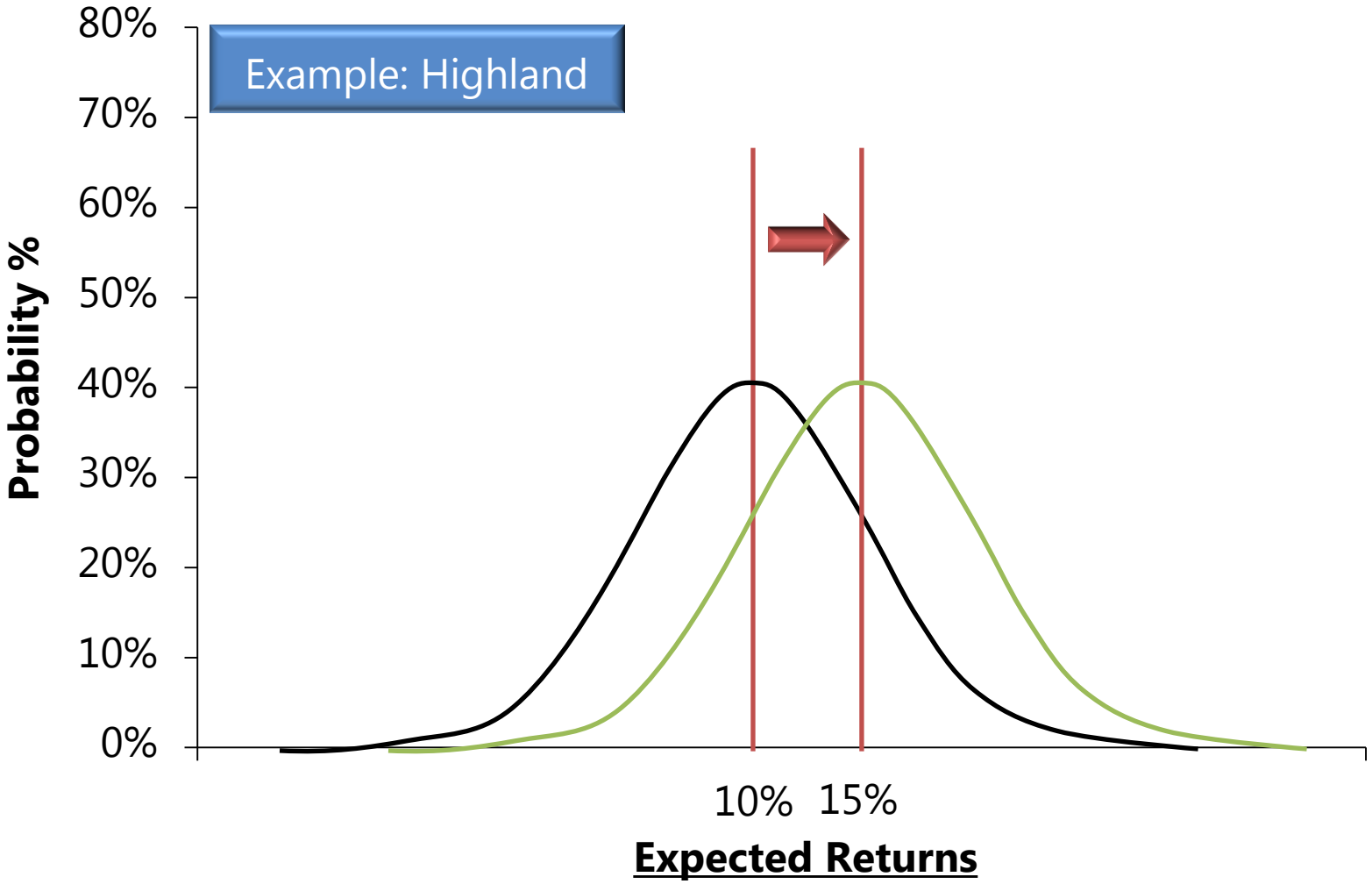







Higher Returns Preferred

All else being equal (risk), higher returns are better



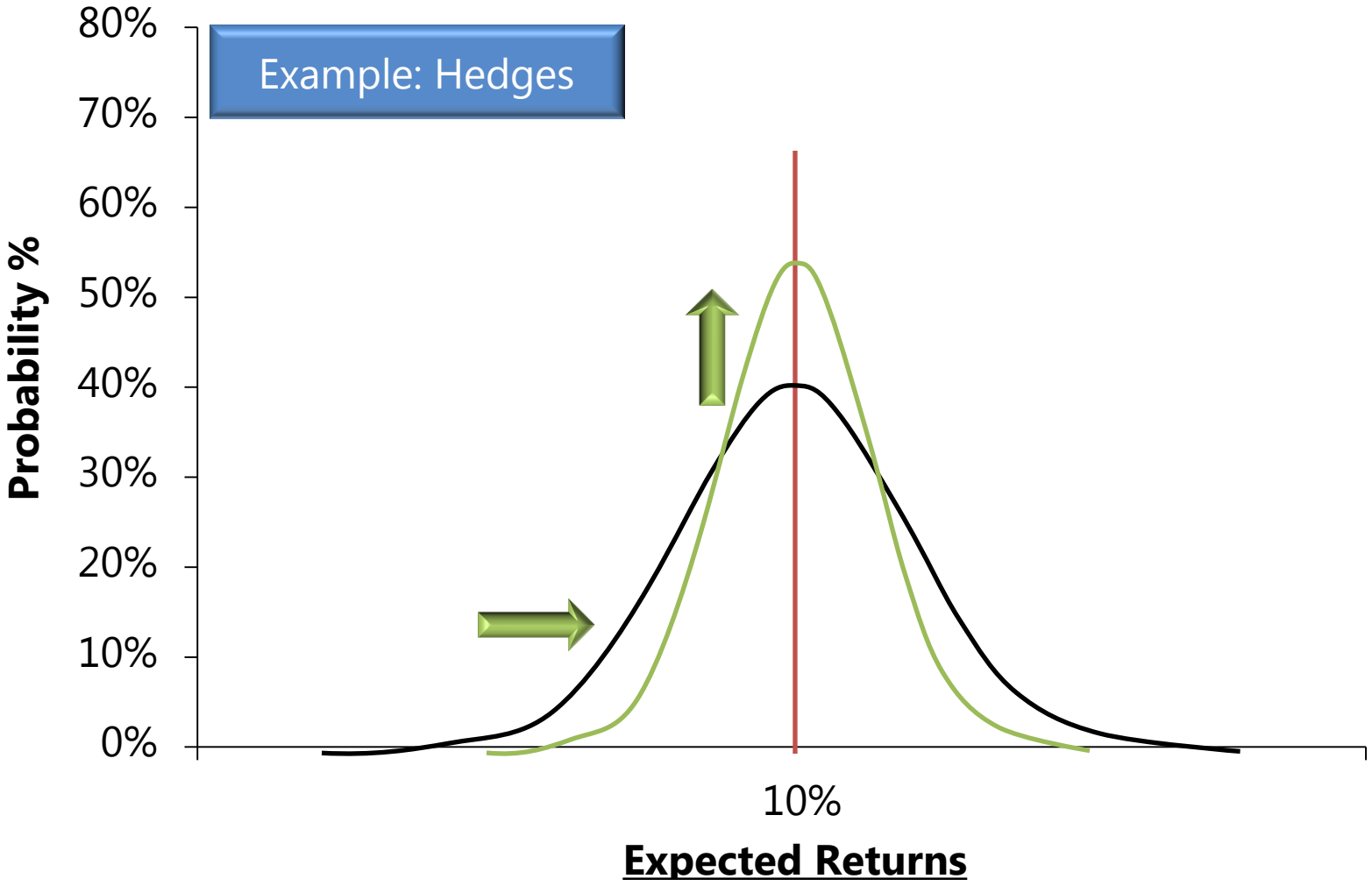







Lower Risk Preferred

All else being equal, lower volatility (risk) is better



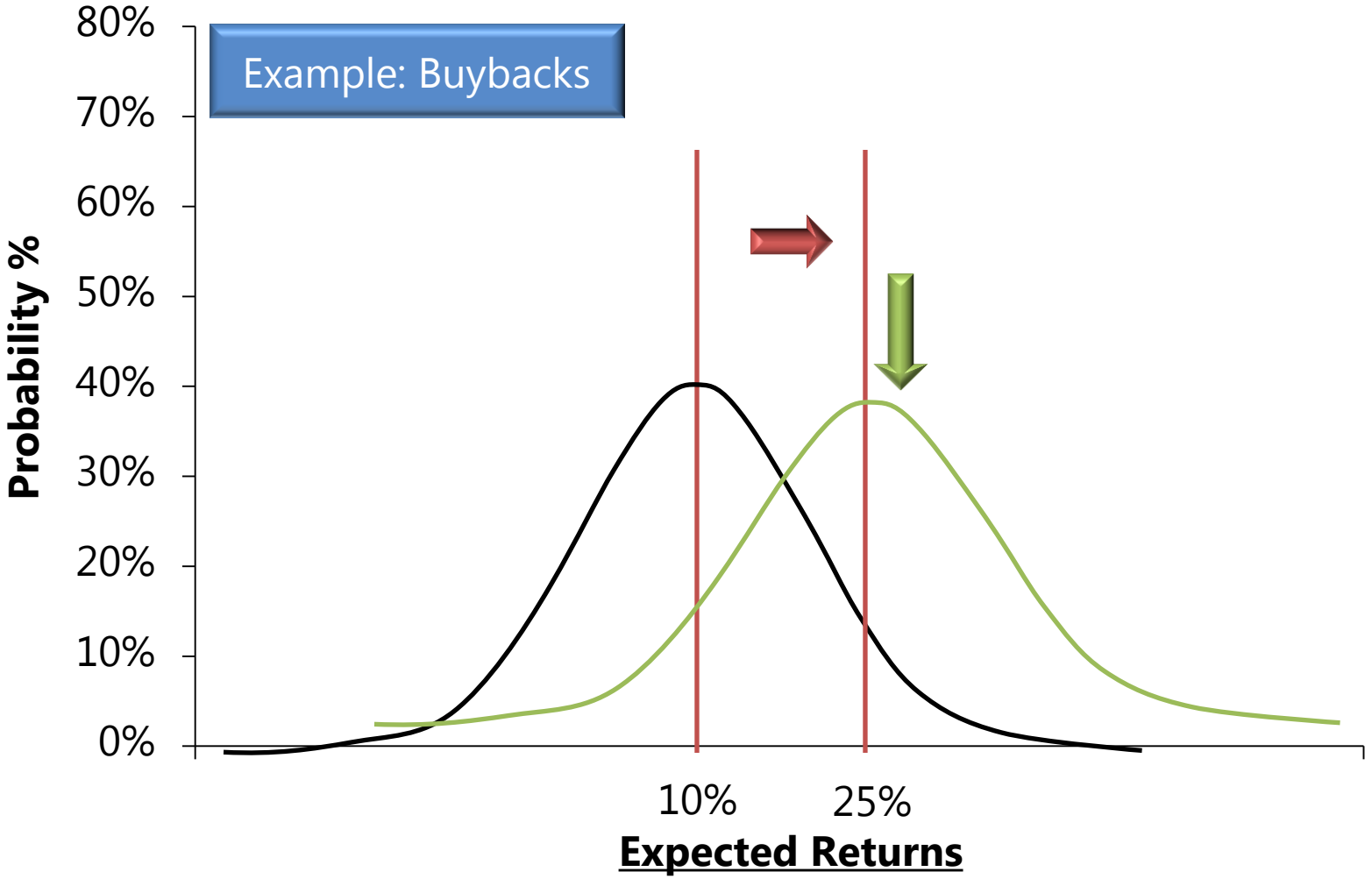







Weighing Higher Risk & Returns

Higher returns, slightly higher risk



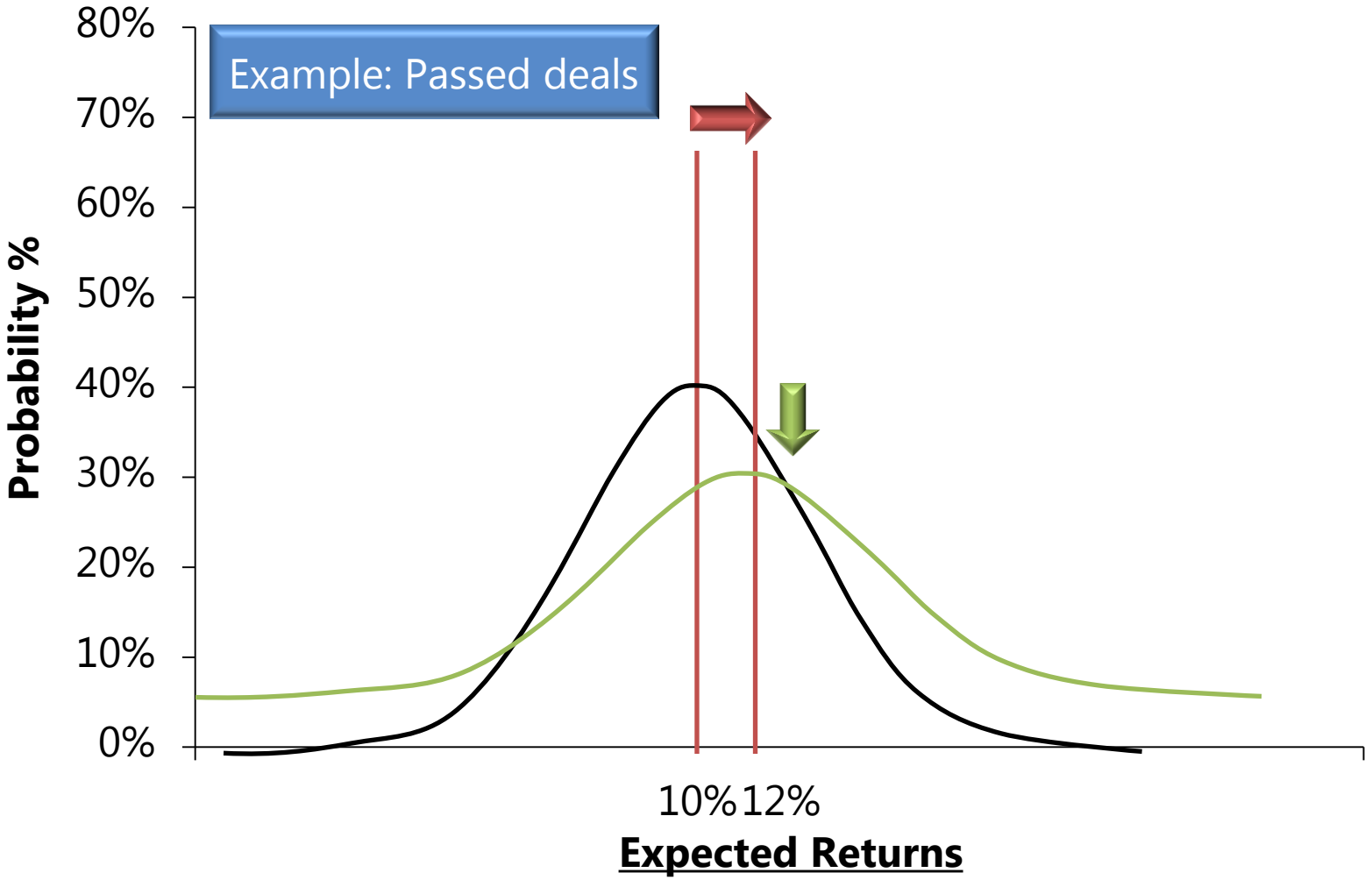







Weighing Higher Risk & Returns

Slightly higher returns, higher risk










Risk & Return Analysis Process

Understand Expected Returns

- Underwriting & due diligence

Quantify Variability of Expected Returns (Risk)

- Stress testing & scenario analysis
- Determine sensitivity of assumptions / inputs

Weigh the risk/reward opportunity

- Translate vast amounts of data into understandable ideas & actionable steps
- Thorough management discussion & rigorous debate
- Weighing of quantitative and qualitative factors













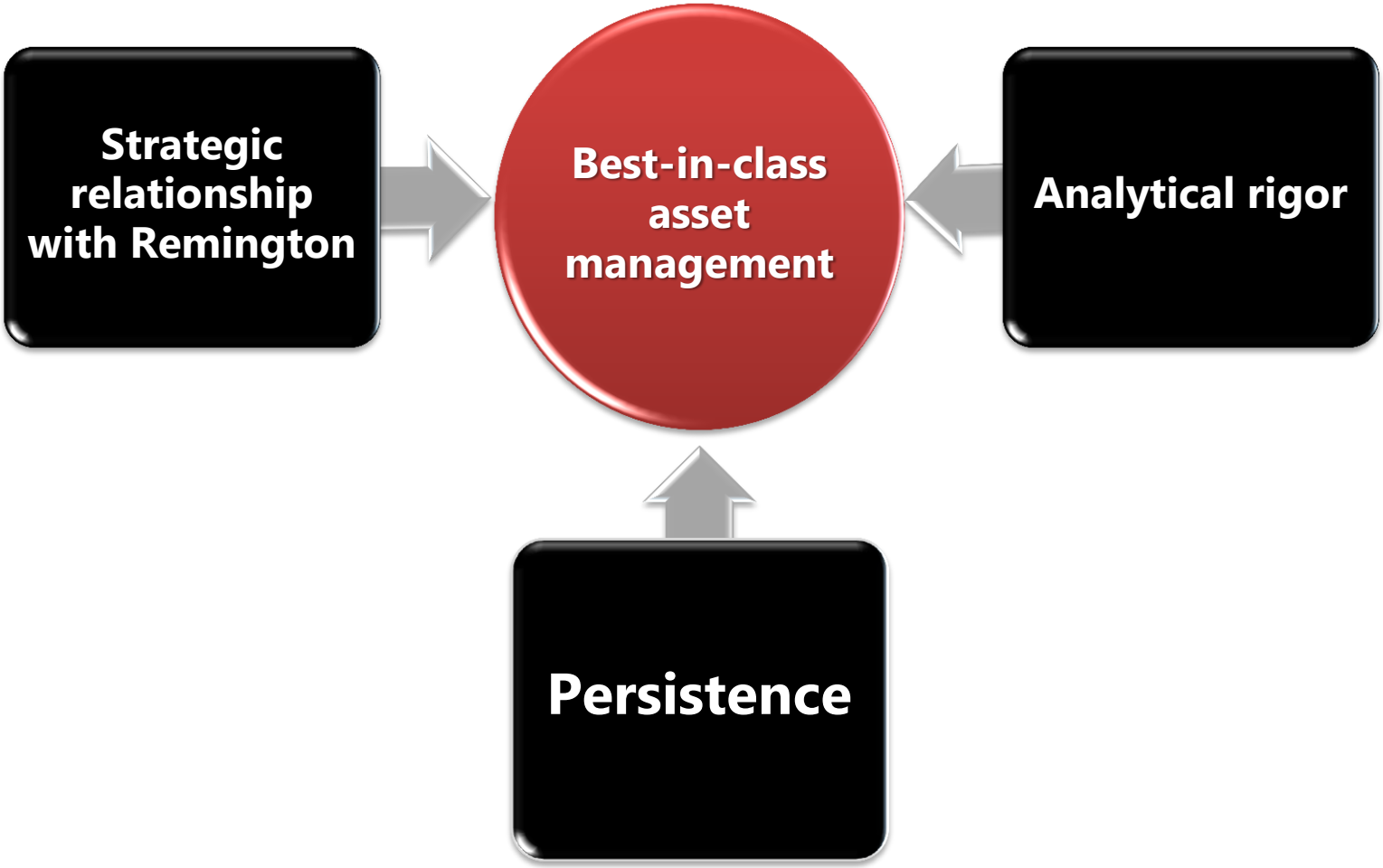


Asset Management Overview

Jeremy Welter

Executive Vice President – Asset Management

Best in Class Asset Management

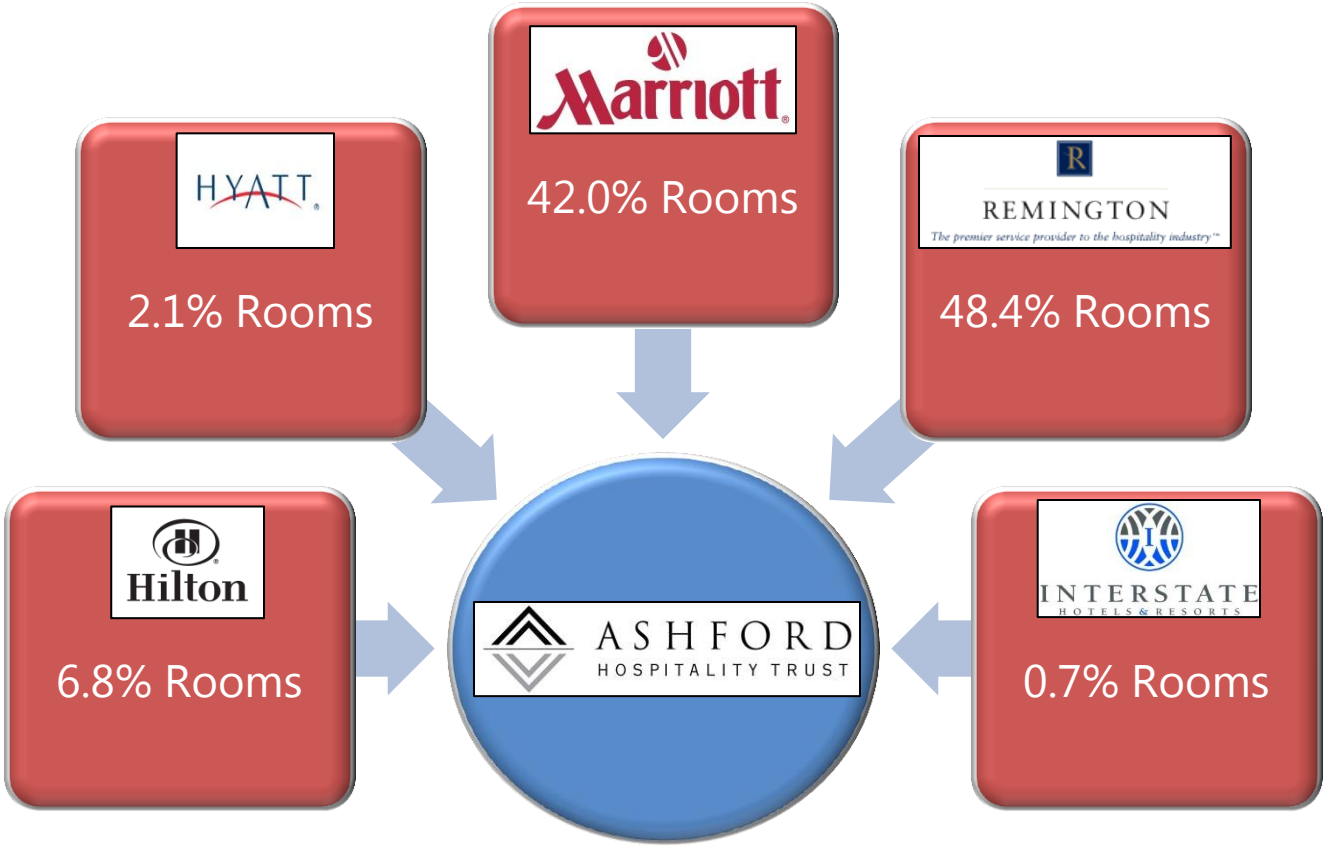









Asset Management Best Practices



Balanced Approach

- Strong flows & margins – because make it a priority
- Implement Ashford/Remington best practices across portfolio
- Operational & financial strengths
- Thoughtful & diligent
- Utilize operational data within our portfolio








Asset Management: Revenue Strategies

Long-Term

Top Line DRIVE

On-Going

Group Funnel Review

Transient RevMAX

Ancillary Revenue Initiatives

- Banquet and catering
- Premium room upgrades
- Parking opportunities
- Audio and visual
- Real estate and antenna leases








Asset Management: Cost Cut Initiatives

Post takeover Ashford Asset Management conducts "Deep Dive"

Benchmarking

On-site Organizational Review

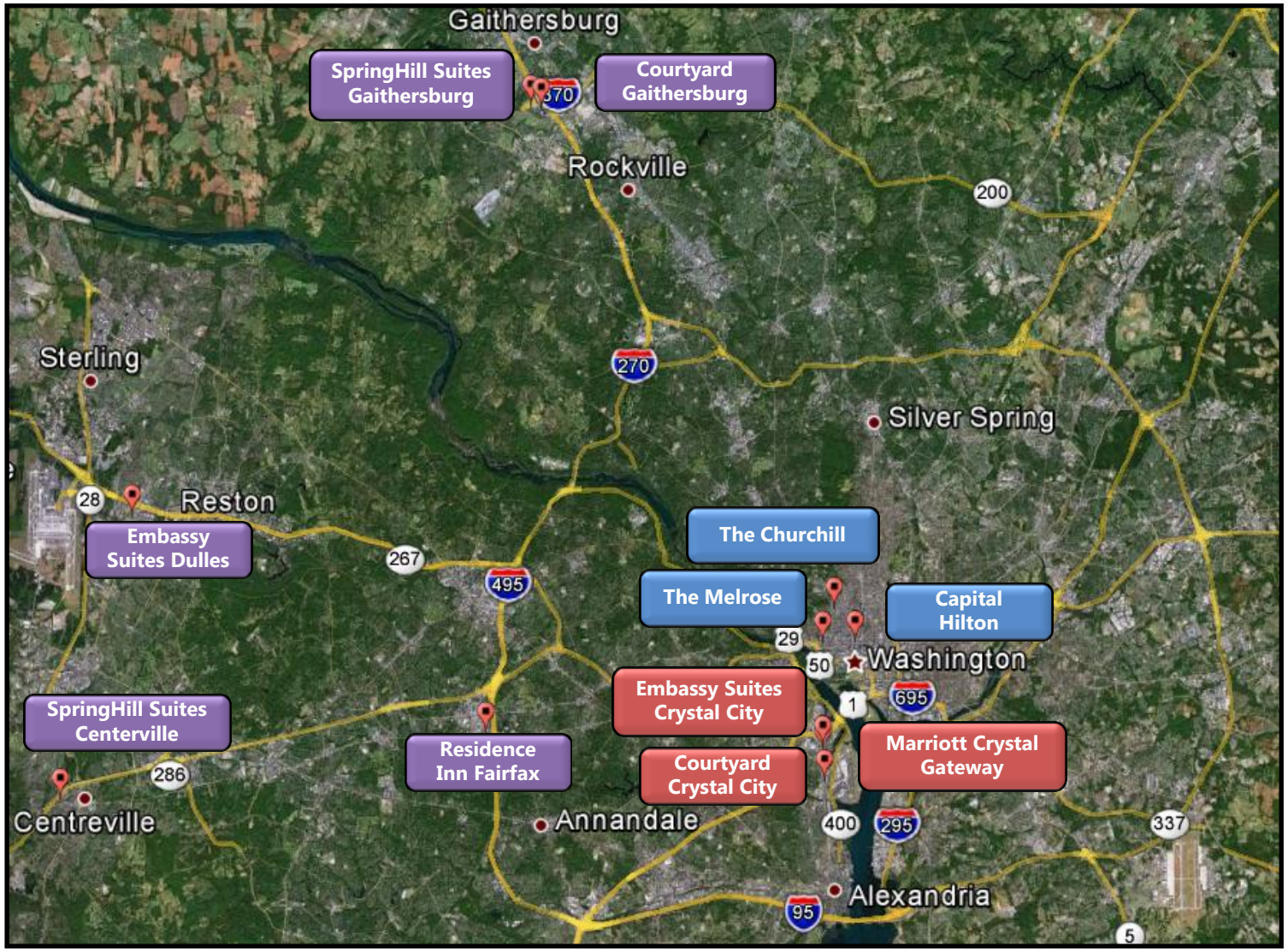
Profit Improvement Plan








Washington DC Portfolio Overview















Crystal City – BRAC Update

- AHT owns 3 hotels with 1,236 rooms in Crystal City

Strong Fundamentals in Crystal City

- Strategic location
- Changes in market dynamics

Market Outlook

Short-Term: 2013 (Bottomed-out) → **Mid-Term: 2014-2015 (Strengthening)** → **Long-Term: 2016-Beyond (Improved Mkt.)**















Recent Acquisitions & Highland Update

Doug Kessler

President

Pier House Resort & Spa





Acquisition Highlights:

- Purchase Price of $90 million
- $634,000/key
- 6.2% TTM Cap Rate

After Operational Synergies/Remington Mgmt:

- Pro forma 8.4% Cap Rate
- Pro forma 10.5x EBITDA Multiple













Pier House Resort & Spa

Great Market

- Key West has 2nd highest RevPAR in US
- Very high barriers to entry

High Quality Asset

- Hotel had $275 RevPAR in 2012
- Recently renovated; very little capex needed

Operational Synergies

- Hotel has been owner-managed
- Remington manages 3 other hotels in Key West








Highland Hospitality Portfolio

What is it?

- Transformational 28-hotel, $1.3 billion acquisition
- Completed in March 2011 with joint venture partner
- Ashford owns 72%

How did we buy it?

- Invested in the mezzanine debt in 2008 via joint venture
- Consensual foreclosure & restructuring of the debt
- New investment of $150 million from Ashford

What were the opportunities?

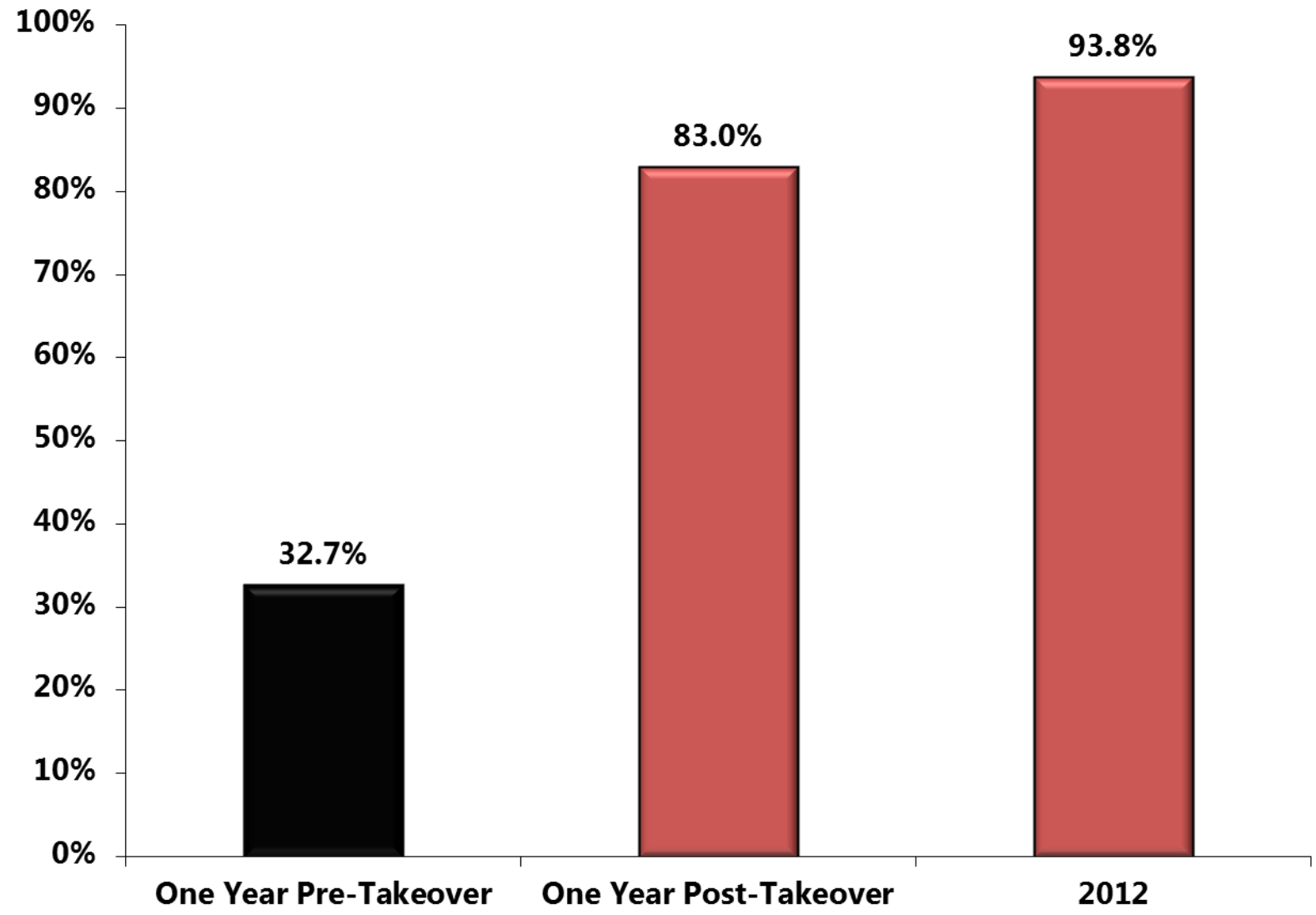
- Much needed capital expenditures
- Replace property managers at certain hotels & aggressive asset management of the balance








Highland EBITDA Flows

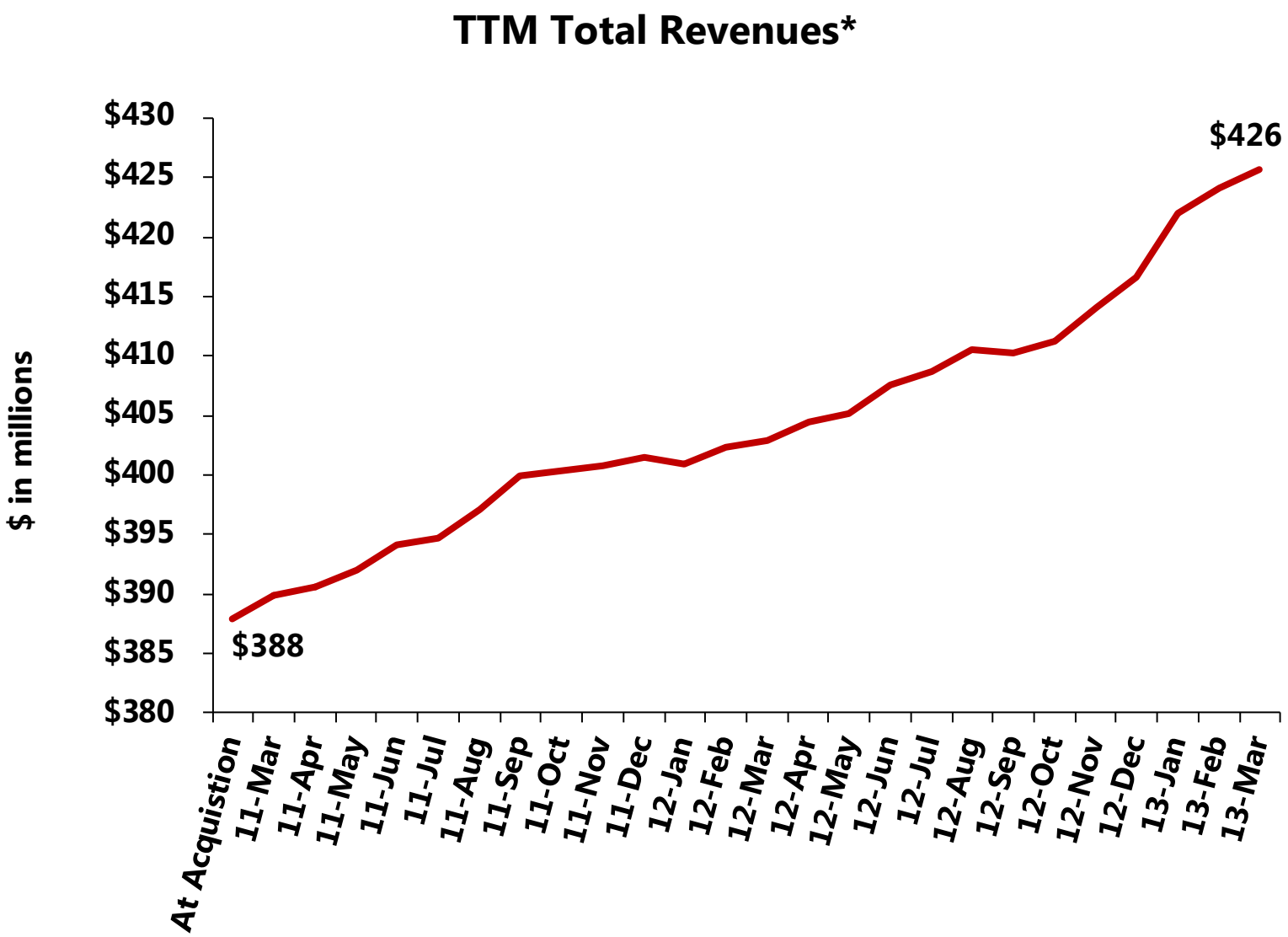









Highland Revenues











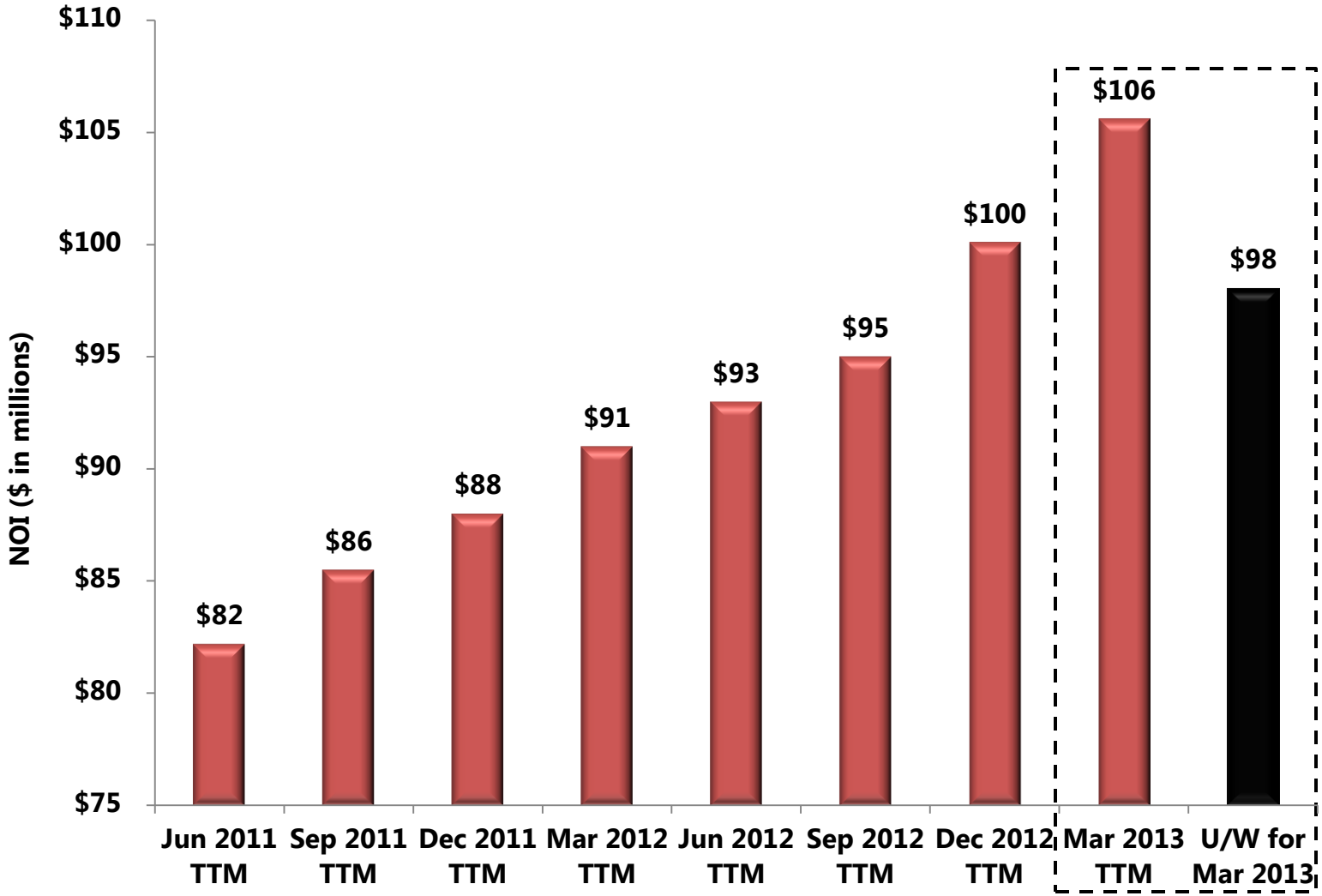




ASHFORD HOSPITALITY TRUST

* Represents 100% of Highland Joint Venture Revenues.

Highland NOI Exceeds Underwriting





Renaissance Nashville Hotel





















Hilton Boston Back Bay





















The Melrose – Washington D.C.

BEFORE





AFTER

















Highland Debt

$ in millions (as of 3/31/13)

Loan Tranche	Loan Balance	Interest Rate	TTM EBITDA Debt Yield
Wells Senior	$380.2	3.2%	17.2%
Mezz 1	93.8	7.0%	13.9%
Mezz 2	89.3	8.0%	12.1%
Mezz 3	76.5	10.5%	11.0%
Mezz 4	13.2	2.2%	10.8%
Boston Back Bay	73.7	4.4%	12.3%
Nashville/Princeton	80.6	4.4%	15.5%
TOTAL / Avg.	**$807.2**	**5.1%**	**10.8%**
TTM EBITDA Debt Yield – 25 Hotels - Wells Senior & Mezz only			**10.0%**








Acquisition Preferences

- Focus on Full Service Hotels
- Major Market Locations
- Ability to Franchise
- Must be Accretive








Q & A








Lunch with Management


















ASHFORD HOSPITALITY TRUST

Investor & Analyst Day – May 2013