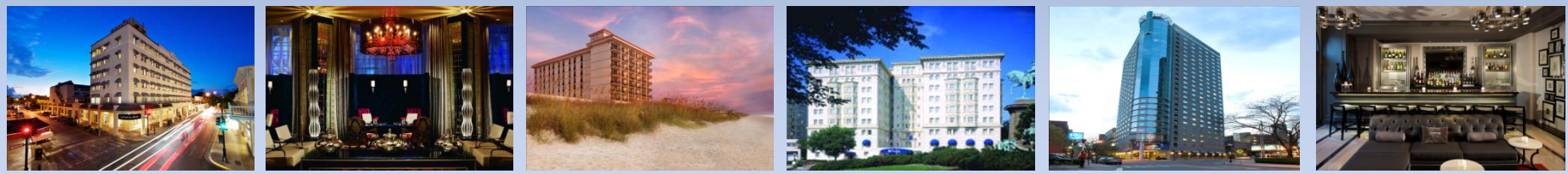
ASHFORD HOSPITALITY TRUST



Company Presentation – September 2016

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. 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.

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. or any of its respective affiliates, and may not be relied upon in connection with the purchase or sale of any such security.

Ashford Hospitality Trust Vision

VISION

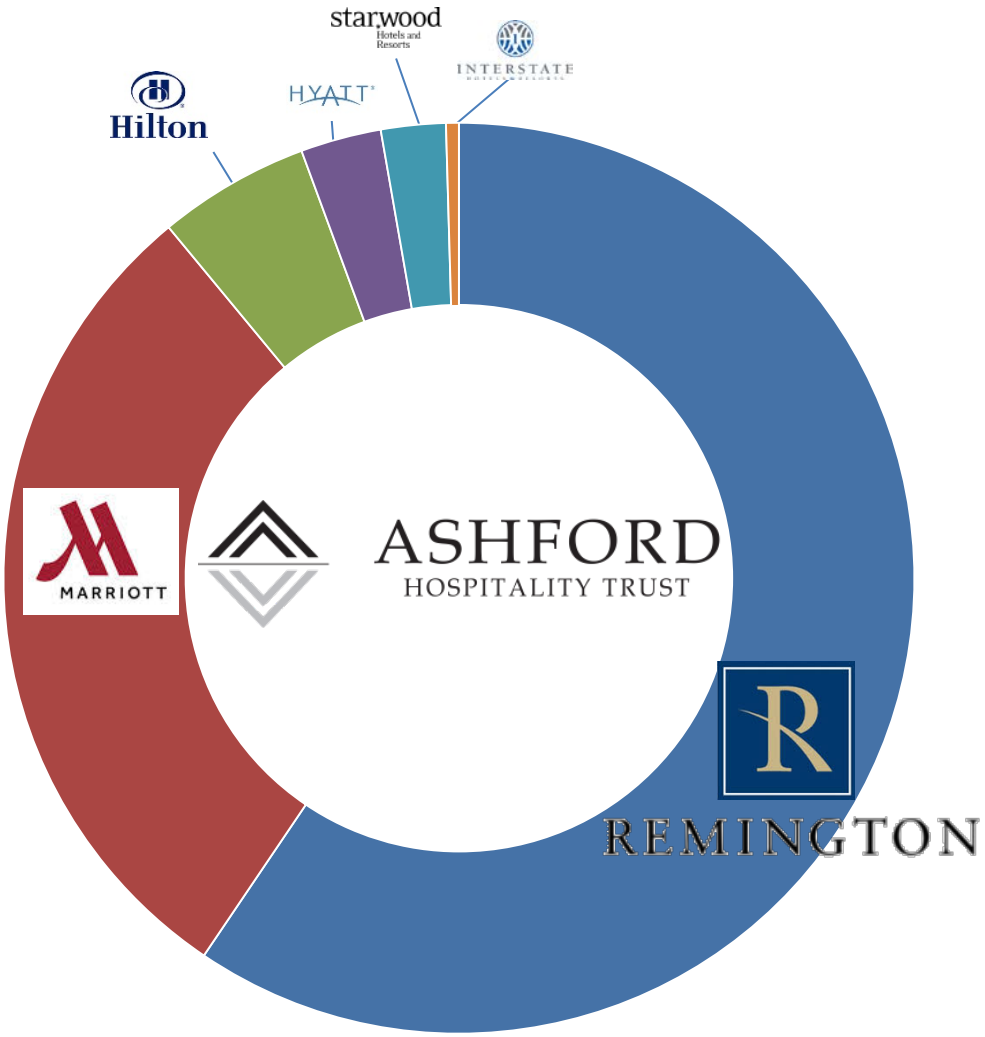
- **Announced strategy refinements to improve shareholder value**
- **Management team more highly-aligned with shareholders than our peers**
- **Superior long-term total shareholder return performance**
- **Best in class hotel managers**
- **Appropriate use of financial leverage**
- **Opportunistic platform focused on full-service hotels**

Recent Developments

- Q2 2016 RevPAR growth of 4.9%
- Q2 2016 AFFO per share growth of 17.6%
- Q2 2016 Adjusted EBITDA growth of 10.7%
- In June 2016, completed the planned sale of the 5-hotel select-service portfolio for $142 million with expected net proceeds of approximately $37 million
- In August 2016, completed the redemption of all outstanding shares of 9.0% Series E preferred stock funded by the recently-completed offering of 7.375% Series F preferred stock
- Announced enhancements to corporate governance policies
- Announced planned sale of the 151-room Courtyard Palm Desert and 130-room Residence Inn Palm Desert for $36 million
- In September, completed the sale of the 124-room Hampton Inn & Suites Gainesville for approximately $27 million

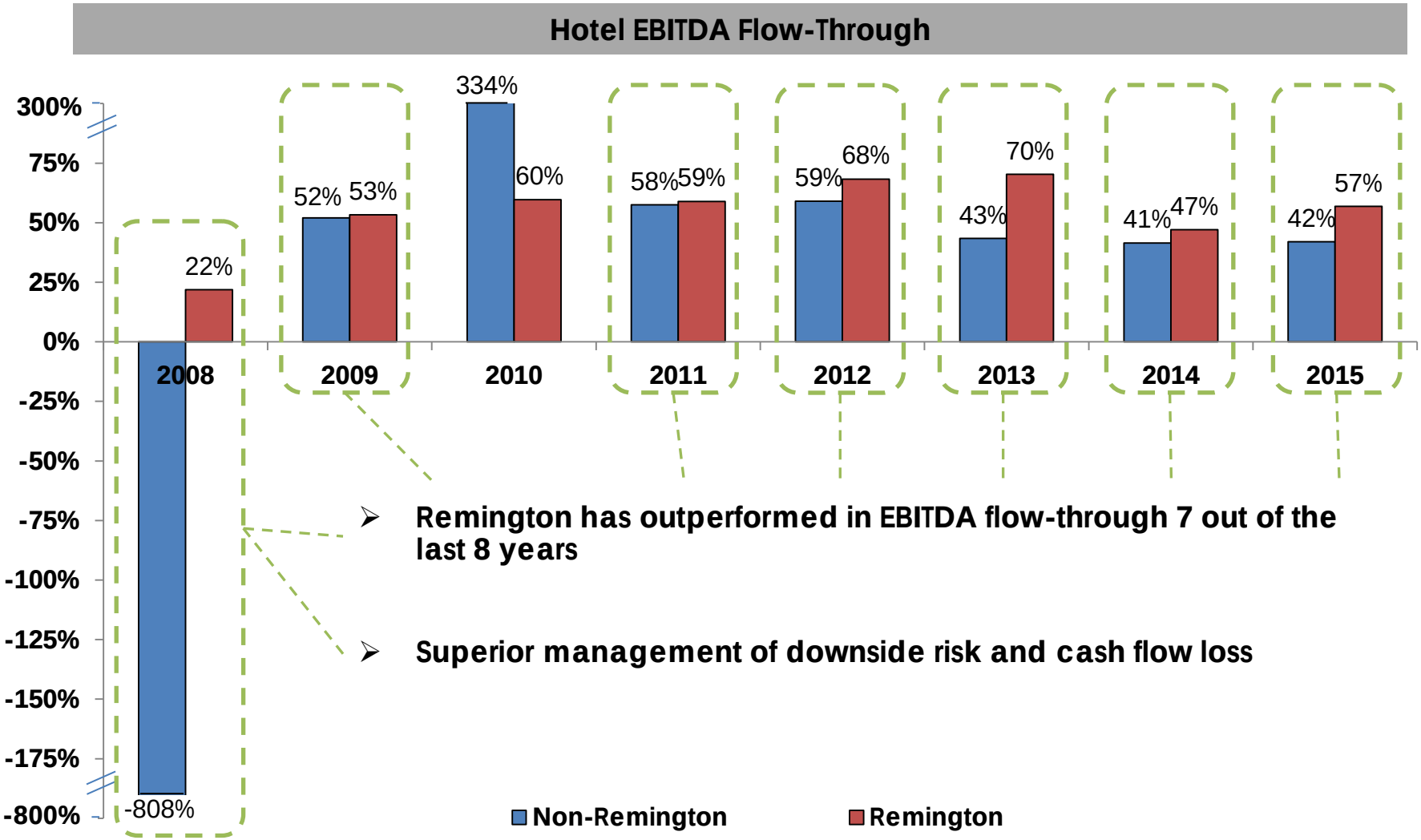
Best In Class Hotel Managers

- 86 properties managed by Remington representing 59% of portfolio hotel EBITDA
- 29 properties managed by Marriott representing 29% of portfolio hotel EBITDA
- Remaining 11 properties managed by Hilton, Starwood, Hyatt, and Interstate
- Best in class hotel property managers and asset managers that drive strong performance through ROI initiatives, revenue optimization, and cost cutting measures



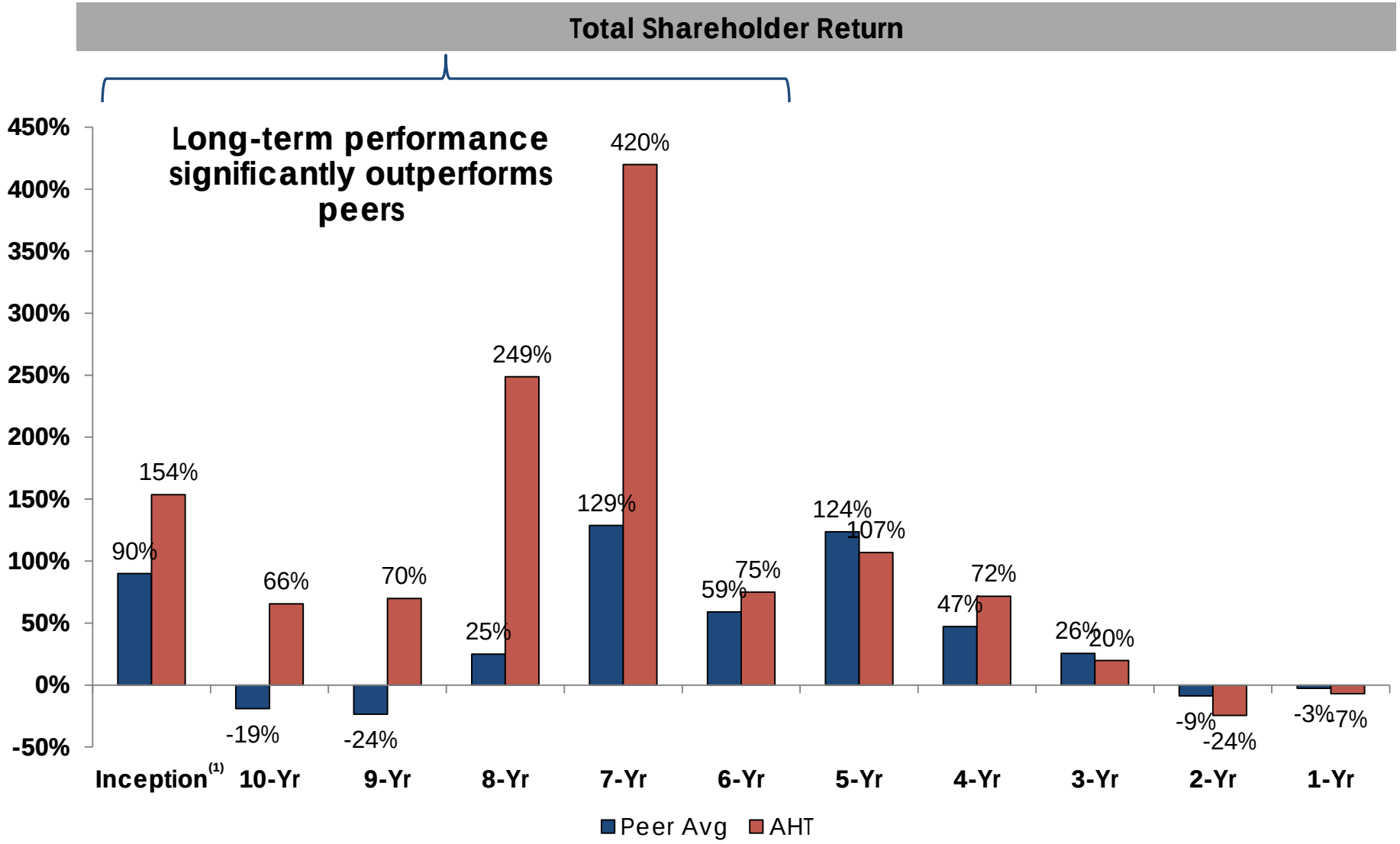
Based on TTM Hotel EBITDA as of June 30, 2016 for 126 owned hotels as of September 1, 2016

Remington Outperformance - Profitability



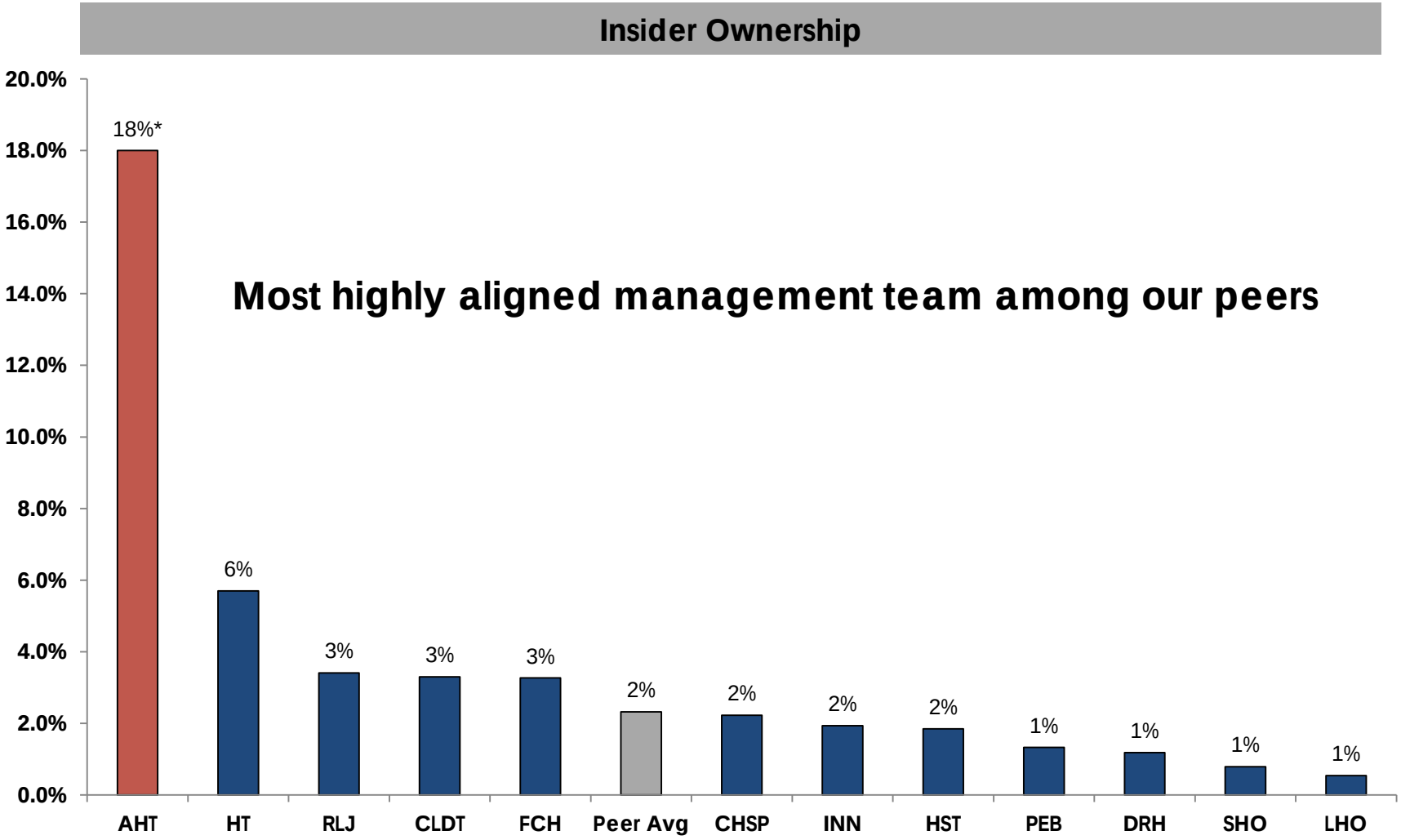
- **Remington has outperformed in EBITDA flow-through 7 out of the last 8 years**
- **Superior management of downside risk and cash flow loss**

Demonstrated Long-Term Track Record



(1) Since IPO on August 26, 2003
Peer average includes: CHSP, CLDT, DRH, FCH, HST, HT, INN, LHO, RLJ, SHO
Returns as of 9/1/16
Source: SNL

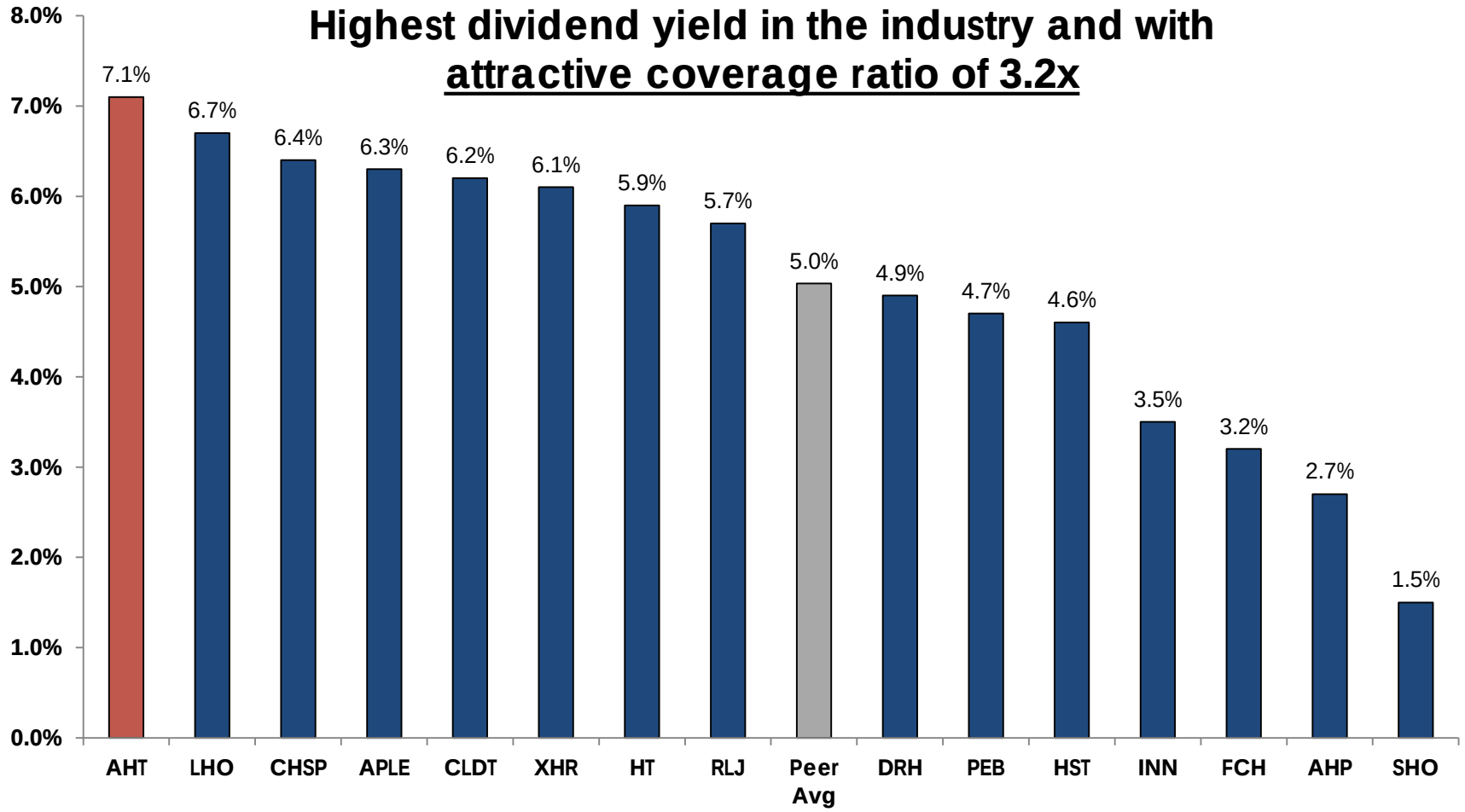
Highest Insider Ownership



Public Lodging REITs include: CHSP, CLDT, DRH, FCH, HST, HT, INN, LHO, PEB, RLJ, SHO
Source: Company filings.
** Insider ownership for Ashford Trust includes direct & indirect interests & interests of related parties*

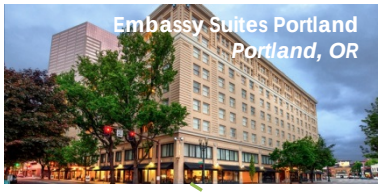
Attractive Dividend Yield

Dividend Yield (as of 9/1/16)

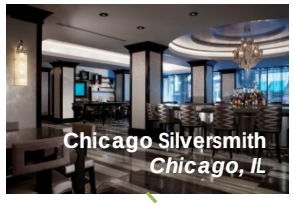


Source: Company filings and market data

High Quality, Geographically Diverse Portfolio

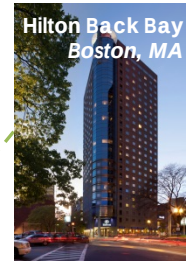


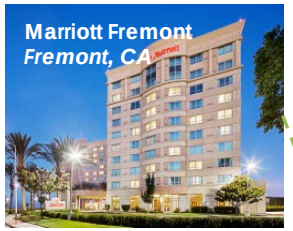




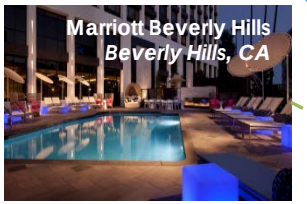










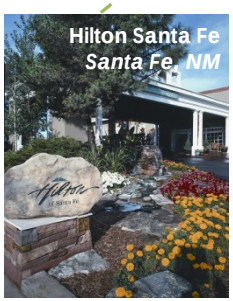








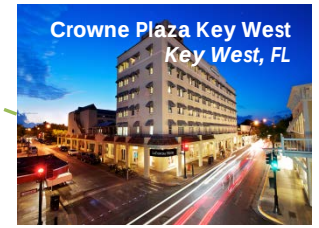






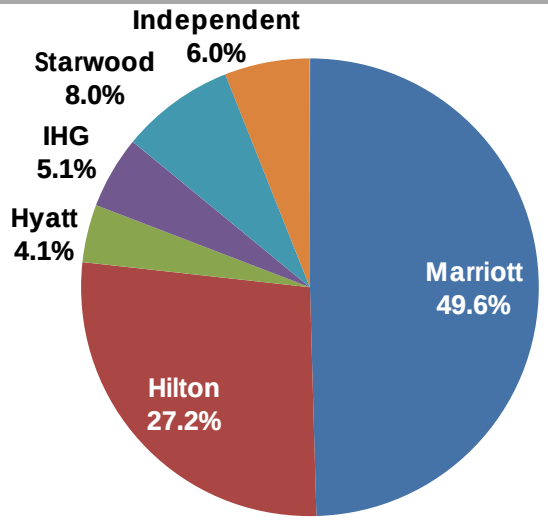




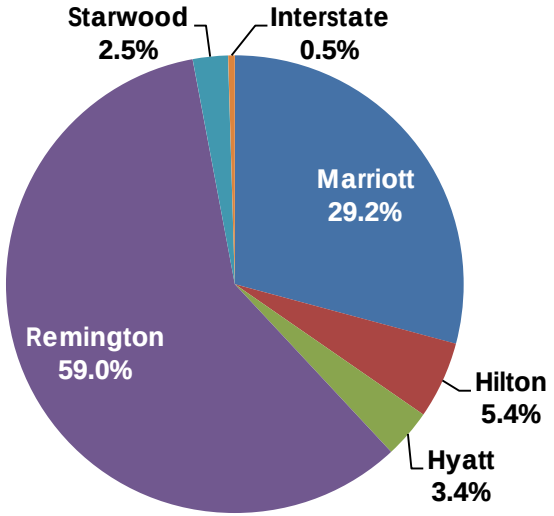


Portfolio Overview

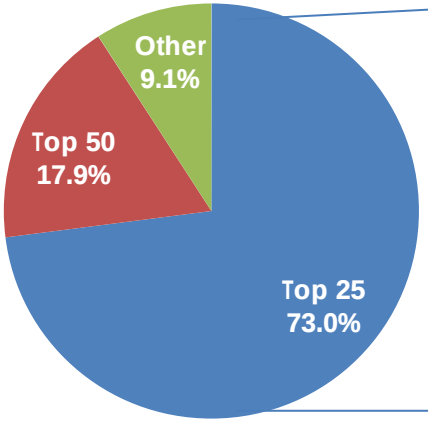
Hotel EBITDA by Brand



Hotel EBITDA by Manager



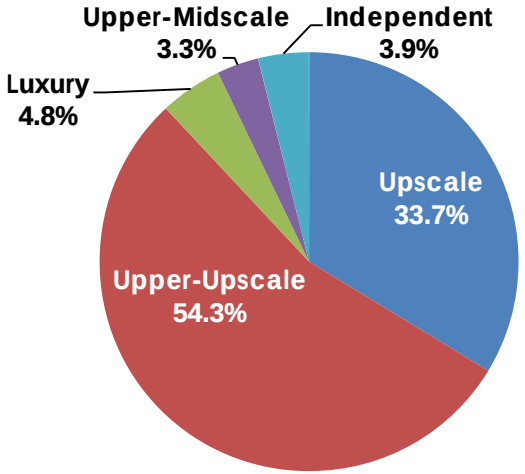
Hotel EBITDA by MSA



Top Ten Markets

	TTM Hotel EBITDA	*% of Total*
Washington DC Area	$47,325	*9.9%*
San Fran/Oakland, CA	$33,567	*7.1%*
Los Angeles Metro Area	$33,107	*7.0%*
Atlanta, GA	$30,288	*6.4%*
NY/NJ Metro Area	$29,932	*6.3%*
DFW, TX	$26,575	*5.6%*
Boston, MA	$25,422	*5.3%*
Nashville, TN	$23,557	*5.0%*
MN/St. Paul Area	$16,071	*3.4%*
Houston, TX	$13,465	*2.8%*
Total Portfolio	**$475,880**	***100.0%***

Hotel EBITDA by Chainscale



TTM Hotel EBITDA as of June 30, 2016 for 126 owned hotels as of September 1, 2016
Hotel EBITDA in thousands

Investment Strategy

Investment Strategy	Competitive Advantage
➢ Full-service hotels	➢ Increased deal flow
➢ Upper-upscale hotels	➢ Less competition
➢ Focus on all markets	➢ Improves selectivity
➢ Appropriate use of leverage	➢ More value-add opportunities
➢ Focus on franchised properties where we can add significant value	➢ Core competency of Remington
	➢ Debt markets expertise
	➢ Extensive relationships with brokers, lenders, institutions, and brands
	➢ Portfolio opportunities given diverse asset locations and quality

Asset Management Initiatives



Renaissance Nashville: Partnering with developer to redevelop Nashville Convention Center, resulting in new, premium meeting space



Marriott Crystal Gateway: Spending $30.0mm on major renovations; adding 6 keys by moving fitness center and concierge lounge



Hilton Boston Back Bay: Shifted revenue strategies to increase off-season occupancy estimated to add $3mm in revenue



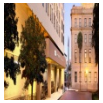
Marriott Beverly Hills: 82% RevPAR growth since $28mm conversion from Crowne Plaza



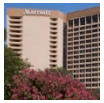
Embassy Suites Portland: Aggressively marketing multiple retail outlets; upgrading TV and WiFi to improve guest experience



Ritz Carlton Atlanta: Completed significant restaurant renovation; expanded and updated gift shop into upscale retail market



Hyatt Savannah: Increased premium rooms inventory by 70 rooms to drive ADR; repositioning food and beverage outlets and full lobby renovation in 2017



Marriott DFW: Comprehensive ballroom and meeting space renovation in summer 2017



Marriott Bridgewater: Converted 30 king rooms to double/double rooms to capture more group business; increase premium room type by 43.5% to capture higher ADR

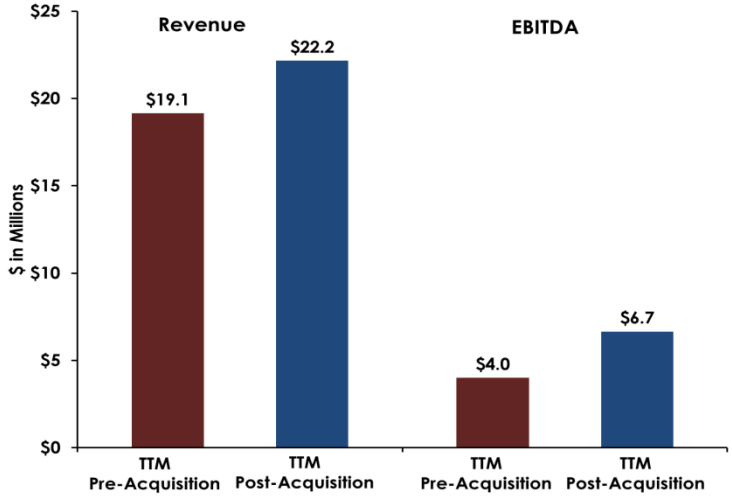


Embassy Suites Santa Clara: Spending $10.4mm on 2017 guestrooms and lobby renovation to include larger market and fitness area; implementing Profit Improvement Plan with estimated annual savings of $90k

Case Study – Conversion to Remington Managed

Marriott Fremont

- **Announced forward cap rate and EBITDA multiple of 8.1% and 10.0x, respectively**
- **Actual cap rate and EBITDA multiple of 10.9% and 7.9x, respectively**
- **Current cap rate and EBITDA multiple of 14.4% and 6.1x, respectively (1)**





	TTM Pre-Takeover	TTM Post-Takeover	Increase (%, BPs)
Total Revenue*	$19,140	$22,153	**15.7%**
RevPAR	$107.1	$130.5	**21.8%**
GOP margin	27.0%	38.1%	**+1,116**
EBITDA margin	20.9%	30.0%	**+916**

Implemented Strategies:

- Increased club room premium pricing from $30 to $45
- Increased corporate group room nights to 25% mid-week to ensure sell-outs and push rate
- Improved pattern management and business mix to increase higher rated retail contribution
- Moved to premium pricing, allowing restriction of premium rooms and preferred business management
- Aggressively priced preferred rooms rates 25%-30% YOY

**$ in Thousands*
(1) As of June 30, 2016

Case Study – Marriott Beverly Hills Conversion



Case Study – Marriott Beverly Hills Conversion (cont.)

- Prior to the conversion, the hotel had a TTM Net Operating Income of $6.3mm
- Trust invested $21mm, net of key money from Marriott*
- Ashford expects Net Operating Income to increase by approximately $2.5mm following conversion and stabilization
- Capping incremental Net Operating Income at an assumed 6.5% cap rate and deducting the CapEx investment equates to an estimated:

$17mm+ in value creation

* Not all of this capital was incremental. Hotel was in need of a renovation. “Refresh” capital requirements per Crowne standards were estimated to be $8mm.

Case Study – Marriott Beverly Hills Conversion (cont.)

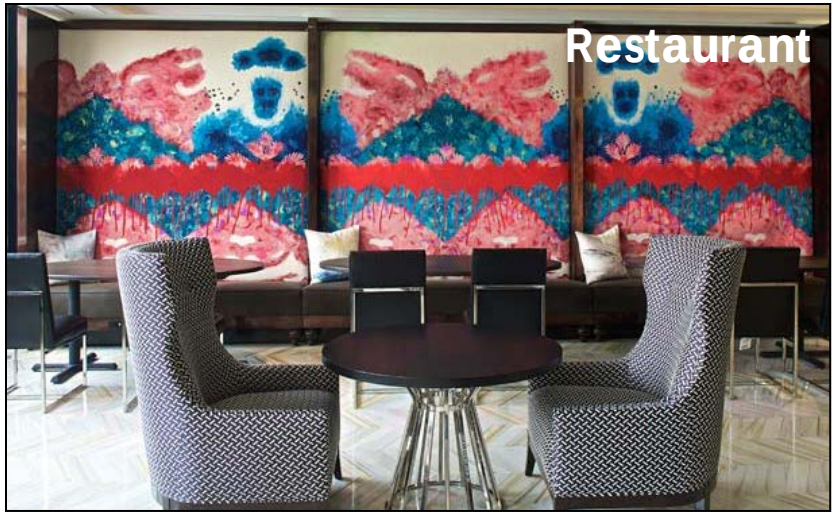
- The Marriott Beverly Hills officially opened on July 1, 2015 and the renovation concluded in August
- Received an award from Marriott International for renovation excellence
- **Q2 2016 YTD performance has been great:**
- **Total revenue growth of 84%**
- **Room rate growth of 48%**
- **Hotel EBITDA flow-through of 53%**
- **A gain of 5,100 bps in market share versus its competitors**

Case Study – Marriott Beverly Hills Conversion (cont.)







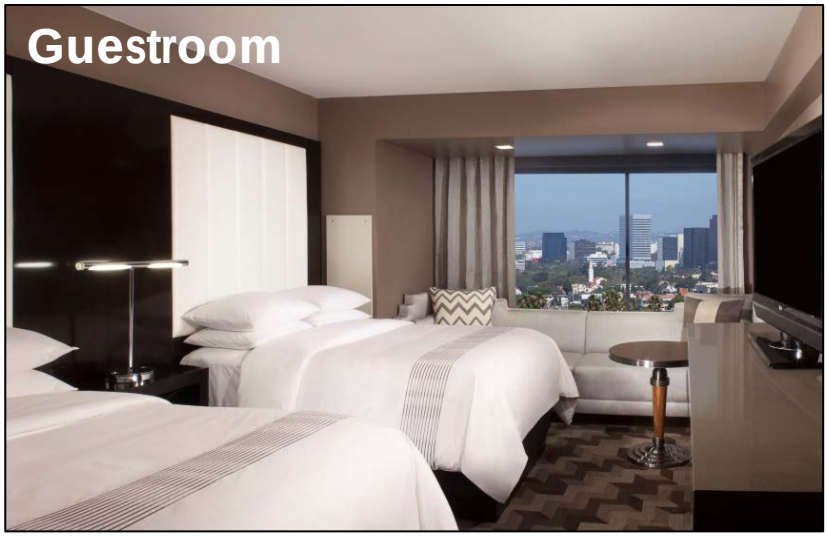


Case Study – Marriott Beverly Hills Conversion (cont.)









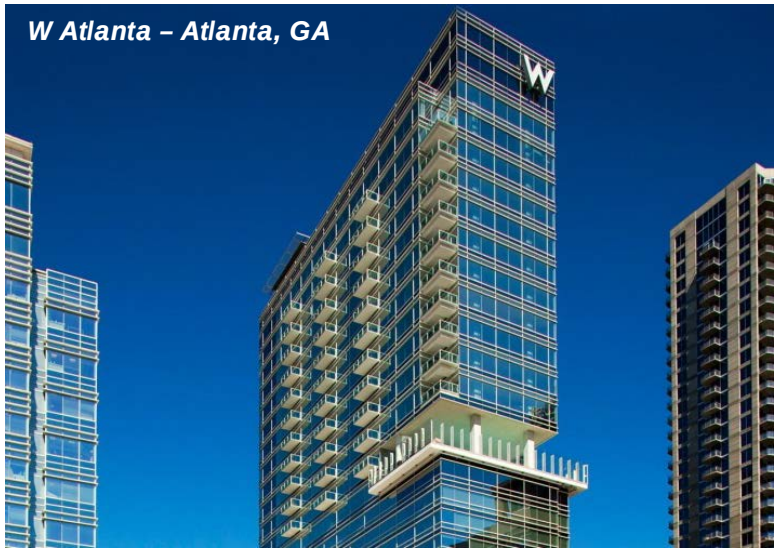
Opportunity – W Atlanta Downtown

Hotel Overview:

- Acquired in July 2015
- 237 keys, 9,000 sq. ft. of meeting space
- Located in the heart of Downtown Atlanta
- Close proximity to the downtown and midtown demand generators: Centennial Olympic Park, the Atlanta Aquarium, and Georgia Dome



W Atlanta – Atlanta, GA



Opportunities:

- Potential to reconcept or lease underutilized food and beverage outlets
- New management of the on-premise digital billboard
- Renegotiated valet parking agreement
- **Potential impact to EBITDA of approximately +$850,000**
- **Q2 2016 RevPAR growth and EBITDA flow-through of 12.8% and 83%, respectively**

Capital Structure and Net Working Capital

- Appropriate use of leverage to more cost effectively invest in the hotel cycle
- Current net working capital of approximately $3.75 per share
- All debt is non-recourse, property level mortgage debt
- Targeted cash balance of 25% to 30% of market capitalization
- Hedge unfavorable economic shocks

Enterprise Value

Figures in millions except per share values	
Stock Price (As of September 1, 2016)	$6.76
Fully Diluted Shares Outstanding	116.6
Equity Value	**$788.1**
Plus: Preferred Equity	393.9
Plus: Debt[(2)]	3,777.3
Total Market Capitalization	**$4,959.3**
Less: Net Working Capital	(437.5)
Total Enterprise Value	**$4,521.8**

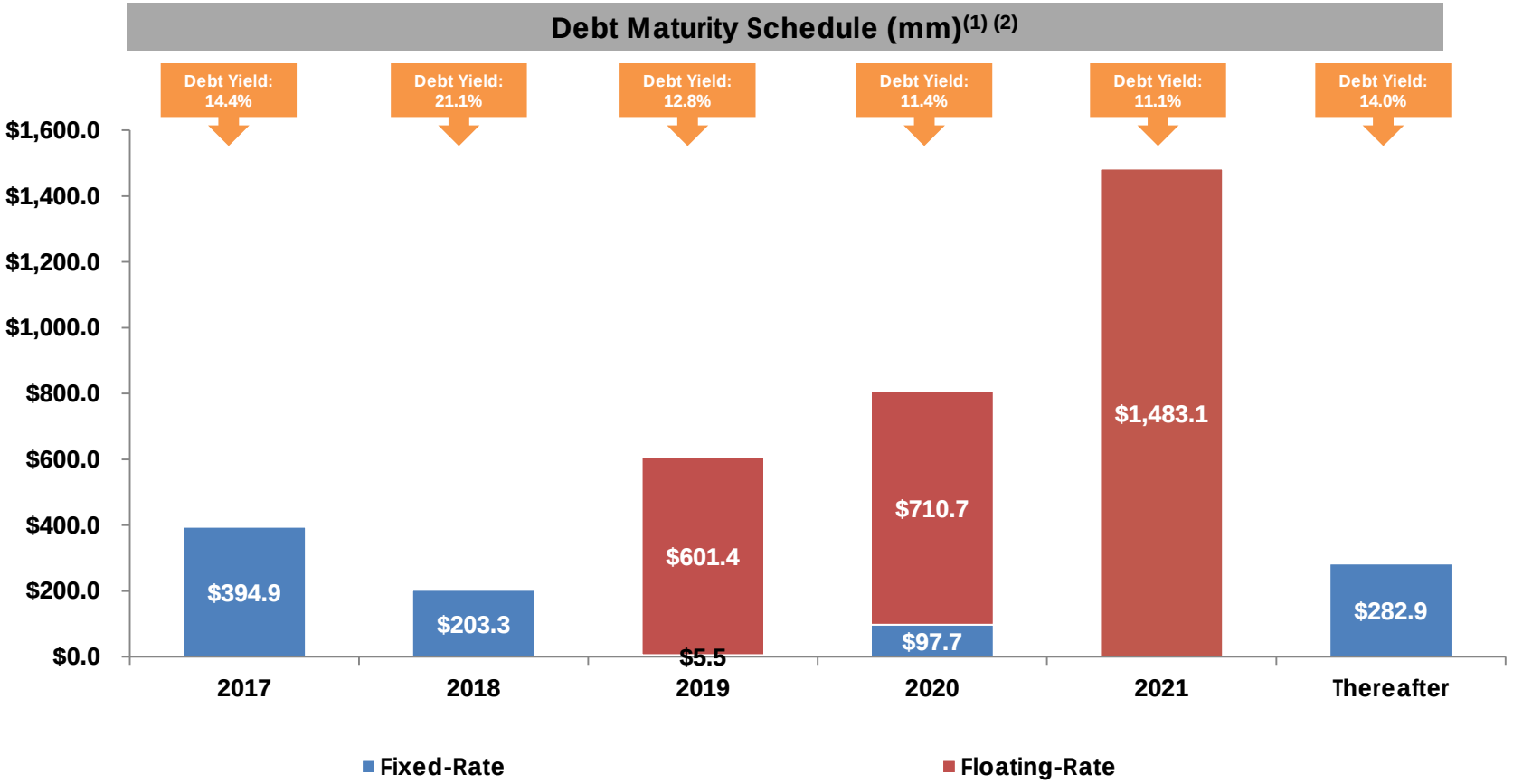
Net Working Capital

Cash & Cash Equivalents[(2)]	$266.9
Restricted Cash	163.1
Investment in Securities Fund	53.1
Accounts Receivable, net	55.3
Prepaid Expenses	24.3
Due From Affiliates, net	(4.9)
Due from Third Party Hotel Managers	15.1
Market Value of Ashford, Inc. Investment[(1)]	27.2
Total Current Assets	**$599.9**
Accounts Payable, net & Accrued Expenses	$139.3
Dividends Payable	23.1
Total Current Liabilities	**$162.4**
Net Working Capital	**$437.5**

ASHFORD HOSPITALITY TRUST

As of June 30, 2016
(1) At market value as of September 1, 2016
(2) Adjusted for sale of the Hampton Inn & Suites Gainesville

Debt Maturities and Leverage



- Target Net Debt/Gross Assets of 50-60%
- Maintain mix of fixed and floating rate debt (Currently 74% floating & 26% fixed)
- Ladder maturities
- Exclusive use of property-level, non-recourse debt

As of June 30, 2016
(1) Assumes extension options are exercised
(2) Adjusted for sale of the Hampton Inn & Suites Gainesville
Note: All debt yield statistics are based on EBITDA to principal.

Corporate Governance Enhancements

- Modification of the Company's Equity Incentive Plan to require stock ownership by directors and officers to match the stock ownership guidelines outlined in the current Corporate Governance Guidelines
- Modification of the Company's Equity Incentive Plan to require minimum vesting periods on stock options and stock appreciation rights issued under the plan
- Modification of the Company's stock ownership guidelines to increase the required share ownership for director's from three times the director's annual board retainer fee to four times
- Modification of the Company's By-laws to reduce the threshold from 35% to 30% of outstanding shares to call a special meeting of shareholders.

Key Takeaways

- **Focused on increasing shareholder value through simplifying strategy and improving portfolio quality**
- **Strong management team with a long track record of creating shareholder value**
- **Highly-aligned platform through management structure and high insider ownership**
- **Highest dividend yield in the industry**
- **Attractive industry fundamentals**

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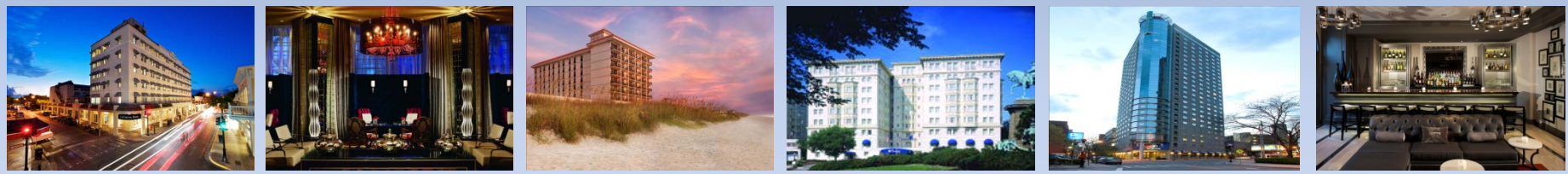

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