ASHFORD
HOSPITALITY TRUST








September 2018

Forward Looking Statements and Non-GAAP Measures

Certain statements made during this presentation could be considered forward-looking within the meaning of the SEC's rules and regulations. 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 performance, 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 or debt amount. 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 or in the appendix to this presentation. Non-GAAP measures should not be a substitute for GAAP measures when reviewing our financial information.

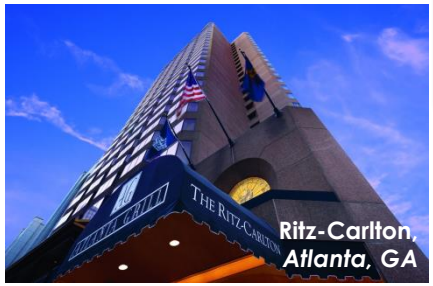
This overview is for informational purposes only and is not an offer to sell, or a solicitation of an offer to buy or sell, any securities of Ashford Hospitality Trust, Inc. or any of its respective affiliates. This information does not form a part of any prospectus of Ashford Hospitality Trust that may be used to offer securities.

Overview



- Opportunistic platform focused on upper upscale, full-service hotels
- Disciplined capital management
- Targets debt levels of 55-60% net debt/gross assets
- Targets cash level of 25-30% of total equity market cap
- Highest insider ownership
- Attractive dividend yield
- Value added asset management
- Valuation opportunity







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Management Team



DOUGLAS A. KESSLER
Chief Executive Officer & President

- 33 years of real estate & hospitality experience
- 15 years with Ashford
- 10 years with Goldman Sachs
- Stanford BA, MBA



DERIC S. EUBANKS, CFA
Chief Financial Officer

- 18 years of hospitality experience
- 15 years with Ashford
- 3 years with ClubCorp
- CFA charterholder
- Southern Methodist University BBA



JEREMY J. WELTER
Chief Operating Officer

- 13 years of hospitality experience
- 8 years with Ashford (5 years with Ashford predecessor)
- 5 years with Stephens Investment Bank
- Oklahoma State University BS



MARK L. NUNNELEY
Chief Accounting Officer

- 33 years of hospitality experience
- 15 years with Ashford (18 years with Ashford predecessor)
- Pepperdine University BS, University of Houston MS, CPA



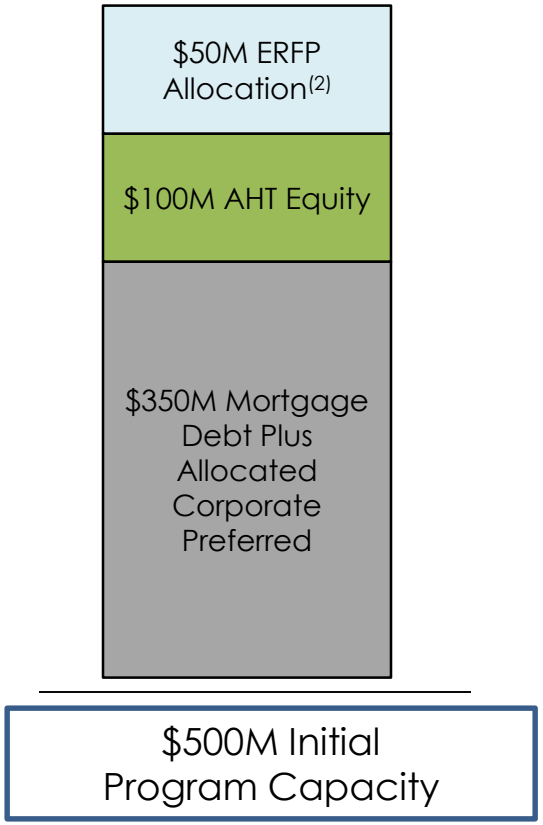
J. ROBISON HAYS
Chief Strategy Officer

- 13 years of hospitality experience
- 13 years with Ashford
- 3 years of M&A experience at Dresser Inc. & Merrill Lynch
- Princeton University AB

Recent Developments

Recently Announced ERFP agreement with Advisor

- **Potential to enhance five year IRRs by 700 to 1,200 basis points**[1] for AHT hotel acquisitions
- **Targeting 33% reductions in required equity** capital for each new AHT asset acquisition
- Current AHT excess **corporate cash of approximately $327 million**[3]
- Designed to **improve overall shareholder returns for AHT**
- **AHT advantage** vs. competing market bids



33% Reduction in AHT Equity for acquisitions

(1) Assumes approximately 15% to 20% levered returns without ERFP funding over five years, between 25% and 40% required equity amounts per acquisition, and funding of ERFP at end of year one
(2) Assuming 10% ERFP commitment funded immediately at acquisition
(3) As of June 30, 2018

Recent Developments

Recently Announced Acquisition of Hilton Alexandria Old Town utilizing ERFP

- Fee simple ownership of 252-room hotel with 12,967 square feet of meeting space
- T12 operating stats through May 2018: Occupancy 85% / ADR $190 / RevPAR $161
- No near-term owner funded capital needs - $9.6m of capital invested into the hotel ($38k/key) since 2013
- Two operated F&B outlets, including a full service Starbucks with street front access
- Hilton management – convertible to franchise after sale with no liquidated damages; no PIP if converted prior to December 31, 2019
- Non-union labor



High quality, well-branded full service asset located in Washington DC MSA

Portfolio Overview

118	24,930
Hotels[1]	Rooms[1]

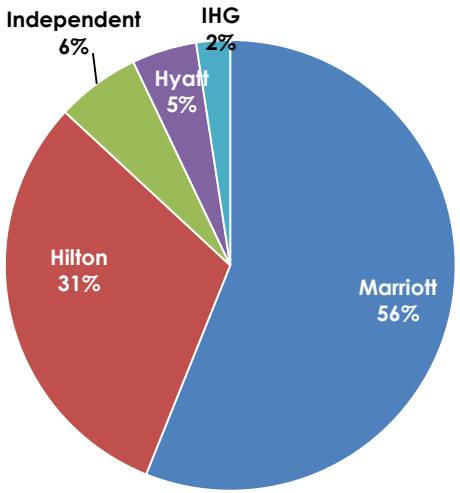
31	$5.9B	$125
States[1]	Gross Assets	RevPAR[1],[2]

Top Ten Metro Areas[2],[3]

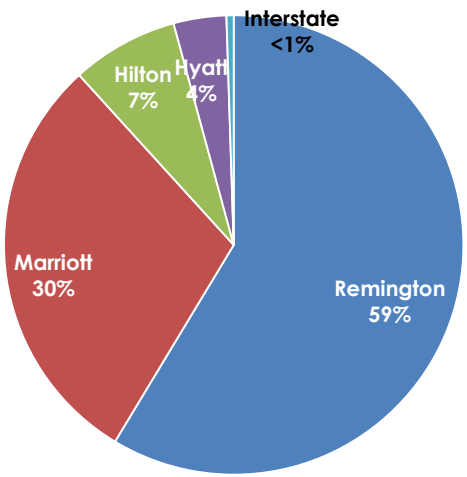
Top 10 Markets	TTM Q2 2018 EBITDA	% of Total
Washington DC	$51,818	*11.0%*
San Fran/Oakland, CA	$35,568	*7.6%*
Los Angeles, CA	$33,790	*7.2%*
New York/New Jersey	$31,254	*6.6%*
DFW, TX	$27,063	*5.7%*
Atlanta, GA	$25,019	*5.3%*
Boston, MA	$24,476	*5.2%*
Nashville, TN	$23,483	*5.0%*
Minn./St. Paul, MN	$15,081	*3.2%*
Austin, TX	$13,405	*2.8%*
Other Areas	$190,544	*40.4%*
Total	**$471,501**	**100%**

Portfolio by Hotel EBITDA[1]

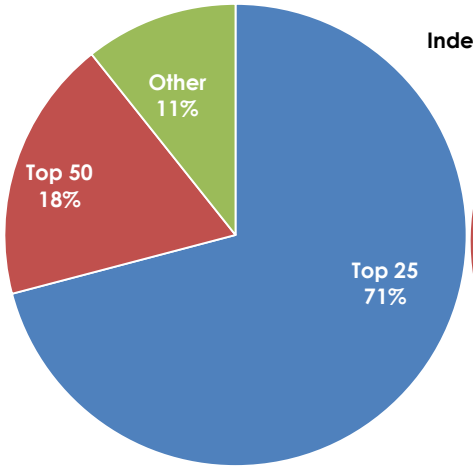
Brand



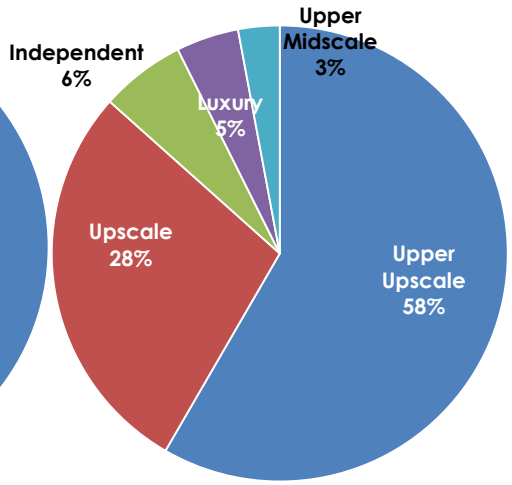
Property Manager



MSA



Chain Scale



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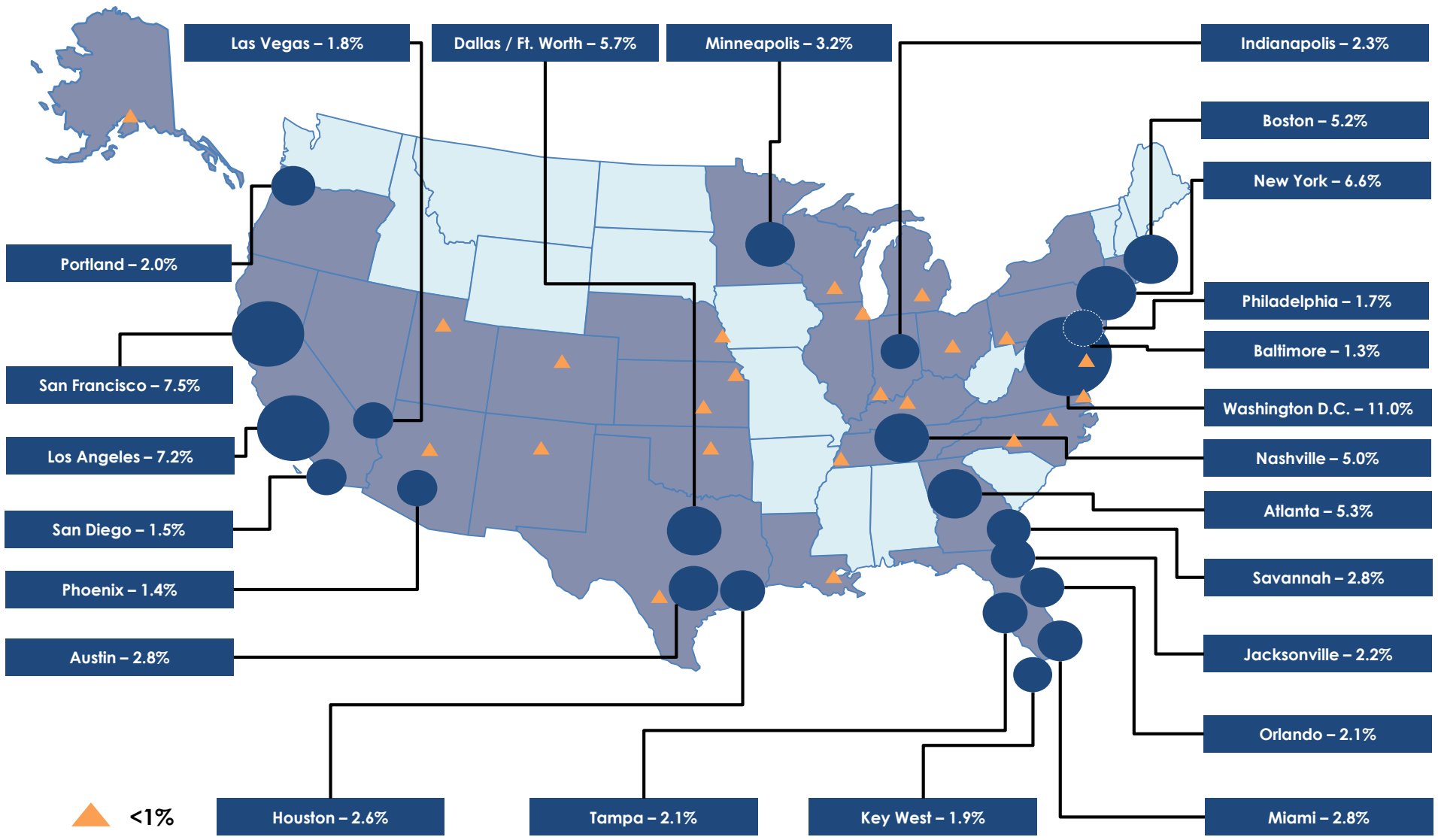
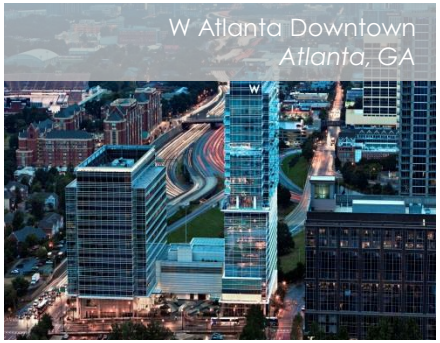
(1) As of June 30, 2018, excludes WorldQuest
(2) TTM as of June 30, 2018
(3) Hotel EBITDA in thousands

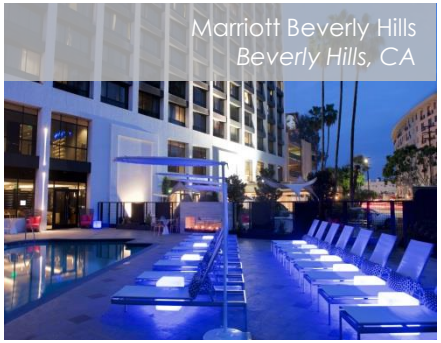
Geographically Diverse



Note: percent of total portfolio TTM Hotel EBITDA for the 118 properties owned as of June 30, 2018

High Quality











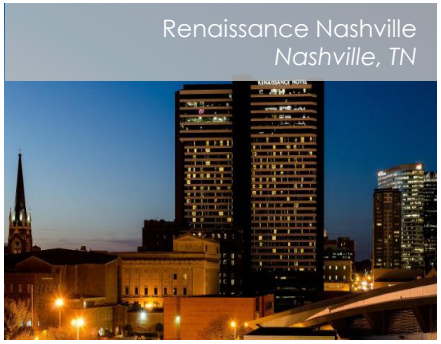


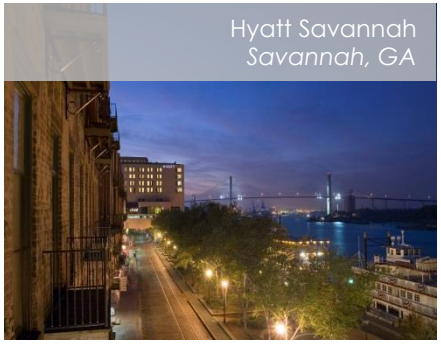












Full-Service Rationale

Estimated Cap Rates

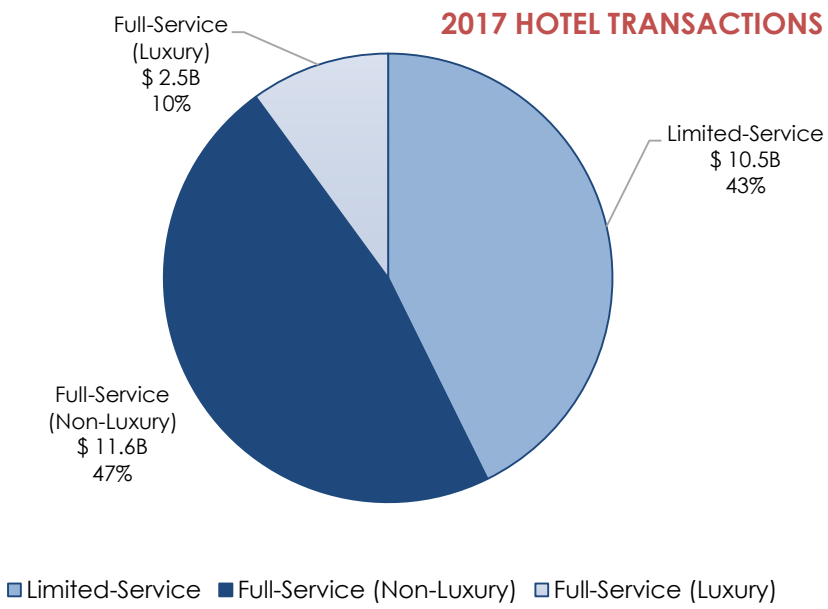
6.5%----8.5+%

Value-Add Opportunities

39%

Franchised Upper Upscale Rooms as a % of Total Upper Upscale Chain Scale Segment(1)

Higher Transaction activity(2)





(1) Estimate based upon MAR, HLT, H, and IHG branded rooms
(2) 2017 Hotel Transactions from Real Capital Analytics

Financially Calibrated Sales

Ashford Trust Hotel Sales 2015 - 2018

PROPERTIES SOLD
Hampton Inn Terre Haute
Courtyard Marriott Village LBV
SpringHill Suites Marriott Village LBV
Fairfield Inn Marriott Village LBV
Residence Inn Atlanta Buckhead
Courtyard Edison
Hampton Inn & Suites Gainesville
SpringHill Suites Gaithersburg
Residence Inn Palm Desert
Courtyard Palm Desert
Renaissance Portsmouth
Embassy Suites Syracuse
Crowne Plaza Atlanta Ravinia
SpringHill Suites Richmond Glen Allen
SpringHill Suites Centreville
Residence Inn Tampa

SALES OF MAINLY SELECT-SERVICE PROPERTIES

Sales Proceeds	**$375 million**

REMOVAL OF LOWER REVPAR HOTELS

TTM Avg. RevPAR	**$80**

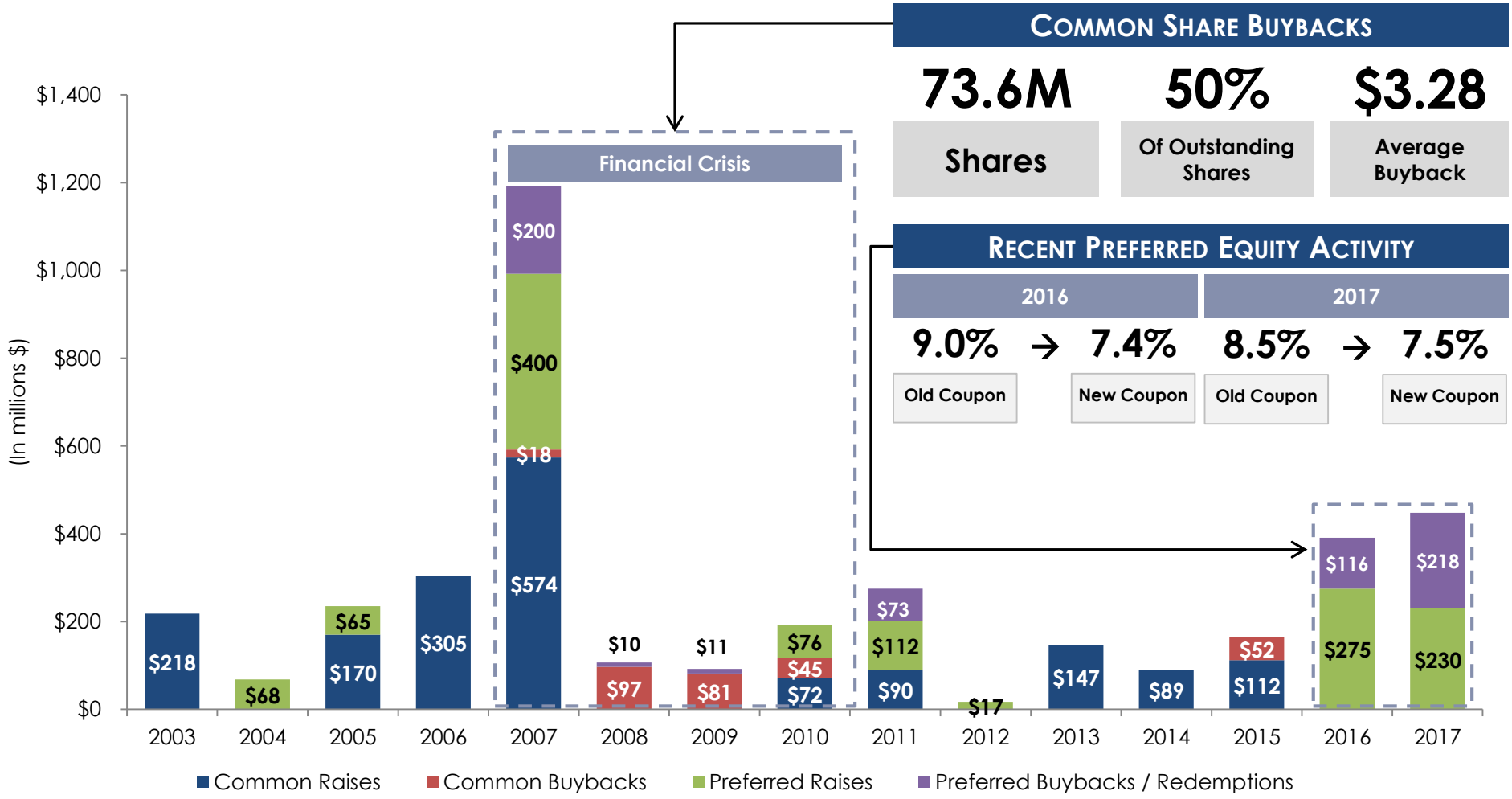
TRANSACTIONS AT FAVORABLE CAP RATES

TTM Avg. Cap Rate	**8.1%**
All-in Basis Cap Rate[1]	**6.9%**

(1) Based on expected capex to be invested by the buyer

Disciplined Capital Management

Track record of **increasing shareholder returns** by capitalizing upon cyclical changes and advantageous pricing of our securities



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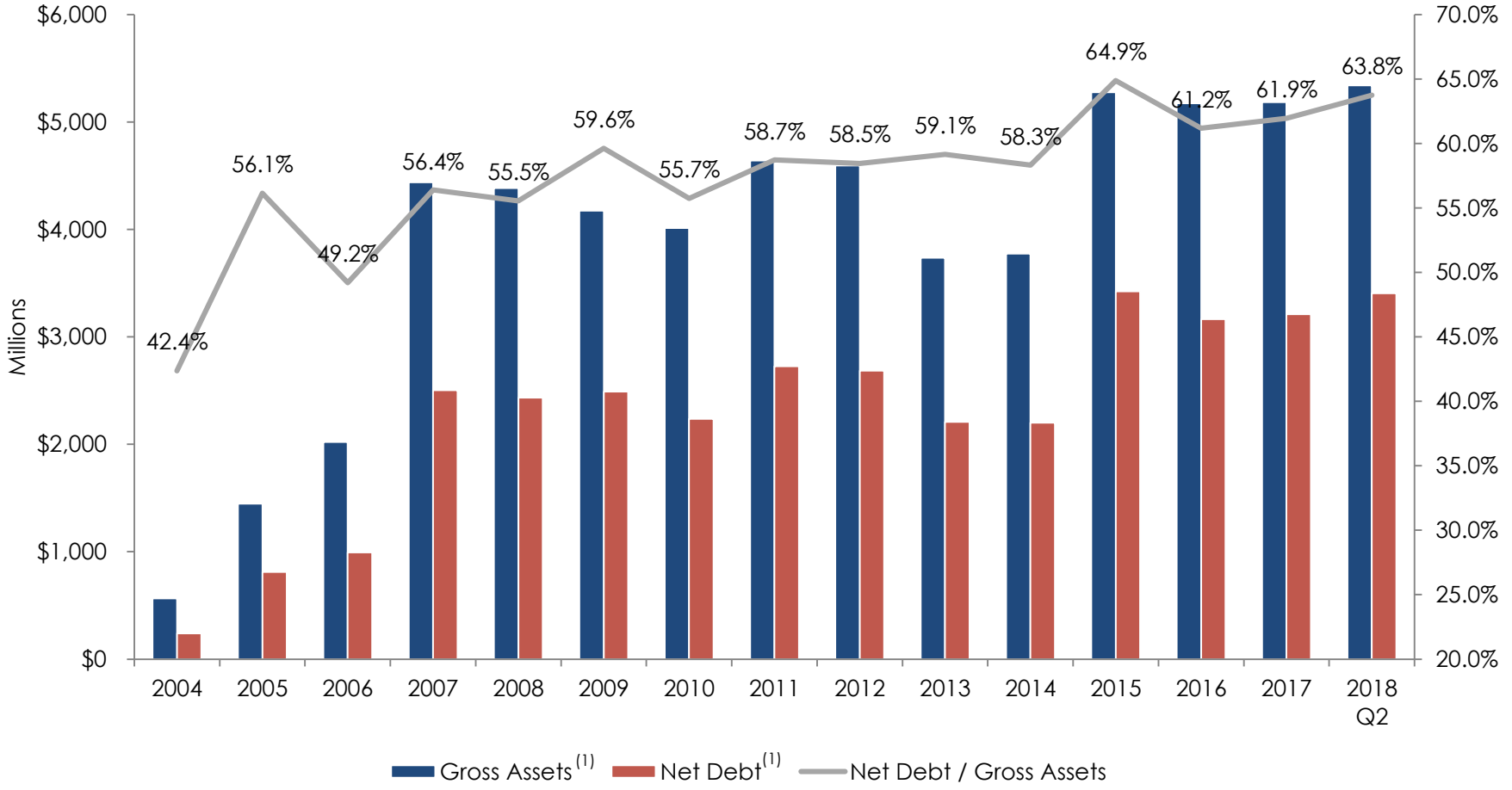
Leverage Target

Non-recourse, property level mortgage debt

Leverage policy consistent since IPO



(1) Based on public filings; adjusted for unconsolidated Highland JV from 2011 – 2014
Note: Gross Assets and Net Debt adjusted for cash & cash equivalents and other liquid cash-like items as reported

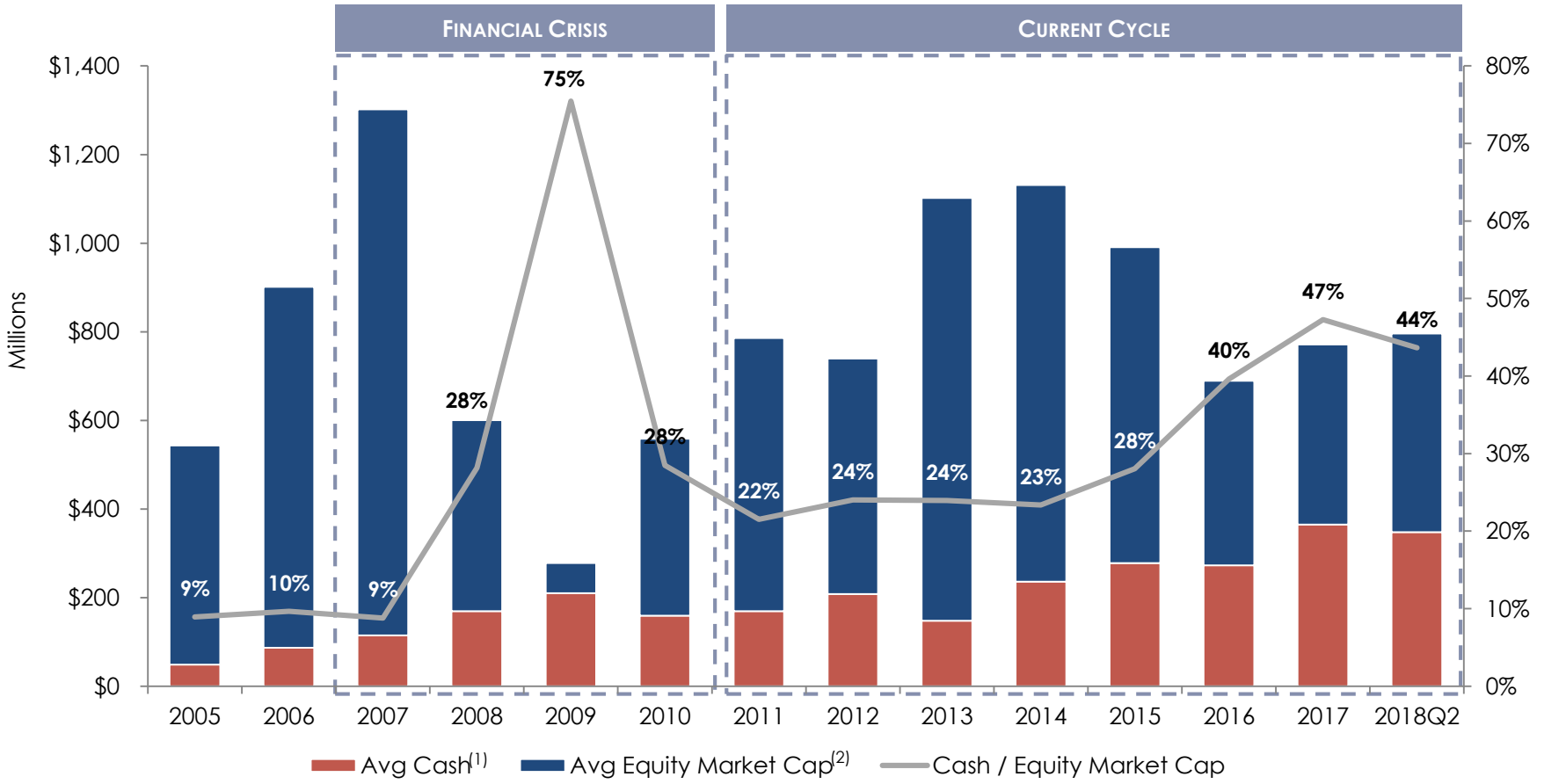
Cash Target

Financial Crisis

Positioned to buy back approximately 50% of outstanding common shares for about $240 million leading to outsized total shareholder returns

Current Cycle

Flexibility to execute opportunistic growth and maintain hedge against an economic downturn



(1) Based on public filings; adjusted for unconsolidated Highland JV from 2011 - 2014
(2) Source: Bloomberg

Net Working Capital

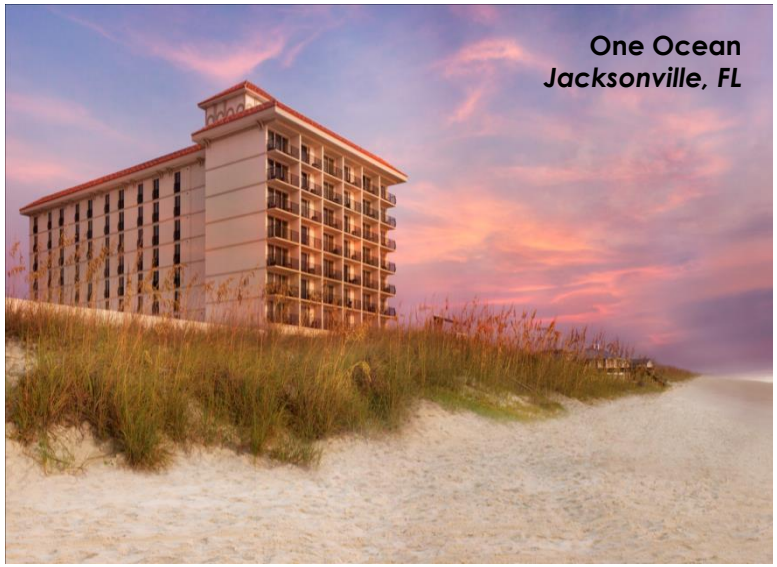
25-30%	54%	$4.55
CASH TO EQUITY MKT CAP TARGET	CURRENT CASH TO EQUITY MKT CAP(2)	NWC / SHARE(2)

BENEFITS

Ability to execute **opportunistic investments**

Hedge against economic uncertainty

Net Working Capital(1)	
Cash & Cash Equivalents	$417.3
Restricted Cash	135.2
Investment in Securities	24.1
Accounts Receivable, net	57.8
Prepaid Expenses	23.0
Due from Affiliates, net	0.0
Due from Third Party Hotel Managers	18.4
Market Value of Ashford, Inc. Investment(2)	54.3
Total Current Assets	**$730.1**
Accounts Payable, net & Accrued Expenses	$141.8
Dividends Payable	27.2
Due to affiliates,net	18.2
Total Current Liabilities	**$187.2**
Net Working Capital	**$542.9**



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(1) As of June 30, 2018; except as footnoted, in millions
(2) At market value as of August 14, 2018

Non-Recourse Debt

100%	100%	0%
NON-RECOURSE DEBT	PROPERTY LEVEL, MORTGAGE DEBT	CORPORATE LEVEL DEBT

Total Enterprise Value	
Stock Price[1]	$6.45
Fully Diluted Shares Outstanding[2]	119.2
Equity Value	**$769.1**
Plus: Preferred Equity[2]	564.7
Plus: Debt, net of JV Interest[2]	3,998.9
Total Market Capitalization	**$5,332.7**
Less: Net Working Capital[2],[3]	(542.9)
Total Enterprise Value	**$4,789.8**

BENEFITS

- Non-recourse debt **lowers risk profile** of the platform
- **Maximizes flexibility** in all economic environments
- Long-standing **lender relationships**
- **High lender interest** in our high quality hotel assets



(1) As of August 14, 2018
(2) As of June 30, 2018; in millions
(3) Includes Investment in Ashford Inc. at market value as of August 14, 2018

Value Enhancement through Refinancing

17-Pack – Oct 2017

L+5.52% → **L+3.00%**

Old Interest Rate | New Interest Rate

~$9.8 million in annual debt service savings over prior loan terms

8-Hotel Portfolio – Jan 2018

L+4.95% → **L+2.92%**

Old Interest Rate | New Interest Rate

~$6.8 million in annual debt service savings over prior loan terms

22-Hotel Portfolio – Apr 2018

L+4.39% **L+3.20%**

Old Interest Rate | New Interest Rate

~$11.0 million in annual debt service savings over prior loan terms

34-Pack – Jun 2018

L+4.57% → **L+3.83%**

Old Interest Rate | New Interest Rate

74bp decrease over prior loan terms

Strategic Rationale

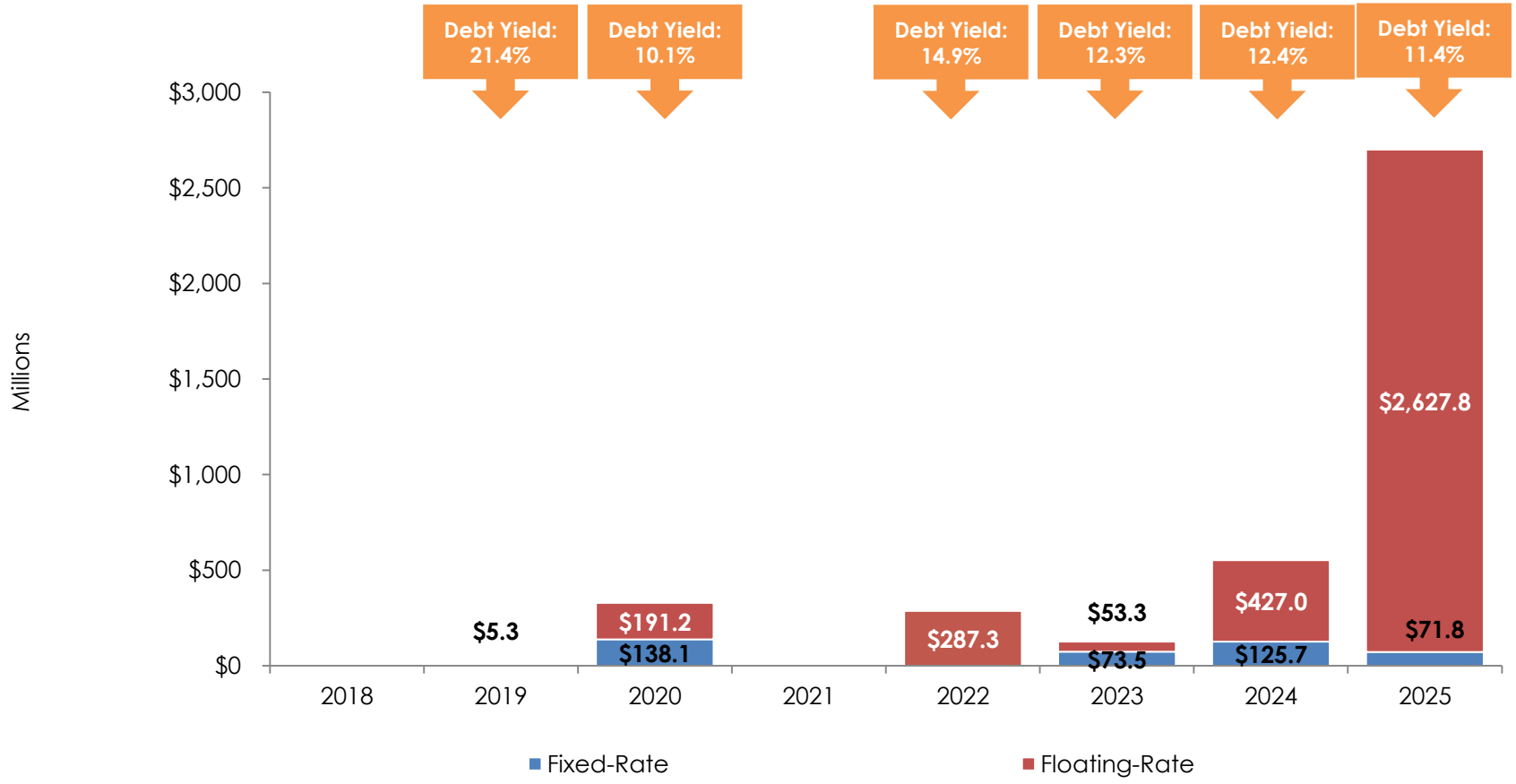
- Extend maturity
- Greater flexibility
- Interest expense savings



W Atlanta Downtown
Atlanta, GA

Debt Maturity[1]

2018	NO DEBT MATURITIES
5.5%	TOTAL PORTFOLIO WEIGHTED AVERAGE INTEREST RATE

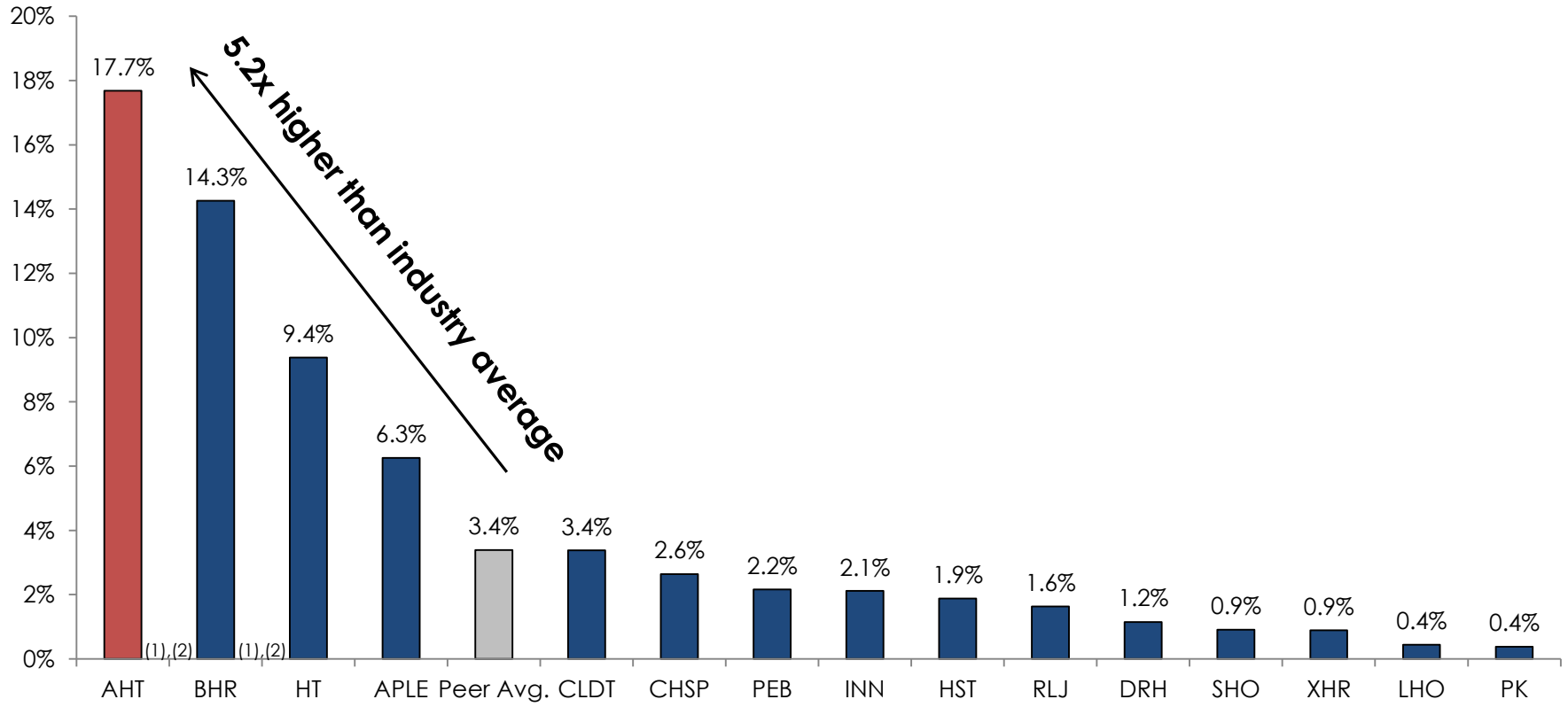


(1) As of June 30, 2018; assumes extension options are exercised
Note: All debt yield statistics are based on EBITDA to principal

High Insider Ownership

One of the most highly aligned management team among the lodging REIT sector

$136M **Total Dollar Value** of Insider Ownership(1),(2),(3)



REIT industry average includes: BHR, HT, APLE, CLDT, CHSP, RLJ, PEB, INN, HST, DRH, SHO, XHR, LHO, PK
Source: latest proxy, SNL
(1) As of June 30, 2018
(2) Includes direct interests and interests of related parties
(3) Assumed stock price as of August 14, 2018

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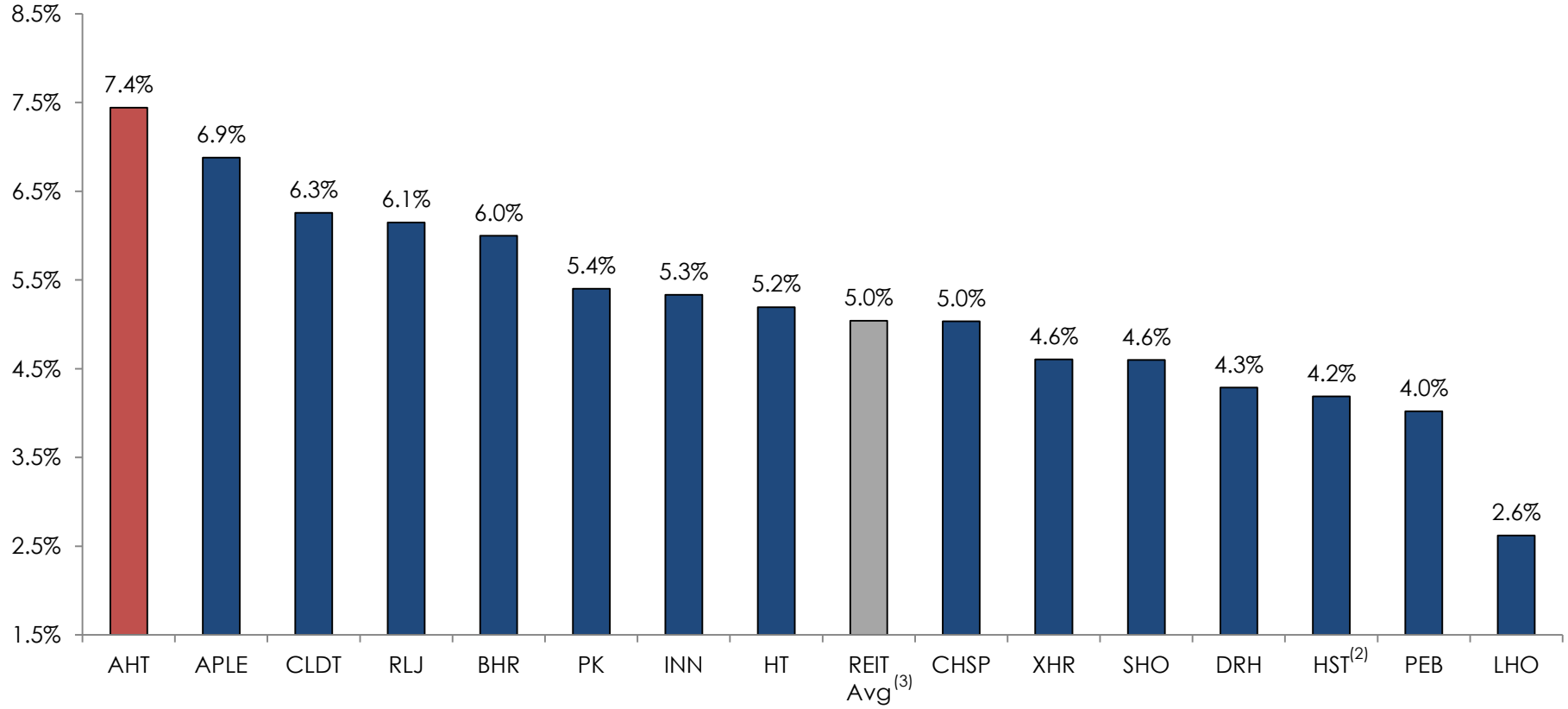
Attractive Dividend Yield

Highest dividend yield in the industry(1)



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Source: Company filings and Bloomberg

(1) As of August 14, 2018, annualized based on most recent dividend announcement

(2) Includes recent special cash

(3) Includes: BHR, APLE, CLDT, PK, LHO, CHSP, HT, RLJ, XHR, DRH, PEB, HST, INN, SHO

Value Creation Through Active Asset Management

W Atlanta Downtown



Flow-Thru: 157%

First full year of ownership[1]

W Minneapolis Foshay



EBITDA Flow-Thru: 115%

First full year of ownership[1]

Le Meridien Minneapolis

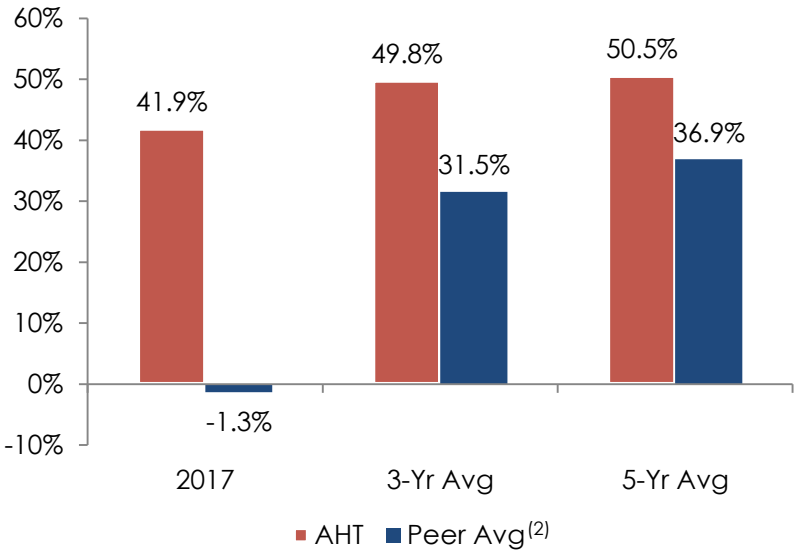


EBITDA Flow-Thru: 84%

First full year of ownership[1]

- **Ashford management creates value in both brand and non-brand managed assets**
- **Hotel EBITDA flow-through has outperformed the peer average**

Portfolio Hotel EBITDA Flow-Through



(1) FY2016
(2) Peers include DRH, HST, INN, LHO, CHSP, HT, SHO, RLJ, and PEB

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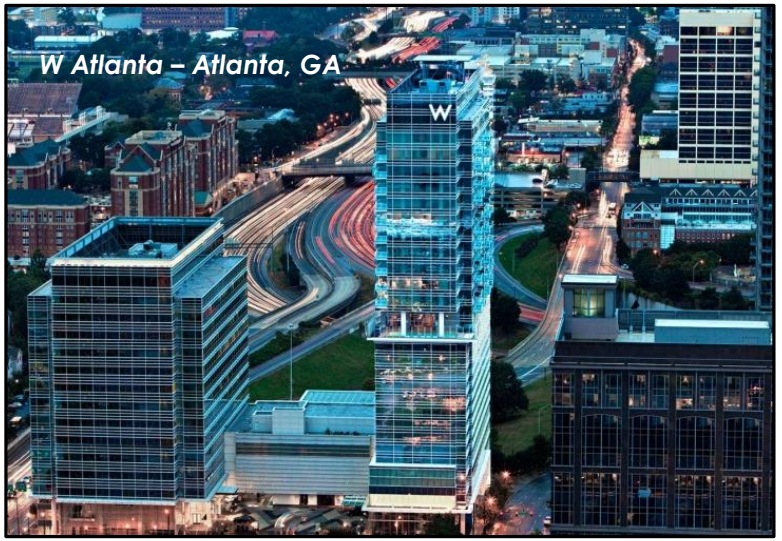
Case Study – Aggressive Asset Management

Hotel Overview

- 237 keys, 9,000 sq. ft. of meeting space
- Close proximity to the downtown and midtown demand generators: Centennial Olympic Park, the Atlanta Aquarium, and Mercedes Benz Stadium





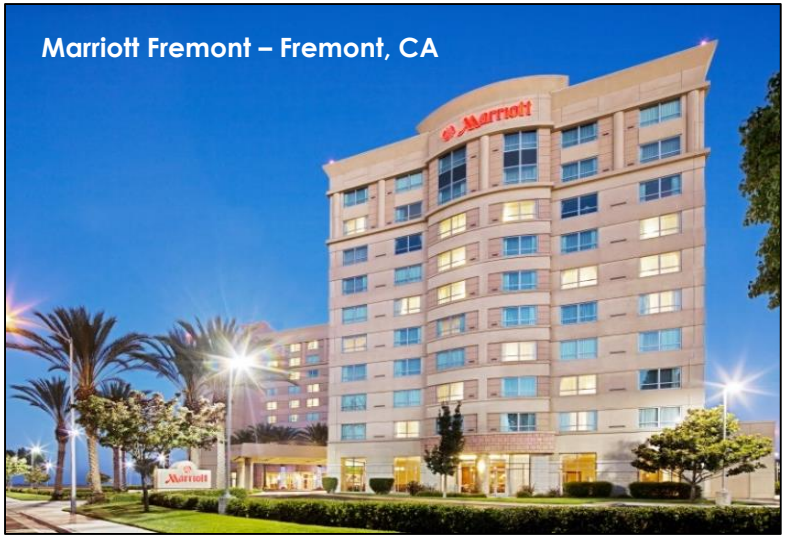
Implemented Strategies

- Replaced unprofitable restaurant manager and re-positioned restaurant
- New management of the on-premise digital billboard
- Renegotiated valet parking agreement
- Eliminated operational loss at Bliss Spa through restructuring
- **First full year of ownership EBITDA flow-thru of 157%, and EBITDA growth of 27%**

Case Study – Conversion to Remington Managed

Hotel Overview

- 357 keys, 15,000 sq. ft. of meeting space
- Ideally located off Interstate 880 at the gateway to Silicon Valley.
- Announced forward cap rate and EBITDA multiple of 8.1% and 10.0x, respectively
- **Current cap rate and EBITDA multiple of 15.7% and 5.7x, respectively (1)**
- **Acquired for $50 million and Oct 2016 refi had allocated loan amount of $61 million**





Implemented Strategies

- Increased club room premium pricing
- Increased corporate group room nights to 25% mid-week to ensure sell-outs and push rate
- Aggressively priced preferred rooms rates 25%-30% YOY
- **From TTM Pre-Takeover to TTM Post-Takeover**
  - **Revenue increased 15.7%**
  - **RevPAR increased 21.8%**
  - **GOP margin increased 1,116 bps**
  - **EBITDA margin increased 916 bps**

(1) As of December 31, 2017

Asset Management Initiatives – Recently Completed



Renaissance Palm Springs: Guestroom, restaurant, meeting space and public area renovations completed



Courtyard Crystal City: Guestroom renovations and public area carpet completed.



Embassy Suites Santa Clara: Guestroom renovation and fitness center completed.



Embassy Suites Orlando Airport: Guestrooms completed Extensive atrium, restaurant, and public space completed, including implementation of a corner pantry.



Westin Princeton: Guestroom renovation completed.



Embassy Suites Philadelphia Airport: Guestroom Renovation completed



Courtyard Gaithersburg: Guestrooms and meeting rooms refurbished. Former Courtyard Café converted to a Bistro



Marriott Omaha: Refurbishment of concierge lounge, business center, and guestroom corridors completed



The Churchill: Lobby refurbishment completed

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Note: list is representative of recently completed initiatives, but does not include all assets

Asset Management Initiatives – Upcoming



Renaissance Nashville: First Phase of NCC meeting space completed April 2018 including the grand and junior ballrooms. Extensive first floor public space renovation now underway. Project completion scheduled Q1 2019.



Hotel Indigo Atlanta Midtown: Guestroom renovation underway, scheduled for completion in Q3 2018



Hyatt Regency Coral Gables: Guestroom renovation planned for Q3 2018 – Q1 2019



Courtyard Louisville: Guestroom renovation planned for Q4 2018 – Q2 2019



Hilton Tampa Westshore: Guestroom renovation underway, to be completed Q4 2018



Ritz Carlton Atlanta: Extensive renovation of guestrooms and Ritz Carlton Club Lounge to be completed Q1 2019



Residence Inn Orlando Sea World: Guestroom renovation to be completed Q3 2018



Hilton Garden Inn BWI: Guestroom renovation scheduled to commence in Q4 2018

Note: list is representative of upcoming or undergoing capital expenditures, but does not include all assets

Asset Management Initiatives – Upcoming



Marriott Omaha: Refurbishment of lobby and restaurant expected to be completed Q4 2018



La Pavillion New Orleans: Public areas and restaurant refurbishment expected to be completed Q4 2018



Embassy Suites Crystal City: Full room refurbishment scheduled expected to start Q4 2018



Marriott DFW Airport: Guestroom renovation expected to begin Q4 2018



Hampton Inn Columbus: Guestroom renovation scheduled to commence in Q4 2018



W Atlanta: Restaurant re-concept and renovation scheduled for Q4 2018

Note: list is representative of upcoming or undergoing capital expenditures, but does not include all assets

Valuation

VALUATION

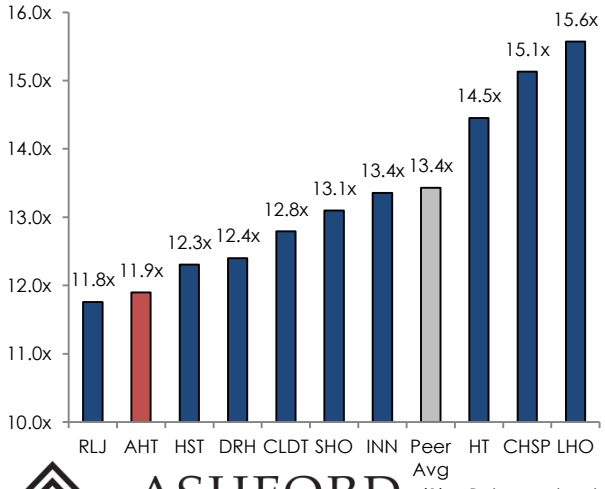
160 **Discount** to average peer trading cap rate (bps)

1.5x **Discount** to average peer trading EBITDA multiple

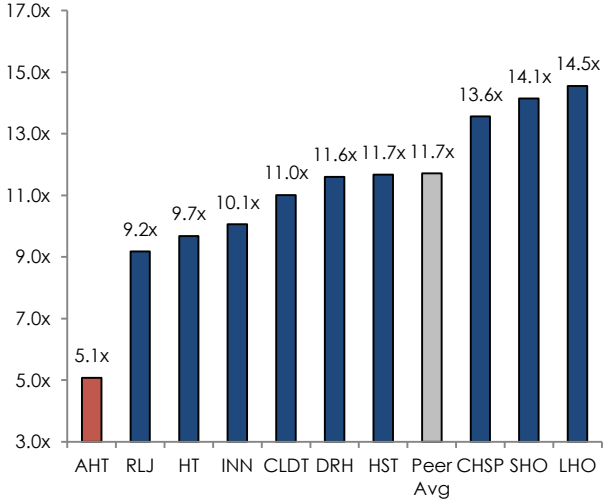
6.6x **Discount** to average peer trading AFFO multiple



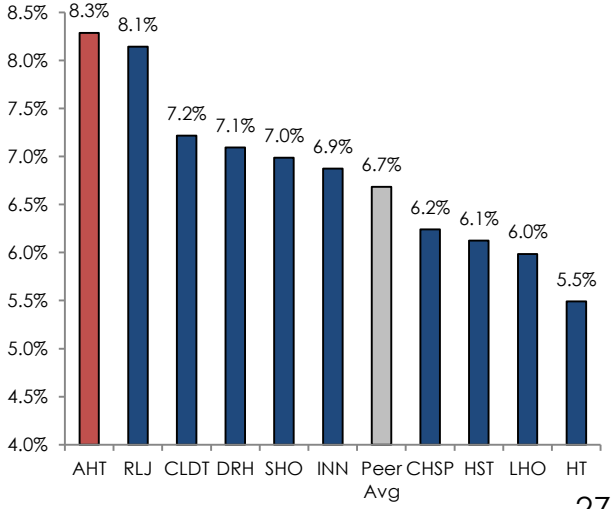
TEV / 2018E EBITDA MULTIPLE(1),(2)



PRICE / 2018E AFFO / SHARE MULTIPLE(1),(2)



TTM CAP RATE(1)



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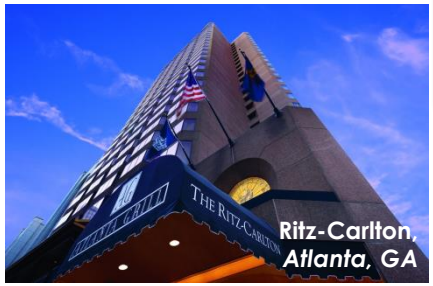
(1) Balance sheet data as of June 30, 2018; stock price as of August 14, 2018
(2) Based on consensus estimates
Source: SNL, Bloomberg, Company Filings

Key Takeaways



- Opportunistic platform focused on upper upscale, full-service hotels
- Disciplined capital management
- Targets debt levels of 55-60% net debt/gross assets
- Targets cash level of 25-30% of total equity market cap
- Highest insider ownership
- Attractive dividend yield
- Value added asset management
- Valuation opportunity







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