

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-31775

ASHFORD HOSPITALITY TRUST, INC .

(Exact name of registrant as specified in its charter)

Maryland	86-1062192
(State or other jurisdiction of incorporation or organization)	(IRS employer identification number)
14185 Dallas Parkway	
Suite 1200	
Dallas	
Texas	75254
(Address of principal executive offices)	(Zip code)

(972) 490-9600

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	AHT	New York Stock Exchange
Preferred Stock, Series D	AHT-PD	New York Stock Exchange
Preferred Stock, Series F	AHT-PF	New York Stock Exchange
Preferred Stock, Series G	AHT-PG	New York Stock Exchange
Preferred Stock, Series H	AHT-PH	New York Stock Exchange
Preferred Stock, Series I	AHT-PI	New York Stock Exchange

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, \$0.01 par value per share	42,406,378
(Class)	Outstanding at May 7, 2024

ASHFORD HOSPITALITY TRUST, INC.
FORM 10-Q
FOR THE QUARTER ENDED March 31, 2024
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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements (unaudited)

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS (unaudited, in thousands, except share and per share amounts)

	March 31, 2024	December 31, 2023
ASSETS		
Investments in hotel properties, net (\$ 129,063 and \$ 122,938 attributable to VIEs).	\$ 2,538,470	\$ 2,951,932
Contract asset	378,160	—
Cash and cash equivalents (\$ 3,675 and \$ 2,363 attributable to VIEs)	111,065	165,231
Restricted cash (\$ 9,600 and \$ 17,346 attributable to VIEs)	132,949	146,079
Accounts receivable (\$ 218 and \$ 271 attributable to VIEs), net of allowance of \$ 1,302 and \$ 1,214, respectively	56,041	45,521
Inventories (\$ 4 and \$ 5 attributable to VIEs)	3,754	3,679
Notes receivable, net	9,642	7,369
Investments in unconsolidated entities	9,426	9,960
Deferred costs, net (\$ 206 and \$ 218 attributable to VIEs)	1,750	1,808
Prepaid expenses (\$ 867 and \$ 651 attributable to VIEs)	22,133	12,806
Derivative assets	12,398	13,696
Operating lease right-of-use assets	43,975	44,047
Other assets (\$ 1,645 and \$ 1,433 attributable to VIEs)	18,948	25,309
Intangible assets	797	797
Due from third-party hotel managers	23,531	21,664
Assets held for sale	176,178	12,383
Total assets	<u>\$ 3,539,217</u>	<u>\$ 3,462,281</u>
LIABILITIES AND EQUITY/DEFICIT		
Liabilities:		
Indebtedness, net (\$ 70,546 and \$ 70,073 attributable to VIEs)	\$ 2,934,894	\$ 3,040,951
Debt associated with hotels in receivership	355,120	355,120
Finance lease liability	18,387	18,469
Other finance liability (\$ 26,908 and \$ 26,858 attributable to VIEs)	26,908	26,858
Accounts payable and accrued expenses (\$ 12,582 and \$ 14,405 attributable to VIEs)	130,613	129,323
Accrued interest payable (\$ 520 and \$ 241 attributable to VIEs)	12,511	12,985
Accrued interest associated with hotels in receivership	23,040	14,024
Dividends and distributions payable (\$ 1 and \$ 147 attributable to VIEs)	3,651	3,566
Due to Ashford Inc., net (\$ 3,553 and \$ 1,396 attributable to VIEs)	9,732	13,261
Due to related parties, net (\$ 48 and \$ 123 attributable to VIEs)	2,003	5,874
Due to third-party hotel managers (\$ 122 and \$ 110 attributable to VIEs)	1,487	1,193
Intangible liabilities, net	2,005	2,017
Operating lease liabilities	44,661	44,765
Other liabilities	3,443	3,499
Liabilities related to assets held for sale	101,720	14,653
Total liabilities	3,670,175	3,686,558
Commitments and contingencies (note 17)		
Redeemable noncontrolling interests in operating partnership	22,300	22,007
Series J Redeemable Preferred Stock, \$ 0.01 par value, 4,353,135 and 3,475,318 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	100,192	79,975
Series K Redeemable Preferred Stock, \$ 0.01 par value, 262,060 and 194,193 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	6,434	4,783
Equity (deficit):		
Preferred stock, \$ 0.01 par value, 50,000,000 shares authorized:		
Series D Cumulative Preferred Stock, 1,159,927 and 1,159,927 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	12	12
Series F Cumulative Preferred Stock, 1,104,344 and 1,175,344 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	11	11
Series G Cumulative Preferred Stock, 1,531,996 and 1,531,996 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	15	15
Series H Cumulative Preferred Stock, 1,099,325 and 1,170,325 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	11	12
Series I Cumulative Preferred Stock, 1,143,923 and 1,160,923 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	11	12
Common stock, \$ 0.01 par value, 400,000,000 shares authorized, 40,167,334 and 37,422,056 shares issued and outstanding at March 31, 2024 and December 31, 2023.		

Common stock, \$0.02 per share; 100,000,000 shares authorized; 10,207,717 and 9,742,955 shares issued and outstanding at March 31, 2021 and December 31, 2020,

respectively	402	374
Additional paid-in capital	2,383,814	2,382,975
Accumulated deficit	(2,661,080)	(2,729,312)
Total stockholders' equity (deficit) of the Company	(276,804)	(345,901)
Noncontrolling interest in consolidated entities	16,920	14,859
Total equity (deficit)	(259,884)	(331,042)
Total liabilities and equity/deficit	\$ 3,539,217	\$ 3,462,281

See Notes to Consolidated Financial Statements.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in thousands, except per share amounts)

	Three Months Ended March 31,	
	2024	2023
REVENUE		
Rooms	\$ 229,207	\$ 252,955
Food and beverage	57,358	58,991
Other hotel revenue	16,692	16,282
Total hotel revenue	303,257	328,228
Other	639	658
Total revenue	303,896	328,886
EXPENSES		
Hotel operating expenses:		
Rooms	54,680	59,203
Food and beverage	37,831	39,790
Other expenses	106,826	113,879
Management fees	11,550	12,246
Total hotel expenses	210,887	225,118
Property taxes, insurance and other	17,364	16,537
Depreciation and amortization	40,544	47,855
Advisory services fee	15,201	12,986
Corporate, general and administrative	8,272	2,612
Total operating expenses	292,268	305,108
Gain (loss) on disposition of assets and hotel properties	6,956	(24)
Gain (loss) on derecognition of assets	133,909	—
OPERATING INCOME (LOSS)	152,493	23,754
Equity in earnings (loss) of unconsolidated entities	(534)	(396)
Interest income	1,984	2,557
Other income (expense)	36	134
Interest expense and amortization of discounts and loan costs	(73,961)	(74,368)
Interest expense associated with hotels in receivership	(12,098)	(7,147)
Write-off of premiums, loan costs and exit fees	(18)	(420)
Gain (loss) on extinguishment of debt	45	—
Realized and unrealized gain (loss) on derivatives	4,761	(5,415)
INCOME (LOSS) BEFORE INCOME TAXES	72,708	(61,301)
Income tax (expense) benefit	(303)	(221)
NET INCOME (LOSS)	72,405	(61,522)
(Income) loss attributable to noncontrolling interest in consolidated entities	9	—
Net (income) loss attributable to redeemable noncontrolling interests in operating partnership	(853)	600
NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY	71,561	(60,922)
Preferred dividends	(5,011)	(3,243)
Deemed dividends on redeemable preferred stock	(682)	(407)
Gain (loss) on extinguishment of preferred stock	1,573	—
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 67,441	\$ (64,572)
INCOME (LOSS) PER SHARE - BASIC AND DILUTED		
Basic:		
Net income (loss) attributable to common stockholders	\$ 1.74	\$ (1.88)
Weighted average common shares outstanding – basic	38,458	34,381
Diluted:		
Net income (loss) attributable to common stockholders	\$ 0.60	\$ (1.88)
Weighted average common shares outstanding – diluted	116,729	34,381

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(unaudited, in thousands)

	Three Months Ended March	
	31,	
	2024	2023
Net income (loss)	\$ 72,405	\$ (61,522)
Other comprehensive income (loss), net of tax:		
Total other comprehensive income (loss)	—	—
Comprehensive income (loss)	72,405	(61,522)
Less: Comprehensive (income) loss attributable to noncontrolling interest in consolidated entities	9	—
Less: Comprehensive (income) loss attributable to redeemable noncontrolling interests in operating partnership	(853)	600
Comprehensive income (loss) attributable to the Company	\$ 71,561	\$ (60,922)

See Notes to Consolidated Financial Statements.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY (DEFICIT)
(unaudited, in thousands except per share amounts)

	Preferred Stock												Noncontrolling				
	Series D		Series F		Series G		Series H		Series I		Common Stock		Additional		Interests in		
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in Capital	Accumulated Deficit	Consolidated Entities	Total	
																	(
												37,422		2,382,975		2,729,312	331,042
Balance at December 31, 2023	1,160	\$ 12	1,175	\$ 11	1,532	\$ 15	1,170	\$ 12	1,161	\$ 12		\$ 374	\$	\$)	\$ 14,859	\$
Purchases of common stock	—	—	—	—	—	—	—	—	—	—	(32)	—	(49)	—	—	—	(49)
Equity-based compensation	—	—	—	—	—	—	—	—	—	—	—	—	320	—	13	333	
Issuance of preferred stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Issuance of common stock, net	—	—	—	—	—	—	—	—	—	—	1,416	14	2,121	—	—	—	2,135
Dividends declared – preferred stock – Series D (\$ 0.53 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(613)	—	—	(613)
Dividends declared – preferred stock – Series F (\$ 0.46 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(509)	—	—	(509)
Dividends declared – preferred stock – Series G (\$ 0.46 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(706)	—	—	(706)
Dividends declared – preferred stock – Series H (\$ 0.47 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(515)	—	—	(515)
Dividends declared – preferred stock – Series I (\$ 0.47 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(536)	—	—	(536)
Dividends declared – preferred stock – Series J (\$ 0.50 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(2,012)	—	—	(2,012)
Dividends declared – preferred stock – Series K (\$ 0.51 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(120)	—	—	(120)
Dividends declared - Stirling OP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(4)	—	(4)
Issuances of Stirling OP common units	—	—	—	—	—	—	—	—	—	—	—	—	—	—	13	13	
Redemption value adjustment	—	—	—	—	—	—	—	—	—	—	—	—	—	791	—	791	
Extinguishment of preferred stock	—	—	(71)	—	—	—	(71)	(1)	(17)	(1)	1,338	14	(1,585)	1,573	—	—	—
Redemption value adjustment – preferred stock	—	—	—	—	—	—	—	—	—	—	—	—	—	(682)	—	—	(682)
Redemption of preferred stock	—	—	—	—	—	—	—	—	—	—	23	—	32	—	—	—	32
Contributions from noncontrolling interests in consolidated entities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,048	2,048	
Net income (loss)	—	—	—	—	—	—	—	—	—	—	—	—	—	71,561	(9)	71,552	
												40,167		2,383,814		2,661,080	(
Balance at March 31, 2024	1,160	\$ 12	1,104	\$ 11	1,532	\$ 15	1,099	\$ 11	1,144	\$ 11		\$ 402	\$	\$)	\$ 16,920	\$

	Preferred Stock				Redeemable
	Series J		Series K		Noncontrolling
	Shares	Amount	Shares	Amount	Interests in Operating Partnership
Balance at December 31, 2023	3,475	79,975	194	4,783	22,007
Purchases of common stock	—	—	—	—	—
Equity-based compensation	—	—	—	—	231
Issuance of preferred stock	878	19,562	69	1,656	—
Issuance of common stock, net	—	—	—	—	—
Dividends declared – preferred stock – Series D (\$ 0.53 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series F (\$ 0.46 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series G (\$ 0.46 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series H (\$ 0.47 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series I (\$ 0.47 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series J (\$ 0.50 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series K (\$ 0.51 /share)	—	—	—	—	—
Dividends declared - Stirling OP	—	—	—	—	—
Issuances of Stirling OP common units	—	—	—	—	—
Redemption value adjustment	—	—	—	—	(791)
Extinguishment of preferred stock	—	—	—	—	—
Redemption value adjustment – preferred stock	—	655	—	27	—
Redemption of preferred stock	—	—	(1)	(32)	—
Contributions from noncontrolling interest in consolidated entities	—	—	—	—	—
Net income (loss)	—	—	—	—	853
		100,192		6,434	
Balance at March 31, 2024	4,353	\$	262	\$	\$ 22,300

	Preferred Stock												Additional		
	Series D		Series F		Series G		Series H		Series I		Common Stock		Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
															(
													2,383,244	2,534,043	150,389
Balance at December 31, 2022	1,174	\$ 12	1,251	\$ 12	1,532	\$ 15	1,308	\$ 13	1,253	\$ 13	34,495	\$ 345	\$	\$) \$
Purchases of common stock	—	—	—	—	—	—	—	—	—	—	(17)	—	(56)	—	(56)
Equity-based compensation	—	—	—	—	—	—	—	—	—	—	—	—	812	—	812
Issuance of preferred shares	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividends declared – preferred stock – Series D (\$ 0.53 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(620)	(620)
Dividends declared – preferred stock – Series F (\$ 0.46 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(577)	(577)
Dividends declared – preferred stock – Series G (\$ 0.46 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(706)	(706)
Dividends declared – preferred stock – Series H (\$ 0.47 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(613)	(613)
Dividends declared – preferred stock – Series I (\$ 0.47 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(587)	(587)
Dividends declared – preferred stock – Series J (\$ 0.50 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(133)	(133)
Dividends declared – preferred stock – Series K (\$ 0.51 /share)	—	—	—	—	—	—	—	—	—	—	—	—	—	(7)	(7)
Redemption value adjustment	—	—	—	—	—	—	—	—	—	—	—	—	—	(176)	(176)
Redemption value adjustment - preferred stock	—	—	—	—	—	—	—	—	—	—	—	—	—	(407)	(407)
Net income (loss)	—	—	—	—	—	—	—	—	—	—	—	—	—	(60,922)	(60,922)
															(
Balance at March 31, 2023	1,174	\$ 12	1,251	\$ 12	1,532	\$ 15	1,308	\$ 13	1,253	\$ 13	34,478	\$ 345	\$	\$) \$

	Preferred Stock				Redeemable
	Series J		Series K		Noncontrolling
	Shares	Amount	Shares	Amount	Interests in Operating Partnership
		2,004			
Balance at December 31, 2022	87	\$	2	\$ 44	\$ 21,550
Purchases of common stock	—	—	—	—	—
Equity-based compensation	—	—	—	—	491
Issuance of preferred stock	415	9,159	32	772	—
Dividends declared – preferred stock – Series D (\$ 0.53 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series F (\$ 0.46 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series G (\$ 0.46 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series H (\$ 0.47 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series I (\$ 0.47 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series J (\$ 0.50 /share)	—	—	—	—	—
Dividends declared – preferred stock – Series K (\$ 0.51 /share)	—	—	—	—	—
Redemption value adjustment	—	—	—	—	176
Redemption value adjustment – preferred stock	—	380	—	27	—
Net income (loss)	—	—	—	—	(600)
		11,543			
Balance at March 31, 2023	502	\$	34	\$ 843	\$ 21,617

See Notes to Consolidated Financial Statements.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Three Months Ended March 31,	
	2024	2023
Cash Flows from Operating Activities		
Net income (loss)	\$ 72,405	\$ (61,522)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	40,544	47,855
Amortization of intangibles	17	9
Recognition of deferred income	(56)	(125)
Bad debt expense	585	626
Deferred income tax expense (benefit)	16	17
Equity in (earnings) loss of unconsolidated entities	534	396
(Gain) loss on disposition of assets and hotel properties	(6,956)	24
(Gain) loss on derecognition of assets	(133,909)	—
(Gain) loss on extinguishment of debt	(45)	—
Realized and unrealized (gain) loss on derivatives	(4,761)	5,415
Amortization of loan costs, discounts and capitalized default interest and write-off of premiums, loan costs and exit fees	2,966	4,264
Equity-based compensation	564	1,303
Non-cash interest income	(421)	(121)
Changes in operating assets and liabilities, exclusive of the effect of the disposition of hotel properties and derecognition of assets:		
Accounts receivable and inventories	(15,727)	(12,572)
Prepaid expenses and other assets	(4,727)	(4,360)
Accounts payable and accrued expenses and accrued interest payable	3,986	12,782
Accrued interest associated with hotels in receivership	9,016	—
Due to/from related parties	(3,658)	2,011
Due to/from third-party hotel managers	(3,516)	2,248
Due to/from Ashford Inc., net	(3,250)	6,456
Operating lease liabilities	(102)	366
Operating lease right-of-use assets	41	(447)
Other liabilities	—	(1)
Net cash provided by (used in) operating activities	(46,454)	4,624
Cash Flows from Investing Activities		
Improvements and additions to hotel properties	(33,930)	(29,298)
Net proceeds from disposition of assets and hotel properties	18,855	—
Payments for initial franchise fees	—	(149)
Issuance of note receivable	(1,887)	—
Proceeds from property insurance	154	75
Net cash provided by (used in) investing activities	(16,808)	(29,372)
Cash Flows from Financing Activities		
Borrowings on indebtedness	—	449
Repayments of indebtedness	(22,052)	(50,840)
Payments for loan costs and exit fees	(1,939)	(6,751)
Payments for dividends and distributions	(4,586)	(3,162)
Purchases of common stock	—	(7)
Payments for derivatives	(5,280)	(4,174)
Proceeds from derivatives	9,094	9,038
Proceeds from common stock offerings	2,043	—
Proceeds from preferred stock offerings	20,877	9,925
Payments on finance lease liabilities	(82)	—
Issuance of Stirling OP common units	10	—
Contributions from noncontrolling interest in consolidated entities	2,048	—

	Three Months Ended March 31,	
	2024	2023
Net cash provided by (used in) financing activities	133	(45,522)
Net increase (decrease) in cash, cash equivalents and restricted cash (including cash, cash equivalents and restricted cash held for sale)	(63,129)	(70,270)
Cash, cash equivalents and restricted cash at beginning of period (including cash, cash equivalents and restricted cash held for sale)	311,534	559,026
Cash, cash equivalents and restricted cash at end of period (including cash, cash equivalents and restricted cash held for sale)	<u>\$ 248,405</u>	<u>\$ 488,756</u>
Supplemental Cash Flow Information		
Interest paid	\$ 76,129	\$ 76,923
Income taxes paid (refunded)	(403)	(58)
Supplemental Disclosure of Non-Cash Investing and Financing Activities		
Accrued but unpaid capital expenditures	\$ 16,264	\$ 14,822
Accrued common stock offering costs	28	—
Accrued preferred stock offering costs	—	21
Non-cash issuance of Stirling OP common units	3	—
Non-cash extinguishment of preferred stock	3,835	—
Issuance of common stock from preferred stock exchanges	2,262	—
Non-cash preferred stock dividends	341	6
Unsettled proceeds from derivatives	1,295	1,963
Non-cash derecognition of assets	231,639	—
Dividends and distributions declared but not paid	3,651	3,193
Supplemental Disclosure of Cash, Cash Equivalents and Restricted Cash		
Cash and cash equivalents at beginning of period	\$ 165,231	\$ 417,064
Restricted cash at beginning of period	146,079	141,962
Cash, cash equivalents and restricted cash at beginning of period	311,310	559,026
Cash and cash equivalents at beginning of period included in assets held for sale	1	—
Restricted cash at beginning of period included in assets held for sale	223	—
Cash, cash equivalents and restricted cash at beginning of period (including cash, cash equivalents and restricted cash held for sale)	<u>\$ 311,534</u>	<u>\$ 559,026</u>
Cash and cash equivalents at end of period	\$ 111,065	\$ 344,935
Restricted cash at end of period	132,949	143,821
Cash, cash equivalents and restricted cash at end of period	244,014	488,756
Cash and cash equivalents at end of period included in assets held for sale	1,592	—
Restricted cash at end of period included in assets held for sale	2,799	—
Cash, cash equivalents and restricted cash at end of period (including cash, cash equivalents and restricted cash held for sale)	<u>\$ 248,405</u>	<u>\$ 488,756</u>

See Notes to Consolidated Financial Statements.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Organization and Description of Business

Ashford Hospitality Trust, Inc., together with its subsidiaries ("Ashford Trust"), is a real estate investment trust ("REIT"). While our portfolio currently consists of upscale hotels and upper upscale full-service hotels, our investment strategy is predominantly focused on investing in upper upscale full-service hotels in the United States that have revenue per available room ("RevPAR") generally less than twice the U.S. national average, and in all methods including direct real estate, equity, and debt. We currently anticipate future investments will predominantly be in upper upscale hotels. We own our lodging investments and conduct our business through Ashford Hospitality Limited Partnership ("Ashford Trust OP"), our operating partnership. Ashford OP General Partner LLC, a wholly owned subsidiary of Ashford Trust, serves as the sole general partner of our operating partnership. Terms such as the "Company," "we," "us," or "our" refer to Ashford Hospitality Trust, Inc. and, as the context may require, all entities included in its consolidated financial statements.

Our hotel properties are primarily branded under the widely recognized upscale and upper upscale brands of Hilton, Hyatt, Marriott and Intercontinental Hotel Group. As of March 31, 2024, we held interests in the following assets:

- 75 consolidated operating hotel properties, which represent 18,021 total rooms;
- Four consolidated operating hotel properties, which represent 405 total rooms owned through a 99.4 % ownership interest in Stirling REIT OP, LP ("Stirling OP"), which was formed by Stirling Hotels & Resorts, Inc. ("Stirling Inc.") to acquire and own a diverse portfolio of stabilized income-producing hotels and resorts. See note 2;
- one consolidated hotel property under development through a 32.5 % owned investment in a consolidated entity;
- 15.1 % ownership in OpenKey, Inc. ("OpenKey") with a carrying value of approximately \$ 1.5 million; and
- an investment in an entity that owns the Meritage Resort and Spa and the Grand Reserve at the Meritage (the "Meritage Investment") in Napa, California, with a carrying value of approximately \$ 8.0 million.

For U.S. federal income tax purposes, we have elected to be treated as a REIT, which imposes limitations related to operating hotels. As of March 31, 2024, our 75 operating hotel properties and four Stirling OP hotel properties were leased or owned by our wholly owned or majority owned subsidiaries that are treated as taxable REIT subsidiaries for U.S. federal income tax purposes (collectively, these subsidiaries are referred to as "Ashford TRS"). Ashford TRS then engages third-party or affiliated hotel management companies to operate the hotels under management contracts. Hotel operating results related to these properties are included in the consolidated statements of operations.

We are advised by Ashford Hospitality Advisors LLC ("Ashford LLC"), a subsidiary of Ashford Inc., through an advisory agreement. Our 75 operating hotel properties and four Stirling OP hotel properties in our consolidated portfolio are currently asset-managed by Ashford LLC. We do not have any employees. All of the services that might be provided by employees are provided to us by Ashford LLC.

We do not operate any of our hotel properties directly; instead we contractually engage hotel management companies to operate them for us under management contracts. Remington Lodging & Hospitality, LLC ("Remington Hospitality"), a subsidiary of Ashford Inc., manages 55 of our 75 operating hotel properties and three of the four Stirling OP hotel properties. Third-party management companies manage the remaining hotel properties.

Ashford Inc. also provides other products and services to us or our hotel properties through certain entities in which Ashford Inc. has an ownership interest. These products and services include, but are not limited to, design and construction services, debt placement and related services, audiovisual services, real estate advisory and brokerage services, insurance policies covering general liability, workers' compensation and business automobile claims and insurance claims services, hypoallergenic premium rooms, watersport activities, broker-dealer and distribution services, mobile key technology and cash management services.

2. Significant Accounting Policies

Basis of Presentation—The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. These consolidated financial statements include the accounts of Ashford Hospitality Trust, Inc., its majority-owned subsidiaries, and its majority-owned joint ventures in which it has a

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

controlling interest. All inter-company accounts and transactions between consolidated entities have been eliminated in these consolidated financial statements. We have condensed or omitted certain information and footnote disclosures normally included in financial statements presented in accordance with GAAP in the accompanying unaudited consolidated financial statements. We believe the disclosures made herein are adequate to prevent the information presented from being misleading. However, the financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our 2023 Annual Report to Stockholders on Form 10-K filed with the Securities and Exchange Commission ("SEC") on March 14, 2024.

Ashford Trust OP is considered to be a variable interest entity ("VIE"), as defined by authoritative accounting guidance. A VIE must be consolidated by a reporting entity if the reporting entity is the primary beneficiary because it has (i) the power to direct the VIE's activities that most significantly impact the VIE's economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE. All major decisions related to Ashford Trust OP that most significantly impact its economic performance, including but not limited to, operating procedures with respect to business affairs and any acquisitions, dispositions, financings, restructurings or other transactions with sellers, purchasers, lenders, brokers, agents and other applicable representatives, are subject to the approval of our wholly owned subsidiary, Ashford OP General Partner LLC, its general partner. As such, we consolidate Ashford Trust OP.

815 Commerce Managing Member, LLC ("815 Commerce MM") is considered to be a VIE, as defined by authoritative accounting guidance. On May 31, 2023, Ashford Trust obtained the ability to exercise its kick-out rights of the manager of 815 Commerce MM, which is developing the Le Meridien hotel in Fort Worth, Texas. As a result, Ashford Trust became the primary beneficiary and began consolidating 815 Commerce MM. During 2023, the Company funded a default loan to the manager of 815 Commerce MM to satisfy a balancing deposit that was required by the property construction lender. The total amount of balancing deposits required by the property construction lender are up to \$ 9.5 million. At March 31, 2024 the Company has funded \$ 8.8 million.

On December 6, 2023, the Company entered into a Contribution Agreement with Stirling OP, a subsidiary of Stirling Inc. Pursuant to the terms of the Contribution Agreement, the Company contributed its equity interests, and the associated debt and other obligations, in Residence Inn Manchester, Hampton Inn Buford, SpringHill Suites Buford and Residence Inn Jacksonville to Stirling OP in exchange for 1.4 million Class I units of Stirling OP.

The Company determined the transaction resulted in Ashford Trust becoming the primary beneficiary of Stirling OP in contemplation of: 1) the related party group comprised of (i) Ashford Trust and (ii) the initial stockholder who has control over election or removal of the board of directors of Stirling Inc. that have power to direct the most significant activities of Stirling OP; and 2) the consideration that substantially all the economics are held by the Company through its equity interest, and substantially all of the activities are performed on the Company's behalf. As a result, Ashford Trust began consolidating Stirling OP as of December 6, 2023 and as such, the properties and debt continue to be reflected on the Company's balance sheet at their historical carrying values.

Historical seasonality patterns at some of our hotel properties cause fluctuations in our overall operating results. Consequently, operating results for the three months ended March 31, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

The following transactions affect reporting comparability of our consolidated financial statements:

Property	Location	Type	Date
WorldQuest Resort	Orlando, FL	Disposition	August 1, 2023
Sheraton Bucks County	Langhorne, PA	Disposition	November 9, 2023
Embassy Suites Flagstaff	Flagstaff, AZ	Disposition	November 29, 2023
Embassy Suites Walnut Creek	Walnut Creek, CA	Disposition	November 29, 2023
Marriott Bridgewater	Bridgewater, NJ	Disposition	November 29, 2023
Marriott Research Triangle Park	Durham, NC	Disposition	November 29, 2023
W Atlanta	Atlanta, GA	Disposition	November 29, 2023
Courtyard Columbus Tipton Lakes	Columbus, IN	Derecognized	March 1, 2024
Courtyard Old Town	Scottsdale, AZ	Derecognized	March 1, 2024
Residence Inn Hughes Center	Las Vegas, NV	Derecognized	March 1, 2024
Residence Inn Phoenix Airport	Phoenix, AZ	Derecognized	March 1, 2024
Residence Inn San Jose Newark	Newark, CA	Derecognized	March 1, 2024
SpringHill Suites Manhattan Beach	Hawthorne, CA	Derecognized	March 1, 2024
SpringHill Suites Plymouth Meeting	Plymouth Meeting, PA	Derecognized	March 1, 2024
Courtyard Basking Ridge	Basking Ridge, NJ	Derecognized	March 1, 2024
Courtyard Newark Silicon Valley	Newark, CA	Derecognized	March 1, 2024
Courtyard Oakland Airport	Oakland, CA	Derecognized	March 1, 2024
Courtyard Plano Legacy Park	Plano, TX	Derecognized	March 1, 2024
Residence Inn Plano	Plano, TX	Derecognized	March 1, 2024
SpringHill Suites BWI Airport	Baltimore, MD	Derecognized	March 1, 2024
TownePlace Suites Manhattan Beach	Hawthorne, CA	Derecognized	March 1, 2024
Residence Inn Salt Lake City	Salt Lake City, UT	Disposition	March 6, 2024

Use of Estimates—The preparation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Standards—In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-07 “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures” which expands annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 is effective for our annual periods beginning January 1, 2024, and for interim periods beginning January 1, 2025, with early adoption permitted. We are currently evaluating the impact of this guidance on our financial statement disclosures.

In December 2023, the FASB issued ASU 2023-09 “Income Taxes (Topics 740): Improvements to Income Tax Disclosures” to expand the disclosure requirements for income taxes, specifically related to the rate reconciliation and income taxes paid. ASU 2023-09 is effective for our annual periods beginning January 1, 2025, with early adoption permitted. We are currently evaluating the potential effect that the updated standard will have on our financial statement disclosures.

Reclassification—Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

3. Revenue

The following tables present our revenue disaggregated by geographical area (dollars in thousands):

Three Months Ended March 31, 2024						
Primary Geographical Market	Number of Hotels	Rooms	Food and Beverage	Other Hotel	Other	Total
Atlanta, GA Area	9	\$ 15,107	\$ 4,177	\$ 983	\$ —	\$ 20,267
Boston, MA Area	2	9,116	1,279	1,381	—	11,776
Dallas / Ft. Worth, TX Area	5	13,683	4,876	884	—	19,443
Houston, TX Area	2	6,124	2,477	250	—	8,851
Los Angeles, CA Metro Area	4	18,941	5,049	1,133	—	25,123
Miami, FL Metro Area	2	9,217	3,063	358	—	12,638
Minneapolis - St. Paul, MN	2	2,549	806	134	—	3,489
Nashville, TN Area	1	13,533	8,134	1,114	—	22,781
New York / New Jersey Metro Area	4	8,183	3,517	437	—	12,137
Orlando, FL Area	2	6,944	408	610	—	7,962
Philadelphia, PA Area	1	2,273	215	245	—	2,733
San Diego, CA Area	2	5,208	318	387	—	5,913
San Francisco - Oakland, CA Metro Area	3	8,988	1,334	390	—	10,712
Tampa, FL Area	2	9,633	2,311	507	—	12,451
Washington D.C. - MD - VA Area	9	29,825	6,061	2,162	—	38,048
Other Areas	29	55,048	12,928	5,204	—	73,180
Disposed properties	15	14,835	405	513	—	15,753
Corporate	—	—	—	—	639	639
Total	94	\$ 229,207	\$ 57,358	\$ 16,692	\$ 639	\$ 303,896

Three Months Ended March 31, 2023						
Primary Geographical Market	Number of Hotels	Rooms	Food and Beverage	Other Hotel	Other	Total
Atlanta, GA Area	9	\$ 16,430	\$ 4,173	\$ 858	\$ —	\$ 21,461
Boston, MA Area	2	8,619	935	1,434	—	10,988
Dallas / Ft. Worth, TX Area	5	14,416	5,325	891	—	20,632
Houston, TX Area	2	6,814	2,558	281	—	9,653
Los Angeles, CA Metro Area	4	18,718	4,885	861	—	24,464
Miami, FL Metro Area	2	8,630	2,837	206	—	11,673
Minneapolis - St. Paul, MN	2	2,395	594	279	—	3,268
Nashville, TN Area	1	13,217	7,344	692	—	21,253
New York / New Jersey Metro Area	4	7,915	3,678	464	—	12,057
Orlando, FL Area	2	6,926	512	491	—	7,929
Philadelphia, PA Area	1	2,512	292	147	—	2,951
San Diego, CA Area	2	4,714	297	317	—	5,328
San Francisco - Oakland, CA Metro Area	3	8,122	1,448	296	—	9,866
Tampa, FL Area	2	9,847	1,983	454	—	12,284
Washington D.C. - MD - VA Area	9	28,020	5,883	1,846	—	35,749
Other Areas	29	56,958	12,637	4,512	—	74,107
Disposed properties ⁽¹⁾	21	38,702	3,610	2,253	—	44,565
Corporate	—	—	—	—	658	658
Total	100	\$ 252,955	\$ 58,991	\$ 16,282	\$ 658	\$ 328,886

⁽¹⁾ Includes WorldQuest Resort that was sold on August 1, 2023.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

4. Investments in Hotel Properties, net

Investments in hotel properties, net consisted of the following (in thousands):

	March 31, 2024	December 31, 2023
Land	\$ 484,723	\$ 605,509
Buildings and improvements	2,887,537	3,331,645
Furniture, fixtures and equipment	161,470	175,991
Construction in progress	114,760	114,850
Hilton Marietta finance lease	17,269	17,269
Total cost	3,665,759	4,245,264
Accumulated depreciation	(1,127,289)	(1,293,332)
Investments in hotel properties, net	<u>\$ 2,538,470</u>	<u>\$ 2,951,932</u>

5. Dispositions, Impairment Charges and Assets Held For Sale

Dispositions

On March 1, 2024, the Company received notice that the hotel properties securing the KEYS Pool A and KEYS Pool B loans have been transferred to a court-appointed receiver.

We derecognized the hotel properties securing the KEYS Pool A and KEYS Pool B loans from our consolidated balance sheet as of March 1, 2024, when the receiver took control of the hotels, and accordingly recognized a gain of \$ 133.9 million which is included in "gain (loss) on derecognition of assets" in our consolidated statements of operations. See note 7.

On March 6, 2024, the Company sold the Residence Inn Salt Lake City in Salt Lake City, Utah for \$ 19.2 million in cash. The sale resulted in a gain of approximately \$ 7.0 million for the three months ended March 31, 2024, which was included in gain (loss) on disposition of assets and hotel properties" in the consolidated statements of operations. See note 7.

The results of operations for disposed hotel properties are included in net income (loss) through the date of disposition. See note 2 for the fiscal year 2023 and 2024 dispositions. The following table includes condensed financial information for the three months ended March 31, 2024 and 2023 from the Company's dispositions (in thousands):

	Three Months Ended March 31,	
	2024	2023
Total hotel revenue	\$ 15,753	\$ 44,565
Total hotel operating expenses	(11,380)	(32,028)
Property taxes, insurance and other	(1,093)	(2,383)
Depreciation and amortization	(1,970)	(7,151)
Total operating expenses	(14,443)	(41,562)
Gain (loss) on disposition of assets and hotel properties	6,956	—
Gain (loss) on derecognition of assets	133,909	—
Operating income (loss)	142,175	3,003
Interest income	43	29
Interest expense and amortization of discounts and loan costs	(120)	(4,849)
Interest expense associated with hotels in receivership	(12,098)	(7,147)
Write-off of premiums, loan costs and exit fees	12	—
Income (loss) before income taxes	130,012	(8,964)
(Income) loss before income taxes attributable to redeemable noncontrolling interests in operating partnership	(1,625)	82
Net income (loss) attributable to the Company	<u>\$ 128,387</u>	<u>\$ (8,882)</u>

Impairment Charges

For the three months ended March 31, 2024 and 2023, no impairment charges were recorded.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

Assets Held For Sale

On January 29, 2024 and February 20, 2024, the Company entered into a purchase and sale agreement for the Hilton Boston Back Bay hotel in Boston, Massachusetts and the Hampton Inn Lawrenceville, in Lawrenceville, Georgia, respectively. As of March 31, 2024, the Hilton Boston Back Bay and the Hampton Inn Lawrenceville were classified as held for sale. Depreciation and amortization ceased as of the date the assets were deemed held for sale. Since the sale of these hotels does not represent a strategic shift that has (or will have) a major effect on our operations or financial results, its results of operations were not reported as discontinued operations in the consolidated financial statements. The Hilton Boston Back Bay and Hampton Inn Lawrenceville sales closed on April 9, 2024 and April 23, 2024, respectively. See note 19.

The major classes of assets and liabilities related to assets held for sale included in the consolidated balance sheet at March 31, 2024 were as follows:

	March 31, 2024
Assets	
Investments in hotel properties, net	\$ 169,583
Cash and cash equivalents	1,592
Restricted cash	2,799
Accounts receivable, net	1,387
Inventories	87
Deferred costs, net	10
Prepaid expenses	707
Other assets	13
Assets held for sale	<u>\$ 176,178</u>
Liabilities	
Indebtedness, net	\$ 97,206
Accounts payable and accrued expenses	3,369
Accrued interest	780
Due to related party, net	292
Due to Ashford Inc., net	73
Liabilities related to assets held for sale	<u>\$ 101,720</u>

6. Investments in Unconsolidated Entities

OpenKey, which is controlled and consolidated by Ashford Inc., is a hospitality-focused mobile key platform that provides a universal smart phone app and related hardware and software for keyless entry into hotel guest rooms. Our investment is recorded as a component of "investment in unconsolidated entities" in our consolidated balance sheets and is accounted for under the equity method of accounting as we have been deemed to have significant influence over the entity under the applicable accounting guidance. As of March 31, 2024, the Company has made investments in OpenKey totaling approximately \$ 5.5 million.

In November 2022, the Company made an initial investment of \$ 9.1 million in an entity that holds the Meritage Investment in Napa, California. Our investment is recorded as a component of "investment in unconsolidated entities" in our consolidated balance sheets and is accounted for under the equity method of accounting as we have been deemed to have significant influence over the entity under the applicable accounting guidance.

The following table summarizes our carrying value and ownership interest in unconsolidated entities:

	March 31, 2024	December 31, 2023
Carrying value of the investment in OpenKey (in thousands)	\$ 1,466	\$ 1,575
Ownership interest in OpenKey	15.1 %	15.1 %
Carrying value of the Meritage Investment (in thousands)	\$ 7,960	\$ 8,385

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

The following table summarizes our equity in earnings (loss) of unconsolidated entities (in thousands):

	Three Months Ended	
	March 31,	
	2024	2023
OpenKey	\$ (109)	\$ (150)
Meritage Investment	(425)	(246)
	<u>\$ (534)</u>	<u>\$ (396)</u>

We review our investments in unconsolidated entities for impairment each reporting period pursuant to the applicable authoritative accounting guidance. An investment is impaired when its estimated fair value is less than the carrying amount of the investment. Any other-than-temporary impairment is recorded in equity in earnings (loss) of unconsolidated entities. No impairment charges were recorded during the three months ended March 31, 2024 and 2023.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

7. Indebtedness, net

Indebtedness consisted of the following (in thousands):

Indebtedness	Collateral	Maturity	Interest Rate	March 31, 2024	December 31, 2023
Mortgage loan ⁽²⁾	19 hotels	April 2024	SOFR ⁽¹⁾ + 3.51 %	\$ 862,027	\$ 862,027
Mortgage loan	1 hotel	May 2024	4.99 %	5,572	5,613
Mortgage loan ⁽³⁾	1 hotel	June 2024	SOFR ⁽¹⁾ + 2.00 %	8,881	8,881
Mortgage loan ⁽⁴⁾	4 hotels	June 2024	SOFR ⁽¹⁾ + 3.90 %	143,877	143,877
Mortgage loan ⁽⁴⁾	5 hotels	June 2024	SOFR ⁽¹⁾ + 4.17 %	237,061	237,061
Mortgage loan ⁽⁴⁾	5 hotels	June 2024	SOFR ⁽¹⁾ + 2.90 %	119,003	119,003
Mortgage loan	2 hotels	August 2024	4.85 %	10,882	10,945
Mortgage loan ⁽⁵⁾	1 hotel	November 2024	SOFR ⁽¹⁾ + 4.76 %	86,000	86,000
Mortgage loan ⁽⁶⁾	17 hotels	November 2024	SOFR ⁽¹⁾ + 3.39 %	409,750	409,750
Mortgage loan ⁽⁷⁾	1 hotel	December 2024	SOFR ⁽¹⁾ + 4.00 %	37,000	37,000
Mortgage loan ⁽⁸⁾	1 hotel	December 2024	SOFR ⁽¹⁾ + 2.85 %	13,721	13,759
Mortgage loan ⁽⁹⁾	2 hotels	February 2025	4.45 %	26,501	45,792
Mortgage loan ⁽¹⁰⁾	8 hotels	February 2025	SOFR ⁽¹⁾ + 3.28 %	345,000	345,000
Mortgage loan	1 hotel	March 2025	4.66 %	22,591	22,742
Mortgage loan ⁽¹¹⁾	2 hotels	March 2025	SOFR ⁽¹⁾ + 2.80 %	240,000	240,000
Mortgage loan ⁽¹²⁾	1 hotel	August 2025	SOFR ⁽¹⁾ + 3.91 %	98,000	98,000
Term loan ⁽¹³⁾	Equity	January 2026	14.00 %	180,561	183,082
Mortgage loan ⁽¹⁴⁾	2 hotels	May 2026	SOFR ⁽¹⁾ + 4.00 %	98,450	98,450
Mortgage loan ⁽¹⁵⁾	4 hotels	December 2028	8.51 %	30,200	30,200
Environmental loan ⁽¹⁶⁾	1 hotel	April 2024	10.00 %	574	571
Bridge loan ⁽¹⁶⁾	1 hotel	May 2024	7.25 %	19,889	19,889
Construction loan ⁽¹⁶⁾	1 hotel	May 2033	11.26 %	15,876	15,494
TIF Loan ⁽¹⁶⁾	1 hotel	August 2025	8.25 %	5,609	5,609
Total indebtedness				\$ 3,017,025	\$ 3,038,745
Premiums (discounts), net				277	(606)
Capitalized default interest and late charges				253	396
Deferred loan costs, net				(6,527)	(6,914)
Embedded debt derivative				21,072	23,696
Indebtedness, net				<u>\$ 3,032,100</u>	<u>\$ 3,055,317</u>
Indebtedness related to assets held for sale, net ⁽⁹⁾	1 hotel	February 2025	4.45 %	—	14,366
Indebtedness, net related to assets held for sale ⁽¹²⁾	1 hotel	August 2025	SOFR ⁽¹⁾ + 3.91 %	97,206	—
				<u>\$ 2,934,894</u>	<u>\$ 3,040,951</u>

⁽¹⁾ SOFR rates were 5.33 % and 5.35 % at March 31, 2024 and December 31, 2023, respectively.

⁽²⁾ This mortgage loan has five one-year extension options, subject to satisfaction of certain conditions. The fifth one-year extension period began in April 2024.

⁽³⁾ This mortgage loan has a SOFR floor of 2.00 %.

⁽⁴⁾ This mortgage loan has five one-year extension options, subject to satisfaction of certain conditions. The fourth one-year extension period began effective June 2023.

⁽⁵⁾ This mortgage loan has two one-year extension options, subject to satisfaction of certain conditions.

⁽⁶⁾ This mortgage loan has five one-year extension options, subject to satisfaction of certain conditions. The fifth one-year extension period began in November 2023.

⁽⁷⁾ This mortgage loan has three one-year extension options, subject to satisfaction of certain conditions. This mortgage loan has a SOFR floor of 0.50 %.

⁽⁸⁾ This loan has two one-year extension options, subject to satisfaction of certain conditions. The second one-year extension period began in December 2023.

⁽⁹⁾ On March 6, 2024, we sold the Residence Inn Salt Lake City for \$ 19.2 million. Proceeds from the sale were used to repay \$ 19.0 million in principal.

⁽¹⁰⁾ This mortgage loan was amended in April 2024. Terms of the amendment included a \$ 10.0 million paydown and added an additional one-year extension options, subject to satisfaction of certain conditions. The fifth one-year extension period began in February 2024.

⁽¹¹⁾ This mortgage loan has five one-year extension options, subject to satisfaction of certain conditions. The fourth one-year extension period began in March 2024.

⁽¹²⁾ This mortgage loan is secured by the Hilton Boston Back Bay and is held for sale as of March 31, 2024. On April 9, 2024, we sold this property for \$ 171.0 million.

⁽¹³⁾ On March 11, 2024, we amended this term loan. Terms of the amendment extended the current maturity date to January 2026.

⁽¹⁴⁾ This mortgage loan has two one-year extension options, subject to satisfaction of certain conditions.

⁽¹⁵⁾ This mortgage loan is associated with Stirling OP. See discussion in notes 1 and 2.

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⁽¹⁶⁾ This loan is associated with 815 Commerce Managing Member, LLC. See discussion in notes 1, 2 and 8.

We recognized net premium (discount) amortization as presented in the table below (in thousands):

Line Item	Three Months Ended March 31,	
	2024	2023
Interest expense and amortization of discounts and loan costs	\$ (861)	\$ (4,173)

The amortization of the net premium (discount) is computed using a method that approximates the effective interest method.

During the years ended December 31, 2021 and 2020 the Company entered into forbearance and other agreements which were evaluated to be considered troubled debt restructurings due to terms that allowed for deferred interest and the forgiveness of default interest and late charges. As a result of the troubled debt restructurings all accrued default interest and late charges were capitalized into the applicable loan balances and are being amortized over the remaining term of the loan using the effective interest method. The amount of the capitalized principal that was amortized during the three months ended March 31, 2024 and 2023 was \$ 143,000 and \$ 3.1 million, respectively. These amounts are included as a reduction to "interest expense and amortization of discounts and loan costs" in the consolidated statements of operations.

On June 21, 2023, the Company and Ashford Trust OP (the "Borrower"), an indirect subsidiary of the Company, entered into Amendment No. 2 to the Credit Agreement ("Amendment No. 2") with certain funds and accounts managed by Oaktree Capital Management, L.P. (the "Lenders") and Oaktree Fund Administration, LLC. Amendment No. 2, subject to the conditions set forth therein, provides that, among other things:

- (i) the Delayed Draw Term Loan ("DDTL") commitment expiration date will be July 7, 2023, or such earlier date that the Borrower makes an Initial DDTL draw to be used by the Borrower to prepay certain mortgage indebtedness;
- (ii) notwithstanding the occurrence of the DDTL commitment expiration date, up to \$ 100,000,000 of Initial DDTLs will be made available by the Lenders for a period of twelve (12) months ending July 7, 2024 (none of which was used as of December 31, 2023), subject to the Borrower paying an unused fee of 9 % per annum on the undrawn amount;
- (iii) Ashford Trust and the Borrower will be permitted to make certain restricted payments, including without limitation dividends on Ashford Trust's preferred stock, without having to maintain unrestricted cash in an amount not less than the sum of (x) \$ 100,000,000 plus (y) the aggregate principal amount of DDTLs advanced prior to the date thereof or contemporaneously therewith;
- (iv) a default on certain pool mortgage loans will not be counted against the \$ 400,000,000 mortgage debt threshold amount;
- (v) for purposes of the mortgage debt threshold amount, a certain mortgage loan, with a current aggregate principal amount of \$ 415,000,000 , will be deemed to have a principal amount of \$ 400,000,000 ; and
- (vi) when payable by the Borrower under the Credit Agreement, at least 50 % of the exit fee shall be paid as a cash exit fee.

On March 11, 2024, we entered into Amendment No. 3 to the Oaktree Credit Agreement which, among other items, (i) extends the Credit Agreement to January 15, 2026, (ii) removes the \$ 50 million minimum cash requirement, (iii) removes the 3 % increase in the interest rate if cash is below \$ 100 million, (iv) removes the provision in which a default under mortgage indebtedness is a default under the Credit Agreement, (v) increases the interest rate by 3.5 % if the principal balance is not less than \$ 100 million as of September 30, 2024 or not fully repaid by March 31, 2025, (vi) terminates all "delayed draw" term loan commitments and the unused fees thereon, (vii) provides for a mandatory prepayment of the Credit Agreement at the end of each calendar quarter in the amount by which unrestricted cash exceeds \$ 75 million for the first three quarters of 2024, \$ 50 million for the fourth quarter of 2024, and \$ 25 million for each quarter thereafter, (viii) provides for a mandatory prepayment of the Credit Agreement in an amount equal to 50 % of all net proceeds raised from the issuance of equity, including non-traded preferred stock (increased to 100 % of such net proceeds if the principal balance is not less than \$ 100 million as of September 30, 2024 or not fully repaid by March 31, 2025), (ix) removes the option to pay the exit fee in the form of common stock warrants, (x) requires the exit fee to be paid in the form of a 15 % cash exit fee (payable entirely in cash), which exit fee shall be reduced to 12.5 % if the Oaktree Credit Agreement is repaid on or before September 30, 2024, (xi) requires the Company to use commercially reasonable efforts to sell fifteen specified hotels, (xii) if the principal balance is not less than \$ 100 million as of September 30, 2024 or not fully repaid by March 31, 2025, requires the Company to sell eight specified hotels at a minimum sales price within six months , with the net sales proceeds to be applied as a prepayment of the

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Credit Agreement, (xiii) requires the Company to use commercially reasonable efforts to refinance the Renaissance Nashville hotel property, and (xiv) limits the Company's ability to perform discretionary capital expenditures.

The KEYS mortgage loans were entered into on June 13, 2018, each of which had a two-year initial term and five one-year extension options. In order to qualify for a one-year extension in June of 2023, each KEYS loan pool was required to achieve a certain debt yield test. The Company extended its KEYS Pool C loan with a paydown of approximately \$ 62.4 million, its KEYS Pool D loan with a paydown of approximately \$ 25.6 million, and its KEYS Pool E loan with a paydown of approximately \$ 41.0 million. On June 9, 2023 the Company received a 30-day extension to satisfy the extension conditions in order to negotiate modifications to the respective extension tests. On July 7, 2023, the Company elected not to make the required paydowns to extend its KEYS Pool A loan, KEYS Pool B loan and KEYS Pool F loan thereby defaulting on such loans.

On November 29, 2023, the Company completed the deed in lieu of foreclosure transaction for the transfer of ownership of the KEYS Pool F \$ 215.1 million mortgage to the mortgage lender.

On March 1, 2024, the Company received notice that the hotel properties securing the KEYS Pool A and KEYS Pool B loans have been transferred to a court-appointed receiver. Below is a summary of the hotel properties securing the KEYS Pool A and Pool B loans:

KEYS A Loan Pool

Courtyard Columbus Tipton Lakes – Columbus, IN
Courtyard Old Town – Scottsdale, AZ
Residence Inn Hughes Center – Las Vegas, NV
Residence Inn Phoenix Airport – Phoenix, AZ
Residence Inn San Jose Newark – Newark, CA
SpringHill Suites Manhattan Beach – Hawthorne, CA
SpringHill Suites Plymouth Meeting – Plymouth Meeting, PA

KEYS B Loan Pool

Courtyard Basking Ridge – Basking Ridge, NJ
Courtyard Newark Silicon Valley – Newark, CA
Courtyard Oakland Airport – Oakland, CA
Courtyard Plano Legacy Park – Plano, TX
Residence Inn Plano – Plano, TX
SpringHill Suites BWI Airport – Baltimore, MD
TownePlace Suites Manhattan Beach – Hawthorne, CA

We derecognized the hotel properties securing the KEYS Pool A and KEYS Pool B loans from our consolidated balance sheet in March 2024, when the receiver took control of the hotel properties, and accordingly recognized a gain of \$ 133.9 million which is included in "gain (loss) on derecognition of assets" in our consolidated statements of operations and recorded a contract asset of \$ 378.2 million, which represents the liabilities we expect to be released from upon final resolution with the lenders on the KEYS Pool A and KEYS Pool B mortgage loans in exchange for the transfer of ownership of the respective hotel properties. The \$ 180.7 million KEYS Pool A and the \$ 174.4 million KEYS Pool B mortgage loans as well as all accrued and unpaid interest, default charges and late fees will remain liabilities until final resolution with the lenders is concluded, and thus is included in "indebtedness associated with hotels in receivership" and "accrued interest associated with hotels in receivership" on our consolidated balance sheets.

We have extension options relating to certain property-level loans that will permit us to extend the maturity date of our loans if certain conditions are satisfied at the respective extension dates, including the achievement of debt yield targets required in order to extend such loans. To the extent we decide to extend the maturity date of the debt outstanding under the loans, we may be required to prepay a significant amount of the loans in order to meet the required debt yield targets.

If we violate covenants in our debt agreements, we could be required to repay all or a portion of our indebtedness before maturity at a time when we might be unable to arrange financing for such repayment on attractive terms, if at all. As of March 31, 2024, we were in compliance with all covenants related to mortgage loans, with the exception of the KEYS Pool A and KEYS Pool B mortgage loans discussed above. We were also in compliance with all covenants under the senior secured term loan facility with Oaktree Capital Management L.P. ("Oaktree"). The assets of certain of our subsidiaries are pledged under

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non-recourse indebtedness and are not available to satisfy the debts and other obligations of Ashford Trust or Ashford Trust OP, our operating partnership, and the liabilities of such subsidiaries do not constitute the obligations of Ashford Trust or Ashford Trust OP.

In conjunction with the development of the Le Meridien in Fort Worth, Texas, which was consolidated as of May 31, 2023, the Company recorded \$ 1.3 million of capitalized interest during the three months ended March 31, 2024, which is included in "investment in hotel properties, net" in our consolidated balance sheet. See note 4.

8. Notes Receivable, Net and Other

As of March 31, 2024, the Company has a note receivable of \$ 8.8 million and corresponding interest of \$ 887,000 with the manager of 815 Commerce MM, who also holds a non-controlling interest in 815 Commerce MM. See discussion in note 2. The Company has a maximum note commitment of up to \$ 9.5 million, which is the total of balancing deposits required by the property construction lender. The note bears interest at 18.0 % per annum. The note receivable is payable within 30 days after demand. If the manager fails upon demand to repay the note receivable with interest, the Company will have the right to convert the unpaid principal plus all accrued interest thereon to an additional capital contribution in which case the deemed additional capital contributions by the manager will be deemed to have not occurred and the percentage interests and the residual sharing percentages of the members shall be adjusted. The note receivable may be prepaid in whole or in part.

The following table summarizes the note receivable (dollars in thousands):

	Interest Rate	March 31, 2024	December 31, 2023
Note receivable	18.0 %	\$ 9,642	\$ 7,369

The following table summarizes the interest income associated with the note receivable (in thousands):

Line Item	Three Months Ended March 31,	
	2024	2023
Other income (expense)	\$ 386	\$ —

On September 1, 2022, the Company sold the Sheraton Ann Arbor. Under the purchase and sale agreement, \$ 1.5 million of the sales price is deferred, interest free, until the last day of the 24th month following the closing date (September 30, 2024). The components of the receivable, which is included in "other assets" in the consolidated balance sheet, are summarized below (dollars in thousands):

	Imputed Interest Rate	March 31, 2024	December 31, 2023
	Rate		
Deferred Consideration			
Face amount	10.0 %	\$ 1,500	\$ 1,500
Discount ⁽¹⁾		(73)	(108)
		<u>\$ 1,427</u>	<u>\$ 1,392</u>

⁽¹⁾ The discount represents the imputed interest during the interest-free period.

We recognized discount amortization income as presented in the table below (in thousands):

Line Item	Three Months Ended March 31,	
	2024	2023
Other income (expense)	\$ 35	\$ 32

We review receivables for impairment each reporting period. Under the model, the Company estimates credit losses over the entire contractual term of the instrument from the date of initial recognition of that instrument and is required to record a credit loss expense (or reversal) in each reporting period. Our assessment of impairment is based on considerable management judgment and assumptions. No impairment charges were recorded for the three months ended March 31, 2024 and 2023.

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9. Derivative Instruments and Hedging

Interest Rate Derivatives—We are exposed to risks arising from our business operations, economic conditions and financial markets. To manage these risks, we primarily use interest rate derivatives to hedge our debt and our cash flows, which include interest rate caps. To mitigate nonperformance risk, we routinely use a third party's analysis of the creditworthiness of the counterparties, which supports our belief that the counterparties' nonperformance risk is limited. All derivatives are recorded at fair value. Payments from counterparties on in-the-money interest rate caps are recognized as realized gains on our consolidated statements of operations.

The following table presents a summary of our interest rate derivatives entered into over each applicable period:

	Three Months Ended March 31,	
	2024	2023
Interest rate caps:		
Notional amount (in thousands)	\$ 1,102,027 ⁽¹⁾	\$ 585,000 ⁽¹⁾
Strike rate low end of range	4.43 %	4.00 %
Strike rate high end of range	7.31 %	6.90 %
Effective date range	February 2024 - March 2024	February 2023 - March 2023
Termination date range	March 2025 - April 2025	February 2024 - March 2024
Total cost (in thousands)	\$ 5,280	\$ 4,174

⁽¹⁾ These instruments were not designated as cash flow hedges.

We held interest rate instruments as summarized in the table below:

	March 31, 2024	December 31, 2023
Interest rate caps:		
Notional amount (in thousands)	\$ 3,770,298 ⁽¹⁾	\$ 3,351,271 ⁽¹⁾
Strike rate low end of range	2.00 %	2.00 %
Strike rate high end of range	7.31 %	6.90 %
Termination date range	April 2024 - June 2025	February 2024 - June 2025
Aggregate principal balance on corresponding mortgage loans (in thousands)	\$ 2,246,889	\$ 2,689,927

⁽¹⁾ These instruments were not designated as cash flow hedges.

Compound Embedded Debt Derivative—Based on certain provisions in the Oaktree Credit Agreement, the Company is required to pay an exit fee. Under the applicable accounting guidance, the exit fee is considered an embedded derivative liability that meets the criteria for bifurcation from the debt host. There were other features that were bifurcated, but did not have a material value. The compound embedded debt derivative, consisting of the exit fee and other features which were bifurcated, was initially measured at fair value and the fair value of the embedded debt derivative is estimated at each reporting period. See note 10.

10. Fair Value Measurements

Fair Value Hierarchy—For disclosure purposes, financial instruments, whether measured at fair value on a recurring or nonrecurring basis or not measured at fair value, are classified in a hierarchy consisting of three levels based on the observability of valuation inputs in the marketplace as discussed below:

- Level 1: Fair value measurements that are quoted prices (unadjusted) in active markets that we have the ability to access for identical assets or liabilities. Market price data generally are obtained from exchange or dealer markets.
- Level 2: Fair value measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities

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in active markets and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.

- Level 3: Fair value measurements based on valuation techniques that use significant inputs that are unobservable. The circumstances for using these measurements include those in which there is little, if any, market activity for the asset or liability.

The fair value of interest rate caps is determined using the market standard methodology of discounting the future expected cash receipts that would occur if variable interest rates rose above the strike rates of the caps. Variable interest rates used in the calculation of projected receipts and payments on the caps are based on an expectation of future interest rates derived from observable market interest rate curves (SOFR forward curves) and volatilities (Level 2 inputs). We also incorporate credit valuation adjustments (Level 3 inputs) to appropriately reflect both our own nonperformance risk and the respective counterparty's nonperformance risk.

When a majority of the inputs used to value our derivatives fall within Level 2 of the fair value hierarchy, the derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy. However, when valuation adjustments associated with our derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by us and our counterparties, which we consider significant (10 % or more) to the overall valuation of our derivatives, the derivative valuations in their entirety are classified in Level 3 of the fair value hierarchy. Transfers of inputs between levels are determined at the end of each reporting period. In determining the fair values of our derivatives at March 31, 2024, the SOFR interest rate forward curve (Level 2 inputs) assumed a downtrend from 5.329 % to 4.709 % for the remaining term of our derivatives. Credit spreads (Level 3 inputs) used in determining the fair values of derivatives assumed an uptrend in nonperformance risk for us and all of our counterparties through the maturity dates.

The Company initially recorded an embedded debt derivative of \$ 43.7 million, which was attributed to the compound embedded derivative liability associated with the Oaktree term loan.

The compound embedded derivative liability is considered a Level 3 measurement due to the utilization of significant unobservable inputs in the valuation, which were based on 'with and without' valuation models. Based on the terms and provisions of the Oaktree Credit Agreement, with the assistance of a valuation specialist, the Company utilized a risk neutral model to estimate the fair value of the embedded derivative features requiring bifurcation as of the respective issuance dates and as of the March 31, 2024 reporting date. The risk neutral model is designed to utilize market data and the Company's best estimate of the timing and likelihood of the settlement events that are related to the embedded derivative features in order to estimate the fair value of the respective notes with these embedded derivative features.

The fair value of the notes with the derivative features is compared to the fair value of a plain vanilla note (excluding the derivative features), which is calculated based on the present value of the future default adjusted expected cash flows. The difference between the two values represents the fair value of the bifurcated derivative features as of each respective valuation date.

The key inputs to the valuation models that were utilized to estimate the fair value of the embedded debt derivative are described as follows:

- the default probability-weighted exit fee and prepayment cash flows are based on the contractual terms of the Oaktree Credit Agreement and the expectation of an acceleration event, including default, of the Company;
- the risk-free rate of 4.68 % was the discount rate utilized in the valuation and was determined based on reference to market yields for U.S. treasury debt instruments with similar terms;
- the recovery rate of 61.2 % assumed upon occurrence of a default event was estimated based upon recovery rate data published by credit rating agencies specific to the seniority of the notes; and
- the probabilities and timing of a default-related acceleration event of 59.1 % were estimated using an annualized probability of default which was implied from the debt issuance proceeds as of the issuance date, and updated utilizing relevant market data including market observed option-adjusted spreads as of March 31, 2024.

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The following table includes a summary of the compound embedded derivative liabilities measured at fair value using significant unobservable (Level 3) inputs (in thousands):

	Fair Value
Balance at December 31, 2022	\$ 23,687
Re-measurement of fair value	934
Balance at March 31, 2023	24,621
Re-measurement of fair value	(1,961)
Balance at June 30, 2023	22,660
Re-measurement of fair value	436
Balance at September 30, 2023	23,096
Re-measurement of fair value	600
Balance at December 31, 2023	23,696
Re-measurement of fair value	(2,624)
Balance at March 31, 2024	\$ 21,072

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table presents our assets and liabilities measured at fair value on a recurring basis aggregated by the level within which measurements fall in the fair value hierarchy (in thousands):

	Quoted Market Prices (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
March 31, 2024:				
Assets				
Derivative assets:				
Interest rate derivatives - caps	\$ —	\$ 12,398	\$ —	\$ 12,398 ⁽¹⁾
Total	\$ —	\$ 12,398	\$ —	\$ 12,398
Liabilities				
Embedded debt derivative	\$ —	\$ —	\$ (21,072)	\$ (21,072) ⁽²⁾
Net	\$ —	\$ 12,398	\$ (21,072)	\$ (8,674)
December 31, 2023:				
Assets				
Derivative assets:				
Interest rate derivatives - caps	\$ —	\$ 13,696	\$ —	\$ 13,696 ⁽¹⁾
Total	\$ —	\$ 13,696	\$ —	\$ 13,696
Liabilities				
Embedded debt derivative	\$ —	\$ —	\$ (23,696)	\$ (23,696) ⁽²⁾
Net	\$ —	\$ 13,696	\$ (23,696)	\$ (10,000)

⁽¹⁾ Reported as "derivative assets" in our consolidated balance sheets.

⁽²⁾ Reported in "indebtedness, net" in our consolidated balance sheets.

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Effect of Fair Value Measured Assets and Liabilities on Condensed Consolidated Statements of Operations

The following table summarizes the effect of fair value measured assets and liabilities on our consolidated statements of operations (in thousands):

	Gain (Loss) Recognized in Income	
	Three Months Ended March 31,	
	2024	2023
Assets		
Derivative assets:		
Interest rate derivatives - caps	\$ 2,137	\$ (4,481)
Total	<u>\$ 2,137</u>	<u>\$ (4,481)</u>
Liabilities		
Derivative liabilities:		
Embedded debt derivative	\$ 2,624	\$ (934)
Net	<u>\$ 4,761</u>	<u>\$ (5,415)</u>
Total combined		
Interest rate derivatives - caps	\$ (6,577)	\$ (14,008)
Embedded debt derivative	<u>2,624</u>	<u>(934)</u>
Unrealized gain (loss) on derivatives	(3,953) ⁽¹⁾	(14,942) ⁽¹⁾
Realized gain (loss) on interest rate caps	<u>8,714 ^{(1) (2)}</u>	<u>9,527 ^{(1) (2)}</u>
Net	<u>\$ 4,761</u>	<u>\$ (5,415)</u>

⁽¹⁾ Reported as "realized and unrealized gain (loss) on derivatives" in our consolidated statements of operations.

⁽²⁾ Represents settled and unsettled payments from counterparties on interest rate caps.

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11. Summary of Fair Value of Financial Instruments

Determining estimated fair values of our financial instruments such as notes receivable and indebtedness requires considerable judgment to interpret market data. Market assumptions and/or estimation methodologies used may have a material effect on estimated fair value amounts. Accordingly, estimates presented are not necessarily indicative of amounts at which these instruments could be purchased, sold, or settled. Carrying amounts and estimated fair values of financial instruments, for periods indicated, were as follows (in thousands):

	March 31, 2024		December 31, 2023	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Financial assets measured at fair value:				
Derivative assets	\$ 12,398	\$ 12,398	\$ 13,696	\$ 13,696
Financial liabilities measured at fair value:				
Embedded debt derivative	\$ 21,072	\$ 21,072	\$ 23,696	\$ 23,696
Financial assets not measured at fair value:				
Cash and cash equivalents ⁽¹⁾	\$ 112,657	\$ 112,657	\$ 165,232	\$ 165,232
Restricted cash ⁽¹⁾	135,748	135,748	146,302	146,302
Accounts receivable, net ⁽¹⁾	57,428	57,428	45,692	45,692
Notes receivable, net	9,642	9,642	7,369	7,369
Due from third-party hotel managers	23,531	23,531	21,681	21,681
Financial liabilities not measured at fair value:				
Indebtedness ⁽¹⁾	\$ 3,017,302	\$ 2,942,453	\$ 3,038,139	\$ 2,960,630
Indebtedness associated with hotels in receivership	355,120	355,120	355,120	355,120
Accounts payable and accrued expenses ⁽¹⁾	133,982	133,982	129,554	129,554
Accrued interest payable ⁽¹⁾	13,291	13,291	13,040	13,040
Accrued interest associated with hotels in receivership	23,040	23,040	14,024	14,024
Dividends and distributions payable	3,651	3,651	3,566	3,566
Due to Ashford Inc., net ⁽¹⁾	9,805	9,805	13,262	13,262
Due to related parties, net ⁽¹⁾	2,295	2,295	5,874	5,874
Due to third-party hotel managers	1,487	1,487	1,193	1,193

⁽¹⁾ Includes balances associated with assets held for sale and liabilities associated with assets held for sale as of March 31, 2024.

Cash, cash equivalents and restricted cash. These financial assets bear interest at market rates and have original maturities of less than 90 days. The carrying value approximates fair value due to their short-term nature. This is considered a Level 1 valuation technique.

Accounts receivable, net, accounts payable and accrued expenses, accrued interest payable, accrued interest associated with hotels in receivership, dividends and distributions payable, due to/from related parties, net, due to/from Ashford Inc., net and due to/from third-party hotel managers. The carrying values of these financial instruments approximate their fair values due to their short-term nature. This is considered a Level 1 valuation technique.

Notes receivable, net. The carrying amount of notes receivable, net approximates its fair value. We estimate the fair value of the notes receivable, net to be approximately 100.0 % of the carrying value of \$ 9.6 million at March 31, 2024 and approximately 100.0 % of the carrying value of \$ 7.4 million at December 31, 2023. This is considered a Level 2 valuation technique.

Derivative assets and embedded debt derivative. See notes 9 and 10 for a complete description of the methodology and assumptions utilized in determining fair values.

Indebtedness and indebtedness associated with hotels in receivership. Fair value of indebtedness is determined using future cash flows discounted at current replacement rates for these instruments. Cash flows are determined using a forward interest rate yield curve. Current replacement rates are determined by using the U.S. Treasury yield curve or the index to which these financial instruments are tied and adjusted for credit spreads. Credit spreads take into consideration general market conditions, maturity, and collateral. We estimated the fair value of total indebtedness to be approximately 97.5 % of the carrying value of \$ 3.0 billion at March 31, 2024 and approximately 97.4 % of the carrying value of \$ 3.0 billion at December 31, 2023. We

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estimated the fair value of indebtedness associated with hotels in receivership to be approximately 100.0 % of the carrying value of \$ 355.1 million at March 31, 2024 and approximately 100.0 % of the carrying value of \$ 355.1 million at December 31, 2023. These fair value estimates are considered a Level 2 valuation technique.

12. Income (Loss) Per Share

Basic income (loss) per common share is calculated using the two-class method by dividing net income (loss) attributable to common stockholders by the weighted average number of common shares outstanding during the period. Diluted income (loss) per common share is calculated using the two-class method, or treasury stock method if more dilutive, and reflects the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted into common shares, whereby such exercise or conversion would result in lower income per share.

The following table reconciles the amounts used in calculating basic and diluted income (loss) per share (in thousands, except per-share amounts):

	Three Months Ended March 31,	
	2024	2023
Income (loss) allocated to common stockholders - basic and diluted:		
Income (loss) attributable to the Company	\$ 71,561	\$ (60,922)
Less: dividends on preferred stock	(5,011)	(3,243)
Less: deemed dividends on redeemable preferred stock	(682)	(407)
Add: gain (loss) on extinguishment of preferred stock	1,573	—
Less: net (income) loss allocated to performance stock units	(347)	—
Distributed and undistributed income (loss) allocated to common stockholders - basic	<u>\$ 67,094</u>	<u>\$ (64,572)</u>
Add back: dividends on preferred stock - Series J (inclusive of deemed dividends)	2,667	—
Add back: dividends on preferred stock - Series K (inclusive of deemed dividends)	147	—
Distributed and undistributed income (loss) allocated to common stockholders - diluted	<u>\$ 69,908</u>	<u>\$ (64,572)</u>
Weighted average common shares outstanding:		
Weighted average shares outstanding - basic	<u>38,458</u>	<u>34,381</u>
Effect of assumed conversion of preferred stock - Series J	74,047	—
Effect of assumed conversion of preferred stock - Series K	4,224	—
Weighted average shares outstanding - diluted	<u>116,729</u>	<u>34,381</u>
Basic income (loss) per share:		
Net income (loss) allocated to common stockholders per share	<u>\$ 1.74</u>	<u>\$ (1.88)</u>
Diluted income (loss) per share:		
Net income (loss) allocated to common stockholders per share	<u>\$ 0.60</u>	<u>\$ (1.88)</u>

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Due to their anti-dilutive effect, the computation of diluted income (loss) per share does not reflect adjustments for the following items (in thousands):

	Three Months Ended March	
	31,	
	2024	2023
Income (loss) allocated to common stockholders is not adjusted for:		
Income (loss) allocated to unvested performance stock units	\$ 347	\$ —
Income (loss) attributable to redeemable noncontrolling interests in operating partnership	853	(600)
Dividends on preferred stock - Series J (inclusive of deemed dividends)	—	513
Dividends on preferred stock - Series K (inclusive of deemed dividends)	—	34
Total	<u>\$ 1,200</u>	<u>\$ (53)</u>
Weighted average diluted shares are not adjusted for:		
Effect of assumed conversion of operating partnership units	500	335
Effect of assumed issuance of shares for term loan exit fee	—	1,745
Effect of assumed conversion of preferred stock - Series J	—	1,459
Effect of assumed conversion of preferred stock - Series K	—	62
Total	<u>500</u>	<u>3,601</u>

13. Redeemable Noncontrolling Interests in Operating Partnership

Redeemable noncontrolling interests in the operating partnership represents the limited partners' proportionate share of equity in earnings/losses of the operating partnership, which is an allocation of net income/loss attributable to the common unit holders based on the weighted average ownership percentage of these limited partners' common units of limited partnership interest in the operating partnership (the "common units") and the units issued under our Long-Term Incentive Plan (the "LTIP units") that are vested. Each common unit may be redeemed for either cash or, at our sole discretion, up to one share of our REIT common stock, which is either: (i) issued pursuant to an effective registration statement; (ii) included in an effective registration statement providing for the resale of such common stock; or (iii) issued subject to a registration rights agreement.

LTIP units, which are issued to certain executives and employees of Ashford LLC as compensation, generally have vesting periods of three years. Additionally, certain independent members of the board of directors have elected to receive LTIP units as part of their compensation, which are fully vested upon grant. Upon reaching economic parity with common units, each vested LTIP unit can be converted by the holder into one common unit which can then be redeemed for cash or, at our election, settled in our common stock. An LTIP unit will achieve parity with the common units upon the sale or deemed sale of all or substantially all of the assets of the operating partnership at a time when our stock is trading at a level in excess of the price it was trading on the date of the LTIP issuance. More specifically, LTIP units will achieve full economic parity with common units in connection with (i) the actual sale of all or substantially all of the assets of the operating partnership or (ii) the hypothetical sale of such assets, which results from a capital account revaluation, as defined in the partnership agreement, for the operating partnership.

The compensation committee of the board of directors of the Company may authorize the issuance of Performance LTIP units to certain executive officers and directors from time to time. The award agreements provide for the grant of a target number of Performance LTIP units that will be settled in common units of Ashford Trust OP, if, when and to the extent the applicable vesting criteria have been achieved following the end of the performance and service period. The criteria for the Performance LTIP units are based on performance conditions and market conditions under the relevant literature. The corresponding compensation cost is recognized, based on the applicable measurement date fair value of the award, ratably over the service period for the award as the service is rendered, which may vary from period to period, as the number of performance grants earned may vary based on the estimated probable achievement of certain performance targets (performance conditions). The number of Performance LTIP units to be earned based on the applicable performance conditions is determined upon the final vesting date. The initial calculation of the Performance LTIP units earned can range from 0 % to 200 % of target, which is further subjected to a specified absolute total stockholder return modifier (market condition) based on the formulas determined by the Company's compensation committee on the grant date. This will result in an adjustment (75 % to 125 %) of the initial calculation of the number of performance awards earned based on the applicable performance targets resulting in a final award calculation ranging from 0 % to 250 % of the target amount.

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As of March 31, 2024, there were approximately 1.5 million Performance LTIP units outstanding, representing 250 % of the target number granted for the 2022 and 2023 grants.

As of March 31, 2024, we have issued a total of approximately 2.0 million LTIP and Performance LTIP units, net of Performance LTIP cancellations. All LTIP and Performance LTIP units other than approximately 1.5 million Performance LTIP units and 124,000 LTIP units have reached full economic parity with, and are convertible into, common units upon vesting.

The following table presents the redeemable noncontrolling interests in Ashford Trust OP and the corresponding approximate ownership percentage:

	March 31, 2024	December 31, 2023
Redeemable noncontrolling interests in Ashford Trust OP (in thousands)	\$ 22,300	\$ 22,007
Cumulative adjustments to redeemable noncontrolling interests ⁽¹⁾ (in thousands)	\$ 185,410	\$ 186,201
Ownership percentage of operating partnership	1.25 %	1.27 %

⁽¹⁾ Reflects the excess of the redemption value over the accumulated historical costs.

We allocated net (income) loss to the redeemable noncontrolling interests as presented in the table below (in thousands):

	Three Months Ended March 31,	
	2024	2023
Net (income) loss attributable to redeemable noncontrolling interests in operating partnership	\$ (853)	\$ 600

14. Equity and Equity-Based Compensation

Common Stock Dividends—The board of directors did not declare a quarterly common stock dividend in 2024 or 2023.

Restricted Stock—We incur stock-based compensation expense in connection with restricted stock awarded to certain employees of Ashford LLC and its affiliates. We also issue common stock to certain of our independent directors, which vests immediately upon issuance.

Performance Stock Units—The compensation committee of the board of directors of the Company may authorize the issuance of performance stock units ("PSUs"), which have a cliff vesting period of three years, to certain executive officers and directors from time to time. The award agreements provide for the grant of a target number of PSUs that will be settled in shares of common stock of the Company, if, when and to the extent the applicable vesting criteria have been achieved following the end of the performance and service period. The criteria for the PSUs are based on performance conditions and market conditions under the relevant literature. The corresponding compensation cost is recognized, based on the corresponding measurement date fair value of the award, ratably over the service period for the award as the service is rendered, which may vary from period to period, as the number of PSUs earned may vary based on the estimated probable achievement of certain performance targets (performance conditions). The number of PSUs to be earned based on the applicable performance conditions is determined upon the final vesting date. The initial calculation of PSUs earned can range from 0 % to 200 % of target, which is further subjected to a specified absolute total stockholder return modifier (market condition) based on the formulas determined by the Company's compensation committee on the grant date. This will result in an adjustment (75 % to 125 %) of the initial calculation for the number of PSUs earned based on the applicable performance targets resulting in a final award calculation ranging from 0 % to 250 % of the target amount.

At-the-Market-Equity Distribution Agreement—On April 11, 2022, the Company entered into an equity distribution agreement (the "Virtu Equity Distribution Agreement") with Virtu Americas LLC ("Virtu"), to sell from time to time shares of the Company's common stock having an aggregate offering price of up to \$ 100 million. We will pay Virtu a commission of approximately 1 % of the gross sales price of the shares of our common stock sold. The Company may also sell some or all of the shares of our common stock to Virtu as principal for its own account at a price agreed upon at the time of sale.

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The table below summarizes the activity (in thousands):

	Three Months Ended March 31, 2024
Common stock issued	1,416
Gross proceeds	\$ 2,247
Commissions and other expenses	22
Net proceeds	\$ 2,225

Preferred Dividends—The board of directors declared quarterly dividends per share as presented below:

	Three Months Ended March 31,	
	2024	2023
8.45 % Series D Cumulative Preferred Stock	\$ 0.5281	\$ 0.5281
7.375 % Series F Cumulative Preferred Stock	0.4609	0.4609
7.375 % Series G Cumulative Preferred Stock	0.4609	0.4609
7.50 % Series H Cumulative Preferred Stock	0.4688	0.4688
7.50 % Series I Cumulative Preferred Stock	0.4688	0.4688

Ashford Trust entered into privately negotiated exchange agreements with certain holders of its preferred stock in reliance on Section 3(a)(9) of the Securities Act of 1933, as amended (the "Securities Act").

The table below summarizes the activity (in thousands):

	Three Months Ended March 31, 2024	
	Preferred Shares Tendered	Common Shares Issued
7.375 % Series F Cumulative Preferred Stock	71	596
7.50 % Series H Cumulative Preferred Stock	71	586
7.50 % Series I Cumulative Preferred Stock	17	156
	159	1,338

Stock Repurchases—On April 6, 2022, the board of directors approved a stock repurchase program, pursuant to which the board of directors granted a repurchase authorization to acquire shares of the Company's common stock and preferred stock having an aggregate value of up to \$ 200 million. The board of directors' authorization replaced the previous repurchase authorization that the board of directors authorized in December 2017. No shares of our common stock or preferred stock were repurchased subject to the repurchase program during the three months ended March 31, 2024 and 2023, respectively.

15. Redeemable Preferred Stock

Series J Redeemable Preferred Stock

The Company enters into equity distribution agreements with certain sales agents to sell from time-to-time shares of the Series J Redeemable Preferred Stock (the "Series J Preferred Stock"). Pursuant to such equity distribution agreements, the Company is offering a maximum of 20.0 million shares of Series J Preferred Stock or Series K Preferred Stock in a primary offering at a price of \$ 25.00 per share. The Company is also offering a maximum of 8.0 million shares of the Series J Preferred Stock or Series K Preferred Stock pursuant to a dividend reinvestment plan (the "DRIP") at \$ 25.00 per share (the "Stated Value").

The Series J Preferred Stock ranks senior to all classes or series of the Company's common stock and future junior securities, on a parity with each series of the Company's outstanding preferred stock (Series D Preferred Stock, Series F Preferred Stock, Series G Preferred Stock, Series H Preferred Stock, Series I Preferred Stock and Series K Preferred Stock) and with any future parity securities and junior to future senior securities and to all of the Company's existing and future

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indebtedness, with respect to the payment of dividends and the distribution of amounts upon liquidation, dissolution or winding up of the Company's affairs.

Holders of the Series J Preferred Stock shall not have any voting rights, except for if and whenever dividends on any shares of the Series J Preferred Stock shall be in arrears for 18 or more monthly periods, whether or not such quarterly periods are consecutive and the number of directors then constituting the board shall be increased by two and the holders of such shares of Series J Preferred Stock (voting together as a single class with all other classes or series of capital stock ranking on a parity with the Series J Preferred Stock) shall be entitled to vote for the election of the additional directors of the Company who shall each be elected for one-year terms.

Each share is redeemable at any time, at the option of the holder, at a redemption price of \$ 25.00 per share, plus any accumulated, accrued, and unpaid dividends, less a redemption fee. Starting on the second anniversary, each share is redeemable at any time, at the option of the Company, at a redemption price of \$ 25.00 per share, plus any accumulated, accrued, and unpaid dividends (with no redemption fee). The Company has the right, in its sole discretion, to redeem the shares in cash, or in an equal number of shares of common stock or any combination thereof, calculated based on the closing price per share for the single trading day prior to the date of redemption. The Series J Preferred Stock is also subject to conversion upon certain events constituting a change of control. Upon a change of control, the Company, at its option, may redeem, within 120 days, outstanding shares at a redemption price equal to the Stated Value plus an amount equal to any accrued but unpaid dividends. The Company must pay the redemption price in cash upon a change of control.

The redemption fee shall be an amount equal to:

- 8.0 % of the stated value of \$ 25.00 per share (the "Stated Value") beginning on the Original Issue Date (as defined in the Articles Supplementary) of the shares of the Series J Preferred Stock to be redeemed;
- 5.0 % of the Stated Value beginning on the second anniversary from the Original Issue Date of the shares of the Series J Preferred Stock to be redeemed; and
- 0 % of the Stated Value beginning on the third anniversary from the Original Issue Date of the shares of the Series J Preferred Stock to be redeemed.

The Series J Preferred Stock provides for cash dividends at an annual rate equal to 8.0 % per annum of the Stated Value beginning on the date of the first settlement of the Series J Preferred Stock.

Dividends are payable on a monthly basis and payable in arrears on the 15th of each month (or, if such payment date is not a business day, the next succeeding business day) to holders of record at the close of business on the last business day of each month immediately preceding the applicable dividend payment date. Dividends will be computed on the basis of twelve 30-day months and a 360-day year.

The Company has a DRIP that allows participating holders to have their Series J Preferred Stock dividend distributions automatically reinvested in additional shares of the Series J Preferred Stock at a price of \$ 25.00 per share.

The issuance activity of the Series J Preferred Stock is summarized below (in thousands):

	Three Months Ended March 31,	
	2024	2023
Series J Preferred Stock shares issued ⁽¹⁾	864	415
Net proceeds	\$ 19,444	\$ 9,326

⁽¹⁾ Exclusive of shares issued under the DRIP.

The Series J Preferred Stock does not meet the requirements for permanent equity classification prescribed by the authoritative guidance because of certain cash redemption features that are outside of the Company's control. As such, the Series J Preferred Stock is classified outside of permanent equity.

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At the date of issuance, the carrying amount of the Series J Preferred Stock was less than the redemption value. As a result of the Company's determination that redemption is probable, the carrying value will be adjusted to the redemption amount each reporting period.

The redemption value adjustment of Series J Preferred Stock is summarized below (in thousands):

	March 31, 2024	December 31, 2023
Series J Preferred Stock	\$ 100,192	\$ 79,975
Cumulative adjustments to Series J Preferred Stock ⁽¹⁾	4,128	3,473

⁽¹⁾ Reflects the excess of the redemption value over the accumulated carrying value.

The following table summarizes dividends declared (in thousands):

	Three Months Ended March 31,	
	2024	2023
Series J Preferred Stock	\$ 2,012	\$ 133

Series K Redeemable Preferred Stock

The Company enters into equity distribution agreements with certain sales agents to sell from time-to-time shares of the Series K Redeemable Preferred Stock (the "Series K Preferred Stock"). Pursuant to such equity distribution agreements, the Company is offering a maximum of 20.0 million shares of Series K Preferred Stock or Series J Preferred Stock in a primary offering at a price of \$ 25.00 per share. The Company is also offering a maximum of 8.0 million shares of the Series K Preferred Stock or Series J Preferred Stock pursuant to the DRIP at the Stated Value.

The Series K Preferred Stock ranks senior to all classes or series of the Company's common stock and future junior securities, on a parity with each series of the Company's outstanding preferred stock (Series D Preferred Stock, Series F Preferred Stock, Series G Preferred Stock, Series H Preferred Stock, Series I Preferred Stock and Series J Preferred Stock) and with any future parity securities and junior to future senior securities and to all of the Company's existing and future indebtedness, with respect to the payment of dividends and the distribution of amounts upon liquidation, dissolution or winding up of the Company's affairs.

Holders of the Series K Preferred Stock shall not have any voting rights, except for if and whenever dividends on any shares of the Series K Preferred Stock shall be in arrears for 18 or more monthly periods, whether or not such quarterly periods are consecutive, and the number of directors then constituting the board shall be increased by two and the holders of such shares of Series K Preferred Stock (voting together as a single class with all other classes or series of capital stock ranking on a parity with the Series K Preferred Stock) shall be entitled to vote for the election of the additional directors of the Company who shall each be elected for one-year terms.

Each share is redeemable at any time, at the option of the holder, at a redemption price of \$ 25.00 per share, plus any accumulated, accrued, and unpaid dividends, less a redemption fee. Starting on the second anniversary, each share is redeemable at any time, at the option of the Company, at a redemption price of \$ 25.00 per share, plus any accumulated, accrued, and unpaid dividends (with no redemption fee). The Company has the right, in its sole discretion, to redeem the shares in cash, or in an equal number of shares of common stock or any combination thereof, calculated based on the closing price per share for the single trading day prior to the date of redemption. The Series K Preferred Stock is also subject to conversion upon certain events constituting a change of control. Upon a change of control, the Company, at its option, may redeem, within 120 days, outstanding shares at a redemption price equal to the Stated Value plus an amount equal to any accrued but unpaid dividends. The Company must pay the redemption price in cash upon a change of control.

The redemption fee shall be an amount equal to:

- 1.5 % of the stated value of \$ 25.00 per share (the "Stated Value") beginning on the Original Issue Date (as defined in the Articles Supplementary) of the shares of the Series K Preferred Stock to be redeemed; and
- 0 % of the Stated Value beginning on the first anniversary from the Original Issue Date of the shares of the Series K Preferred Stock to be redeemed.

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Holders of Series K Preferred Stock are entitled to receive cumulative cash dividends at the initial rate of 8.2 % per annum of the Stated Value of \$ 25.00 per share (equivalent to an annual dividend rate of \$ 2.05 per share). Beginning one year from the date of original issuance of each share of Series K Preferred Stock and on each one-year anniversary thereafter for such share of Series K Preferred Stock, the dividend rate shall increase by 0.10 % per annum; provided, however, that the dividend rate for any share of Series K Preferred Stock shall not exceed 8.7 % per annum of the Stated Value.

Dividends are payable on a monthly basis in arrears on the 15th of each month (or, if such payment date is not a business day, on the next succeeding business day) to holders of record at the close of business on the last business day of each month immediately preceding the applicable dividend payment date. Dividends will be computed on the basis of twelve 30-day months and a 360-day year.

The Company has a DRIP that allows participating holders to have their Series K Preferred Stock dividend distributions automatically reinvested in additional shares of the Series K Preferred Stock at a price of \$ 25.00 per share.

The issuance activity of the Series K Preferred Stock is summarized below (in thousands):

	Three Months Ended March 31,	
	2024	2023
Series K Preferred Stock shares issued ⁽¹⁾	69	32
Net proceeds	\$ 1,676	\$ 787

⁽¹⁾ Exclusive of shares issued under the DRIP.

The Series K Preferred Stock does not meet the requirements for permanent equity classification prescribed by the authoritative guidance because of certain cash redemption features that are outside of the Company's control. As such, the Series K Preferred Stock is classified outside of permanent equity.

At the date of issuance, the carrying amount of the Series K Preferred Stock was less than the redemption value. As a result of the Company's determination that redemption is probable, the carrying value will be adjusted to the redemption amount each reporting period.

The redemption value adjustment of Series K Preferred Stock is summarized below (in thousands):

	March 31, 2024	December 31, 2023
Series K Preferred Stock	\$ 6,434	\$ 4,783
Cumulative adjustments to Series K Preferred Stock ⁽¹⁾	173	146

⁽¹⁾ Reflects the excess of the redemption value over the accumulated carrying value.

The following table summarizes dividends declared (in thousands):

	Three Months Ended March 31,	
	2024	2023
Series K Preferred Stock	\$ 120	\$ 7

The following table summarizes Series K Preferred Stock redemptions settled by the issuance of common stock (in thousands):

	Three Months Ended March 31, 2024
Series K Preferred Stock shares redeemed	1
Redemption amount, net of redemption fees	\$ 32
Common shares issued upon redemption	23

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16. Related Party Transactions

Ashford Inc.

Advisory Agreement with Ashford Trust OP

Ashford LLC, a subsidiary of Ashford Inc., acts as our advisor. Our chairman, Mr. Monty J. Bennett, also serves as chairman of the board of directors and chief executive officer of Ashford Inc.

Under our advisory agreement, we pay advisory fees to Ashford LLC. Advisory fees consist of base fees and incentive fees. We pay a monthly base fee in an amount equal to 1/12 of (i) 0.70% of the Total Market Capitalization (as defined in our advisory agreement) of the Company for the prior month, plus (ii) the Net Asset Fee Adjustment (as defined in our advisory agreement), if any, on the last day of the prior month during which the advisory agreement was in effect; provided, however, that in no event shall the Base Fee (as defined in our advisory agreement) for any month be less than the Minimum Base Fee as provided by the advisory agreement. The Company shall pay the Base Fee or the Minimum Base Fee (as defined in our advisory agreement) on the fifth business day of each month.

The Minimum Base Fee for Ashford Trust for each quarter beginning January 1, 2021 is equal to the greater of:

- (i) ninety percent (90 %) of the base fee paid for the same month in the prior fiscal year and
- (ii) 1/12th of the G&A Ratio (as defined in the advisory agreement) for the most recently completed fiscal quarter multiplied by the Company's Total Market Capitalization.

We are also required to pay Ashford LLC an incentive fee that is measured annually (or for a stub period if the advisory agreement is terminated at other than year-end). In each year that the Company's total shareholder return exceeds the average total shareholder return for the peer group, the Company shall pay to Ashford LLC an incentive fee. The incentive fee, if any, subject to the Fixed Coverage Charge Ratio Condition (as defined in the advisory agreement), shall be payable in arrears in three equal annual installments.

We also reimburse Ashford LLC for certain reimbursable overhead and internal audit, risk management advisory and asset management services, as specified in the advisory agreement. We also record equity-based compensation expense for equity grants of common stock and LTIP units awarded to officers and employees of Ashford LLC in connection with providing advisory services.

The following table summarizes the advisory services fees incurred (in thousands):

	Three Months Ended March 31,	
	2024	2023
Advisory services fee		
Base advisory fee	\$ 7,963	\$ 8,469
Reimbursable expenses ⁽¹⁾	6,398	3,227
Equity-based compensation ⁽²⁾	536	1,290
Total advisory services fee	\$ 14,897	\$ 12,986

⁽¹⁾ Reimbursable expenses include overhead, internal audit, risk management advisory, asset management services and deferred cash awards.

⁽²⁾ Equity-based compensation is associated with equity grants of Ashford Trust's common stock, LTIP units and Performance LTIP units awarded to officers and employees of Ashford LLC.

On September 27, 2022, an agreement was entered into by Ashford Inc., Ashford Trust and Braemar Hotels & Resorts Inc. ("Braemar") pursuant to which the Advisor is to implement the REITs cash management strategies. This will include actively managing the REITs excess cash by primarily investing in short-term U.S. Treasury securities. The annual fee is 20 basis points ("bps") of the average daily balance of the funds managed by the advisor and is payable monthly in arrears.

On March 2, 2023, we entered into a Limited Waiver Under Advisory Agreement (the "2023 Limited Waiver") with Ashford Trust OP, Ashford TRS, Ashford Inc. and Ashford LLC. Pursuant to the 2023 Limited Waiver, the Company, Ashford Trust OP, Ashford TRS and the Advisor waived the operation of any provision in the advisory agreement that would otherwise limit our ability, in our discretion and at our cost and expense, to award during the first and second fiscal quarters of calendar

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year 2023 cash incentive compensation to employees and other representatives of our advisor; provided that such awarded cash incentive compensation does not exceed \$ 13.1 million, in the aggregate, during the waiver period.

On March 11, 2024, we entered into a Limited Waiver Under Advisory Agreement with Ashford Inc. and Ashford LLC (the "Advisory Agreement Limited Waiver"). Pursuant to the Advisory Agreement Limited Waiver, the Company, the Operating Partnership, TRS and the Advisor waive the operation of any provision in our advisory agreement that would otherwise limit the ability of the Company in its discretion, at the Company's cost and expense, to award during calendar year 2024, cash incentive compensation to employees and other representatives of the Advisor.

On March 12, 2024, we entered into the Third Amended and Restated Advisory Agreement with Ashford LLC (the "Third Amended and Restated Advisory Agreement"). The Third Amended and Restated Advisory Agreement amends and restates the terms of the Second Amended and Restated Advisory Agreement, dated January 14, 2021, to, among other items: (i) require the Company pay the advisor the Portfolio Company Fee (as defined in the Third Amended and Restated Advisory Agreement) upon certain specified defaults under the Company's loan agreements resulting in the foreclosure of the Company's hotel properties, (ii) provide that there shall be no additional payments to the advisor from the amendments to the master hotel management agreement with Remington Hospitality and the master project management agreement with Premier until the Oaktree Credit Agreement is paid in full, and limits, for a period of two years thereafter, the incremental financial impact to no more than \$ 2 million per year in additional payments to the advisor from such amendments, (iii) reduces the Consolidated Tangible Net Worth covenant (as defined in the Third Amended and Restated Advisory Agreement) to \$ 750 million (plus 75 % of net equity proceeds received) from \$ 1 billion (plus 75 % of net equity proceeds received), (iv) revise the criteria that would constitute a Company Change of Control, (v) revise the definition of termination fee to provide for a minimum amount of such termination fee and (vi) revise the criteria that would constitute a voting control event.

Pursuant to the Company's hotel management agreements with each hotel management company, the Company bears the economic burden for casualty insurance coverage. Under the advisory agreement, Ashford Inc. secures casualty insurance policies to cover Ashford Trust, Braemar, Stirling OP, their hotel managers, as needed, and Ashford Inc. The total loss estimates included in such policies are based on the collective pool of risk exposures from each party. Ashford Inc. has managed the casualty insurance program and beginning in December 2023, Warwick Insurance Company ("Warwick"), a subsidiary of Ashford Inc., provides and manages the general liability, workers' compensation and business automobile insurance policies within the casualty insurance program. Each year Ashford Inc. collects funds from Ashford Trust, Braemar, Stirling OP and their respective hotel management companies, to fund the casualty insurance program as needed, on an allocated basis.

Advisory Agreement with Stirling OP

Stirling REIT Advisors, LLC ("Stirling Advisor"), a subsidiary of Ashford Inc., acts as Stirling OP's advisor. The Advisory Agreement was effective December 6, 2023.

Stirling Advisor is paid an annual management fee (payable monthly in arrears) of 1.25 % of aggregate NAV represented by the Class T, Class S, Class D and Class I shares of Stirling Inc. Additionally, to the extent Stirling OP issues Class T, Class S, Class D or Class I operating partnership units to parties other than Stirling Inc., Stirling OP will pay Stirling Advisor a management fee equal to 1.25 % of the aggregate NAV of Stirling OP attributable to such Class T, Class S, Class D and Class I operating partnership units not held by Stirling Inc. per annum payable monthly in arrears. No management fee will be paid with respect to Class E shares of Stirling Inc. or Class E units of Stirling OP. The management fee is allocated on a class-specific basis and borne by all holders of the applicable class. The management fee will be paid, at Stirling Advisor's election, in cash, Class E shares of Stirling Inc. or Class E units of Stirling OP. If Stirling Advisor elects to receive any portion of its management fee in Class E shares or Class E units of Stirling OP, Stirling Inc. may be obligated to repurchase such Class E shares of Stirling Inc. or Class E units of Stirling OP from Stirling Advisor at a later date. Such repurchases will be outside Stirling Inc.'s share repurchase plan and thus will not be subject to the repurchase limits of the share repurchase plan or any early repurchase deduction.

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Stirling OP does not intend to pay Stirling Advisor any acquisition or other similar fees in connection with making investments. Stirling OP will, however, reimburse Stirling Advisor for out-of-pocket expenses in connection with the selection and acquisition of properties and real estate related debt, whether or not such investments are acquired, and make payments to third parties in connection with making investments. In addition to organization and offering expense and acquisition expense reimbursements, Stirling OP will reimburse Stirling Advisor for out-of-pocket costs and expenses it incurs in connection with the services it provides to Stirling Inc., including, but not limited to, (i) the actual cost of goods and services used by Stirling OP and obtained from third parties, including fees paid to administrators, consultants, attorneys, technology providers and other service providers, and brokerage fees paid in connection with the purchase and sale of investments, (ii) expenses of managing and operating Stirling OP's properties, whether payable to an affiliate or a non-affiliated person, and (iii) expenses related to personnel of Stirling Advisor performing services for Stirling OP other than those who provide investment advisory services or serve as executive officers of Stirling Inc.

The following table summarizes the advisory services fees incurred (in thousands):

	Three Months Ended March 31, 2024
Advisory services fee	
Base advisory fee	\$ 257
Reimbursable expenses ⁽¹⁾	47
Total advisory services fee	<u>\$ 304</u>

⁽¹⁾ Reimbursable expenses include overhead, internal audit, risk management advisory and asset management services .

Lismore

We engage Lismore or its subsidiaries to provide debt placement services, assist with loan modifications on our behalf and brokerage services. During the three months ended March 31, 2024 and 2023, we incurred fees of \$ 242,000 and \$ 395,000 , respectively.

Ashford Securities

On December 31, 2020, an Amended and Restated Contribution Agreement (the "Amended and Restated Contribution Agreement") was entered into by Ashford Inc., Ashford Trust and Braemar (collectively, the "Parties" and each individually a "Party") with respect to funding certain expenses of Ashford Securities LLC, a subsidiary of Ashford Inc. ("Ashford Securities"). Beginning on the effective date of the Amended and Restated Contribution Agreement, costs were allocated 50 % to Ashford Inc., 50 % to Braemar and 0 % to Ashford Trust. Upon reaching the earlier of \$ 400 million in aggregate preferred equity offerings raised, or June 10, 2023, there was to be a true up (the "Amended and Restated True-up Date") among Ashford Inc., Ashford Trust and Braemar whereby the actual amount contributed by each company will be based on the actual amount of capital raised by Ashford Inc., Ashford Trust and Braemar, respectively, through Ashford Securities (the resulting ratio of contributions among the Parties, the "Initial True-up Ratio"). On January 27, 2022, Ashford Trust, Braemar and Ashford Inc. entered into a Second Amended and Restated Contribution Agreement, which provided for an additional \$ 18 million in expenses to be reimbursed with all expenses allocated 45 % to Ashford Trust, 45 % to Braemar and 10 % to Ashford Inc.

On February 1, 2023, Ashford Trust entered into a Third Amended and Restated Contribution Agreement, which provided that after the Amended and Restated True-Up Date, capital contributions for the remainder of fiscal year 2023 would be divided between each Party based on the Initial True-Up Ratio, there would be a true up reflecting amounts raised by Ashford Securities since June 10, 2019, and thereafter, the capital contributions would be divided among each Party in accordance with the cumulative ratio of capital raised by the Parties. However, effective January 1, 2024, Ashford Trust entered into a Fourth Amended and Restated Contribution Agreement with Ashford Inc. and Braemar which states that, notwithstanding anything in the prior contribution agreements: (1) the Parties equally split responsibility for all aggregate contributions made by them to Ashford Securities through September 30, 2021 and (2) thereafter, their contributions for each quarter will be based on the ratio of the amounts raised by each Party through Ashford Securities in the prior quarter compared to the total aggregate amount raised by the Parties through Ashford Securities in the prior quarter. To the extent contributions made by any of the Parties through December 31, 2023 differed from the amounts owed pursuant to the foregoing, the Parties shall make true up payments to each other to settle the difference.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

Effective January 1, 2024, Ashford Trust entered into a Fourth Amended and Restated Contribution Agreement with Ashford Inc. and Braemar which states that, notwithstanding anything in the prior contribution agreements: (1) the Parties equally split responsibility for all aggregate contributions made by them to Ashford Securities through September 30, 2021 and (2) thereafter, their contributions for each quarter will be based on the ratio of the amounts raised by each Party through Ashford Securities the prior quarter compared to the total aggregate amount raised by the Parties through Ashford Securities the prior quarter. To the extent contributions made by any of the Parties through December 31, 2023 differed from the amounts owed pursuant to the foregoing, the Parties shall make true up payments to each other to settle the difference. The terms of this agreement included a life-to-date true-up based on the new terms of the agreement and a new funding schedule for ongoing funding of the broker dealer. Going forward, each capital call will be funded according to the percentages of the discrete raises accomplished in the prior quarter. During the first quarter of 2024, the funding requirement was revised based on the aggregate capital raised through Ashford Securities. This resulted in Ashford Trust making a payment of approximately \$ 3.4 million to Ashford Inc. which resulted in expense of approximately \$ 3.2 million for the three months ended March 31, 2024.

As of March 31, 2024, Ashford Trust has funded approximately \$ 7.9 million and has a \$ 254,000 payable that is included in "due to Ashford Inc., net" on our consolidated balance sheet.

As of December 31, 2023, Ashford Trust had funded approximately \$ 180,000 and had a \$ 3.1 million payable that is included in "due to Ashford Inc., net" on our consolidated balance sheet. During the first quarter of 2024, there was also a true-up of the capital contributions in accordance with the Third Amended and Restated Contribution Agreement made through December 31, 2023. This true-up resulted in the payment of \$ 3.2 million to Ashford Inc.

The table below summarizes the amount Ashford Trust has expensed related to reimbursed operating expenses of Ashford Securities (in thousands):

Line Item	Three Months Ended March 31,	
	2024	2023
Corporate, general and administrative	\$ 4,890	\$ 119

Design and Construction Services - Ashford Trust

Premier Project Management LLC ("Premier"), as a subsidiary of Ashford Inc., provides design and construction services to our hotels, including construction management, interior design, architectural services, and the purchasing, freight management, and supervision of installation of FF&E and related services. Pursuant to the design and construction services agreement, we pay Premier: (a) design and construction fees of up to 4 % of project costs; and (b) market service fees at current market rates with respect to construction management, interior design, architecture, FF&E purchasing, FF&E expediting/freight management, FF&E warehousing and FF&E installation and supervision.

On March 12, 2024, Ashford Hospitality Limited Partnership entered into an Amended and Restated Master Project Management Agreement with Premier (the "A&R PMA"). The provisions of the A&R PMA are substantially the same as the Master Project Management Agreement, dated as of August 8, 2018. The A&R PMA provides for an initial term of ten years as to each hotel governed by the A&R PMA. The term may be renewed by Premier, at its option, for three successive periods of seven years each, and, thereafter, a final term of four years ; provided that at the time the option to renew is exercised, Premier is not then in default under the A&R PMA. The A&R PMA also (i) provides that fees will be payable monthly as the service is delivered based on percentage completion; (ii) allows a project management fee to be paid on a development, together with (and not in lieu of) the development fee; and (iii) fixes the fees for FF&E purchasing, expediting, freight management and warehousing at 8 %.

Design and Construction Services - Stirling OP

The Master Project Management Agreement provides that Premier shall be paid a project management fee equal to 4 % of the total project costs associated with the implementation of the capital improvement budget (both hard and soft) until such time that the capital improvement budget and/or renovation project involves the expenditure of an amount in excess of 5 % of the gross revenues of the applicable hotel, whereupon the design project management fee shall be reduced to 3 % of the total project costs in excess of the 5 % of gross revenue threshold.

The Master Project Management Agreement provides that Premier shall provide the following services and shall be paid the following fees: (i) architecture (6.5 % of total construction costs, plus reimbursement for all third-party, out-of-pocket costs and expenses of mechanical, electrical and structural engineering services utilized in providing architectural services for project

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

management work); (ii) construction management for projects without a general contractor (10 % of total construction costs); (iii) interior design (6 % of the purchase price of FFE designed or selected by Premier); (iv) FFE purchasing (8 % of the purchase price of the FFE purchased by Premier; provided that if the purchase price exceeds \$ 2.0 million for a single hotel in a calendar year, then the procurement fee is reduced to 6 % of the FFE purchase price in excess of \$ 2.0 million for such hotel in such calendar year); (v) freight expediting (8 % of the cost of expediting FFE); (vi) warehousing (8 % of the cost of warehousing goods delivered to the job site); and (vi) development (4 % of total project costs).

Hotel Management Services

At March 31, 2024, Remington Hospitality managed 55 of our 75 hotel properties and three of the four Stirling OP hotel properties.

We pay monthly hotel management fees equal to the greater of approximately \$ 17,000 per hotel (increased annually based on consumer price index adjustments) or 3 % of gross revenues as well as annual incentive management fees, if certain operational criteria were met, and other general and administrative expense reimbursements primarily related to accounting services.

On March 12, 2024, Ashford TRS Corporation entered into a Second Consolidated, Amended and Restated Hotel Master Management Agreement with Remington Hospitality (the "Second A&R HMA"). The provisions of the Second A&R HMA are substantially the same as in the Consolidated, Amended and Restated Hotel Master Management Agreement, dated as of August 8, 2018. The Second A&R HMA provides for an initial term of ten years as to each hotel governed by the Second A&R HMA. The term may be renewed by Remington Hospitality, at its option, for three successive periods of seven years each, and, thereafter, a final term of four years ; provided that at the time the option to renew is exercised, Remington Hospitality is not then in default under the Second A&R HMA. The Second A&R HMA also provides that Remington Hospitality may charge market premiums for its self-insured health plans to its hotel employees, the cost of which is an operating expense of the hotel properties.

17. Commitments and Contingencies

Restricted Cash—Under certain management and debt agreements for our hotel properties existing at March 31, 2024, escrow payments are required for insurance, real estate taxes, and debt service. In addition, for certain properties based on the terms of the underlying debt and management agreements, we escrow generally 4 % to 6 % of gross revenues for capital improvements. From time to time, the Company may work with its property managers and lenders in order to utilize lender and manager held reserves to fund operating shortfalls.

Franchise Fees—Under franchise agreements for our hotel properties existing at March 31, 2024, we pay franchisor royalty fees between 3 % and 6 % of gross rooms revenue and, in some cases, 1 % to 3 % of food and beverage revenues. Additionally, we pay fees for marketing, reservations, and other related activities aggregating between 1 % and 4 % of gross rooms revenue and, in some cases, food and beverage revenues. These franchise agreements expire on varying dates between 2024 and 2047. When a franchise term expires, the franchisor has no obligation to renew the franchise. In addition, if we breach the franchise agreement and the franchisor terminates a franchise prior to its expiration date, we may be liable for up to three times the average annual fees incurred for that property.

The table below summarizes the franchise fees incurred (in thousands):

Line Item	Three Months Ended March 31,	
	2024	2023
Other hotel expenses	\$ 13,892	\$ 15,612

Management Fees—Under hotel management agreements for our hotel properties existing at March 31, 2024, we pay monthly hotel management fees equal to the greater of approximately \$ 17,000 per hotel (increased annually based on consumer price index adjustments) or 3 % of gross revenues, or in some cases 2 % to 7 % of gross revenues, as well as annual incentive management fees, if applicable. These hotel management agreements expire from 2025 through 2038, with renewal options. If we terminate a hotel management agreement prior to its expiration, we may be liable for estimated management fees through the remaining term and liquidated damages or, in certain circumstances, we may substitute a new management agreement.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

Income Taxes—We and our subsidiaries file income tax returns in the federal jurisdiction and various states. Tax years 2019 through 2023 remain subject to potential examination by certain federal and state taxing authorities.

Litigation—On December 20, 2016, a class action lawsuit was filed against one of the Company's hotel management companies in the Superior Court of the State of California in and for the County of Contra Costa alleging violations of certain California employment laws, which class action affects nine hotels owned by subsidiaries of the Company. The court has entered an order granting class certification with respect to: (i) a statewide class of non-exempt employees of our manager who were allegedly deprived of rest breaks as a result of our manager's previous written policy requiring its employees to stay on premises during rest breaks; and (ii) a derivative class of non-exempt former employees of our manager who were not paid for allegedly missed breaks upon separation from employment. Notices to potential class members were sent out on February 2, 2021. Potential class members had until April 4, 2021 to opt out of the class; however, the total number of employees in the class has not been definitively determined and is the subject of continuing discovery. The opt-out period has been extended until such time that discovery has concluded. In May 2023 the trial court requested additional briefing from the parties to determine whether the case should be maintained, dismissed, or the class de-certified. After submission of the briefs, the court requested that the parties submit stipulations for the court to rule upon. On February 13, 2024, the judge ordered the parties to submit additional briefing related to on-site breaks. While we believe it is reasonably possible that we may incur a loss associated with this litigation, because there remains uncertainty under California law with respect to a significant legal issue, discovery relating to class members continues, and the trial judge retains discretion to award lower penalties than set forth in the applicable California employment laws, we do not believe that any potential loss to the Company is reasonably estimable at this time. As of March 31, 2024, no amounts have been accrued.

We are also engaged in other legal proceedings that have arisen but have not been fully adjudicated. To the extent the claims giving rise to these legal proceedings are not covered by insurance, they relate to the following general types of claims: employment matters, tax matters and matters relating to compliance with applicable law (for example, the Americans with Disability Act and similar state laws). The likelihood of loss from these legal proceedings is based on the definitions within contingency accounting literature. We recognize a loss when we believe the loss is both probable and reasonably estimable. Based on the information available to us relating to these legal proceedings and/or our experience in similar legal proceedings, we do not believe the ultimate resolution of these proceedings, either individually or in the aggregate, will have a material adverse effect on our consolidated financial position, results of operations, or cash flow.

During the quarter ended September 30, 2023, we had a cyber incident that resulted in the potential exposure of certain employee personal information. We have completed an investigation and have identified certain employee information that may have been exposed, but we have not identified that any customer information was exposed. All systems have been restored. We believe that we maintain a sufficient level of insurance coverage related to such events, and the related incremental costs incurred to date are immaterial. In February of 2024, two class action lawsuits were filed, one in the U.S. District Court for the Northern District of Texas and a second in the 68th District Court for Dallas County related to the cyber incident. The lawsuit filed in the 68th District Court was subsequently dismissed and refiled in the U.S. District Court for the Northern District of Texas. On March 12, 2024, the court ordered the two cases be consolidated. The consolidated case is currently pending in the U.S. District Court for the Northern District of Texas. We intend to vigorously defend this matter and do not believe that any potential loss is reasonably estimable at this time. It is reasonably possible that the Company may incur additional costs related to the matter, but we are unable to predict with certainty the ultimate amount or range of potential loss.

Our assessment may change depending upon the development of any current or future legal proceedings, and the final results of such legal proceedings cannot be predicted with certainty. If we ultimately do not prevail in one or more of these legal matters, and the associated realized losses exceed our current estimates of the range of potential losses, our consolidated financial position, results of operations, or cash flows could be materially adversely affected in future periods.

18. Segment Reporting

We operate in one business segment within the hotel lodging industry: direct hotel investments. Direct hotel investments refer to owning hotel properties through either acquisition or new development. We report operating results of direct hotel investments on an aggregate basis as substantially all of our hotel investments have similar economic characteristics. As of March 31, 2024 and December 31, 2023, all of our hotel properties were domestically located.

ASHFORD HOSPITALITY TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(unaudited)

19. Subsequent Events

On April 9, 2024, the Company sold the Hilton Boston Back Bay Hotel for \$ 171 million in cash. As of March 31, 2024, the carrying value of the building and FF&E was approximately \$ 166.4 million. The Company also repaid the \$ 98 million mortgage loan secured by the hotel property and used the remaining net proceeds to pay down the Company's Oaktree loan.

On April 23, 2024, the Company sold the Hampton Inn Lawrenceville in Lawrenceville, Georgia for \$ 8.1 million in cash. As of March 31, 2024, the carrying value of the building and FF&E was approximately \$ 3.1 million.

On May 9, 2024, the Company refinanced the \$ 240 million mortgage loan that was secured by the Renaissance Hotel in Nashville, Tennessee and the Westin Hotel in Princeton, New Jersey ("Westin Princeton"). The new mortgage loan totals \$ 267.2 million, and has a two-year initial term with three one-year extension options, subject to the satisfaction of certain conditions. The mortgage loan is interest only and provides for a floating interest rate of SOFR + 3.98 %. As part of this refinancing, the Westin Princeton is now unencumbered.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

The following discussion should be read in conjunction with the unaudited financial statements and notes thereto appearing elsewhere herein. This report contains forward-looking statements within the meaning of the federal securities laws. Ashford Hospitality Trust, Inc. (the "Company," "we," "our" or "us") cautions investors that any forward-looking statements presented herein, or which management may express orally or in writing from time to time, are based on management's beliefs and assumptions at that time.

Throughout this Form 10-Q, we make forward-looking statements that are subject to risks and uncertainties. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may," "will," "should," "potential," "intend," "expect," "anticipate," "estimate," "approximately," "believe," "could," "project," "predict," or other similar words or expressions. Additionally, statements regarding the following subjects are forward-looking by their nature:

- our business and investment strategy;
- anticipated or expected purchases, sales or dispositions of assets;
- our projected operating results;
- completion of any pending transactions;
- our plan to pay off strategic financing;
- our ability to restructure existing property-level indebtedness;
- our ability to secure additional financing to enable us to operate our business;
- our understanding of our competition;
- projected capital expenditures; and
- the impact of technology on our operations and business.

Such forward-looking statements are based on our beliefs, assumptions, and expectations of our future performance taking into account all information currently known to us. These beliefs, assumptions, and expectations can change as a result of many potential events or factors, not all of which are known to us. If a change occurs, our business, financial condition, liquidity, results of operations, plans, and other objectives may vary materially from those expressed in our forward-looking statements. You should carefully consider this risk when you make an investment decision concerning our securities. Additionally, the following factors could cause actual results to vary from our forward-looking statements:

- factors discussed in our Form 10-K for the year ended December 31, 2023, as filed with the Securities and Exchange Commission ("SEC") on March 14, 2024, including those set forth under the sections titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business," and "Properties," as supplemented by our subsequent Quarterly Reports on Form 10-Q and other filings under the Exchange Act;
- changes in interest rates and inflation;
- macroeconomic conditions, such as a prolonged period of weak economic growth and volatility in capital markets;
- uncertainty in the banking sector and market volatility due to the 2023 failures of Silicon Valley Bank, New York Signature Bank and First Republic Bank;
- catastrophic events or geopolitical conditions, such as the conflict between Russia and Ukraine and the more recent Israel-Hamas war;
- extreme weather conditions, which may cause property damage or interrupt business;
- actions by the lenders to foreclose on our assets which are pledged as collateral;
- general volatility of the capital markets and the market price of our common and preferred stock;
- general and economic business conditions affecting the lodging and travel industry;
- changes in our business or investment strategy;
- our ability to successfully pay off our strategic financing on terms favorable to us;
- availability, terms, and deployment of capital;
- unanticipated increases in financing and other costs;
- changes in our industry and the market in which we operate and local economic conditions;
- the degree and nature of our competition;

- actual and potential conflicts of interest with Ashford Hospitality Advisors LLC ("Ashford LLC"), Remington Lodging & Hospitality, LLC ("Remington Hospitality"), Premier Project Management LLC ("Premier"), Braemar Hotels & Resorts Inc. ("Braemar"), our executive officers and our non-independent directors;
- changes in personnel of Ashford LLC or the lack of availability of qualified personnel;
- changes in governmental regulations, accounting rules, tax rates and similar matters;
- legislative and regulatory changes, including changes to the Internal Revenue Code of 1986, as amended (the "Code"), and related rules, regulations and interpretations governing the taxation of real estate investment trusts ("REITs");
- limitations imposed on our business and our ability to satisfy complex rules in order for us to qualify as a REIT for U.S. federal income tax purposes; and
- future sales and issuances of our common stock or other securities which might result in dilution and could cause the price of our common stock to decline.

When considering forward-looking statements, you should keep in mind the matters summarized under "Item 1A. Risk Factors" in Part I of our 2023 Form 10-K filed on March 14, 2024 and this Quarterly Report, and the discussion in this Management's Discussion and Analysis of Financial Condition and Results of Operations, could cause our actual results and performance to differ significantly from those contained in our forward-looking statements. Accordingly, we cannot guarantee future results or performance. Readers are cautioned not to place undue reliance on any of these forward-looking statements, which reflect our views as of the date of this Quarterly Report. Furthermore, we do not intend to update any of our forward-looking statements after the date of this Quarterly Report to conform these statements to actual results and performance, except as may be required by applicable law.

EXECUTIVE OVERVIEW

General

As of March 31, 2024, our portfolio consisted of 75 consolidated operating hotel properties, which represent 18,021 total rooms. Additionally, our portfolio consists of four consolidated operating hotel properties, which represent 405 total rooms owned through a 99.4% ownership interest in Stirling OP, which was formed by Stirling Inc. to acquire and own a diverse portfolio of stabilized income-producing hotels and resorts. Currently, all of our hotel properties are located in the United States.

Based on our primary business objectives and forecasted operating conditions, our current key priorities and financial strategies include, among other things:

- preserving capital and maintaining significant cash and cash equivalents liquidity;
- disposition of non-core hotel properties;
- acquisition of hotel properties, in whole or in part, that we expect will be accretive to our portfolio;
- pursuing capital market activities and implementing strategies to enhance long-term stockholder value;
- accessing cost effective capital, including through the issuance of non-traded preferred securities;
- opportunistically exchanging preferred stock into common stock;
- implementing selective capital improvements designed to increase profitability and maintain the quality of our assets;
- implementing effective asset management strategies to minimize operating costs and increase revenues;
- financing or refinancing hotels on competitive terms;
- modifying or extending property-level indebtedness;
- utilizing hedges, derivatives and other strategies to mitigate risks;
- pursuing opportunistic value-add additions to our hotel portfolio; and
- making other investments or divestitures that our board of directors deems appropriate.

Our current investment strategy is to focus on owning predominantly full-service hotels in the upper upscale segment in domestic markets that have RevPAR generally less than twice the national average. We believe that as supply, demand, and capital market cycles change, we will be able to shift our investment strategy to take advantage of new lodging-related investment opportunities as they may develop. Our board of directors may change our investment strategy at any time without stockholder approval or notice. We will continue to seek ways to benefit from the cyclical nature of the hotel industry.

We are advised by Ashford LLC, a subsidiary of Ashford Inc., through an advisory agreement. All of the hotel properties in our portfolio are currently asset-managed by Ashford LLC. We do not have any employees. All of the services that might be provided by employees are provided to us by Ashford LLC.

We do not operate any of our hotel properties directly; instead we employ hotel management companies to operate them for us under management contracts. As of March 31, 2024, Remington Hospitality, a subsidiary of Ashford Inc., managed 55 of our 75 hotel properties. Third-party management companies managed the remaining hotel properties.

Ashford Inc. also provides other products and services to us or our hotel properties through certain entities in which Ashford Inc. has an ownership interest. These products and services include, but are not limited to, design and construction services, debt placement and related services, audiovisual services, real estate advisory and brokerage services, insurance policies covering general liability, workers' compensation and business automobile claims and insurance claims services, hypoallergenic premium rooms, watersport activities, broker-dealer and distribution services, mobile key technology and cash management services.

Mr. Monty J. Bennett, chairman and chief executive officer of Ashford Inc. and, together with his father Mr. Archie Bennett, Jr., as of March 31, 2024, hold a controlling interest in Ashford Inc. The Bennetts owned approximately 610,261 shares of Ashford Inc. common stock, which represented an approximate 17.8% ownership interest in Ashford Inc., and owned 18,758,600 shares of Ashford Inc. Series D Convertible Preferred Stock, which, along with all unpaid accrued and accumulated dividends thereon, was convertible (at a conversion price of \$117.50 per share) into an additional approximate 4,233,861 shares of Ashford Inc. common stock, which if converted as of March 31, 2024, would have increased the Bennetts' ownership interest in Ashford Inc. to 63.2%. The 18,758,600 shares of Series D Convertible Preferred Stock owned by Mr. Monty J. Bennett and Mr. Archie Bennett, Jr. include 360,000 shares owned by trusts.

Recent Developments

On February 29, 2024, the Company, entered into an Agreement of Purchase and Sale, for the sale of the Courtyard Manchester in Manchester, Connecticut for \$9.0 million in cash. The sale is expected to close in the second quarter of 2024.

The Company continues to work with the lender for the KEYS A and KEYS B loan pools on a consensual transfer of ownership of those hotels to the lender, and the Company anticipates that transfer will occur in the second quarter of 2024. The original lenders previously transferred the loans to a securitization trust. On March 1, 2024, the Company received notice that the hotel properties securing the KEYS A and KEYS B loan pools have been transferred to a court-appointed receiver. Below is a summary of the hotel properties securing the KEYS Pool A loan and Keys Pool B loan:

KEYS A Loan Pool

Courtyard Columbus Tipton Lakes – Columbus, IN
Courtyard Old Town – Scottsdale, AZ
Residence Inn Hughes Center – Las Vegas, NV
Residence Inn Phoenix Airport – Phoenix, AZ
Residence Inn San Jose Newark – Newark, CA
SpringHill Suites Manhattan Beach – Hawthorne, CA
SpringHill Suites Plymouth Meeting – Plymouth Meeting, PA

KEYS B Loan Pool

Courtyard Basking Ridge – Basking Ridge, NJ
Courtyard Newark Silicon Valley – Newark, CA
Courtyard Oakland Airport – Oakland, CA
Courtyard Plano Legacy Park – Plano, TX
Residence Inn Plano – Plano, TX
SpringHill Suites BWI Airport – Baltimore, MD
TownePlace Suites Manhattan Beach – Hawthorne, CA

We derecognized the hotel properties securing the KEYS Pool A and KEYS Pool B loans from our consolidated balance sheet in March 2024, when the receiver took control of the hotels, and accordingly recognized a gain of \$133.9 million which is included in "gain (loss) on derecognition of assets" in our consolidated statements of operations and recorded a contract asset of \$378.2 million, which represents the liabilities we expect to be released from upon final resolution with the lender on the KEYS Pool A and KEYS Pool B mortgage loans in exchange for the transfer of ownership of the respective hotel properties. The \$180.7 million KEYS Pool A and the \$174.4 million KEYS Pool B mortgage loans as well as all accrued and unpaid interest, default charges and late fees will remain liabilities of the Company until final resolution with the lender is concluded, and thus

is included in "indebtedness associated with hotels in receivership" and "accrued interest associated with hotels in receivership" on our consolidated balance sheets.

On March 6, 2024, the Company completed the sale of the Residence Inn in Salt Lake City, Utah for approximately \$19.2 million. The sale resulted in a gain of approximately \$7.0 million for the three months ended March 31, 2024. The Company repaid approximately \$19 million of principal on its mortgage loan partially secured by the hotel property.

On March 11, 2024, we entered into Amendment No. 3 to the Oaktree Credit Agreement which, among other items, (i) extends the Credit Agreement to January 15, 2026, (ii) removes the \$50 million minimum cash requirement, (iii) removes the 3% increase in the interest rate if cash is below \$100 million, (iv) removes the provision in which a default under mortgage indebtedness is a default under the Credit Agreement, (v) increases the interest rate by 3.5% if the principal balance is not less than \$100 million as of September 30, 2024 or not fully repaid by March 31, 2025, (vi) terminates all "delayed draw" term loan commitments and the unused fees thereon, (vii) provides for a mandatory prepayment of the Credit Agreement at the end of each calendar quarter in the amount by which unrestricted cash exceeds \$75 million for the first three quarters of 2024, \$50 million for the fourth quarter of 2024, and \$25 million for each quarter thereafter, (viii) provides for a mandatory prepayment of the Credit Agreement in an amount equal to 50% of all net proceeds raised from the issuance of equity, including non-traded preferred stock (increased to 100% of such net proceeds if the principal balance is not less than \$100 million as of September 30, 2024 or not fully repaid by March 31, 2025), (ix) removes the option to pay the exit fee in the form of common stock warrants, (x) requires the exit fee to be paid in the form of a 15% cash exit fee (payable entirely in cash), which exit fee shall be reduced to 12.5% if the Oaktree Credit Agreement is repaid on or before September 30, 2024, (xi) requires the Company to use commercially reasonable efforts to sell fifteen specified hotels, (xii) if the principal balance is not less than \$100 million as of September 30, 2024 or not fully repaid by March 31, 2025, requires the Company to sell eight specified hotels at a minimum sales price within six months, with the net sales proceeds to be applied as a prepayment of the Credit Agreement, (xiii) requires the Company to use commercially reasonable efforts to refinance the Renaissance Nashville hotel property, and (xiv) limits the Company's ability to perform discretionary capital expenditures.

On March 11, 2024, the Company and Ashford Trust OP, as borrower (the "Borrower") entered into that certain Limited Waiver to Credit Agreement (the "Limited Waiver to Credit Agreement") with the guarantors party thereto, the lenders party thereto (the "Lenders") and Oaktree Fund Administration, LLC, as administrative agent. Pursuant to the Limited Waiver to Credit Agreement, the Borrower, the other Loan Parties (as defined in the Oaktree Credit Agreement), the Lenders and the Administrative Agent acknowledged and agreed that:

(a) certain deferred cash grants were or are being awarded to employees and/or officers of the Advisor and/or their affiliates pursuant to equity compensation plans during 2022, 2023 and 2024, in aggregate amounts of \$7,950,817 in 2022, \$13,063,844 in 2023 and \$14,880,846 in 2024 (i.e., \$35,895,507 in the aggregate) (the "Specified Deferred Cash Grants"), which the parties agreed may be made (and were or are being made) in lieu of deferred stock grants that would otherwise be permitted and made under the terms of the Advisory Agreement;

(b) accordingly, (i) the departure from the terms of the Advisory Agreement in making the Specified Deferred Cash Grants as described in the foregoing clause (a) shall be deemed to be permitted under Section 7.13(b) of the Credit Agreement; provided, however, the Borrower and the other Loan Parties agree that actual cash payments made under the Specified Deferred Cash Grants, together with any other Restricted Payments (as defined in the Oaktree Credit Agreement) made pursuant to Section 7.06(f) of the Oaktree Credit Agreement, shall not exceed \$30,000,000 in the aggregate unless and until the Borrower has repaid in full the principal amount of the Loans, including any Cash Exit Fee Loans (as such terms are defined in the Oaktree Credit Agreement); (ii) the Lenders and the Administrative Agent waive non-compliance with Section 7.13(b), if any, prior to March 11, 2024, which resulted or would result (absent the waiver) from the making of the Specified Deferred Cash Grants in accordance with the foregoing provisions of Section 2 of the Limited Waiver to Credit Agreement, and (iii) effective from March 11, 2024 Section 7.13(b) shall be deemed to be amended to permit the Specified Deferred Cash Grants in accordance with the foregoing provisions of Section 2 of the Limited Waiver to Credit Agreement; and

(c) the waiver contained in the Limited Waiver to Credit Agreement shall be effective only in this instance and for the specific purpose for which it was intended and shall not be deemed to be a consent to any other transaction or matter or waiver of compliance in the future, or a waiver of any preceding or succeeding breach of the same or any other covenant or provision of the Oaktree Credit Agreement.

On March 12, 2024, we entered into the Third Amended and Restated Advisory Agreement with Ashford LLC (the "Third Amended and Restated Advisory Agreement"). The Third Amended and Restated Advisory Agreement amends and restates the terms of the Second Amended and Restated Advisory Agreement, dated January 14, 2021, to, among other items: (i) require the Company pay the advisor the Portfolio Company Fee (as defined in the Third Amended and Restated Advisory Agreement) upon certain specified defaults under the Company's loan agreements resulting in the foreclosure of the Company's hotel

properties, (ii) limit, for the period of time set forth therein, the incremental financial impact to no more than \$2 million per year in additional payments to the advisor from the amendments to the master hotel management agreement with Remington Hospitality and the master project management agreement with Premier, (iii) revise the criteria that would constitute a Company Change of Control, (iv) revise the definition of termination fee to provide for a minimum amount of such termination fee and (v) revise the criteria that would constitute a voting control event.

On April 9, 2024, the Company sold the Hilton Boston Back Bay Hotel for \$171 million in cash. As of March 31, 2024, 2023, the carrying value of the building and FF&E was approximately \$166.4 million. The Company also repaid the \$98 million mortgage loan secured by the hotel property and used the remaining net proceeds to pay down the Company's Oaktree loan.

On April 17, 2024, J. Robison Hays, III, President and Chief Executive Officer of the Company, gave notice of his intention to voluntarily resign from his employment and all other employment-related positions he holds with the Company's advisor, Ashford Inc., and its subsidiaries, affiliated entities, and entities that it advises (including the Company). Mr. Hays' resignation is expected to be effective June 30, 2024. Also on April 17, 2024, the board of directors of the Company appointed Ashford Inc.'s current Senior Vice President of Corporate Finance & Strategy, Stephen Zsigray, to fill the role of President and Chief Executive Officer at the Company, effective June 30, 2024.

On April 23, 2024, the Company sold the Hampton Inn Lawrenceville in Lawrenceville, Georgia for \$8.1 million in cash. As of March 31, 2024, the carrying value of the building and FF&E was approximately \$3.1 million.

On April 29, 2024, the Company, entered into an Agreement of Purchase and Sale, for the sale of the SpringHill Suites Kennesaw in Kennesaw, Georgia for \$10.5 million in cash and the Fairfield Inn Kennesaw in Kennesaw, Georgia for \$7.0 million in cash. The sales are expected to close in the second quarter of 2024.

On May 9, 2024, the Company refinanced the \$240 million mortgage loan that was secured by the Renaissance Hotel in Nashville, Tennessee and the Westin Hotel in Princeton, New Jersey ("Westin Princeton"). The new mortgage loan totals \$267.2 million, and has a two-year initial term with three one-year extension options, subject to the satisfaction of certain conditions. The mortgage loan is interest only and provides for a floating interest rate of SOFR + 3.98%. As part of this refinancing, the Westin Princeton is now unencumbered and the Company has listed this property for sale. The Company plans to use the excess proceeds from the refinancing for general corporate purposes including paying down the Company's strategic financing.

RESULTS OF OPERATIONS

Key Indicators of Operating Performance

We use a variety of operating and other information to evaluate the operating performance of our business. These key indicators include financial information that is prepared in accordance with GAAP as well as other financial measures that are non-GAAP measures. In addition, we use other information that may not be financial in nature, including statistical information and comparative data. We use this information to measure the operating performance of our individual hotels, groups of hotels and/or business as a whole. We also use these metrics to evaluate the hotels in our portfolio and potential acquisitions to determine each hotel's contribution to cash flow and its potential to provide attractive long-term total returns. These key indicators include:

- **Occupancy**—Occupancy means the total number of hotel rooms sold in a given period divided by the total number of rooms available. Occupancy measures the utilization of our hotels' available capacity. We use occupancy to measure demand at a specific hotel or group of hotels in a given period.
- **ADR**—ADR means average daily rate and is calculated by dividing total hotel rooms revenues by total number of rooms sold in a given period. ADR measures average room price attained by a hotel and ADR trends provide useful information concerning the pricing environment and the nature of the customer base of a hotel or group of hotels. We use ADR to assess the pricing levels that we are able to generate.
- **RevPAR**—RevPAR means revenue per available room and is calculated by multiplying ADR by the average daily occupancy. RevPAR is one of the commonly used measures within the hotel industry to evaluate hotel operations. RevPAR does not include revenues from food and beverage sales or parking, telephone or other non-rooms revenues generated by the property. Although RevPAR does not include these ancillary revenues, it is generally considered the leading indicator of core revenues for many hotels. We also use RevPAR to compare the results of our hotels between periods and to analyze results of our comparable hotels (comparable hotels represent hotels we have owned for the entire period). RevPAR improvements attributable to increases in occupancy are generally accompanied by increases

in most categories of variable operating costs. RevPAR improvements attributable to increases in ADR are generally accompanied by increases in limited categories of operating costs, such as management fees and franchise fees.

RevPAR changes that are primarily driven by changes in occupancy have different implications for overall revenues and profitability than changes that are driven primarily by changes in ADR. For example, an increase in occupancy at a hotel would lead to additional variable operating costs (including housekeeping services, utilities and room supplies) and could also result in increased other operating department revenue and expense. Changes in ADR typically have a greater impact on operating margins and profitability as they do not have a substantial effect on variable operating costs.

Occupancy, ADR and RevPAR are commonly used measures within the lodging industry to evaluate operating performance. RevPAR is an important statistic for monitoring operating performance at the individual hotel level and across our entire business. We evaluate individual hotel RevPAR performance on an absolute basis with comparisons to budget and prior periods, as well as on a regional and company-wide basis. ADR and RevPAR include only rooms revenue. Rooms revenue is dictated by demand (as measured by occupancy), pricing (as measured by ADR) and our available supply of hotel rooms.

We also use funds from operations ("FFO"), Adjusted FFO, earnings before interest, taxes, depreciation and amortization for real estate ("EBITDAre") and Adjusted EBITDAre as measures of the operating performance of our business. See "Non-GAAP Financial Measures."

The following table summarizes the changes in key line items from our consolidated statements of operations for the three months ended March 31, 2024 and 2023 (in thousands):

	Three Months Ended March 31,		Favorable (Unfavorable) Change
	2024	2023	2024 to 2023
Total revenue	\$ 303,896	\$ 328,886	\$ (24,990)
Total hotel expenses	(210,887)	(225,118)	14,231
Property taxes, insurance and other	(17,364)	(16,537)	(827)
Depreciation and amortization	(40,544)	(47,855)	7,311
Advisory service fee	(15,201)	(12,986)	(2,215)
Corporate, general and administrative	(8,272)	(2,612)	(5,660)
Gain (loss) on consolidation of VIE and disposition of assets	6,956	(24)	6,980
Gain (loss) on derecognition of assets	133,909	—	133,909
Operating income (loss)	152,493	23,754	128,739
Equity in earnings (loss) of unconsolidated entities	(534)	(396)	(138)
Interest income	1,984	2,557	(573)
Other income (expense)	36	134	(98)
Interest expense and amortization of discounts and loan costs	(73,961)	(74,368)	407
Interest expense associated with hotels in receivership	(12,098)	(7,147)	(4,951)
Write-off of premiums, loan costs and exit fees	(18)	(420)	402
Gain (loss) on extinguishment of debt	45	—	45
Realized and unrealized gain (loss) on derivatives	4,761	(5,415)	10,176
Income tax benefit (expense)	(303)	(221)	(82)
Net income (loss)	72,405	(61,522)	133,927
(Income) loss from consolidated entities attributable to noncontrolling interests	9	—	9
Net (income) loss attributable to redeemable noncontrolling interests in operating partnership	(853)	600	(1,453)
Net income (loss) attributable to the Company	\$ 71,561	\$ (60,922)	\$ 132,483

All hotel properties held during the three months ended March 31, 2024 and 2023 have been included in our results of operations during the respective periods in which they were held. Based on when a hotel property was acquired or disposed, operating results for certain hotel properties are not comparable for the three months ended March 31, 2024 and 2023. The hotel properties listed below are not comparable hotel properties for the periods indicated and all other hotel properties are considered comparable hotel properties. The following transactions affect the reporting comparability of our consolidated financial statements:

Hotel Properties	Location	Type	Date
WorldQuest Resort ⁽¹⁾	Orlando, FL	Disposition	August 1, 2023
Sheraton Bucks County ⁽¹⁾	Langhorne, PA	Disposition	November 9, 2023
Embassy Suites Flagstaff ⁽¹⁾	Flagstaff, AZ	Disposition	December 4, 2023
Embassy Suites Walnut Creek ⁽¹⁾	Walnut Creek, CA	Disposition	December 4, 2023
Marriott Bridgewater ⁽¹⁾	Bridgewater, NJ	Disposition	December 4, 2023
Marriott Research Triangle Park ⁽¹⁾	Durham, NC	Disposition	December 4, 2023
W Atlanta ⁽¹⁾	Atlanta, GA	Disposition	December 4, 2023
Courtyard Columbus Tipton Lakes ⁽²⁾	Columbus, IN	Derecognized	March 1, 2024
Courtyard Old Town ⁽²⁾	Scottsdale, AZ	Derecognized	March 1, 2024
Residence Inn Hughes Center ⁽²⁾	Las Vegas, NV	Derecognized	March 1, 2024
Residence Inn Phoenix Airport ⁽²⁾	Phoenix, AZ	Derecognized	March 1, 2024
Residence Inn San Jose Newark ⁽²⁾	Newark, CA	Derecognized	March 1, 2024
SpringHill Suites Manhattan Beach ⁽²⁾	Hawthorne, CA	Derecognized	March 1, 2024
SpringHill Suites Plymouth Meeting ⁽²⁾	Plymouth Meeting, PA	Derecognized	March 1, 2024
Courtyard Basking Ridge ⁽²⁾	Basking Ridge, NJ	Derecognized	March 1, 2024
Courtyard Newark Silicon Valley ⁽²⁾	Newark, CA	Derecognized	March 1, 2024
Courtyard Oakland Airport ⁽²⁾	Oakland, CA	Derecognized	March 1, 2024
Courtyard Plano Legacy Park ⁽²⁾	Plano, TX	Derecognized	March 1, 2024
Residence Inn Plano ⁽²⁾	Plano, TX	Derecognized	March 1, 2024
SpringHill Suites BWI Airport ⁽²⁾	Baltimore, MD	Derecognized	March 1, 2024
TownePlace Suites Manhattan Beach ⁽²⁾	Hawthorne, CA	Derecognized	March 1, 2024
Residence Inn Salt Lake City ⁽¹⁾	Salt Lake City, UT	Disposition	March 6, 2024

⁽¹⁾ Referred to as "Hotel Dispositions"

⁽²⁾ Referred to as "KEYS A and B properties"

The following table illustrates the key performance indicators of the operating hotel properties included in our results of operations:

	Three Months Ended March 31,	
	2024	2023
RevPAR (revenue per available room)	\$ 125.30	\$ 124.95
Occupancy	67.97 %	68.36 %
ADR (average daily rate)	\$ 187.30	\$ 182.79

The following table illustrates the key performance indicators of the 75 comparable hotel properties and four consolidated Stirling OP properties that were included in our results of operations for the full three months ended March 31, 2024 and 2023, respectively:

	Three Months Ended March 31,	
	2024	2023
RevPAR	\$ 128.55	\$ 129.74
Occupancy	67.39 %	69.08 %
ADR	\$ 190.75	\$ 187.81

Comparison of the Years ended March 31, 2024 and 2023

Net Income (Loss) Attributable to the Company. Net income (loss) attributable to the Company changed \$132.5 million from net loss of \$60.9 million for the three months ended March 31, 2023 (the "2023 quarter") to net income of \$71.6 million for the three months ended March 31, 2024 (the "2024 quarter") as a result of the factors discussed below.

Revenue. Rooms revenue from our hotel properties decreased \$23.7 million, or 9.4%, to \$229.2 million in the 2024 quarter compared to the 2023 quarter. This decrease is attributable to \$16.2 million from our Hotel Dispositions, \$7.6 million for the KEYS A and B properties that went into receivership and \$312,000 from the Stirling hotel properties, offset by higher rooms revenue of \$432,000 at our comparable hotel properties. Our comparable hotel properties experienced an increase of 1.6% in room rates and a decrease of (169) basis points in occupancy.

Food and beverage revenue decreased \$1.6 million, or 2.8%, to \$57.4 million in the 2024 quarter compared to the 2023 quarter. This decrease is attributable to \$3.1 million from our Hotel Dispositions and \$152,000 for the KEYS A and B properties that went into receivership offset by higher sales of food and beverage of \$1.6 million at our comparable hotel properties.

Other hotel revenue, which consists mainly of Internet access, parking, and spa revenue, increased \$410,000, or 2.5%, to \$16.7 million in the 2024 quarter compared to the 2023 quarter. This increase is attributable to higher other revenue of \$2.1 million from our comparable hotel properties and \$5,000 from the Stirling hotel properties, partially offset by a decrease of \$1.4 million from our Hotel Dispositions and \$321,000 for the KEYS A and B properties that went into receivership. Other revenue decreased \$19,000, or 2.9%, to \$639,000 in the 2024 quarter compared to the 2023 quarter.

Hotel Operating Expenses. Hotel operating expenses decreased \$14.2 million, or 6.3%, to \$210.9 million in the 2024 quarter compared to the 2023 quarter. Hotel operating expenses consist of direct expenses from departments associated with revenue streams and indirect expenses associated with support departments and management fees. Direct expenses decreased \$6.7 million in the 2024 quarter compared to the 2023 quarter, comprised of a decrease of \$7.1 million from our Hotel Dispositions and \$2.0 million for the KEYS A and B properties that went into receivership offset by an increase of \$2.4 million from our comparable hotel properties. Direct expenses were 31.4% of total hotel revenue for the 2024 quarter and 31.0% for the 2023 quarter. Indirect expenses and management fees decreased \$7.5 million in the 2024 quarter compared to the 2023 quarter, comprised of an decrease of \$7.6 million from our Hotel Dispositions and \$3.2 million for the KEYS A and B properties that went into receivership offset by an increase of \$3.2 million from our comparable hotel properties.

Property Taxes, Insurance and Other. Property taxes, insurance and other expense increased \$827,000 or 5.0%, to \$17.4 million in the 2024 quarter compared to the 2023 quarter, which was primarily due to an increase of \$1.8 million from our comparable hotel properties and \$32,000 from the Stirling hotel properties partially offset by a decrease of \$954,000 from our Hotel Dispositions and 337,000 for the KEYS A and B properties that went into receivership.

Depreciation and Amortization. Depreciation and amortization decreased \$7.3 million or 15.3%, to \$40.5 million in the 2024 quarter compared to the 2023 quarter, which consisted of lower depreciation of \$2.3 million from our comparable hotel properties primarily related to fully depreciated assets, \$3.8 million from our Hotel Dispositions and \$1.4 million for the KEYS A and B properties that went into receivership.

Advisory Services Fee. Advisory services fee increased \$2.2 million, or 17.1%, to \$15.2 million in the 2024 quarter compared to the 2023 quarter. The advisory services fee represents fees incurred in connection with the advisory agreements between Ashford Inc. and the Company and between Ashford Inc. and Stirling OP. In the 2024 quarter, the advisory services fee was comprised of a base advisory fee of \$8.2 million, equity-based compensation of \$536,000 associated with equity grants of our common stock, PSUs, LTIP units and Performance LTIP units awarded to the officers and employees of Ashford Inc.

and reimbursable expenses of \$6.4 million. In the 2023 quarter, the advisory services fee comprised of a base advisory fee of \$8.5 million, equity-based compensation of \$1.3 million associated with equity grants of our common stock and LTIP units awarded to the officers and employees of Ashford Inc. and reimbursable expenses of \$3.2 million.

Corporate, General and Administrative. Corporate, general and administrative expense increased \$5.7 million, or 216.7%, to \$8.3 million in the 2024 quarter compared to the 2023 quarter. The increase was primarily attributable to higher reimbursed operating expenses of Ashford Securities of \$4.8 million, higher legal and professional fees of \$237,000, higher other expense of \$108,000 and \$544,000 of costs related to start-up expenses of Stirling Inc.

Gain (Loss) on Disposition of Assets and Hotel Properties. Gain on disposition of assets and hotel properties changed \$7.0 million, from a loss of \$24,000 in the 2023 quarter to a gain of \$7.0 million in the 2024 quarter. The gain in the 2024 quarter was primarily related to the sale of the Residence Inn in Salt Lake City, Utah. The loss in the 2023 quarter was primarily due to asset dispositions.

Gain (Loss) on Derecognition of Assets. Gain on derecognition of assets was \$133.9 million in the 2024 quarter related to the derecognition of assets related to the hotel properties securing the KEYS Pool A and KEYS Pool B mortgage loans that were placed into receivership in March 2024.

Equity in Earnings (Loss) of Unconsolidated Entities. Equity in loss of unconsolidated entities was \$534,000 in the 2024 quarter, which consisted of equity in loss of \$109,000 from OpenKey and \$425,000 from an investment in an entity that owns the Meritage Resort and Spa and the Grand Reserve at the Meritage in Napa, California and \$396,000 in the 2023 quarter, which consisted of our share of loss of \$150,000 in OpenKey and \$246,000 in the Meritage investment.

Interest Income. Interest income was \$2.0 million and \$2.6 million in the 2024 quarter and the 2023 quarter, respectively. The decrease in interest income in the 2024 quarter was primarily attributable to lower excess cash balances in the 2024 quarter compared to the 2023 quarter.

Other Income (Expense). In the 2024 quarter and the 2023 quarter we recorded miscellaneous income of \$35,000 and \$134,000, respectively.

Interest Expense and Amortization of Discounts and Loan Costs. Interest expense and amortization of discounts and loan costs decreased \$407,000, or 0.5%, to \$74.0 million in the 2024 quarter compared to the 2023 quarter. The decrease was primarily due to lower cash interest expense and amortization of loan costs of \$2.5 million on the Oaktree loan attributable to a lower principal balance and the Oaktree deferred loan costs becoming fully amortized and \$4.7 million from our Hotel Dispositions, partially offset by a \$3.7 million increase in interest expense at our comparable hotel properties primarily due to higher interest rates on our variable rate debt and lower credits to interest expense of \$3.0 million related to the amortization credit of default interest and late charges recorded on mortgage loans previously in default. The average SOFR rates in the 2024 quarter and the 2023 quarter were 5.33% and 4.50%, respectively. The average LIBOR rate in the 2023 quarter was 4.62%.

Interest Expense Associated with Hotels in Receivership. Interest expense associated with hotels in receivership increased \$5.0 million, or 69.3%, from \$7.1 million in the 2023 quarter to \$12.1 million in the 2024 quarter. The increase is primarily due to higher interest rates, default charges and late fees on the KEYS Pool A and KEYS Pool B mortgage loans.

Write-off of Premiums, Loan Costs and Exit Fees. Write-off of premiums, loan costs and exit fees decreased \$402,000 to \$18,000 in the 2024 quarter compared to the 2023 quarter. In the 2024 quarter, we incurred fees of \$18,000 related to loan refinances and modifications. In the 2023 quarter, we incurred fees of \$402,000 related to various loan modifications.

Gain (loss) on extinguishment of debt. Gain on extinguishment of debt was \$45,000 in the 2024 quarter primarily related to the deed in lieu of foreclosure transaction for the KEYS Pool F mortgage loan.

Realized and Unrealized Gain (Loss) on Derivatives. Realized and unrealized gain (loss) on derivatives changed \$10.2 million from a loss of \$5.4 million in the 2023 quarter to a gain of \$4.8 million in the 2024 quarter. In the 2024 quarter, we recognized an unrealized gain of \$2.6 million from the revaluation of the embedded debt derivative in the Oaktree Agreement and a realized gain of \$8.7 million related to payments from counterparties on interest rate caps, partially offset by an unrealized loss of \$6.6 million associated with interest rate caps. In the 2023 quarter, we recognized an unrealized loss of \$14.0 million associated with interest rate caps and an unrealized loss of \$934,000 from the revaluation of the embedded debt derivative in the Oaktree Agreement partially offset by a realized gain of \$9.5 million related to payments from counterparties on interest rate caps.

Income Tax (Expense) Benefit. Income tax expense increased \$82,000, from \$221,000 in the 2023 quarter to \$303,000 in the 2024 quarter. This increase was primarily due to an increase in current state taxes in the 2024 quarter compared to the 2023 quarter.

(Income) Loss from Consolidated Entities Attributable to Noncontrolling Interests. Our noncontrolling interest partners in consolidated entities were allocated a loss of \$9,000 in 2023.

Net (Income) Loss Attributable to Redeemable Noncontrolling Interests in Operating Partnership. Noncontrolling interests in operating partnership were allocated net income of \$853,000 in the 2024 quarter and a net loss of \$600,000 in the 2023 quarter. Redeemable noncontrolling interests represented ownership interests of 1.25% and 0.92% in the operating partnership at March 31, 2024 and 2023, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

As of March 31, 2024, the Company held cash and cash equivalents of \$112.7 million and restricted cash of \$135.7 million (including amounts held for sale), the vast majority of which is comprised of lender and manager-held reserves. As of March 31, 2024, \$23.5 million was also due to the Company from third-party hotel managers, most of which is held by one of the Company's managers and is available to fund hotel operating costs. At March 31, 2024, our net debt to gross assets was 68.5%.

The Company's cash and cash equivalents are primarily comprised of corporate cash invested in short-term U.S. Treasury securities with maturity dates of less than 90 days and corporate cash held at commercial banks in Insured Cash Sweep ("ICS") accounts, which are fully insured by the FDIC. The Company's cash and cash equivalents also includes property-level operating cash deposited with commercial banks that have been designated as a Global Systemically Important Bank ("G-SIB") by the Financial Stability Board ("FSB") and a small amount deposited with other commercial banks.

Based on our current level of operations, our cash flow from operations, capital market activities, asset sales and our existing cash balances should be adequate to meet upcoming anticipated requirements for interest and principal payments on debt (excluding any potential final maturity payments and paydowns for extension tests), working capital, and capital expenditures for the next 12 months and dividends required to maintain our status as a REIT for U.S. federal income tax purposes. With respect to upcoming maturities, no assurances can be given that we will be able to refinance our upcoming maturities. Additionally, no assurances can be given that we will obtain additional financings or, if we do, what the amount and terms will be. Our failure to obtain future financing under favorable terms could adversely impact our ability to execute our business strategy or may result in lender foreclosure.

Our cash position from operations is affected primarily by macro industry movements in occupancy and rate as well as our ability to control costs. Further, interest rates can greatly affect the cost of our debt service as well as the value of any financial hedges we may put in place. We monitor industry fundamentals and interest rates very closely. Capital expenditures above our reserves will affect cash flow as well and are impacted by inflation.

Certain of our loan agreements contain cash trap provisions that may be triggered if the performance of our hotels declines below a threshold. When these provisions are triggered, substantially all of the profit generated by our hotels is deposited directly into lockbox accounts and then swept into cash management accounts for the benefit of our various lenders. During a cash trap, certain disbursements from these hotel operating cash receipts would require consent of our lenders. At March 31, 2024, 13 of our hotels were in cash traps and approximately \$2.7 million of our restricted cash was subject to these cash traps. Our loans currently in cash traps may remain subject to cash trap provisions for a substantial period of time, which could limit our flexibility and adversely affect our financial condition or our qualification as a REIT.

We have extension options relating to certain property-level loans that will permit us to extend the maturity date of our loans if certain conditions are satisfied at the respective extension dates, including the achievement of debt yield targets required in order to extend such loans. To the extent we decide to extend the maturity date of the debt outstanding under the loans, we may be required to prepay a significant amount of the loans in order to meet the required debt yield targets. There can be no assurances that we will be able to meet the conditions for extensions pursuant to the respective terms of such loans.

If we violate covenants in our debt agreements, we could be required to repay all or a portion of our indebtedness before maturity at a time when we might be unable to arrange financing for such repayment on attractive terms, if at all. The assets of certain of our subsidiaries are pledged under non-recourse indebtedness and are not available to satisfy the debts and other obligations of Ashford Trust or Ashford Trust OP, our operating partnership, and the liabilities of such subsidiaries do not constitute the obligations of Ashford Trust or Ashford Trust OP.

Mortgage and mezzanine loans are nonrecourse to the borrowers, except for customary exceptions or carve-outs that trigger recourse liability to the borrowers in certain limited instances. Recourse obligations typically include only the payment of costs and liabilities suffered by lenders as a result of the occurrence of certain bad acts on the part of the borrower. However, in certain cases, carve-outs could trigger recourse obligations on the part of the borrower with respect to repayment of all or a portion of the outstanding principal amount of the loans. We have entered into customary guaranty agreements pursuant to which we guaranty payment of any recourse liabilities of the borrowers that result from non-recourse carve-outs (which include, but are not limited to, fraud, misrepresentation, willful conduct resulting in waste, misappropriations of rents following an event of default, voluntary bankruptcy filings, unpermitted transfers of collateral, and certain environmental liabilities). In the opinion of management, none of these guaranty agreements, either individually or in the aggregate, are likely to have a material adverse effect on our business, results of operations, or financial condition.

We have entered into certain customary guaranty agreements pursuant to which we guaranty payment of any recourse liabilities of our subsidiaries or joint ventures that may result from non-recourse carve-outs, which include, but are not limited to, fraud, misrepresentation, willful misconduct resulting in waste, misappropriations of rents following an event of default, voluntary bankruptcy filings, unpermitted transfers of collateral, delinquency of trade payables and certain environmental liabilities. Certain of these guarantees represent a guaranty of material amounts, and if we are required to make payments under those guarantees, our liquidity could be adversely affected.

We are committed to an investment strategy where we will pursue hotel-related investments as suitable situations arise. Funds for future hotel-related investments are expected to be derived, in whole or in part, from cash on hand, future borrowings under a credit facility or other loans, or proceeds from additional issuances of common stock, preferred stock (including net proceeds from the sale of any shares of Series J Preferred Stock or Series K Preferred Stock), or other securities, asset sales, and joint ventures. However, we have no formal commitment or understanding to invest in additional assets, and there can be no assurance that we will successfully make additional investments. We may, when conditions are suitable, consider additional capital raising opportunities.

Our existing hotel properties are mostly located in developed areas with competing hotel properties. Future occupancy, ADR, and RevPAR of any individual hotel could be materially and adversely affected by an increase in the number or quality of competitive hotel properties, home sharing companies or apartment operators offering short-term rentals in its market area. Competition could also affect the quality and quantity of future investment opportunities.

Debt Transactions

The Company continues to work with the lender for the KEYS A and KEYS B loan pools on a consensual transfer of ownership of those hotels to the lender, and the Company anticipates that transfer could occur in the second quarter of 2024. The original lenders previously transferred the loans to a securitization trust. On March 1, 2024, the Company received notice that the hotel properties securing the KEYS A and KEYS B loan pools have been transferred to a court-appointed receiver. Below is a summary of the hotel properties securing the KEYS Pool A loan and KEYS Pool B loan:

KEYS A Loan Pool

Courtyard Columbus Tipton Lakes – Columbus, IN
Courtyard Old Town – Scottsdale, AZ
Residence Inn Hughes Center – Las Vegas, NV
Residence Inn Phoenix Airport – Phoenix, AZ
Residence Inn San Jose Newark – Newark, CA
SpringHill Suites Manhattan Beach – Hawthorne, CA
SpringHill Suites Plymouth Meeting – Plymouth Meeting, PA

KEYS B Loan Pool

Courtyard Basking Ridge – Basking Ridge, NJ
Courtyard Newark Silicon Valley – Newark, CA
Courtyard Oakland Airport – Oakland, CA
Courtyard Plano Legacy Park – Plano, TX
Residence Inn Plano – Plano, TX
SpringHill Suites BWI Airport – Baltimore, MD
TownePlace Suites Manhattan Beach – Hawthorne, CA

We derecognized the hotel properties securing the KEYS Pool A and KEYS Pool B loans from our consolidated balance sheet in March 2024, when the receiver took control of the hotels, and accordingly recognized a gain of \$133.9 million, which is included in “gain (loss) on derecognition of assets” in our consolidated statements of operations and recorded a contract asset

of \$378.2 million, which represents the liabilities we expect to be released from upon final resolution with the lender on the KEYS Pool A and KEYS Pool B loans in exchange for the transfer of ownership of the respective hotel properties. The \$180.7 million KEYS Pool A and the \$174.4 million KEYS Pool B mortgage loans as well as all accrued and unpaid interest, default charges and late fees will remain liabilities of the Company until final resolution with the lender is concluded, and thus is included in "indebtedness associated with hotels in receivership" and "accrued interest associated with hotels in receivership" on our consolidated balance sheets.

On March 6, 2024, the Company completed the sale of the Residence Inn in Salt Lake City, Utah for approximately \$19.2 million. The Company repaid approximately \$19 million of principal on its mortgage loan partially secured by the hotel property.

On March 11, 2024, we entered into Amendment No. 3 to the Oaktree Credit Agreement which, among other items, (i) extends the Credit Agreement to January 15, 2026, (ii) removes the \$50 million minimum cash requirement, (iii) removes the 3% increase in the interest rate if cash is below \$100 million, (iv) removes the provision in which a default under mortgage indebtedness is a default under the Credit Agreement, (v) increases the interest rate by 3.5% if the principal balance is not less than \$100 million as of September 30, 2024 or not fully repaid by March 31, 2025, (vi) terminates all "delayed draw" term loan commitments and the unused fees thereon, (vii) provides for a mandatory prepayment of the Credit Agreement at the end of each calendar quarter in the amount by which unrestricted cash exceeds \$75 million for the first three quarters of 2024, \$50 million for the fourth quarter of 2024, and \$25 million for each quarter thereafter, (viii) provides for a mandatory prepayment of the Credit Agreement in an amount equal to 50% of all net proceeds raised from the issuance of equity, including non-traded preferred stock (increased to 100% of such net proceeds if the principal balance is not less than \$100 million as of September 30, 2024 or not fully repaid by March 31, 2025), (ix) removes the option to pay the exit fee in the form of common stock warrants, (x) requires the exit fee to be paid in the form of a 15% cash exit fee (payable entirely in cash), which exit fee shall be reduced to 12.5% if the Oaktree Credit Agreement is repaid on or before September 30, 2024, (xi) requires the Company to use commercially reasonable efforts to sell fifteen specified hotels, (xii) if the principal balance is not less than \$100 million as of September 30, 2024 or not fully repaid by March 31, 2025, requires the Company to sell eight specified hotels at a minimum sales price within six months, with the net sales proceeds to be applied as a prepayment of the Credit Agreement, (xiii) requires the Company to use commercially reasonable efforts to refinance the Renaissance Nashville hotel property, and (xiv) limits the Company's ability to perform discretionary capital expenditures.

On March 11, 2024, the Company and Ashford Trust OP, as borrower (the "Borrower") entered into that certain Limited Waiver to Credit Agreement (the "Limited Waiver to Credit Agreement") with the guarantors party thereto, the lenders party thereto (the "Lenders") and Oaktree Fund Administration, LLC, as administrative agent. Pursuant to the Limited Waiver to Credit Agreement, the Borrower, the other Loan Parties (as defined in the Oaktree Credit Agreement), the Lenders and the Administrative Agent acknowledged and agreed that:

(a) certain deferred cash grants were or are being awarded to employees and/or officers of the Advisor and/or their affiliates pursuant to equity compensation plans during 2022, 2023 and 2024, in aggregate amounts of \$7,950,817 in 2022, \$13,063,844 in 2023 and \$14,880,846 in 2024 (i.e., \$35,895,507 in the aggregate) (the "Specified Deferred Cash Grants"), which the parties agreed may be made (and were or are being made) in lieu of deferred stock grants that would otherwise be permitted and made under the terms of the Advisory Agreement;

(b) accordingly, (i) the departure from the terms of the Advisory Agreement in making the Specified Deferred Cash Grants as described in the foregoing clause (a) shall be deemed to be permitted under Section 7.13(b) of the Credit Agreement; provided, however, the Borrower and the other Loan Parties agree that actual cash payments made under the Specified Deferred Cash Grants, together with any other Restricted Payments (as defined in the Oaktree Credit Agreement) made pursuant to Section 7.06(f) of the Oaktree Credit Agreement, shall not exceed \$30,000,000 in the aggregate unless and until the Borrower has repaid in full the principal amount of the Loans, including any Cash Exit Fee Loans (as such terms are defined in the Oaktree Credit Agreement); (ii) the Lenders and the Administrative Agent waive non-compliance with Section 7.13(b), if any, prior to March 11, 2024, which resulted or would result (absent the waiver) from the making of the Specified Deferred Cash Grants in accordance with the foregoing provisions of Section 2 of the Limited Waiver to Credit Agreement, and (iii) effective from March 11, 2024 Section 7.13(b) shall be deemed to be amended to permit the Specified Deferred Cash Grants in accordance with the foregoing provisions of Section 2 of the Limited Waiver to Credit Agreement; and

(c) the waiver contained in the Limited Waiver to Credit Agreement shall be effective only in this instance and for the specific purpose for which it was intended and shall not be deemed to be a consent to any other transaction or matter or waiver of compliance in the future, or a waiver of any preceding or succeeding breach of the same or any other covenant or provision of the Oaktree Credit Agreement.

On April 9, 2024, the Company sold the Hilton Boston Back Bay Hotel for \$171 million in cash. The Company also repaid the \$98 million mortgage loan secured by the hotel property and used the remaining net proceeds to pay down the Company's Oaktree loan.

On May 9, 2024, the Company refinanced the \$240 million mortgage loan that was secured by the Renaissance Hotel in Nashville, Tennessee and the Westin Hotel in Princeton, New Jersey. The new mortgage loan totals \$267.2 million, and has a two-year initial term with three one-year extension options, subject to the satisfaction of certain conditions. The mortgage loan is interest only and provides for a floating interest rate of SOFR + 3.98%. As part of this refinancing, the Westin Princeton is now unencumbered and the Company has listed this property for sale. The Company plans to use the excess proceeds from the refinancing for general corporate purposes including paying down the Company's strategic financing.

Equity Transactions

On September 9, 2021, the Company and M3A LP ("M3A") entered into a purchase agreement (the "M3A Purchase Agreement"), which provides that subject to the terms and conditions set forth therein, the Company may sell to M3A up to approximately 6.0 million shares of common stock, from time to time during the term of the M3A Purchase Agreement. The Company filed a Form S-3, which was declared effective by the SEC on April 1, 2022, to replace the previous Form S-11 and to register for resale any future resales by M3A under the M3A Purchase Agreement. As of May 7, 2024, the Company has issued approximately 900,000 shares of common stock for gross proceeds of approximately \$12.9 million under the M3A Purchase Agreement.

On March 4, 2022, the Company filed an initial registration statement on Form S-3 with the SEC, as amended on April 29, 2022, related to the Company's non-traded Series J Preferred Stock and Series K Preferred Stock. The registration statement was declared effective by the SEC on May 4, 2022, and contemplates the offering of up to (i) 20.0 million shares of Series J Preferred Stock or Series K Preferred Stock in a primary offering and (ii) 8.0 million shares of Series J Preferred Stock or Series K Preferred Stock pursuant to a dividend reinvestment plan. On May 5, 2022, we filed our prospectus for the offering with the SEC. Ashford Securities, a subsidiary of Ashford Inc., serves as the dealer manager for the offering. As of May 7, 2024, the Company has issued approximately 4.6 million shares (exclusive of the dividend reinvestment plan shares) of Series J Preferred Stock and received net proceeds of approximately \$102.6 million and approximately 310,000 shares (exclusive of the dividend reinvestment plan shares) of Series K Preferred Stock and received net proceeds of approximately \$7.5 million.

On April 6, 2022, the board of directors approved a stock repurchase program (the "Repurchase Program") pursuant to which the board of directors granted a repurchase authorization to acquire shares of the Company's common stock and preferred stock having an aggregate value of up to \$200 million. The board of directors' authorization replaced the 2017 Repurchase Program that the board of directors authorized in December 2017. No shares have been repurchased under the Repurchase Program. The ability to make repurchases under the Repurchase Program is subject to the same financial factors that must be taken into account in declaring a dividend as discussed herein under "Distribution Policy."

On April 11, 2022, the Company entered into the Virtu Equity Distribution Agreement with Virtu, to sell from time to time shares of the Company's common stock having an aggregate offering price of up to \$100 million. We will pay Virtu a commission of approximately 1% of the gross sales price of the shares of our common stock sold. The Company may also sell some or all of the shares of our common stock to Virtu as principal for its own account at a price agreed upon at the time of sale. As of May 7, 2024, the Company has issued approximately 4.2 million shares of common stock for gross proceeds of approximately \$6.5 million under the Virtu Equity Distribution Agreement.

Sources and Uses of Cash

Our principal sources of funds to meet our cash requirements include cash on hand, cash flow from operations, capital market activities, property refinancing proceeds and asset sales. Additionally, our principal uses of funds are expected to include possible operating shortfalls, owner-funded capital expenditures, dividends, new investments, and debt interest and principal payments. Items that impacted our cash flow and liquidity during the periods indicated are summarized as follows:

Net Cash Flows Provided by (Used in) Operating Activities. Net cash flows provided by (used in) operating activities, pursuant to our consolidated statements of cash flows, which includes changes in balance sheet items, were \$(46.5) million and \$4.6 million for the three months ended March 31, 2024 and 2023, respectively. Cash flows provided by (used in) operations were impacted by changes in hotel operations, our hotel disposition and derecognition of assets in 2024, as well as the timing of collecting receivables from hotel guests, paying vendors, settling with derivative counterparties, settling with related parties and settling with hotel managers.

Net Cash Flows Provided by (Used in) Investing Activities. For the three months ended March 31, 2024, net cash flows used in investing activities were \$16.8 million. Cash outflows consisted of \$33.9 million for capital improvements made to

various hotel properties and \$1.9 million from the issuance of a note receivable, partially offset by cash inflows of \$18.9 million of net proceeds from the disposition of assets and hotel properties and \$154,000 from property insurance proceeds.

For the three months ended March 31, 2023, net cash flows used in investing activities were \$29.4 million. Cash outflows primarily consisted of \$29.3 million for capital improvements made to various hotel properties and \$149,000 of payments for franchise fees, partially offset by cash inflows of \$75,000 related to proceeds from property insurance.

Net Cash Flows Provided by (Used in) Financing Activities. For the three months ended March 31, 2024, net cash flows provided by financing activities were \$133,000. Cash inflows primarily consisted of \$20.9 million of net proceeds from preferred stock offerings, \$2.0 million of net proceeds from common stock offerings and \$9.1 million from counterparty payments primarily from in-the-money interest rate caps and \$2.0 million of contributions from noncontrolling interest in consolidated entities, partially offset by cash outflows of \$22.1 million for repayments of indebtedness, \$1.9 million for payments of loan costs and exit fees, \$4.6 million of payments for preferred dividends and \$5.3 million of payments for derivatives.

For the three months ended March 31, 2023, net cash flows used in financing activities were \$45.5 million. Cash outflows primarily consisted of \$50.8 million for repayments of indebtedness, \$6.8 million for payments of loan costs and exit fees, \$3.2 million of payments for preferred dividends and \$4.2 million of payments for derivatives, partially offset by \$449,000 of borrowings on indebtedness, \$9.9 million of net proceeds from preferred stock offerings and \$9.0 million of proceeds from in-the-money interest rate caps.

Dividend Policy. Distributions are authorized by our board of directors and declared by us based upon a variety of factors deemed relevant by our directors. The board of directors will continue to review our distribution policy on at least a quarterly basis. Our ability to pay distributions to our preferred or common stockholders will depend, in part, upon our receipt of distributions from our operating partnership. This, in turn, may depend upon receipt of lease payments with respect to our properties from indirect subsidiaries of our operating partnership, the management of our properties by our hotel managers and general business conditions. Distributions to our stockholders are generally taxable to our stockholders as ordinary income. However, since a portion of our investments are equity ownership interests in hotels, which result in depreciation and non-cash charges against our income, a portion of our distributions may constitute a non-taxable return of capital, to the extent of a stockholder's tax basis in the stock. To the extent that it is consistent with maintaining our REIT status, we may maintain accumulated earnings of Ashford TRS in that entity.

On December 5, 2023, our board of directors reviewed and approved our 2024 dividend policy. We do not anticipate paying any dividends on our outstanding common stock for any quarter during 2024 and expect to pay dividends on our outstanding Preferred Stock during 2024. Our board of directors will continue to review our dividend policy and make future announcements with respect thereto. We may incur indebtedness to meet distribution requirements imposed on REITs under the Code to the extent that working capital and cash flow from our investments are insufficient to fund required distributions. We may pay dividends in excess of our cash flow.

SEASONALITY

Our properties' operations historically have been seasonal as certain properties maintain higher occupancy rates during the summer months, while certain other properties maintain higher occupancy rates during the winter months. This seasonality pattern can cause fluctuations in our quarterly lease revenue under our percentage leases. Quarterly revenue also may be adversely affected by renovations and repositionings, our managers' effectiveness in generating business and by events beyond our control, such as pandemics, extreme weather conditions, natural disasters, terrorist attacks or alerts, civil unrest, government shutdowns, airline strikes or reduced airline capacity, economic factors and other considerations affecting travel. To the extent that cash flows from operations are insufficient during any quarter to enable us to make quarterly distributions to maintain our REIT status due to temporary or seasonal fluctuations in lease revenue, we expect to utilize cash on hand, borrowings and common stock to fund required distributions. However, we cannot make any assurances that we will make distributions in the future.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of our consolidated financial statements in accordance with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Our accounting policies that are critical or most important to understanding our financial condition and results of operations and that require management to make the

most difficult judgments are described in our 2023 Form 10-K. There have been no material changes in these critical accounting policies.

NON-GAAP FINANCIAL MEASURES

The following non-GAAP presentations of EBITDA, EBITDAre, Adjusted EBITDAre, FFO and Adjusted FFO are presented to help our investors evaluate our operating performance.

EBITDA is defined as net income (loss) before interest expense and amortization of discounts and loan costs, net, income taxes, depreciation and amortization, as adjusted to reflect only the Company's portion of EBITDA of unconsolidated entities. In addition, we exclude impairment on real estate, gain/loss on disposition of assets and hotel properties, gain/loss on derecognition of assets and gain/loss of unconsolidated entities to calculate EBITDAre, as defined by NAREIT.

We then further adjust EBITDAre to exclude certain additional items such as write-off of premiums, loan costs and exit fees, other income/expense, net, transaction and conversion costs, stock/unit-based compensation and non-cash items such as amortization of unfavorable contract liabilities, realized and unrealized gains/losses on derivative instruments, gains/losses on extinguishment of debt, as well as our portion of adjustments to EBITDAre of unconsolidated entities.

We present EBITDA, EBITDAre and Adjusted EBITDAre because we believe they are useful to an investor in evaluating our operating performance because it provides investors with an indication of our ability to incur and service debt, to satisfy general operating expenses, to make capital expenditures and to fund other cash needs or reinvest cash into our business. We also believe it helps investors meaningfully evaluate and compare the results of our operations from period to period by removing the effect of our asset base (primarily depreciation and amortization) from our operating results. Our management team also uses EBITDA as one measure in determining the value of acquisitions and dispositions. EBITDA, EBITDAre and Adjusted EBITDAre as calculated by us may not be comparable to EBITDA, EBITDAre and Adjusted EBITDAre reported by other companies that do not define EBITDA, EBITDAre and Adjusted EBITDAre exactly as we define the terms. EBITDA, EBITDAre and Adjusted EBITDAre do not represent cash generated from operating activities determined in accordance with GAAP, and should not be considered as an alternative to operating income (loss) or net income (loss) determined in accordance with GAAP as an indicator of performance or as an alternative to cash flows from operating activities as determined by GAAP as an indicator of liquidity.

The following table reconciles net income (loss) to EBITDA, EBITDAre and Adjusted EBITDAre (in thousands):

	Three Months Ended March 31,	
	2024	2023
Net income (loss)	\$ 72,405	\$ (61,522)
Interest expense and amortization of discounts and loan costs	73,961	74,368
Interest expense associated with hotels in receivership	12,098	7,147
Depreciation and amortization	40,544	47,855
Income tax expense (benefit)	303	221
Equity in (earnings) loss of unconsolidated entities	534	396
Company's portion of EBITDA of unconsolidated entities	(166)	(69)
EBITDA	199,679	68,396
Gain (loss) on sale of assets and hotel properties	(6,956)	24
Gain (loss) on derecognition of assets	(133,909)	—
EBITDAre	58,814	68,420
Amortization of unfavorable contract liabilities	(31)	29
Transaction and conversion costs	4,956	119
Write-off of premiums, loan costs and exit fees	18	420
Realized and unrealized (gain) loss on derivatives	(4,761)	5,415
Stock/unit-based compensation	564	1,333
Other (income) expense, net	(35)	(120)
(Gain) loss on extinguishment of debt	(45)	—
Company's portion of adjustments to EBITDAre of unconsolidated entities	—	1
Adjusted EBITDAre	\$ 59,480	\$ 75,617

We calculate FFO and Adjusted FFO in the following table. FFO is calculated on the basis defined by NAREIT, which is net income (loss) attributable to common stockholders, computed in accordance with GAAP, excluding gains or losses on consolidation of VIE and disposition of assets, plus depreciation and amortization of real estate assets, impairment charges on real estate assets, and after adjustments for unconsolidated entities and noncontrolling interests in the operating partnership. Adjustments for unconsolidated entities are calculated to reflect FFO on the same basis. NAREIT developed FFO as a relative measure of performance of an equity REIT to recognize that income-producing real estate historically has not depreciated on the basis determined by GAAP. Our calculation of Adjusted FFO excludes write-off of premiums, loan costs and exit fees, other income/expense, net, transaction and conversion costs, legal, advisory and settlement costs, stock/unit-based compensation, gains/losses on insurance settlements and non-cash items such as deemed dividends on redeemable preferred stock, amortization of loan costs, amortization of credit facility exit fee, default interest and late fees, unrealized gains/losses on derivative instruments, gains/losses on extinguishment of debt and preferred stock and interest expense associated with hotels in receivership and our portion of adjustments to FFO related to unconsolidated entities. We exclude items from Adjusted FFO that are either non-cash or are not part of our core operations in order to provide a period-over-period comparison of our operating results. We present FFO and Adjusted FFO because we consider FFO and Adjusted FFO important supplemental measures of our operational performance and believe they are frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO and Adjusted FFO when reporting their results. FFO and Adjusted FFO are intended to exclude GAAP historical cost depreciation and amortization, which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO and Adjusted FFO exclude depreciation and amortization related to real estate assets, gains and losses from real property dispositions and impairment losses on real estate assets, FFO and Adjusted FFO provide performance measures that, when compared year over year, reflect the effect to operations from trends in occupancy, guestroom rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from net income. We consider FFO and Adjusted FFO to be appropriate measures of our ongoing normalized operating performance as a REIT. We compute FFO in accordance with our interpretation of standards established by NAREIT, which may not be comparable to FFO reported by other REITs that either do not define the term in accordance with the current NAREIT definition or interpret the NAREIT definition differently than we do. FFO and Adjusted FFO do not represent cash generated from operating activities as determined by GAAP and should not be considered as an alternative to a) GAAP net income or loss as an indication of our financial performance or b) GAAP cash flows from operating activities as a measure of our liquidity, nor is it indicative of funds available to satisfy our cash needs, including our ability to make cash distributions. However, to facilitate a clear understanding of our historical operating results, we believe that FFO and Adjusted FFO should be considered along with our net income or loss and cash flows reported in the consolidated financial statements.

The following table reconciles net income (loss) to FFO and Adjusted FFO (in thousands):

	Three Months Ended March	
	31,	
	2024	2023
Net income (loss)	\$ 72,405	\$ (61,522)
(Income) loss attributable to noncontrolling interest in consolidated entities	9	—
Net (income) loss attributable to redeemable noncontrolling interests in operating partnership	(853)	600
Preferred dividends	(5,011)	(3,243)
Deemed dividends on redeemable preferred stock	(682)	(407)
Gain (loss) on extinguishment of preferred stock	1,573	—
Net income (loss) attributable to common stockholders	67,441	(64,572)
Depreciation and amortization of real estate	40,544	47,855
(Gain) loss on disposition of assets and hotel properties	(6,956)	24
Net income (loss) attributable to redeemable noncontrolling interests in operating partnership	853	(600)
Equity in (earnings) loss of unconsolidated entities	534	396
(Gain) loss on derecognition of assets	(133,909)	—
Company's portion of FFO of unconsolidated entities	(407)	(287)
FFO available to common stockholders and OP unitholders	(31,900)	(17,184)
Deemed dividends on redeemable preferred stock	682	407
(Gain) loss on extinguishment of preferred stock	(1,573)	—
Transaction and conversion costs	4,956	119
Write-off of premiums, loan costs and exit fees	18	420
Unrealized (gain) loss on derivatives	3,953	14,942
Stock/unit-based compensation	564	1,333
Other (income) expense, net	(35)	(120)
Amortization of term loan exit fee	844	4,156
Amortization of loan costs	2,208	2,771
(Gain) loss on extinguishment of debt	(45)	—
Interest expense associated with hotels in receivership	6,551	—
Company's portion of adjustments to FFO of unconsolidated entities	—	1
Adjusted FFO available to common stockholders and OP unitholders	\$ (13,777)	\$ 6,845

HOTEL PORTFOLIO

The following table presents certain information related to our hotel properties as of March 31, 2024:

Hotel Property	Location	Service Type	Total Rooms	% Owned	Owned Rooms
<i>Fee Simple Properties</i>					
Embassy Suites	Austin, TX	Full-service	150	100	150
Embassy Suites	Dallas, TX	Full-service	150	100	150
Embassy Suites	Herndon, VA	Full-service	150	100	150
Embassy Suites	Las Vegas, NV	Full-service	220	100	220
Embassy Suites	Houston, TX	Full-service	150	100	150
Embassy Suites	West Palm Beach, FL	Full-service	160	100	160
Embassy Suites	Philadelphia, PA	Full-service	263	100	263
Embassy Suites	Arlington, VA	Full-service	269	100	269
Embassy Suites	Portland, OR	Full-service	276	100	276
Embassy Suites	Santa Clara, CA	Full-service	258	100	258
Embassy Suites	Orlando, FL	Full-service	174	100	174
Hilton Garden Inn	Jacksonville, FL	Select-service	119	100	119
Hilton Garden Inn	Austin, TX	Select-service	254	100	254
Hilton Garden Inn	Baltimore, MD	Select-service	158	100	158
Hilton Garden Inn	Virginia Beach, VA	Select-service	176	100	176
Hilton	Houston, TX	Full-service	242	100	242
Hilton	St. Petersburg, FL	Full-service	333	100	333
Hilton	Santa Fe, NM	Full-service	158	100	158
Hilton	Bloomington, MN	Full-service	300	100	300
Hilton	Costa Mesa, CA	Full-service	486	100	486
Hilton	Boston, MA	Full-service	390	100	390
Hilton	Parsippany, NJ	Full-service	353	100	353
Hilton	Tampa, FL	Full-service	238	100	238
Hilton	Alexandria, VA	Full-service	252	100	252
Hilton	Santa Cruz, CA	Full-service	178	100	178
Hilton	Ft. Worth, TX	Full-service	294	100	294
Hampton Inn ⁽⁷⁾	Buford, GA	Select-service	92	100	92
Hampton Inn	Lawrenceville, GA	Select-service	85	100	85
Hampton Inn	Evansville, IN	Select-service	140	100	140
Hampton Inn	Parsippany, NJ	Select-service	152	100	152
Marriott	Beverly Hills, CA	Full-service	260	100	260
Marriott	Arlington, VA	Full-service	703	100	703
Marriott	Dallas, TX	Full-service	265	100	265
Marriott	Fremont, CA	Full-service	357	100	357
Marriott	Memphis, TN	Full-service	232	100	232
Marriott	Irving, TX	Full-service	499	100	499
Marriott	Omaha, NE	Full-service	300	100	300
Marriott	Sugarland, TX	Full-service	300	100	300
SpringHill Suites by Marriott	Kennesaw, GA	Select-service	90	100	90
SpringHill Suites by Marriott ⁽⁷⁾	Buford, GA	Select-service	97	100	97
Fairfield Inn by Marriott	Kennesaw, GA	Select-service	86	100	86
Courtyard by Marriott	Bloomington, IN	Select-service	117	100	117
Courtyard by Marriott - Tremont	Boston, MA	Select-service	315	100	315
Courtyard by Marriott	Denver, CO	Select-service	202	100	202
Courtyard by Marriott	Manchester, CT	Select-service	90	100	90
Courtyard by Marriott	Gaithersburg, MD	Select-service	210	100	210
Courtyard by Marriott	Crystal City, VA	Select-service	272	100	272
Courtyard by Marriott	Overland Park, KS	Select-service	168	100	168
Courtyard by Marriott	Foothill Ranch, CA	Select-service	156	100	156
Courtyard by Marriott	Alpharetta, GA	Select-service	154	100	154
Marriott Residence Inn	Evansville, IN	Select-service	78	100	78
Marriott Residence Inn	Orlando, FL	Select-service	350	100	350

Hotel Property	Location	Service Type	Total Rooms	% Owned	Owned Rooms
Marriott Residence Inn	Falls Church, VA	Select-service	159	100	159
Marriott Residence Inn	San Diego, CA	Select-service	150	100	150
Marriott Residence Inn ⁽⁷⁾	Jacksonville, FL	Select-service	120	100	120
Marriott Residence Inn ⁽⁷⁾	Manchester, CT	Select-service	96	100	96
One Ocean	Atlantic Beach, FL	Full-service	193	100	193
Sheraton Hotel	Minneapolis, MN	Full-service	220	100	220
Sheraton Hotel	Indianapolis, IN	Full-service	378	100	378
Sheraton Hotel	Anchorage, AK	Full-service	370	100	370
Sheraton Hotel	San Diego, CA	Full-service	260	100	260
Hyatt Regency	Coral Gables, FL	Full-service	254	100	254
Hyatt Regency	Hauppauge, NY	Full-service	358	100	358
Hyatt Regency	Savannah, GA	Full-service	351	100	351
Renaissance	Nashville, TN	Full-service	674	100	674
Annapolis Historic Inn	Annapolis, MD	Full-service	124	100	124
Lakeway Resort & Spa	Austin, TX	Full-service	168	100	168
Silversmith	Chicago, IL	Full-service	144	100	144
The Churchill	Washington, D.C.	Full-service	173	100	173
The Melrose	Washington, D.C.	Full-service	240	100	240
Le Pavillon ⁽¹⁾	New Orleans, LA	Full-service	226	100	226
The Ashton	Ft. Worth, TX	Full-service	39	100	39
Westin	Princeton, NJ	Full-service	296	100	296
Hotel Indigo	Atlanta, GA	Full-service	141	100	141
Ritz-Carlton	Atlanta, GA	Full-service	444	100	444
La Posada de Santa Fe	Santa Fe, NM	Full-service	157	100	157
Leasehold Properties					
La Concha Key West ^{(2) (3)}	Key West, FL	Full-service	160	100	160
Renaissance ⁽⁴⁾	Palm Springs, CA	Full-service	410	100	410
Hilton ⁽⁵⁾	Marietta, GA	Full-service	200	100	200
Le Meridien ⁽⁶⁾	Fort Worth, TX	Full-service	188	33	61
Total			<u>18,614</u>		<u>18,487</u>

⁽¹⁾ The Company entered into a new franchise agreement with Marriott to convert the Le Pavillon in New Orleans, Louisiana to a Tribute Portfolio property. The agreement with Marriott calls for the hotel to be converted to a Tribute Portfolio property by December 31, 2024.

⁽²⁾ The ground lease expires in 2084.

⁽³⁾ The Company entered into a franchise agreement with Marriott to convert the La Concha Key West Hotel in Key West, Florida to an Autograph Collection property. The agreement with Marriott calls for the hotel to operate under Marriott White Label beginning on November 15, 2023 and to be converted to an Autograph property by April 1, 2025.

⁽⁴⁾ The ground lease expires in 2083.

⁽⁵⁾ The lease expires in 2054 and includes the lease of the land, hotel and conference center (including the building, improvements, furniture, fixtures and equipment).

⁽⁶⁾ The lease expires in 2120 and includes the lease of the land and building. The property is under development.

⁽⁷⁾ Property owned by Stirling OP, but consolidated by the Company.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Our primary market risk exposure consists of changes in interest rates on borrowings under our debt instruments. The analysis below presents the sensitivity of the market value of our financial instruments to selected changes in market interest rates.

At March 31, 2024, our total indebtedness of \$3.0 billion included \$2.7 billion of variable-rate debt. The impact on our results of operations of a 25-basis point change in interest rate on the outstanding balance of variable-rate debt at March 31, 2024 would be approximately \$6.8 million per year. However, we currently have various interest rate caps in place that limit this exposure. Interest rate changes have no impact on the remaining \$274.5 million of fixed-rate debt.

The above amounts were determined based on the impact of hypothetical interest rates on our borrowings and assume no changes in our capital structure. As the information presented above includes only those exposures that existed at March 31, 2024, it does not consider exposures or positions that could arise after that date. Accordingly, the information presented herein has limited predictive value. As a result, the ultimate realized gain or loss with respect to interest rate fluctuations will depend on exposures that arise during the period, the hedging strategies in place at the time, and the related interest rates.

ITEM 4. CONTROLS AND PROCEDURES

Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, our management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of March 31, 2024 ("Evaluation Date"). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, our disclosure controls and procedures were effective (i) to ensure that information required to be disclosed in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms; and (ii) to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

There have been no changes in our internal controls over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

On December 20, 2016, a class action lawsuit was filed against one of the Company's hotel management companies in the Superior Court of the State of California in and for the County of Contra Costa alleging violations of certain California employment laws, which class action affects nine hotels owned by subsidiaries of the Company. The court has entered an order granting class certification with respect to: (i) a statewide class of non-exempt employees of our manager who were allegedly deprived of rest breaks as a result of our manager's previous written policy requiring its employees to stay on premises during rest breaks; and (ii) a derivative class of non-exempt former employees of our manager who were not paid for allegedly missed breaks upon separation from employment. Notices to potential class members were sent out on February 2, 2021. Potential class members had until April 4, 2021 to opt out of the class; however, the total number of employees in the class has not been definitively determined and is the subject of continuing discovery. The opt-out period has been extended until such time that discovery has concluded. In May 2023 the trial court requested additional briefing from the parties to determine whether the case should be maintained, dismissed, or the class de-certified. After submission of the briefs, the court requested that the parties submit stipulations for the court to rule upon. On February 13, 2024, the judge ordered the parties to submit additional briefing related to on-site breaks. While we believe it is reasonably possible that we may incur a loss associated with this litigation because there remains uncertainty under California law with respect to a significant legal issue, discovery relating to class members continues, and the trial judge retains discretion to award lower penalties than set forth in the applicable California employment laws, we do not believe that any potential loss to the Company is reasonably estimable at this time. As of March 31, 2024, no amounts have been accrued.

We are also engaged in other legal proceedings that have arisen but have not been fully adjudicated. To the extent the claims giving rise to these legal proceedings are not covered by insurance, they relate to the following general types of claims: employment matters, tax matters and matters relating to compliance with applicable law (for example, the Americans with Disability Act and similar state laws). The likelihood of loss from these legal proceedings is based on the definitions within contingency accounting literature. We recognize a loss when we believe the loss is both probable and reasonably estimable. Based on the information available to us relating to these legal proceedings and/or our experience in similar legal proceedings,

we do not believe the ultimate resolution of these proceedings, either individually or in the aggregate, will have a material adverse effect on our consolidated financial position, results of operations, or cash flow.

During the quarter ended September 30, 2023, we had a cyber incident that resulted in the potential exposure of certain employee personal information. We have completed an investigation and have identified certain employee information that may have been exposed, but we have not identified that any customer information was exposed. All systems have been restored. We believe that we maintain a sufficient level of insurance coverage related to such events, and the related incremental costs incurred to date are immaterial. In February of 2024, two class action lawsuits were filed, one in the U.S. District Court for the Northern District of Texas and a second in the 68th District Court for Dallas County related to the cyber incident. The lawsuit filed in the 68th District Court was subsequently dismissed and refiled in the U.S. District Court for the Northern District of Texas. On March 12, 2024, the court ordered the two cases be consolidated. The consolidated case is currently pending in the U.S. District Court for the Northern District of Texas. We intend to vigorously defend this matter and do not believe that any potential loss is reasonably estimable at this time. It is reasonably possible that the Company may incur additional costs related to the matter, but we are unable to predict with certainty the ultimate amount or range of potential loss.

Our assessment may change depending upon the development of any current or future legal proceedings, and the final results of such legal proceedings cannot be predicted with certainty. If we ultimately do not prevail in one or more of these legal matters, and the associated realized losses exceed our current estimates of the range of potential losses, our consolidated financial position, results of operations, or cash flows could be materially adversely affected in future periods.

ITEM 1A. RISK FACTORS

The discussion of our business and operations should be read together with the risk factors contained in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed with the Securities and Exchange Commission, which describe various risks and uncertainties to which we are or may become subject. These risks and uncertainties have the potential to affect our business, financial condition, results of operations, cash flows, strategies, or prospects in a material and adverse manner. In addition to the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2023, the following risk factor should be carefully considered in evaluating us and our business.

Actions of activist stockholders have caused and could continue to cause us to incur substantial costs, divert management's attention and resources, and have an adverse effect on our business.

We have been and may continue to be subject to proposals or other actions by stockholders urging us to take certain corporate actions. If activist stockholder activities continue, our business could be adversely affected because responding to proxy contests and reacting to other actions by activist stockholders can be costly and time-consuming, disrupt our operations, and divert the attention of management and our employees. For example, Blackwells Capital LLC and certain of its affiliates filed a definitive proxy statement on May 2, 2024 encouraging the Company's stockholders to vote against the Company's director nominees. We have been and may continue to be required to retain the services of various professionals to advise us on activist stockholder matters, including legal, financial, and communications advisers, the costs of which may negatively impact our future financial results. This may be exploited by our competitors, cause concern to our current or potential customers, and make it more difficult to attract and retain qualified personnel. In addition, actions of activist shareholders may cause significant fluctuations in our stock price based on temporary or speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Purchases of Equity Securities by the Issuer

The following table provides the information with respect to purchases and forfeitures of shares of our common stock during each of the months in the first quarter of 2024:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan ⁽¹⁾	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Plan ⁽¹⁾
Common stock:				
January 1 to January 31	—	\$ —	—	\$ 200,000
February 1 to February 29	16,630 ⁽²⁾	1.84 ⁽³⁾	—	200,000
March 1 to March 31	15,137 ⁽²⁾	1.51 ⁽³⁾	—	200,000
Total	31,767	\$ 1.68	—	

(1) On April 6, 2022 the board of directors approved a stock repurchase program pursuant to which the board of directors granted a repurchase authorization to acquire shares of the Company's common stock and preferred stock having an aggregate value of up to \$200 million. The board of directors' authorization replaced the previous repurchase authorization that the board of directors authorized in December 2017.

(2) There is no cost associated with the forfeiture of 62 and 61 restricted shares of our common stock in February and March, respectively.

(3) Includes 16,568 and 15,076 shares in February and March that were withheld to cover tax-withholding requirements related to the vesting of restricted shares of our common stock issued to employees of our advisor pursuant to the Company's stockholder-approved stock incentive plan.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Agreements

During the three months ended March 31, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading agreement" or "non-Rule 10b5-1 trading agreement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

Exhibit	Description
3.1	Articles of Amendment and Restatement, as amended by Amendment Number One to Articles of Amendment and Restatement (incorporated by reference to Exhibit 4.6 to Registration Statement on Form S-3 filed May 15, 2015)
3.2	Amendment Number Two to Articles of Amendment and Restatement (incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K, filed on May 22, 2017) (File No. 00131775)
3.3	Articles of Amendment to the Company's charter (incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K, filed on July 1, 2020) (File No. 001-31775)
3.4	Articles of Amendment to the Articles of Amendment and Restatement of the Company (incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K, filed on July 16, 2021) (File No. 001-31775)
3.5	Articles Supplementary, dated April 28, 2022 (incorporated by reference to Exhibit 4.10 to the Registrant's Registration Statement on Form S-3, filed on April 29, 2022) (File No. 333-263323)
3.6	Articles Supplementary establishing the Series J Preferred Stock, dated September 14, 2022 (incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K, filed on September 14, 2022) (File No. 333-263323)
3.7	Articles Supplementary establishing the Series K Preferred Stock, dated September 14, 2022 (incorporated by reference to Exhibit 3.2 to the Registrant's Form 8-K, filed on September 14, 2022) (File No. 333-263323)
3.8	Second Amended and Restated Bylaws, as amended by Amendment No. 1 on October 26, 2014, by Amendment No. 2 on October 19, 2015, by Amendment No. 3 on August 2, 2016 by Amendment No. 4 on March 17, 2022 and by Amendment No. 5 on February 23, 2023 by Amendment No. 6 on August 8, 2023 and by Amendment No. 7 on February 27, 2024, adopted on February 27, 2024 (incorporated by reference to Exhibit 3.2 to the Registrant's Form 8-K, filed on March 1, 2024) (File No. 01-31775)
10.1	Third Amended and Restated Advisory Agreement, dated as of March 12, 2024, by and between Ashford Hospitality Trust, Inc., Ashford Hospitality Limited Partnership, Ashford TRS Corporation, Ashford Inc. and Ashford Hospitality Advisors LLC (incorporated by reference to Exhibit 10.64 to the Registrant's Annual Report on Form 10-K, filed on March 14, 2024) (File No. 001-31775)

Exhibit	Description
10.2	Second Consolidated, Amended and Restated Hotel Master Management Agreement, dated as of March 12, 2024, by and among, Ashford TRS companies and Remington Lodging & Hospitality, LLC (incorporated by reference to Exhibit 10.65 to the Registrant's Annual Report on Form 10-K, filed on March 14, 2024 (File No. 001-31775))
10.3	Amended and Restated Master Project Management Agreement, dated as of March 12, 2024, by and among Ashford Hospitality Limited Partnership, Ashford TRS Corporation, and Premier Project Management LLC (incorporated by reference to Exhibit 10.66 to the Registrant's Annual Report on Form 10-K, filed on March 14, 2024 (File No. 001-31775))
10.4	Amendment No. 3 to Credit Agreement, dated as of March 11, 2024, by and among Ashford Hospitality Trust, Inc., Ashford Hospitality Limited Partnership, OCM AHT Holdings, LLC, ROF8 AHT PT, LLC, Oaktree Phoenix Investment Fund AIF (Delaware), L.P., and Oaktree Fund Administration, LLC, as administrative agent (incorporated by reference to Exhibit 10.67 to the Registrant's Annual Report on Form 10-K, filed on March 14, 2024 (File No. 001-31775))
10.5	Limited Waiver Under Advisory Agreement, dated as of March 11 2024, by and among Ashford Hospitality Trust, Inc., Ashford Hospitality Limited Partnership, Ashford TRS Corporation, Ashford Inc. and Ashford Hospitality Advisors LLC (incorporated by reference to Exhibit 10.68 to the Registrant's Annual Report on Form 10-K, filed on March 14, 2024 (File No. 001-31775))
10.6	Limited Waiver to Credit Agreement, dated as of March 11, 2024, by and among Ashford Hospitality Limited Partnership, Ashford Hospitality Trust, Inc., the guarantors party thereto, the Lenders party thereto and Oaktree Fund Administration, LLC, as administrative agent (incorporated by reference to Exhibit 10.69 to the Registrant's Annual Report on Form 10-K, filed on March 14, 2024 (File No. 001-31775))
10.7*	Agreement of Purchase and Sale, dated as of January 29, 2024, by and between Beantown Hotel Owner, LLC and PIM Boston Back Bay LLC and PIM TRS Boston Back Bay LLC
10.7.1*	First Amendment to Agreement of Purchase and Sale, dated as of February 28, 2024, by and between Beantown Hotel Owner, LLC and PIM Boston Back Bay LLC and PIM TRS Boston Back Bay LLC
10.7.2*	Second Amendment to Agreement of Purchase and Sale, dated as of April 8, 2024, by and between Beantown Hotel Owner, LLC and PIM Boston Back Bay LLC and PIM TRS Boston Back Bay LLC
31.1*	Certifications of Chief Executive Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended
31.2*	Certifications of Chief Financial Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 are formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets; (ii) Consolidated Statements of Operations; (iii) Consolidated Statements Comprehensive Income (Loss); (iv) Consolidated Statements of Equity (Deficit); (v) Consolidated Statements of Cash Flows; and (vi) Notes to the Consolidated Financial Statements. In accordance with Rule 402 of Regulation S-T, the XBRL-related information in Exhibit 101 to this Quarterly Report on Form 10-Q shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be part of any registration statement or other document filed under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	
101.SCH	Inline XBRL Taxonomy Extension Schema Document	<i>Submitted electronically with this report.</i>
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	<i>Submitted electronically with this report.</i>
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	<i>Submitted electronically with this report.</i>
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	<i>Submitted electronically with this report.</i>
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	<i>Submitted electronically with this report.</i>
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)	

* Filed herewith.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ASHFORD HOSPITALITY TRUST, INC.

Date: May 9, 2024

By: /s/ J. ROBISON HAYS, III
J. Robison Hays, III
President and Chief Executive Officer

Date: May 9, 2024

By: /s/ DERIC S. EUBANKS
Deric S. Eubanks
Chief Financial Officer

AGREEMENT OF PURCHASE AND SALE

by and between

BEANTOWN HOTEL OWNER LLC
a Delaware limited liability company

("Purchaser")

and

PIM BOSTON BACK BAY LLC
a Delaware limited liability company

("Fee Owner")

and

PIM TRS BOSTON BACK BAY LLC
a Delaware limited liability company

("Operating Lessee", and together with Fee Owner, collectively, "Seller")

Hilton Boston Back Bay Hotel
40 Dalton Street, 19-21 Scotia Street and 24-30 Belvidere Street
Boston, Massachusetts 02115

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AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (this "Agreement") is made as of the Effective Date, by and between Beantown Hotel Owner LLC, a Delaware limited liability company ("Purchaser"), and PIM Boston Back Bay LLC, a Delaware limited liability company ("Fee Owner") and PIM TRS Boston Back Bay LLC, a Delaware limited liability company ("Operating Lessee"), and together with Fee Owner, individually and collectively, jointly and severally, "Seller"). Seller and Purchaser are sometimes referred to herein individually as a "Party", and collectively as the "Parties".

RECITATIONS:

A. Seller is the owner of those certain parcels of real property more particularly described on Exhibit A attached hereto and made a part hereof, and the improvements situated thereon operated by Seller as the Hilton Boston Back Bay Hotel (the "Hotel"), situate, lying and being in 40 Dalton Street, Boston, MA 02115.

B. Purchaser is desirous of purchasing such hotel property from Seller and Seller is desirous of selling such hotel property to Purchaser, for the purchase price and upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants, promises and undertakings of the parties hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, it is agreed:

ARTICLE I **DEFINITIONS**

1.1 Definitions. The following terms shall have the indicated meanings:

"Actual Knowledge" with respect to Purchaser shall mean: if (i) Nolan Hecht has actual knowledge of such matter (as opposed to constructive or imputed knowledge, and without any duty to conduct any independent investigation or make any inquiry of any person), (ii) such matter is contained within or disclosed by any Submission Materials that have been uploaded to the online data room located at <https://app.box.com/folder/241848243793?s=6efa9kur3x1858e302hf0j5n2c6t4dgz> (the "**Data Site**") at least two Business Days prior to the expiration of the Study Period, or (iii) such matter is contained within or disclosed by any third-party report commissioned and received by Purchaser in connection with Purchaser's due diligence investigations, including without limitation, any property condition reports, environmental inspection reports, title reports, surveys and engineer reports.

"Additional Deposit" shall have the definition ascribed to such term in Section 2.3 hereof.

"Advance Bookings" shall mean reservations and agreements made or entered into by Seller or Manager in the ordinary course of business prior to Closing and assumed by Purchaser for hotel rooms or meeting rooms to be utilized after Closing, or for catering services or other hotel services to be provided after Closing at or by the Hotel.

"Affiliate" of a Person shall mean any other Person that is directly or indirectly (through one or more intermediaries) controlled by, under common control with, or controlling such Person. For purposes of this definition, "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any Person or the power to veto major policy decisions of any Person, whether through the ownership of voting securities, by contract or otherwise.

"Applicable Laws" shall mean any applicable building, zoning, subdivision, environmental, health, safety or other governmental laws, statutes, ordinances, resolutions, rules, codes, regulations, orders or determinations of any Governmental Authority affecting the Property or the ownership, operation, use, maintenance or condition thereof.

"Approval Standard" shall have the meaning ascribed to such term in Section 6.1 hereof.

"Ashford" shall mean Ashford Hospitality Trust, Inc. and its Affiliates.

"Assignment and Assumption Agreement" shall mean an assignment and assumption agreement in substantially the form attached hereto as Exhibit E whereby Seller assigns and Purchaser assumes all of its or their respective right, title and interest in and to the Operating Agreements and the Leased Property Agreements that have not been terminated prior to Closing in accordance herewith.

"Assignment of Occupancy Agreements" shall mean an assignment agreement in substantially the form attached hereto as Exhibit F whereby Seller assigns and Purchaser assumes all of its or their respective right, title and interest in and to the Occupancy Agreements.

"Authorizations" shall mean all licenses, permits and approvals required by any governmental or quasi-governmental agency, body, department, commission, board, bureau, instrumentality or office, or otherwise appropriate with respect to the construction, ownership, operation, leasing, maintenance, or use of the Hotel, Property or any part thereof.

"Bill of Sale" shall mean a bill of sale in substantially the form attached hereto as Exhibit D whereby Seller conveys its or their respective right, title and interest in and to the Personal Property (other than Leased Property) to Purchaser, together with any Warranties and Guaranties related thereto.

"Broker" shall mean JLL Capital Markets.

"Business Day" means any day other than a Saturday, Sunday or federal legal holiday.

"CBA Side Letter" means the letter agreement by and between Seller and UNITE HERE Local 26 attached as Appendix B to the Collective Bargaining Agreement.

"CBA Side Letter Assumption Agreement" means the assumption agreement in substantially the form attached hereto as Exhibit H whereby Purchaser agrees to assume the obligations of the CBA Side Letter.

"Closing" shall mean the consummation of the purchase and sale of the Property pursuant to this Agreement and shall be deemed to occur on the Closing Date.

"Closing Date" shall mean the date on which the Closing shall occur, which shall be March 29, 2024, as extended or adjourned pursuant to the terms of this Agreement.

"Closing Documents" shall mean the documents defined as such in Section 7.1 hereof.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collective Bargaining Agreement" means the Collective Bargaining Agreement dated March 1, 2023 by and between Manager and UNITE HERE Local 26.

"Cut-Off Time" means 11:59 pm Eastern Time on the day immediately preceding the Closing Date.

"Deed" shall mean a quitclaim deed in substantially the form attached hereto as Exhibit C conveying title to the Real Property from Seller to Purchaser.

"Deposit" shall mean all amounts deposited from time to time with Escrow Agent by Purchaser, including without limitation the Initial Deposit, the Additional Deposit, and the Extension Deposit held by the Escrow Agent pursuant to Section 2.3 hereof, plus all interest or other earnings that may accrue thereon.

"Effective Date" (or other similar phrases such as "date of this Agreement" or "date hereof") shall have the definition ascribed to such term in Section 10.24 hereof.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended (ERISA).

"Escrow Agent" shall mean Kensington Vanguard National Title, 5949 Sherry Lane, Suite 111, Dallas, Texas 75225, Attn: Trey Lentz; Email: TLentz@kvnational.com; Phone: (214) 273-2514.

"Extension Deposit" shall have the definition ascribed to such term in Section 2.3 hereof.

"Extension Notice" shall have the definition ascribed to such term in Section 7.1 hereof.

"Exterior Wall Ordinance" shall have the meaning ascribed thereto in Section 2.4(h).

"FIRPTA Certificate" shall mean the affidavit of Seller under Section 1445 of the Internal Revenue Code, as amended, in substantially the form attached hereto as Exhibit G.

"Go Hard Notice" shall mean a notice from Purchaser to Seller, delivered prior to the expiration of the Study Period, in which Purchaser elects to proceed to Closing in accordance with this Agreement.

"Governmental Authority" shall mean any federal, state, county, municipal or other government or any governmental or quasi-governmental agency, department, commission, board, bureau, office or instrumentality, foreign or domestic, or any of them.

"Holdback Escrow Agreement" shall mean the agreement in the form attached hereto as Exhibit I.

"Hotel" shall have the definition ascribed to such term in the Recitations.

"Hotel Employees" shall mean all employees of Seller, Manager or any Affiliate thereof employed at the Property.

"Initial Deposit" shall have the meaning given such term in Section 2.3 hereof.

"Improvements" shall mean the Hotel and all other buildings, improvements, and other items of real estate located on the Land.

"Insurance Policies" shall mean all policies of insurance maintained by or on behalf of Seller pertaining to the Property, its operation, or any part thereof.

"Intangible Personal Property" shall mean, to the extent assignable, Seller's right, title and interest in and to all intangible personal property owned or possessed by Seller and used in connection with the ownership or operation of the Property, including, without limitation, (1) Authorizations, (2) utility and development rights and privileges, general intangibles, business books and records (including, but not limited to, promotional material, tenant data, marketing and leasing material and forms (including but not limited to any such records, data, information, material and forms in the form of computerized files)), hotel specific domains, marks, website and related login information, intellectual property used in conjunction with the ownership or operation of the Hotel, plans and specifications pertaining to the Real Property and

the Personal Property, (3) any unpaid award for taking by condemnation or any damage to the Land by reason of a change of grade or location of or access to any street or highway, (4) the share of the Rooms Ledger determined under Section 7.6 hereof, (6) Advance Bookings and (7) Warranties and Guaranties, excluding (a) Seller's petty cash on hand, in bank accounts and invested with financial or other institutions, all of which shall be retained by Seller, and (b) accounts receivable, all of which shall be retained by Seller, except for the above described share of the Rooms Ledger.

"Inventory" shall mean all inventories of food and beverage (to the extent permitted by Applicable Laws, alcoholic and non-alcoholic) in opened or unopened cases whether in use or held in reserve storage for future use, all china, glassware, silverware, kitchen and bar small goods, guest supplies, operating supplies, printing, stationary and uniforms, whether in use or held in reserve storage for future use in connection with the operation of a hotel and all in-use or reserve stock of linens, towels, paper goods, soaps, cleaning supplies and the like with respect to the Hotel.

"Land" shall mean the air rights and those certain parcels of real estate lying and being in Suffolk County, Massachusetts, and more particularly described on Exhibit A hereof, together with all rights, titles, benefits, easements, privileges, remainders, tenements, hereditaments, interests, reversions and appurtenances thereunto belonging or in any way appertaining, and all of the estate, right, title, interest, claim or demand whatsoever of Seller therein, in and to adjacent strips and gores, if any, between the Land and abutting properties, and in and to adjacent streets, highways, roads, alleys or rights-of-way, and the beds thereof (except to the extent, if any, that such strips or gores or such streets, highways, roads, alleys or rights-of-way abut or provide access to or benefit other properties owned by Seller), either at law or in equity, in possession or expectancy, now or hereafter acquired.

"Leased Property" shall mean all leased items of Tangible Personal Property, including, items subject to any capital lease, operating lease, financing lease, or any similar agreement.

"Leased Property Agreements" shall mean the lease agreements pertaining to the Leased Property set forth on Schedule 3.5 attached hereto.

"License Agreement" shall mean that certain Amended and Restated Franchise License Agreement, dated November 16, 2011, by and between Licensor, as licensor, and Operating Lessee, as licensee, as amended.

"Licensor" shall mean Hilton Franchise LLC, a Delaware limited liability company.

"Licensor Approval" shall have the meaning ascribed thereto in Section 2.4(f).

"Liquor Licenses" means the licenses and permits required for the sale and service of alcoholic beverages at the Hotel, which are held by Manager.

"Management Agreement" shall mean the management agreement (as distinguished from the License) between Operating Lessee and Manager for the management or operation of the Hotel.

"Manager" shall mean Remington Boston Employers, LLC.

"Monetary Encumbrance Release" shall have the meaning ascribed to such term in Section 2.4(e) hereof.

"Monetary Title Encumbrances" shall mean any title encumbrances affecting the Hotel which are comprised of (i) liens on the Property for unpaid taxes or judgments against Seller, other than liens for taxes not yet due and payable, (ii) mortgages, deeds of trust, security agreements, or other liens or charges in a fixed sum (or capable of computation as a fixed sum) securing indebtedness or obligations which were created or expressly assumed by Seller, or (iii) liens against the Property in the nature of those arising from judgments or pending litigation or construction, mechanics, materialmen's or other liens or charges for work performed by or on behalf of Seller or Manager.

"New Survey" shall have the meaning ascribed to such term in Section 2.4(e) hereof.

"Non-Breach Inaccuracy" shall mean a breach or inaccuracy of a representation or warranty contained in Article III of this Agreement of which Seller gives Purchaser written notice prior to Closing or Purchaser otherwise obtains Actual Knowledge prior to Closing which does not constitute a breach or inaccuracy of any such representation or warranty made as of the Effective Date but would constitute a breach or inaccuracy of such representation or warranty if made as of the Closing Date (such as, for example, because Seller did not have knowledge, as such term is defined in Article III, of such matters as of the Effective Date), which breach or inaccuracy, in any case (i) arises out of the passage of time or occurrence of events or circumstances that are permitted to occur hereunder (other than those matters that are consented to in writing by Purchaser, or (ii) with respect to any representation or warranty made to Seller's knowledge (as such term is defined in Article III), which does not constitute a breach or inaccuracy of any such representation or warranty made as of the Effective Date to Seller's knowledge, but would constitute a breach or inaccuracy of such representation or warranty if made as of the Closing Date as a result of Seller's knowledge obtained subsequent to the Effective Date). For the avoidance of doubt, any matter, fact or circumstance that has changed between the Effective Date and the Closing Date with Purchaser's express written consent (e.g., Seller has entered into a new Operating Agreement with Purchaser's consent (or deemed consent in accordance with the Approval Standard)) shall in no event constitute a Non-Breach Inaccuracy.

"Occupancy Agreements" shall mean all leases, concession or occupancy agreements in effect with respect to the Real Property and/or Hotel under which any tenants

(other than Hotel guests and Operating Lessee) or concessionaires occupy space upon the Real Property set forth on Schedule 3.9 attached hereto.

“Operating Agreements” shall mean all service, supply, maintenance, construction, capital improvement and other similar contracts in effect with respect to the Property (other than the Occupancy Agreements, Leased Property Agreements, Management Agreement, and the License Agreement) related to construction, operation, or maintenance of the Property set forth on Schedule 3.5 attached hereto.

“Operating Lease” shall mean that certain lease agreement between Fee Owner and Operating Lessee with respect to the Property.

“Ordinary Course of Business” means the ordinary course of business consistent with Seller’s past custom and practice for the Business during the twelve (12) months preceding the Effective Date, subject to the Management Agreement and the License Agreement, taking into account the facts and circumstances in existence from time to time.

“Owner’s Title Policy” shall mean an ALTA 2021 owner’s policy of title insurance issued to Purchaser by the Title Company, pursuant to which the Title Company insures Purchaser’s ownership of fee simple title to the Real Property, subject only to Permitted Title Exceptions. The Owner’s Title Policy shall insure Purchaser in the amount of the Purchase Price.

“Person” shall mean an individual, a partnership, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, Governmental Authority or other legal entity, in each case whether in its own or a representative capacity.

“Permitted Title Exceptions” shall mean:

- (a) the rights of tenants or hotel guests, as tenants or guests only, without any right to acquire any portion of the Property;
- (b) the lien of all ad valorem real estate taxes and assessments not yet due and payable as of the date of Closing;
- (c) local, state and federal laws, ordinances or governmental regulations, including but not limited to, building, zoning and land use laws, ordinances and regulations, now or hereafter in effect relating to the Property;
- (d) all matters identified in Schedule B of the Title Commitment, and all matters shown on the Survey (other than, in each case, any Purchaser’s Objections to which Purchaser has objected in accordance with Section 2.4(e) of this Agreement), all as approved or deemed approved by Purchaser pursuant to the terms of this Agreement;

(e) monetary liens arising by, through or under Purchaser; and

(f) additional items, if any, approved by Purchaser pursuant to Section 2.4(e) hereof.

"Personal Property" shall mean collectively the Tangible Personal Property and the Intangible Personal Property.

"Property" shall mean collectively the Real Property, Personal Property, the Occupancy Agreements, and, to the extent Purchaser elects to assume the same pursuant to the terms hereof, the Operating Agreements and the Leased Property Agreements.

"Purchase Price" shall mean One Hundred Seventy-Six Million Dollars (\$176,000,000.00) payable in the manner described in Section 2.2 hereof.

"Purchaser Default" shall have the meaning ascribed to such term in Section 9.2 hereof.

"Purchaser Condition Failure" shall have the meaning ascribed to such term in Section 9.1 hereof.

"Purchaser Parties" shall have the meaning ascribed to such term in Section 2.4(a) hereof.

"Purchaser's Objections" shall mean the objections defined as such in Section 2.4(e) hereof.

"Real Property" shall mean the Land and the Improvements with respect to the Hotel.

"Required Insurance" shall have the meaning ascribed to such term in Section 2.4(d) hereof.

"Retained Liabilities" shall have the meaning ascribed to such term in Section 7.9 hereof.

"Rooms Ledger" shall mean the final night's room revenue for the Hotel (revenue from rooms occupied as of the Cut-Off Time, exclusive of food, beverage, telephone and similar charges charged or incurred as of such time which shall be shared equally by Purchaser and Seller), including any sales taxes, room taxes or other taxes thereon.

"Seller Condition Failure" shall have the meaning ascribed to such term in Section 9.2 hereof

"Seller Default" shall have the meaning ascribed to such term in Section 9.1(b) hereof.

"Seller's Response" shall have the meaning ascribed thereto in Section 2.4(e).

"Seller's Response Period" shall have the meaning ascribed thereto in Section 2.4(e).

"Seller's Title Policy" shall mean the title policy defined as such in Section 2.4(b) hereof.

"Study Period" shall mean the period commencing on the Effective Date, and continuing through 5:00 p.m. Eastern Time on February 28, 2024. Except as expressly noted herein to the contrary, time periods herein referred to shall mean the time periods as in effect, from time to time, at New York, New York.

"Submission Matters" shall have the definition ascribed to such term in Section 2.4(b) hereof.

"Survey" shall mean the survey defined as such in Section 2.4(b) hereof.

"Tangible Personal Property" shall mean the items of tangible personal property including, but not limited to, all furniture, furnishings, fixtures, equipment, machinery, telephone systems, computer hardware and software (to the extent assignable), security systems, inventory, vehicles and other tangible personal property of every kind and nature (which does not include cash-on-hand and petty cash funds) located at the Hotel and owned or leased by Seller, including, without limitation, Seller's interest as lessee with respect to the Leased Property.

"Termination Notice" shall have the meaning ascribed thereto in Section 2.4(a).

"Title Commitment" shall mean the title commitment and exception documents defined as such in Section 2.4(e) hereof.

"Title Company" shall mean Commonwealth Land Title Insurance Company.

"Vouchers" shall mean any written undertaking (such as a guest certificate, coupon, letter of donation or "trade-out") issued by Manager or Seller to permit the bearer to use a hotel guest room, or other hotel facility or service for which a charge is customarily imposed, without payment; provided that the term "Voucher" does not include any expired Vouchers, guest loyalty programs, gift certificates, or similar programs that are in each case sponsored or issued by Licensor or Manager and involve a reimbursement to the Hotel in connection with any guest stay.

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act ("WARN Act").

"Warranties and Guaranties" shall mean any subsisting and assignable warranties and guaranties relating to the Improvements or the Tangible Personal Property or any part thereof.

ARTICLE II
PURCHASE AND SALE; DEPOSIT; PAYMENT OF
PURCHASE PRICE; STUDY PERIOD

2.1 Purchase and Sale. Seller agrees to sell and Purchaser agrees to purchase the Property for the Purchase Price and in accordance with and subject to the other terms and conditions set forth herein.

2.2 Payment of Purchase Price. The Purchase Price shall be paid to Seller in the following manner:

(a) Purchaser shall receive a credit against the Purchase Price in an amount equal to the amount of the Deposit for the Property.

(b) Purchaser shall pay the balance of the Purchase Price, as adjusted in the manner specified in Article VII and as set forth below, to Seller (or other party designated by Seller) at Closing by making a wire transfer of immediately available federal funds to the account of Seller (or other party designated by Seller). Such wire transfer shall be sent by Purchaser to the Escrow Agent for the account of Seller no later than 5:30 PM, Eastern time on the Closing Date.

(c) Purchaser and Seller shall agree upon the allocation of the Purchase Price between the Real Property and the Personal Property prior to the expiration of the Study Period and shall aim to minimize the amount so allocated to Real Property; provided, however, if Purchaser and Seller cannot agree prior to expiration of the Study Period, and Purchaser does not exercise its right to terminate this Agreement at or prior to expiration of the Study Period in accordance with the terms hereof, each of Seller and Purchaser shall provide a proposed allocation of the Purchase Price between the Real Property and the Personal Property, and the allocation that allocates a lesser amount to the Real Property shall be used.

2.3 Deposit. On or before the date that is two (2) Business Days following the Effective Date, Purchaser shall deliver to Escrow Agent a wire transfer or cashier's or certified check in the sum of Three Million Dollars (\$3,000,000.00) (the "Initial Deposit"), proceeds of which wire transfer Escrow Agent shall deposit and invest in an interest bearing account at a financial institution acceptable to Purchaser. Fifty Dollars (\$50.00) of the Initial Deposit shall represent the independent consideration for Seller's execution of this Agreement and agreement to provide Purchaser with the Study Period. If Purchaser fails to timely deposit the Initial Deposit with Escrow Agent within two (2) Business Days following the Effective Date, Seller shall be entitled, as Seller's sole and exclusive remedy, to terminate this Agreement by written notice to Purchaser at any time before the Initial Deposit is delivered to Escrow Agent, in which

event neither party shall have any obligations hereunder, except those which expressly survive a termination of this Agreement. No later than one (1) Business Day following the expiration of the Study Period, if this Agreement has not been sooner terminated in accordance herewith and Purchaser elects to proceed with the transaction as set forth in Section 2.4, Purchaser shall deposit with Escrow Agent, by wire transfer an additional deposit in the amount of Five Million Dollars (\$5,000,000.00) (the "Additional Deposit"). If, after Purchaser delivers a Go Hard Notice, Purchaser fails to timely deposit the Additional Deposit with Escrow Agent within one (1) Business Day following the expiration of the Study Period, Seller shall be entitled, as Seller's sole and exclusive remedy, to terminate this Agreement by written notice to Purchaser at any time before the Additional Deposit is delivered to Escrow Agent, in which event the Initial Deposit shall be refunded to Purchaser and neither party shall have any obligations hereunder, except those which expressly survive a termination of this Agreement. If Purchaser deposits the Additional Deposit with Escrow Agent before Purchaser's receipt of Seller's termination notice, Purchaser shall be deemed to have timely deposited the Additional Deposit and Seller shall not thereafter be entitled to terminate this Agreement as a result of any delay in depositing the Additional Deposit. In the event Purchaser extends the Closing as provided in Section 7.1 of this Agreement, Purchaser shall deposit with Escrow Agent, by wire transfer a one-time extension deposit in the amount of Five Hundred Thousand Dollars (\$500,000.00) (the "Extension Deposit") no later than 5:00 PM New York, New York time on the date which is two (2) Business Days following the date the Extension Notice is delivered to Seller, which Extension Deposit shall be non-refundable to Purchaser except as otherwise expressly provided herein. If Purchaser fails to deposit the Extension Deposit with Escrow Agent by the originally scheduled Closing Date, Seller shall be entitled, as Seller's sole and exclusive remedy, to terminate this Agreement by written notice to Purchaser at any time before the Extension Deposit is delivered to Escrow Agent, in which event the Initial Deposit and Additional Deposit shall be delivered to Seller and neither party shall have any obligations hereunder, except those which expressly survive a termination of this Agreement. If Purchaser deposits the Extension Deposit with Escrow Agent before Purchaser's receipt of Seller's termination notice, Purchaser shall be deemed to have timely deposited the Extension Deposit and Seller shall not thereafter be entitled to terminate this Agreement as a result of any delay in depositing the Extension Deposit. The Deposit shall be invested by Escrow Agent in a commercial bank or banks acceptable to Seller and Purchaser at money market rates, or in such other investments as shall be approved in writing by Seller and Purchaser. The Deposit shall be held and disbursed by Escrow Agent in strict accordance with the terms and provisions of this Agreement. All accrued interest or other earnings on the Deposit shall become part of the Deposit. The Deposit shall be fully refundable to Purchaser in the event Purchaser terminates this Agreement during the Study Period and shall be returned to Purchaser if Purchaser, prior to the expiration of the Study Period, fails to deliver the Go Hard Notice to Seller or fails to timely deposit the Additional Deposit following delivery of a Go Hard Notice. The Deposit shall be either (a) applied at the Closing against the Purchase Price, (b) returned to Purchaser pursuant hereto, or (c) paid to Seller pursuant hereto.

2.4 Study Period.

(a) Purchaser and its agents, contractors, auditors, engineers, attorneys, employees, consultants, other representatives and potential lessees, partners, and lenders (collectively, "Purchaser Parties") shall have the right, until 5:00 p.m., New York, New York time on the last day of the Study Period, and thereafter if Purchaser delivers the Go Hard Notice to Seller prior to the expiration of the Study Period, to enter upon the Real Property upon not less than twenty-four (24) hours prior notice to Seller, and to perform, at Purchaser's expense, such economic, surveying, engineering, topographic, environmental, marketing and other tests, studies and investigations as Purchaser may deem appropriate (it being understood that Purchaser may contact Governmental Authorities as necessary in the ordinary course of obtaining a zoning report, environmental report, property condition report, lien searches, and/or bankruptcy, OFAC, UCC, and litigation searches). Purchaser shall have until the expiration of the Study Period to determine whether it (x) elects to proceed with the transactions contemplated by this Agreement, or (y) does not wish to acquire the Property for any reason or no reason. Accordingly, if Purchaser (i) elects to proceed, it shall deliver to Seller and Escrow Agent the Go Hard Notice, and (ii) elects to terminate the transaction, it shall deliver to Seller and Escrow Agent written notice of such termination (the "Termination Notice"), in any case, on or prior to the expiration of the Study Period. If Purchaser (A) delivers a Termination Notice or (B) fails to provide either the Go Hard Notice or the Termination Notice, in either case, on or before the expiration of the Study Period, then Purchaser shall be deemed to have elected not to proceed and to terminate the transaction, in which case, Escrow Agent shall be irrevocably authorized to return the Initial Deposit to Purchaser, and Purchaser and Seller shall be released from all further liability or obligation hereunder except those which expressly survive a termination of this Agreement. Once Purchaser delivers the Go Hard Notice to Seller on or prior to the expiration of the Study Period and the Additional Deposit to Escrow Agent in accordance with Section 2.3 hereof, the Deposit shall become non-refundable except as otherwise expressly provided herein. Purchaser Parties shall have no discussions, correspondence, or other contact with any Hotel Employees, other than the general manager of the Hotel (currently, Doug Koenig), unless coordinated with Seller or Manager (or an Affiliate thereof).

(b) Within two (2) Business Days following the Effective Date, and thereafter promptly following Purchaser's request therefor, to the extent in Seller's or Manager's possession or otherwise reasonably obtainable by Seller or Manager without additional material cost or expense, Seller shall deliver (unless otherwise provided below) copies of the following to Purchaser at Seller's expense to the extent they relate to the Hotel (items (1) – (15) shall be referred to herein as the "Submission Matters"):

(1) Copies of all Occupancy Agreements in effect as of the date of this Agreement.

(2) Copies of all Authorizations including, without limitation, all certificates of occupancy, zoning and any existing written confirmation of any zoning designations if any, permits, authorizations, approvals, liquor licenses, liquor license applications and licenses issued by Governmental Authorities having jurisdiction over the Property and

copies of all certificates issued by the local board of fire underwriters (or other body exercising similar functions) relating to the Property.

(3) Copies of all Operating Agreements and Leased Property Agreements.

(4) A copy of the Collective Bargaining Agreement.

(5) Financial and operating statements for the Property, for the shorter of (x) the previous five (5) calendar years and the year to date, or (y) the period Seller has owned the Property.

(6) The operating and capital expenditure budget for the Property for the shorter of (x) the current calendar year and for the previous three (3) calendar years, and (y) the period Seller has owned the Property.

(7) Copies of all Warranties and Guaranties (available at the Property).

(8) Copies of Seller's most recently procured environmental site assessments, soil tests and/or other environmental tests, audits, studies or reports related to the Property prepared for Seller or Manager.

(9) Copies of Seller's most recently procured zoning reports related to the Property prepared for Seller or Manager.

(10) Copies of Seller's most recently procured property condition reports, parking, structural, mechanical, plumbing, electrical or other engineering reports.

(11) Copies of Seller's most recent title insurance policy ("Seller's Title Policy") and survey covering the Real Property (the "Survey").

(12) All real estate and personal property tax statements with respect to the Property for the shorter of (x) the previous three (3) calendar years and the year to date, or (y) the period Seller has owned the Property.

(13) All notices of violations received from Governmental Authorities in the past 12 months in connection with the Property, which notices relate to violations which have not been cured.

(14) Advance Bookings.

(15) Any other documents and other diligence items reasonably requested by Purchaser required to complete its due diligence review.

In the event Seller fails to make available any of the Submission Matters as provided above or fails to provide any of the items specified in Section 2.4(e) below as provided therein,

Purchaser shall give Seller notice thereof so that Seller shall have an opportunity to cure such failure by providing such items. In the event Seller does not provide such Submission Matters or items specified in Section 2.4(e) prior to the expiration of the Study Period, Purchaser's sole remedy shall be to terminate this Agreement on or before the expiration of the Study Period and receive a return of the Deposit. In the event Purchaser does not so terminate this Agreement prior to the expiration of the Study Period, Purchaser shall be deemed to have waived such failure.

(c) If for any reason whatsoever, other than a default by Seller hereunder, Purchaser does not purchase the Property, Purchaser shall, upon request of Seller, promptly destroy, all copies of all the Submission Matters delivered to Purchaser or Purchaser Parties by Seller, provided that Purchaser may retain copies of Submission Matters in its automated computer backup systems or as otherwise required by law, regulation or document retention and compliance procedures. The provisions of this Section 2.4(c) shall survive for a period of six (6) months following the termination of this Agreement.

(d) Purchaser shall indemnify, hold harmless and defend Seller and Manager from and against any actual out-of-pocket loss, actual damage (excluding special, consequential, punitive, exemplary, and speculative damages, unless actually payable by Seller to a third party), liability or claim for personal injury or property damage and any other actual out-of-pocket loss, actual damage (excluding special, consequential, punitive, exemplary, and speculative damages, unless actually payable by Seller to a third party), liability, claim or lien to the extent arising from the acts at or upon the Real Property by Purchaser or Purchaser Parties or any agents, contractors or employees of any of them in conducting engineering, environmental, and other tests and investigations upon the Real Property that Purchaser desires, but excluding any such loss, damage or claim (i) if and to the extent caused by the negligence or reckless or willful misconduct of Seller and/or Manager or their respective agents, contractors, auditors, engineers, attorneys, employees, consultants and other representatives and/or (ii) for any existing conditions merely discovered by Purchaser or Purchaser Parties, unless exacerbated by Purchaser's gross negligence or willful misconduct (in which case Purchaser shall be responsible solely to the extent of such exacerbation). Purchaser understands and agrees that any on-site inspections of the Property shall occur at reasonable times agreed upon by Seller and Purchaser after not less than twenty-four (24) hours prior notice to Seller (which may be by e-mail) and shall be conducted so as not to interfere unreasonably with the operation of the Property and the use of the Property by the tenants and the guests of the Hotel. Seller and/or Manager shall have the right to have a representative present during any such inspections, provided that the failure of Seller and/or Manager to be present shall not inhibit any such inspection by Purchaser. If Purchaser desires to do any invasive testing at the Property, Purchaser shall do so only after notifying Seller and obtaining Seller's prior written consent thereto, which consent shall not be unreasonably withheld or delayed and may be subject to reasonable terms and conditions as may be proposed by Seller. Purchaser shall not permit any liens arising from the performance of services by a Purchaser Party to attach to the Property by reason of such inspections. Purchaser shall (i) restore the Property, at its own expense, to substantially the same condition which existed prior to any inspections or other activities of Purchaser thereon; and (ii) be responsible

for and pay any and all liens by contractors, subcontractors, materialmen, or laborers performing the inspections or any other work for Purchaser or Purchaser Parties on or related to the Property. All contractors and others performing any physical and environmental tests and studies on the Property shall carry the following: (i) property damage, bodily or personal injury or death insurance with limits of not less than \$1,000,000 per occurrence limit, (ii) excess (umbrella) liability insurance with limits of not less than \$1,000,000 per occurrence; (iii) comprehensive automobile liability insurance with a \$1,000,000 combined single limit; (iv) employer's liability insurance with a limit of \$1,000,000 per occurrence; and (v) worker's compensation insurance in compliance with applicable statutory requirements (collectively, the "Required Insurance"). Upon request of Seller, prior to performing any such physical and environmental tests and studies on the Property, Purchaser shall present to Seller reasonably satisfactory evidence that such party carries and maintains the Required Insurance. Until January 4, 2025, Purchaser shall not solicit for employment any Hotel Employees except for employment at the Hotel in accordance with Section 6.5 if the transaction is consummated. The provisions of this Section 2.4(d) shall survive any termination of this Agreement and a closing of the transaction contemplated hereby.

(e)

(1) Within two (2) days following the Effective Date (if same has not already been ordered), Seller shall order from the Title Company for delivery to Purchaser and Seller, a title insurance commitment issued by the Title Company covering the Real Property, binding the Title Company to issue the Owner's Title Policy together with legible copies (to the extent such legible copies are available) of all documents identified in such title insurance commitment as exceptions to title (collectively, the "Title Commitment"), with respect to the state of title to the Property. Purchaser also shall request, at Purchaser's expense, that the Title Company obtain municipal lien certificates from the City of Boston for the Real Property and water and sewer certificates from the City of Boston for the Real Property, and Seller agrees to cooperate with Purchaser and the Title Company to obtain such municipal lien certificates and water and sewer certificates. No later than the date that is ten (10) days prior to the expiration of the Study Period, Purchaser shall notify Seller of any matters shown on such Survey or identified in the Title Commitment that Purchaser is unwilling to accept (collectively, "Purchaser's Objections"). If any of Purchaser's Objections consist of Monetary Title Encumbrances, then, to that extent, notwithstanding anything herein to the contrary, Seller shall be obligated to either (i) pay and discharge or (ii) bond against in a manner legally sufficient to cause to be released (individually and collectively, a "Monetary Encumbrance Release"). For such purposes, Seller may use all or a portion of the Purchase Price to effectuate a Monetary Encumbrance Release with respect to any such Monetary Title Encumbrances at the Closing. Other than as specifically required in this Agreement, Seller shall not be obligated to incur any expenses or incur any liability to cure any Purchaser's Objections. Seller may notify Purchaser within five (5) days after receipt of notice of Purchaser's Objections ("Seller's Response Period") whether Seller, in its sole discretion, agrees to attempt to cure any of such Purchaser's Objections ("Seller's Response"). If Seller agrees in Seller's Response to attempt to cure any of such Purchaser's Objections, Seller shall use good faith efforts (without the obligation to expend any money or

incur any liability except with regards to the release of Monetary Title Encumbrances which Seller shall cause to be released) to cure such Purchaser's Objections which Seller has agreed to attempt to cure on or before the Closing Date to the reasonable satisfaction of Purchaser. If Seller is unable to cure such Purchaser's Objections by the Closing Date, Purchaser shall, on the Closing Date, elect (1) to waive such Purchaser's Objections without any abatement in the Purchase Price, or (2) to terminate this Agreement in which case the Deposit shall be promptly returned to Purchaser and the parties hereto shall be released from all further obligations hereunder, except those which expressly survive a termination of this Agreement. If Seller does not provide Seller's Response to Purchaser within Seller's Response Period, Seller shall be deemed to have elected not to attempt to cure Purchaser's Objections. If Seller elects in Seller's Response not to attempt to cure all or any number of Purchaser's Objections or if Seller is deemed to have elected not to attempt to cure Purchaser's Objections pursuant to the preceding sentence, on or prior to the expiration of the Study Period, Purchaser shall elect (1) to waive any Purchaser's Objections which Seller has elected or is deemed to have elected not to attempt to cure without any abatement in the Purchase Price, or (2) to terminate this Agreement in which case the Deposit shall be promptly returned to Purchaser and the parties hereto shall be released from all further obligations hereunder, except those which expressly survive a termination of this Agreement. In the event Purchaser does not provide to Seller notice of Purchaser's election under the preceding sentence within such period, Purchaser shall be deemed to have elected clause (1) of the preceding sentence.

(2) Whether or not Purchaser shall have furnished to Seller any notice of Purchaser's Objections pursuant to the foregoing provisions of this Agreement, Purchaser may, at or prior to the expiration of the Study Period, notify Seller in writing of any Purchaser's Objections with respect to any matters or conditions reflected on a new survey of the Property obtained by Purchaser (the "New Survey") and not reflected on the Survey; provided, however, that Purchaser must notify Seller of any such Purchaser's Objections by the earlier of (x) five (5) Business Days following receipt of the New Survey and (y) three (3) Business Days prior to expiration of the Study Period. With respect to any such Purchaser's Objections made to the New Survey (except with regards to the release of Monetary Title Encumbrances which Seller shall cause to be released), Seller shall have the same option to cure and Purchaser shall have the same option to accept title subject to such matters or to terminate this Agreement as those which apply to any Purchaser's Objections made pursuant to Section 2.4(e)(1), provided that in such case, the last day of Seller's Response Period shall be the earlier of (x) three (3) days after receipt of notice of Purchaser's Objections and (y) two (2) Business Days prior to the expiration of the Study Period. For the avoidance of doubt, if Seller elects in Seller's Response not to attempt to cure all or any number of Purchaser's Objections relating to the New Survey or if Seller is deemed to have elected not to attempt to cure Purchaser's Objections relating to the New Survey, no later than the expiration of the Study Period Purchaser shall elect either (1) to waive any Purchaser's Objections relating to the New Survey which Seller has elected or is deemed to have elected not to attempt to cure without any abatement in the Purchase Price, or (2) to terminate this Agreement in which case the Deposit shall be promptly returned to Purchaser and the parties

hereto shall be released from all further obligations hereunder, except those which expressly survive a termination of this Agreement.

(3) Except as otherwise provided herein, Seller shall not, after the date of this Agreement, voluntarily subject the Real Property to any liens, encumbrances, covenants, conditions, restrictions, easements or other title matters or seek any zoning changes without Purchaser's prior written consent, which consent: (i) prior to expiration of the Study Period, shall not be unreasonably withheld or delayed, and (ii) after the expiration of the Study Period and Purchaser's election to proceed with the transaction in accordance herewith, may be granted or withheld in Purchaser's sole discretion. All title matters revealed by the Title Commitment and Survey (or any update obtained by Purchaser) which are not objected to by Purchaser as provided above (other than Monetary Title Encumbrances which will be covered by a Monetary Encumbrance Release at Closing), or which are waived or deemed waived by Purchaser as provided above, shall all be deemed Permitted Title Exceptions.

(f) In addition to the above, prior to the expiration of the Study Period, Purchaser shall use diligent efforts, with Seller's commercially reasonable assistance, to obtain (i) the written consent of the Licensor to a new franchise agreement between Licensor and Purchaser on terms acceptable to Purchaser in Purchaser's sole discretion and (ii) a Property Improvement Plan ("PIP") from Licensor acceptable to Purchaser in Purchaser's sole discretion in both scope and cost of repairs and improvements required by Licensor to the Hotel and Improvements (the foregoing (i) and (ii), collectively, the "Licensor Approval").

(g) Prior to the expiration of the Study Period, Purchaser shall, and Seller shall cause Manager to, use diligent efforts to agree with Manager on a form of new management agreement for Manager's management and operation of the Hotel after Closing (the "New Management Agreement"), the form of which New Management Agreement shall be attached to an amendment to this Agreement upon the expiration of the Study Period, and to be executed and delivered by Purchaser and Manager upon Closing hereunder and dated as of the Closing Date, with only such applicable de minimis edits that are necessary to prepare the document for execution at Closing. Seller acknowledges and agrees that Manager is an Affiliate of Seller and as such, Seller has the ability to cause Manager to take such actions required of Manager pursuant to this Agreement and, accordingly, Manager's failure or refusal to so execute the New Management Agreement at Closing shall constitute a Seller Default hereunder.

(h) During the Study Period, at Seller's sole cost and expense, Seller (or Purchaser, if Purchaser and Seller agree) will order an inspection from Wessling Architects to confirm that the Improvements are in compliance with requirements of City of Boston Code, Ordinances Section 9-9.12 (the "Exterior Wall Ordinance"). Seller agrees to pay any fines, penalties or fees assessed against Seller or the Property related to the Exterior Wall Ordinance which relate to the time period prior to the Closing Date. The provisions of this Section 2.4(h) shall survive the Closing.

ARTICLE III
SELLER'S REPRESENTATIONS AND WARRANTIES

To induce Purchaser to enter into this Agreement and to purchase the Property, and to pay the Purchase Price therefor, Seller, to its knowledge and except for and subject to information contained in the Submission Matters, hereby makes the following representations and warranties:

3 . 1 Organization and Power. Seller is duly organized, validly existing and in good standing under the laws of Delaware and has all requisite power and authority to enter into and perform its obligations hereunder and under any document or instrument required to be executed and delivered on behalf of Seller hereunder. Seller is, or at Closing will be, qualified to do business and is in good standing under the laws of Massachusetts.

3 . 2 Authorization and Execution. This Agreement and, at Closing, the Closing Documents, have been duly authorized by all necessary action on the part of Seller, has been duly executed and delivered by Seller, constitutes the valid and binding agreements of Seller and is enforceable in accordance with its terms. The person executing this Agreement, and, at Closing, the Closing Documents, on behalf of Seller has the authority to do so.

3 . 3 Non-contravention. Subject to any consent to the assignment of any particular Operating Agreement, Occupancy Agreement or Leased Property Agreement required by the terms thereof or by applicable law and to the payment in full at the Closing of any Monetary Title Encumbrances, the execution and delivery of, and the performance by Seller of its obligations under, this Agreement does not and will not contravene, or constitute a default under, any provision of applicable law or regulation, Seller's organizational documents or any agreement, judgment, injunction, order, decree or other instrument binding upon Seller or to which the Property is subject, or result in the creation of any lien or other encumbrance on any asset of Seller.

3.4 Compliance with Existing Laws. Seller has not received from any Governmental Authority written notice within the past year (i) of any violation of any provision of Applicable Laws, including, but not limited to, those of environmental agencies, with respect to the ownership, operation, use, maintenance or condition of the Property, which violation has not been remedied, or (ii) that the Hotel is the subject of any pending or threatened investigations by any Governmental Authority relating to a violation or suspected violation of applicable law in connection with the current condition, occupancy or use of the Property. Seller has delivered to Purchaser true, correct and complete copies of all Authorizations in effect.

3.5 Management Agreement/Operating Agreements. There are no management contracts in effect with respect to the Property other than the Management Agreement. True, correct and complete copies of the Operating Agreements and Leased Property Agreements set forth on Schedule 3.5 attached hereto have been provided to Purchaser. There are no management, service, supply, or maintenance contracts by and between (x) Seller or Manager

and (y) Ashford or any Persons affiliated therewith (including, without limitation, INSPIRE, RED Hospitality and Leisure, OpenKey, Pure Wellness and/or Premier), in effect with respect to the Property which will remain in effect after Closing (subject to Section 6.1 hereof) other than as set forth on Schedule 3.5 attached hereto. All parties to material Operating Agreements or Leased Property Agreements have performed all of their obligations thereunder in all material respects, and are not in default thereunder in any material respect. For purposes of this Agreement, an Operating Agreement or Leased Property Agreement shall be deemed "material" if it requires aggregate annual payments in excess of \$25,000.00 for any year during the term of such Contract.

3.6 Condemnation Proceedings; Roadways. Seller has received no written notice of or has knowledge of any condemnation or eminent domain proceeding pending or threatened against the Property or any part thereof.

3.7 Actions or Proceedings. To Seller's Knowledge, there is no action, suit or proceeding, pending, and Seller has not received written notice of any threatened action, suit or proceeding, against or affecting Seller in any court or before any arbitrator, or before or by any Governmental Authority which (a) in any manner raises any question affecting the validity or enforceability of this Agreement or any other agreement or instrument to which Seller is a party or by which it is bound and that is or is to be used in connection with, or is contemplated by, this Agreement, (b) would materially and adversely affect the business, results of operations or operation of the Property in the Ordinary Course of Business, (c) would materially and adversely affect the ability of Seller to perform its obligations hereunder, or under any document to be delivered by Seller pursuant hereto or (d) would create a lien on the Property, any part thereof or any interest therein which would not be discharged at Closing.

3.8 Labor and Employment. Seller does not have any Hotel Employees and Manager is the employer of all Hotel Employees. Neither Seller nor Manager is a party to any employment agreements with respect to the Property other than the Collective Bargaining Agreement made available to Purchaser as Submission Matters. The Collective Bargaining Agreement has not been amended. A true, correct and complete copy of the Collective Bargaining Agreement has been provided to Purchaser. There are no claims, grievances or administrative or judicial proceedings pending or, to Seller's actual knowledge, threatened in writing, against the Seller or Manager filed by or on behalf of the Hotel Employees.

3.9 Occupancy Agreements. There are no leases, concessions or occupancy agreements in effect with respect to the Real Property other than the Occupancy Agreements listed on Schedule 3.9 attached hereto. True, correct and complete copies of the Occupancy Agreements have been provided to Purchaser. All parties to Occupancy Agreements have performed all of their obligations thereunder in all material respects, and are not in default thereunder in any material respect.

3.10 Seller Is Not a "Foreign Person". Seller, or if Seller is a disregarded entity, Seller's owner, is not a "foreign person" within the meaning of Section 1445 of the Internal

Revenue Code, as amended (i.e., Seller is not a foreign corporation, foreign partnership, foreign trust, foreign estate or foreign person as those terms are defined in the Internal Revenue Code and regulations promulgated thereunder).

3.11 Bankruptcy. Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller's creditors that remains pending, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Seller's assets that remains pending, (iv) suffered the attachment or other judicial seizure of all, or substantially all of Seller's assets that remains pending, (v) admitted in writing its inability to pay its debts as they come due or (vi) made an offer of settlement, extension or composition to its creditors generally.

3.12 Terrorism. None of Seller or its Affiliates is in violation of any laws relating to terrorism, money laundering or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Action of 2001, Public Law 107-56 and Executive Order No. 13224 (Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) (the "Executive Order") (collectively, the "Anti-Money Laundering and Anti-Terrorism Laws"). For purposes of this Section 3.12, any interest in Seller or its Affiliates held via public shares is not included in this representation.

(1) None of Seller or either its Affiliates, is acting, directly or indirectly, on behalf of terrorists, terrorist organizations or narcotics traffickers or for or on behalf of any person, group, entity or nation who commits, threatens to commit, or supports terrorism, including those persons or entities that appear on the Annex to the Executive Order, or are included on any relevant lists maintained by the Office of Foreign Assets Control of U.S. Department of Treasury, U.S. Department of State, or other U.S. government agencies, all as may be amended from time to time.

(2) None of Seller or its Affiliates (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any person included in the lists set forth in the preceding paragraph; (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Money Laundering and Anti-Terrorism Laws.

3.13 License Agreement. The License Agreement is in full force and effect and, to Seller's knowledge, there are no material defaults or events that with notice or the passage of time or both, would constitute a material default by Seller thereunder, nor by any other party thereto. All fees and charges due and payable by Seller to Licensor under the License Agreement have been paid, or will be paid at Closing, and Seller has not received written notice from Licensor of any default, deficiency or other quality insufficiency notice in connection with

the License Agreement which has not been remedied. There is no unamortized key money under the License Agreement.

3.14 Taxes. Seller is current in its payment of all taxes, including penalties and interest, that are due on or have accrued through the Effective Date and which would be delinquent if unpaid on the Closing Date and all required reports and returns relating thereto have been, or will be, timely filed, subject to any extension rights. All sales and use taxes required to be paid or collected by Seller or Manager in the ownership and operation of the Property have been or will be collected and paid, in the Ordinary Course of Business, to the appropriate governmental authority through the Closing Date. Seller has not received any written notice for an audit of any taxes which has not been resolved or completed and Seller is not currently contesting any taxes.

3.15 Financial Statements. The financial and operating statements of the Hotel provided by Seller to Purchaser for fiscal years 2018, 2019, 2020, 2021, 2022, and 2023, are true and correct copies of the documents used in connection with the reporting by Seller to its clients, investors and lenders. To Seller's knowledge, all such financial and operating statements so provided are in all material respects true and complete and fairly represent the financial condition of Seller and the Hotel as of the dates stated therein.

3.16 Personal Property. All of the Tangible Personal Property are owned by the Seller and shall be conveyed to Purchaser on the Closing Date, free and clear of all liens, encumbrances and security interests. Except for the Leased Property, none of the Tangible Personal Property required for the operation, repair or maintenance of the Property is leased from or owned by third-parties.

3.17 Capital Improvements; Offline Rooms. As of the Effective Date, there are no ongoing capital improvement projects with respect to the Real Property, the cost of which is equal to or greater than Fifteen Thousand Dollars (\$15,000), individually or in the aggregate. As of the Effective Date, there are no "offline" or "out of order" hotel rooms.

3.18 Liquor License. Neither Seller nor, to Seller's knowledge, Manager, has received any written notice from any Governmental Authority of any violation, suspension or revocation of the Liquor Licenses that has not been cured or dismissed.

3.19 Rights of First Offer. Seller has not granted a right of first refusal, first offer or option for the purchase or lease of the Property or any portion thereof, which remains outstanding.

Each of the representations and warranties contained in this Article III and its various subparagraphs are intended for the benefit of Purchaser and may be waived in whole or in part, by Purchaser. Subject to the limitations contained in Section 10.15 hereof, all rights and remedies arising in connection with the untruth or inaccuracy of any such representations and warranties shall survive the Closing of the transaction contemplated hereby as provided in Section 10.15.

The term "to Seller's knowledge" or similar phrase as used in this Article III and elsewhere in this Agreement shall mean the then actual current knowledge of Brandon Pover, the designated asset manager of Seller, Adam Tegge and Deric Eubanks, without any duty of investigation or inquiry other than the duty of reasonable inquiry of Doug Koenig, the general manager of the Hotel, and Dominique Marty. Such designated asset manager and general manager shall have no personal liability for such representations.

3.20 LIMITATION ON SELLER'S REPRESENTATIONS AND WARRANTIES. PURCHASER ACKNOWLEDGES AND AGREES THAT, OTHER THAN A REPRESENTATION, WARRANTY OR COVENANT EXPRESSLY SET FORTH IN THIS AGREEMENT (A BREACH OF WHICH PURCHASER MAY MAINTAIN AN ACTION IN ACCORDANCE WITH AND SUBJECT TO ARTICLE IX AND SECTION 10.15 OF THIS AGREEMENT) OR AS EXPRESSLY SET FORTH IN A CLOSING DOCUMENT, THE PROPERTY IS SOLD "AS IS" "WHERE IS" AND "WITH ALL FAULTS" AND NEITHER SELLER, NOR ANY AGENT OR REPRESENTATIVE OF SELLER, HAS MADE, NOR IS SELLER LIABLE FOR OR BOUND IN ANY MANNER BY ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTEES, PROMISES, STATEMENTS, INDUCEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY OR ANY PART THEREOF, THE PHYSICAL CONDITION, ENVIRONMENTAL CONDITION, INCOME, EXPENSES OR OPERATION THEREOF, THE USES WHICH CAN BE MADE OF THE SAME OR ANY OTHER MATTER OR THING WITH RESPECT THERETO, INCLUDING ANY EXISTING OR PROSPECTIVE LEASES. WITHOUT LIMITING THE FOREGOING, PURCHASER ACKNOWLEDGES AND AGREES THAT, OTHER THAN A REPRESENTATION, WARRANTY OR COVENANT EXPRESSLY SET FORTH IN THIS AGREEMENT (A BREACH OF WHICH PURCHASER MAY MAINTAIN AN ACTION IN ACCORDANCE WITH AND SUBJECT TO ARTICLE IX AND SECTION 10.15 OF THIS AGREEMENT) OR AS EXPRESSLY SET FORTH IN A CLOSING DOCUMENT, SELLER IS NOT LIABLE FOR OR BOUND BY (AND PURCHASER HAS NOT RELIED UPON) ANY ORAL OR WRITTEN STATEMENTS, REPRESENTATIONS, OR FINANCIAL STATEMENTS PERTAINING TO THE OPERATION OF THE PROPERTY, OR ANY OTHER INFORMATION RESPECTING THE PROPERTY FURNISHED BY SELLER OR ANY EMPLOYEE, AGENT, CONSULTANT OR OTHER PERSON REPRESENTING OR PURPORTEDLY REPRESENTING SELLER. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT, OTHER THAN A REPRESENTATION, WARRANTY OR COVENANT SET FORTH IN THIS AGREEMENT (A BREACH OF WHICH PURCHASER MAY MAINTAIN AN ACTION IN ACCORDANCE WITH AND SUBJECT TO ARTICLE IX AND SECTION 10.15 OF THIS AGREEMENT) OR AS EXPRESSLY SET FORTH IN A CLOSING DOCUMENT, IT SHALL BE PURCHASING THE PROPERTY IN AN "AS IS" "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT THE DATE OF CLOSING WITH RESPECT TO THE STRUCTURAL AND MECHANICAL ELEMENTS OF THE PROPERTY, THE PHYSICAL AND ENVIRONMENTAL CONDITION OF THE PROPERTY, THE FIRE-LIFE SAFETY SYSTEMS AND THE FURNITURE, FIXTURES AND EQUIPMENT LOCATED THEREON OR ATTACHED THERETO, ALL OF WHICH

PURCHASER AND ITS CONSULTANTS SHALL HAVE INSPECTED AND EITHER APPROVED OR WAIVED OBJECTION TO ON OR PRIOR TO THE CLOSING AND PURCHASER HEREBY RELEASES SELLER AND ITS AFFILIATES FROM ANY AND ALL OBLIGATIONS, LIABILITIES, CLAIMS, DEMANDS, SUITS, CAUSES OF ACTION, DAMAGES, JUDGMENTS, COSTS AND EXPENSES RELATING TO ANY OF THE FOREGOING, EXCEPT WITH RESPECT TO PURCHASER'S RIGHTS AND REMEDIES SET FORTH IN ARTICLE IX AND SECTION 10.15 OF THIS AGREEMENT. PURCHASER ALSO ACKNOWLEDGES THAT, AS OF THE CLOSING DATE, IT SHALL HAVE INDEPENDENTLY INVESTIGATED, ANALYZED AND APPRAISED TO ITS SATISFACTION THE VALUE AND THE PROFITABILITY OF THE PROPERTY. PURCHASER ACKNOWLEDGES THAT, TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR PURPOSES OF ANY APPLICABLE LAW, RULE, REGULATION OR ORDER. THE PROVISIONS OF THIS SECTION 3.21 SHALL SURVIVE THE CLOSING.

Except with respect to those representations, warranties and covenants expressly set forth in this Agreement (a breach of which Purchaser may maintain an action in accordance with and subject to Article IX and Section 10.15 of this Agreement), it is specifically understood and agreed by Seller and Purchaser that Seller does not make, and shall not be deemed to have made, any representation, warranty or covenant with respect to (i) any Environmental Laws that may affect any of the Property or (ii) the presence or absence of any Hazardous or Toxic Substances in, on, above, under or about any of the Property. Purchaser, for itself and its successors in interest, hereby releases Seller and its Affiliates from, and waives all claims and liability against Seller and its Affiliates for or attributable to, any structural, physical and/or environmental condition at the Property, including without limitation the presence, discovery or removal of any Hazardous Substances or Toxic Substances in, at, about or under such Property, or connected with or arising out of any and all claims or causes of action based upon any Environmental Laws, including, without limitation, CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by SARA Superfund Amendment and Reauthorization Act of 1986 and as may be further amended from time to time) or any related claims or causes of action or any other federal or state based statutory or regulatory or other causes of action for environmental contamination at, in or under any Property. As used in this Section 3.20, (A) the term "Environmental Laws" means all federal, State and local laws, codes, ordinances, rules, orders and regulations now or hereafter in effect relating to pollution or the protection of the environment, including without limitation, all laws, codes, ordinances, rules, orders and regulations governing the generation, use, collection, treatment, storage, transportation, recovery, removal, discharge, spill or disposal of any or all Hazardous or Toxic Substances, and (B) the term "Hazardous Substances" or "Toxic Substances" means materials and substances defined as "hazardous substances", "hazardous wastes", "toxic substances" or "toxic wastes" in (1) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601-9675, as amended by the Superfund Amendments and Reauthorization Act of 1988, and any further amendments thereto and rules, orders and

regulations thereunder; (II) the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901-6992, as amended by the Hazardous and Solid Waste Amendments of 1984, and any further amendments thereto and rules, orders and regulations thereunder; or (III) any other Environmental Laws.

ARTICLE IV

PURCHASER'S REPRESENTATIONS AND WARRANTIES

To induce Seller to enter into this Agreement and to sell the Property, Purchaser hereby makes the following representations and warranties:

4.1 Organization and Power. Purchaser is duly organized, validly existing and in good standing under the laws of Delaware and has all requisite power and authority to enter into and perform its obligations under this Agreement and any document or instrument required to be executed and delivered on behalf of Purchaser hereunder.

4.2 Authorization and Execution. This Agreement has been duly authorized by all necessary action on the part of Purchaser, has been duly executed and delivered by Purchaser, constitutes the valid and binding agreement of Purchaser and is enforceable in accordance with its terms. The person executing this Agreement on behalf of Purchaser has the authority to do so.

4.3 Non-contravention. The execution and delivery of this Agreement and the performance by Purchaser of its obligations hereunder do not and will not contravene, or constitute a default under, any provisions of applicable law or regulation, Purchaser's organizational documents, or any agreement, judgment, injunction, order, decree or other instrument binding upon Purchaser or result in the creation of any lien or other encumbrance on any asset of Purchaser.

4.4 Litigation. There is no action, suit or proceeding, pending or threatened in writing, against or affecting Purchaser in any court or before any arbitrator or before any Governmental Authority which (a) would be reasonably expected to affect the validity or enforceability of this Agreement, or (b) would materially and adversely affect the ability of Purchaser to perform its obligations hereunder, or under any document to be delivered pursuant hereto.

4.5 Patriot Act. Purchaser is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by the United States Treasury Department as a Specifically Designated National and Blocked person, or for or on behalf of any person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; and it is not engaged in this transaction directly or indirectly on behalf of, or facilitating this transaction directly or indirectly on behalf of, any such person, group, entity or nation.

4.6 Terrorism. None of Purchaser or, to Purchaser's actual knowledge, its Affiliates, is in violation of any Anti-Money Laundering and Anti-Terrorism Laws.

(a) None of Purchaser or, to Purchaser's actual knowledge, its Affiliates, is acting, directly or indirectly, on behalf of terrorists, terrorist organizations or narcotics traffickers, including those persons or entities that appear on the Annex to the Executive Order, or are included on any relevant lists maintained by the Office of Foreign Assets Control of U.S. Department of Treasury, U.S. Department of State, or other U.S. government agencies, all as may be amended from time to time.

(b) None of Purchaser or, to Purchaser's actual knowledge, its Affiliates (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any person included in the lists set forth in the preceding paragraph; (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Money Laundering and Anti-Terrorism Laws.

ARTICLE V

CONDITIONS PRECEDENT

5 . 1 As to Purchaser's Obligations Purchaser shall have the remedies and Closing obligations set forth in Section 9.1 hereof, which section contains the sole and exclusive remedies and Closing obligations of Purchaser, if any of the following conditions are not satisfied by Seller or waived by Purchaser on or before the Closing Date (unless the failure to satisfy such condition is caused by the default of Purchaser or its Affiliates under this Agreement):

(a) Seller's Deliveries. Seller shall have delivered to or for the benefit of Purchaser, on or before the Closing Date, all of the documents required of Seller pursuant to Sections 7.2 and 7.4 hereof.

(b) Representations, Warranties and Covenants; Obligations of Seller; Certificate All of Seller's representations and warranties made in this Agreement shall be true and correct in all material respects (meaning no breach or inaccuracy that is not cured by Seller would reasonably be expected to result in Purchaser incurring or assuming, or the Property being affected by, any liability, obligation, damage, loss, cost or expense in an amount equal to or greater than \$100,000 ("**5.1(b) Damages**")) as of the date hereof and as of the Closing Date as if then made (except for untruths or inaccuracies of which Purchaser obtains knowledge prior to the expiration of the Study Period), and Seller shall deliver a certificate to such effect ("**Seller's Date-down Certificate**"). Seller shall have performed in all material respects all of its covenants and other obligations under this Agreement. For purposes of this Section 5.1(b), a breach or inaccuracy of a representation or warranty shall be deemed cured by Seller if on or before the expiration of the cure period set forth in Section 9.1(a), Seller (i) agrees to pay or provide to Purchaser a credit to the Purchase Price at Closing in the amount of the 5.1(b) Damages, or (ii)

takes corrective action that causes the breach or inaccuracy to no longer be a breach or inaccuracy in any material respect if then remade.

(c) Operating Lease and Management Agreement. The Operating Lease between Fee Owner and Operating Lessee, and the Management Agreement between Operating Lessee and Manager shall be terminated without cost or expense to Purchaser.

(d) Management Agreement. Manager shall have entered into the New Management Agreement.

(e) Licensor Approval. Provided that Seller shall have paid all amounts due to Licensor that are accrued and unpaid under the License Agreement as of the Closing Date, Licensor shall be prepared to execute and deliver a new license agreement with Purchaser consistent with the Licensor Approval obtained during the Study Period. If Purchaser did not obtain Licensor Approval prior to the expiration of the Study Period, this condition shall not be applicable to Purchaser.

(f) Title Policy. Subject only to the payment of all premiums, the Title Company shall be irrevocably committed to issue to Purchaser the Title Policy subject only to Permitted Title Exceptions.

Each of the conditions contained in this Section are intended for the benefit of Purchaser and may be waived in whole or in part, in writing, by Purchaser or automatically if Purchaser proceeds to Closing.

5.2 As to Seller's Obligations Seller shall have the remedies and Closing obligations set forth in Section 9.2 hereof, which section contains the sole and exclusive remedies and Closing obligations of Seller, if any of the following conditions are not satisfied by Purchaser or waived by Seller on or before the Closing Date (unless the failure to satisfy such condition is caused by the default of Seller or its Affiliates under this Agreement):

(a) Purchaser's Deliveries. Purchaser shall have delivered to or for the benefit of Seller, on or before the Closing Date, all of the documents and payments required of Purchaser pursuant to Sections 7.3 and 7.4 hereof.

(b) Representations, Warranties and Covenants; Obligations of Purchaser. All of Purchaser's representations and warranties made in this Agreement shall be true and correct in all material respects as of the date hereof and as of the date of Closing as if then made and Purchaser shall deliver a certificate to such effect ("**Purchaser's Date-down Certificate**"). Purchaser shall have performed in all material respects all of its covenants and other obligations under this Agreement.

(c) License Agreement. At Purchaser's expense for any application or similar fees charged, and any costs incurred, in either case, by Licensor in connection with the satisfaction and/or compliance with any property improvement plan required by Licensor under

the new license agreement between Purchaser and Licensor (but not, for the avoidance of doubt, any and all amounts due to Licensor that are accrued and unpaid under the License Agreement as of the Closing Date, for which Seller shall be responsible), Purchaser shall have entered into a new license agreement with Licensor and the License Agreement and any guarantee thereof shall be terminated without payment of any liquidated damages.

(d) Management Agreement. At Purchaser's expense, Purchaser shall have entered into the New Management Agreement.

Each of the conditions contained in this Section are intended for the benefit of Seller and may be waived in whole or in part, in writing, by Seller or automatically if Seller proceeds to Closing.

ARTICLE VI

COVENANTS OF SELLER AND PURCHASER

6.1 Operating Agreements/Occupancy Agreements/Leased Property Agreements. From and after the expiration of the Study Period, Seller shall not enter into, and Seller shall not permit Manager to enter into, any new Operating Agreements, Occupancy Agreements or Leased Property Agreements or any modifications to any such agreements except as required by the terms thereof, unless (a) any such agreement or modification will not bind Purchaser or the Property after the date of Closing or is subject to termination on not more than forty-five (45) days' notice without penalty or fee, or (b) Seller has obtained Purchaser's prior written consent to such agreement or modification, which consent may be granted or withheld in Purchaser's sole discretion and shall be deemed given if, within five (5) Business Days following Purchaser's receipt of Seller's request, Purchaser does not expressly object to the request or withhold its consent thereto (the "Approval Standard"). If there are any Operating Agreements or Leased Property Agreements that Purchaser elects not to assume at Closing, Purchaser shall notify Seller in writing prior to the expiration of the Study Period as to which Operating Agreements and Leased Property Agreements Purchaser does not want to assume and Seller will terminate, at Purchaser's cost and expense, such Operating Agreement(s) and/or Leased Property Agreements at or prior to Closing; notwithstanding the foregoing, Seller agrees to pay any termination fees or penalties associated with terminating any contracts with parties which are Affiliates of Seller, Ashford or Manager. Seller agrees to pay any termination fees or penalties associated with terminating any Operating Agreements and/or Leased Property Agreements to be assumed by Purchaser to the extent any such Operating Agreement or Leased Property Agreement is not assignable without the consent of the counterparty thereto and the counterparty thereto withholds its consent (excluding any such Operating Agreements and/or Leased Property Agreements for which consent is withheld due to modifications or amendments proposed by Purchaser). Seller shall not cancel, or cause to be cancelled, or permit Manager to cancel, any Operating Agreement or Leased Property Agreement that Purchaser has elected to assume, Occupancy Agreement or Leased Property Agreement at any time prior to the Closing with the prior written consent of Purchaser, which may be granted or withheld in its sole discretion, subject to the Approval Standard. Notwithstanding anything stated herein to the contrary, from the date of this

Agreement until the Closing or earlier termination of this Agreement, Seller, unless required by operation of law, shall not, and shall cause Manager to not, without the explicit prior consent of the Purchaser, (i) enter into any other (or amend any existing) collective bargaining agreement or other labor agreement with any labor organization with respect to Hotel Employees, or (ii) enter into a (or amend or modify any existing) card-check recognition agreement, neutrality agreement or labor agreement of any kind if any provision thereof binds or obligates Purchaser, or any of its Affiliates, with respect to any employees (or prospective employees) other than Hotel Employees.

6 . 2 Warranties and Guaranties. Seller shall not before or after Closing release or modify any Warranties and Guaranties, if any, except with the prior written consent of Purchaser which may be granted or withheld in its sole discretion, which consent shall be subject to the Approval Standard.

6 . 3 Insurance. Seller shall pay all premiums on, and shall not cancel or voluntarily allow to expire, any of Seller's Insurance Policies unless such policy is replaced, without any lapse of coverage, by another policy or policies providing coverage at least as extensive as the policy or policies being replaced.

6 . 4 Operation of Property Prior to Closing Seller covenants and agrees with Purchaser that, to the extent it is legally entitled to do so, between the date of this Agreement and the date of Closing and subject to the terms of the Management Agreement:

(a) Seller shall, and shall cause Manager to, operate and maintain the Property and the Hotel in the Ordinary Course of Business and in compliance with the Management Agreement, subject to this Agreement and seasonal differences and events or conditions beyond Seller's reasonable control; provided, however, nothing in this Agreement shall be construed to require Seller to comply with the PIP (final or proposed) in connection with Purchaser's new license agreement.

(b) Seller shall, and shall cause Manager to, pay (subject to legal rights of appeal and protest) prior to delinquency all ad valorem, occupancy and sales taxes due and payable with respect to the Property or the operation of the Hotel. Seller shall not commence, continue and/or settle any proceeding to contest any taxes for any taxable period which includes the Closing Date without Purchaser's prior written consent.

(c) Seller shall, and shall cause Manager to, continue to take guest room reservations and to book functions and meetings and otherwise to promote the business of the Property in the Ordinary Course of Business; and all advance room bookings and reservations and all meetings and function bookings shall be booked at rates, prices and charges charged by Seller for such purposes in the Ordinary Course of Business. Seller acknowledges that the Purchase Price includes the transfer of Advance Bookings and any payments and/or deposits made pursuant to such Advance Bookings and Seller shall provide, and/or cause Manager to

provide, any information in their possession or control required of Purchaser to honor such Bookings.

(d) Seller shall promptly advise Purchaser of any litigation, arbitration or administrative hearing concerning the Property of which Seller obtains actual knowledge.

(e) Seller shall refrain, and shall cause Manager to refrain, from removing or causing or permitting to be removed any of the Real Property or any part or portion of the Tangible Personal Property owned or leased by Seller or Manager, unless, with respect to Tangible Personal Property, (x) the same is, in the Ordinary Course of Business, no longer needed or useful or is replaced, prior to Closing, with similar items of at least equal or better suitability, quality and value, free and clear of any liens or security interests and (y) the sale of food and beverage and retail merchandise in the Ordinary Course of Business.

(f) Seller shall not: (a) apply for or consent to any change to the zoning classification of the Property or (b) perform any capital improvements to the Improvements, other than (y) maintenance or repair of the Improvements in the Ordinary Course of Business, and (z) capital improvements necessitated by an emergency or casualty (subject to the provisions of Section 8.1 hereof).

6.5 Employee Claims.

(a) Purchaser shall hold harmless, indemnify and defend Seller, Operating Lessee and Manager and their Affiliates from and against any and all actual out-of-pocket claims, causes of action, proceedings, judgments, actual damages (excluding special, consequential, punitive, exemplary, and speculative damages, unless actually payable by Seller to a third party), penalties, liabilities, actual out-of-pocket costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Seller, Operating Lessee or Manager or any Affiliate thereof with respect to claims, causes of action, judgments, damages, penalties and liabilities asserted by or on behalf of Hotel Employees under any contract (including, without limitation, any obligations under the Collective Bargaining Agreement, all of which Purchaser or its manager shall assume at Closing) or statute accruing and arising on or after the Closing Date, including, without limitation (A) the termination of such Hotel Employees; (B) any and all liability under the WARN Act; (C) the failure of Purchaser to comply with the provisions of any collective bargaining agreement; (D) any claim arising under the Family and Medical Leave Act or other state leave of absence statute made by someone on a statutorily-approved leave of absence at the time of Closing; (E) any alleged discrimination, breach of contract or other wrongful termination (under federal statutes, state statutes or common law); (F) any alleged right to workers' compensation benefits, unemployment compensation or statutory or contractual severance, including claims for any withdrawal liability or unfunded liability incurred because of participation in any pension plan covered by the Multiemployer Pension Plan Amendments Act of 1980 or other multiemployer pension plan or similar fund; and (G) any claims for employee benefit contributions, vacation pay or sick pay which is accrued but

unpaid as of the Closing Date and which Purchaser has agreed to pay pursuant to the terms Section 7.6 hereof.

(b) Seller shall hold harmless, indemnify and defend Purchaser and its Affiliates from and against any and all claims, causes of action, proceedings, judgments, damages, penalties, liabilities, costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Purchaser or any Affiliate thereof with respect to claims, causes of action, judgments, damages, penalties and liabilities asserted by or on behalf of Hotel Employees under any contract (including, without limitation, any obligations under the Collective Bargaining Agreement) or statute accruing or arising prior to the Closing Date, including, without limitation (A) the termination of such Hotel Employees; (B) any and all liability under the WARN Act; (C) the failure of Seller, Operating Lessee or Manager or their Affiliates to comply with the provisions of any collective bargaining agreement; (D) any claim arising under the Family and Medical Leave Act or other state leave of absence statute made by someone on a statutorily-approved leave of absence at the time of Closing; (E) any alleged discrimination, breach of contract or other wrongful termination (under federal statutes, state statutes or common law); (F) any alleged right to workers' compensation benefits, unemployment compensation or statutory or contractual severance, including claims for any withdrawal liability or unfunded liability incurred because of participation in any pension plan covered by the Multiemployer Pension Plan Amendments Act of 1980 or other multiemployer pension plan or similar fund (collectively, "Employment Claims"); and (G) any claims for employee benefit contributions, vacation pay or sick pay which were accrued and due to be paid prior the Closing Date.

(c) The provisions of this Section 6.5 shall survive the Closing.

6.6 Sale of Assets.

(a) The parties acknowledge that neither Seller nor Purchaser is or will be a contributing employer to the UNITE HERE Workers and Hospitality Employers Variable Defined Benefit Pension Fund (the "Multiemployer Plan"), a multiemployer plan as defined in Section 4001(a)(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). For the avoidance of doubt, nothing in this Agreement is intended to nor shall have the effect of creating an employer-employee relationship between either Seller or Purchaser and Hotel Employees. The Hotel Employees, their representative, and benefit plans in which they are participants are not third party beneficiaries of this Agreement and neither Seller nor Purchaser is assuming any employment or benefit related liability by virtue of this Agreement.

Nonetheless, the Seller and Purchaser intend that the sale of the Hotel contemplated by this agreement shall qualify under Section 4204 of ERISA and accordingly that no complete or partial withdrawal shall be deemed to have occurred by reason of such sale. The Purchaser agrees it shall, or shall cause its manager to, contribute to the Multiemployer Plan after the Effective Date with respect to the operations of the Hotel through at least the end of the fifth plan year of the Multiemployer Plan beginning after the Effective Date (the period from the Effective Date through such plan year end, the "Continuation Period") for substantially the same

number of contribution base units for which Seller or Manager had an obligation to contribute to the Multiemployer Plan with respect to the Hotel. Furthermore, in the event of Purchaser's complete withdrawal or partial withdrawal (within the meaning of Section 4203 and 4205, respectively of ERISA) from the Multiemployer Plan at any time within the Continuation Period or thereafter, Purchaser shall hold harmless, indemnify and defend or cause to be indemnified and defended Seller and its Affiliates from and against any and all claims, causes of action, proceedings, judgments, actual damages (excluding special, consequential, punitive, exemplary, and speculative damages, unless actually payable by Seller to a third party), penalties, liabilities, actual out-of-pocket costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Seller with respect to claims, causes of action, judgments, damages, penalties and liabilities arising out of or related to such complete or partial withdrawal during the Continuation Period.

(b) The Purchaser and Seller shall each cooperate with one another for the purpose of establishing the availability of or obtaining a variance from the bond or escrow requirement under section 4204(a)(1)(B) of ERISA and the sale-contract requirement under section 4204(a)(1)(C) of ERISA. Purchaser shall be responsible for making the request to the Multiemployer Plan for such variance, if necessary. The following provisions shall apply only if no such variance is available and any such request is denied.

(1) The Purchaser shall, or shall cause its manager to, provide to the Multiemployer Plan for a period of five years of the Multiemployer Plan, commencing with the first plan year beginning after the Effective Date, a bond issued by a corporate surety company that is an acceptable surety for purposes of Section 412 of ERISA, or an amount held in escrow by a bank or similar financial institution satisfactory to the Multiemployer Plan, in an amount equal to the greater of (i) the average annual contribution required to be made by Seller with respect to the operations of the Hotel for the three plan years of the Multiemployer Plan preceding the plan year in which the Effective Date occurs or (ii) the annual contribution Seller was required to make under the Multiemployer Plan with respect to the operations of the Hotel for the last plan year prior to the plan year in which the Effective Date occurs. The bond or escrow shall provide for payment to the Multiemployer Plan if the Purchaser withdraws from the Multiemployer Plan in a complete or partial withdrawal (as defined in Sections 4203 and 4205 of ERISA) or fails to make a contribution to the Multiemployer Plan, when due, at any time during the first five plan years of the Multiemployer Plan beginning after the Effective Date.

(2) If the Purchaser withdraws from the Multiemployer Plan in a complete or partial withdrawal (as defined in Sections 4203 and 4205 of ERISA) with respect to the operations of the Hotel during the Continuation Period, Seller shall be secondarily liable for any withdrawal liability it would have had to the Multiemployer Plan with respect to the operation of the Hotel (but for Section 4204 of ERISA) if the liability of the Purchaser with respect to the Multiemployer Plan is not paid.

(c) Seller shall be responsible for posting any bond or an amount in escrow, and all expenses and costs associated therewith, which may be required under Section 4204(a)(3) by reason of a distribution of the assets of or a liquidation of Seller, if necessary.

(d) Each party shall indemnify the other from and against any and all claims, causes of action, proceedings, judgments, actual damages (excluding special, consequential, punitive, exemplary, and speculative damages, unless actually payable by such Party to a third party), penalties, liabilities, actual out-of-pocket costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the other party arising out of any breach of this Section 6.6.

(e) None of the provisions in this Agreement shall be deemed to be an amendment to any ERISA plan or plan pursuant to a Collective Bargaining Agreement, nor shall they create any rights in any third parties, participants, employees, former employees or beneficiaries. The Hotel Employees, their representative, and benefit plans in which they are participants are not third party beneficiaries of this Agreement.

ARTICLE VII

CLOSING

7.1 Closing. The Closing shall occur on the Closing Date; provided, upon not less than three (3) Business Days' prior written notice prior to the originally scheduled or then-scheduled Closing Date (the "**Extension Notice**"), Purchaser shall have the right to extend the Closing Date by up to fifteen (15) days upon delivery of the Extension Notice to Seller and subsequent deposit of the Extension Deposit with Escrow Agent (which Extension Deposit shall be deposited no later than two (2) Business Days before Closing). As more particularly described below, at the Closing the parties hereto will (i) execute or cause to be executed, or instruct the Escrow Agent to release, all of the documents required to be delivered in connection with the transactions contemplated hereby (the "Closing Documents"), (ii) deliver or cause to be delivered the same to Escrow Agent, and (iii) take or cause to be taken all other action required to be taken in respect of the transactions contemplated hereby. The Closing will occur through escrow at the Title Company, or at such other place as Purchaser and Seller may mutually agree. At the Closing, Purchaser shall deliver the balance of the Purchase Price to Escrow Agent as provided herein. As provided herein, the parties hereto will agree upon adjustments and prorations to certain items which cannot be exactly determined at the Closing and will make the appropriate adjustments with respect thereto. Possession of the Property shall be delivered to Purchaser at the Closing, subject only to Permitted Title Exceptions and the rights of tenants, licensees and concessionaires under the Occupancy Agreements and guests in possession.

7.2 Seller's Deliveries. At the Closing, Seller shall deliver, or shall cause Manager to deliver, as applicable, to Escrow Agent all of the following instruments, each of which shall have been duly executed and, where applicable, acknowledged and/or sworn, on behalf of Seller and/or Manager, as applicable, and shall be dated to be effective as of the Closing Date:

- (a) The Deed.
- (b) The Bill of Sale.
- (c) The Assignment and Assumption Agreement.
- (d) The Assignment of Occupancy Agreements.
- (e) The FIRPTA Certificate.
- (f) Any other document or instrument specifically required by this Agreement to be delivered by Seller on or before the Closing Date.
- (g) Evidence of termination of the Operating Lease and the Management Agreement.
- (h) The CBA Side Letter Assumption Agreement.
- (i) To the extent the Personal Property includes any vehicles owned by Seller, title to such vehicle, executed by the Seller in such manner as is required to convey ownership to Purchaser, and registration materials (condition may be accomplished post-closing).
- (j) Seller's Date-down Certificate.
- (k) The New Management Agreement.

7.3 Purchaser's Deliveries. At or prior to the Closing, Purchaser shall deliver or cause to be delivered to Escrow Agent the following, duly executed and, where applicable, acknowledged and/or sworn on behalf of Purchaser, and dated as of the Closing Date:

- (a) The Assignment and Assumption Agreement.
- (b) The Assignment of Occupancy Agreements.
- (c) The New Management Agreement.
- (d) The CBA Side Letter Assumption Agreement.
- (e) Purchaser's Date-down Certificate.
- (f) Any other documents or instruments specifically required by this Agreement to be delivered by Purchaser on or before the Closing Date.
- (g) At the Closing, Purchaser shall deliver to Escrow Agent the portion of the Purchase Price described in Section 2.2 hereof.

7.4 Mutual Deliveries. At the Closing, Purchaser and Seller shall mutually execute and deliver or cause to be delivered:

(a) A closing statement reflecting the Purchase Price and the adjustments and prorations required hereunder and the allocation of income and expenses required hereby.

(b) Subject to the provisions of Section 8.6 hereof, such other documents, instruments and undertakings as may be required by the liquor authorities of the State where the Property is located, or of any county or municipality or governmental entity having jurisdiction with respect to the transfer or issue of liquor licenses or alcoholic beverage licenses or permits for the Hotel, to the extent not theretofore executed and delivered.

(c) Such other and further documents, papers and instruments as may be reasonably required by the parties hereto or their respective counsel or the Title Company which are not inconsistent with this Agreement or the other Closing Documents.

To the extent the delivery of any of the items in Sections 7.2, 7.3 or 7.4 of this Agreement are conditions precedent to the obligation of a party pursuant to Sections 5.1 or 5.2 of this Agreement, and the condition relating to any such item is not satisfied as of Closing, but the party for whose benefit such unsatisfied condition is made elects, nonetheless, to proceed to Closing, the delivery of the item applicable to the unsatisfied condition shall not be required pursuant to the provisions of Section 7.2, 7.3 or 7.4 of this Agreement.

7.5 Closing Costs. Except as is explicitly provided in this Agreement, each party hereto shall pay its own legal fees and expenses. All filing fees for the Deed and the transfer, recording, sales or other similar taxes and surtaxes due with respect to the transfer of title, as well as the cost for title insurance, endorsements and surveys, and any other costs specified on Schedule 1 attached hereto, shall all be paid in accordance with allocations set forth in Schedule 1. To the extent releases or corrective instruments are required to be delivered by Seller pursuant to the terms of this Agreement, Seller shall pay for the costs associated with the releases of any deeds of trust, mortgages and other Monetary Title Encumbrances encumbering the Property and for any costs associated with any corrective instruments. All other costs (except any costs incurred by either party for its own account) which are necessary to carry out the transactions contemplated hereunder shall be allocated between Purchaser and Seller in accordance with local custom in the jurisdiction in which the Hotel is located. The provisions of this Section 7.5 shall survive the Closing and any termination of this Agreement.

7.6 Revenue and Expense Allocations. All revenues and expenses with respect to the Property, and applicable to the period of time before and after Closing, determined in accordance with sound accounting principles consistently applied, shall be allocated between Seller and Purchaser as provided herein. Pursuant to such allocation, Seller shall be entitled to all revenue and shall be responsible for all expenses for the period of time up to the Cut-off Time, and Purchaser shall be entitled to all revenue and shall be responsible for all expenses for the period of time following the Cut-off Time. Such allocations and adjustments shall be shown on the

closing statement (with such supporting documentation as the parties hereto may reasonably require being attached as exhibits to the closing statements) and shall increase or decrease (as the case may be) the cash amount payable by Purchaser pursuant to Section 2.2 hereof. All prorations shall be made on the basis of the actual number of days in the year and month in which the Closing occurs or in the period of computation. Without limiting the generality of the foregoing, the following items of revenue and expense shall be allocated and prorated at Closing:

- (a) Current rents under Occupancy Agreements (excluding rent under the Operating Lease).
- (b) Real estate and personal property taxes.

(c) Revenue and expenses under the Operating Agreements and Leased Property Agreements to be assigned to and assumed by Purchaser in accordance with this Agreement, with Seller being credited for amounts prepaid, and Purchaser being credited for amounts accrued and unpaid. Purchaser shall receive a credit for all deposits held by Seller under the Operating Agreements and Leased Property Agreements which are not transferred to Purchaser, and Purchaser thereafter shall be obligated to refund or apply such deposits in accordance with the terms of such Operating Agreements and Leased Property Agreements. Seller shall receive a credit for all deposits made by Seller under the Operating Agreements and Leased Property Agreements which are transferred to Purchaser or remain on deposit for the benefit of Purchaser.

(d) Utility charges (including, but not limited to, charges for phone service, cable television, gas, water, sewer and electricity). The parties shall use commercially reasonable efforts to obtain readings for all utilities as of the Cut-Off Time. If readings cannot be obtained as of the Closing Date, the cost of such utilities shall be prorated between Seller and Purchaser by estimating such cost on the basis of the most recent bill for such service; provided, however, that after the Closing, the Parties shall re-prorate the amount for such utilities and pay any deficiency in the original proration to the other Party promptly upon receipt of the actual bill for the relevant billing period, which obligation shall survive the Closing.

(e) Except to the extent an adjustment or proration is made under another subsection of this Section 7.6, (i) Seller shall pay in full prior to the Closing all amounts payable to vendors or other suppliers of goods or services for the Business (the "Trade Payables") which are due and payable as of the Closing Date for which goods or services have been delivered to the Hotel prior to Closing, and (ii) Purchaser shall receive a credit for the amount of such Trade Payables which have accrued, but are not yet due and payable as of the Closing Date, and Purchaser shall pay all such Trade Payables accrued as of the Closing Date when such Trade Payables become due and payable; provided, however, Seller and Purchaser shall re-prorate the amount of credit for any Trade Payables and pay any deficiency in the original proration to the other Party promptly upon receipt of the actual bill for such goods or services.

(f) All amounts prepaid, accrued or due and payable under any Authorizations transferred to Purchaser. Seller shall receive a credit for all deposits made by Seller under the Authorizations which are transferred to Purchaser or which remain on deposit for the benefit of Purchaser.

(g) All other revenues and expenses of the Property as of the Cut-off Time, including, but not limited to, such things as restaurant, bar and meeting room income and expenses and the like.

(h) The Rooms Ledger and housekeeping costs for the night during which the Cut-off Time occurs (to be apportioned equally between Seller and Purchaser). With respect to Advance Bookings, Purchaser shall receive a credit for all prepaid deposits for Advance Bookings scheduled to occur on or after the Closing Date, except to the extent such deposits are transferred to Purchaser. For the avoidance of doubt, it is expressly agreed by and between Purchaser and Seller that, other than the guest ledger, Purchaser is not purchasing any of Seller's accounts receivable.

(i) Seller shall close out the transactions in the restaurants and bars in the Hotel as of the regular closing time for such restaurants and bars during the night in which the Cut-Off Time occurs and retain all monies collected as of such closing, and Purchaser shall be entitled to any monies collected from the restaurants and bars thereafter.

(j) Such other items as are usually and customarily prorated between purchasers and sellers of hotel properties in the area where the Property is located.

Seller shall receive a credit for any prepaid expenses accruing to periods on or after the Closing Date. Purchaser shall receive a credit against the Purchase Price for the total of (i) prepaid rents, (ii) prepaid room receipts and deposits, function receipts and deposits and other reservation receipts and deposits, (iii) unforfeited security deposits together with any interest payable to a tenant thereon held by Seller under Occupancy Agreements and (iv) 100% of the face amount of all outstanding Vouchers that have not expired or been redeemed on or before the Closing Date. At Closing, Seller shall receive a credit for all cash balances in house banks for the benefit of Purchaser as of the Cut-off Time and for the so-called "guest ledger" as mutually approved by Purchaser and Seller for the Hotel of guest accounts receivable payable to the Hotel as of the Cut-off Time (based on guests and customers then using the Hotel) in occupancy as of the Cut-off Time. For purposes of this Agreement, transfer or sale at face value shall have the following meanings: (i) for cash in the amount equal to the total of all cash funds that are transferred to Purchaser or for the benefit of Purchaser following Closing; and (ii) for the guest ledger, the total of all credit card or other accounts receivable as shown on the records of the Hotel, less actual collection costs (i.e., fees retained by credit card companies, online travel agencies and other reservation costs), less accounting charges for rooms furnished on a gratuity or complimentary basis to any hotel staff or as an accommodation to other parties and less Purchaser's one-half (1/2) share of the Rooms Ledger. For the avoidance of doubt, it is expressly

agreed by and between Purchaser and Seller that other than the guest ledger pursuant to this Section 7.6, Purchaser is not purchasing any of Seller's accounts receivable.

In the event that the Hotel does not have 2.5-PAR of linen as of the Closing Date, Seller shall provide Purchaser with a credit at Closing in an amount equal to the actual cost of additional linens sufficient to cause the Hotel to contain at least 2.5-PAR of linens as of Closing.

With respect to all Hotel Employees and such Executive Employees as are retained or rehired by Purchaser on or after the Closing, Seller, Operating Lessee or Manager shall pay or cause to be paid on or before the Closing Date, all costs and expenses associated with accrued but unpaid salary, wages and bonuses, accrued but unpaid profit sharing and pension, health and welfare benefits or benefit fund contributions, accrued but unpaid fringe benefits, accrued but unpaid employee severance payments, and other accrued but unpaid compensation and fringe benefits, but only earned vacation pay, and excluding all accrued and/or earned sick leave (collectively, "Accrued Compensation"), which is accrued and due as of the Closing Date. Purchaser shall pay, when due, any Accrued Compensation not yet due as of the Closing Date, subject to issuance to Purchaser of a credit against the Purchase Price equal to the amount of such accrued but not yet due Accrued Compensation.

Seller shall be required to pay or cause to be paid all retail sales (as distinguished from any tax on the sale of any personal property effected pursuant to this Agreement), occupancy and liquor taxes and like impositions up to but not including the date of Closing. Any such taxes applicable to the Rooms Ledger shall be apportioned equally between Seller and Purchaser.

If accurate allocations cannot be made at Closing because current bills are not obtainable or final tax bills have not been issued for the fiscal year in which the Closing occurs (as, for example, in the case of utility bills and/or real estate or personal property taxes), the parties shall allocate such revenue or expenses at Closing on the best available information, subject to adjustment upon receipt of the final bill or other evidence of the applicable revenue or expense. The obligation to make the adjustment shall survive the closing of the transaction contemplated by this Agreement for ninety (90) days after Closing. Any revenue received or expense incurred by Seller or by Purchaser with respect to the Property after the date of Closing shall be promptly allocated in the manner described herein and the parties shall promptly pay or reimburse any amount due. In the event any revenues attributable to periods from and after the Closing are received by or on behalf of Seller, then Seller shall promptly remit same to Purchaser. In the event any revenues attributable to periods before the Closing are received by or on behalf of Purchaser, then Purchaser shall remit same to Seller on or prior to the date that is ninety (90) days after Closing. If Seller and Purchaser are unable to agree on the closing statement allocations on the Closing Date, the Closing shall occur and a preliminary closing statement shall be signed with respect to such amounts and issues that are agreed upon by Seller and Purchaser. With respect to any closing statement amounts or issues that are not agreed upon at Closing, Seller and Purchaser shall thereafter work in good faith to resolve, allocate or prorate such amounts or issues; provided that if such amounts or issues are not fully agreed upon and paid within ninety (90) days after the Closing, then, in such event, such amounts or issues shall be

submitted to an independent certified public accountant with a hospitality practice reasonably acceptable to Seller and Purchaser, for final resolution, and Seller and Purchaser agree to be bound by the determination of such accountant. The costs and expenses incurred in connection with the services of such accountant shall be borne and paid equally by Purchaser and Seller. The provisions of this Section 7.6 shall survive the Closing.

7.7 Safe Deposit Boxes. On the Closing Date, Seller shall cause Manager to make available to Purchaser at the Hotel all receipts and agreements in Manager's possession relating to all safe deposit boxes in use at the Hotel, other than safes or lockboxes, if any, located inside individual guest rooms in the Hotel. From and after the Closing, Seller shall be relieved of any and all responsibility in connection with each said box, and Purchaser shall indemnify Seller and hold them harmless from and against any actual, out-of-pocket claim, liability, cost or expense (including reasonable attorneys' fees) incurred by them with respect thereto. Seller shall indemnify and hold Purchaser harmless from and against any actual, out-of-pocket liability, claim, cost or expense (including reasonable attorney's fees) with respect to such safety deposit box arising prior to the Closing Date. The provisions of this Section 7.7 shall survive the Closing.

7.8 Inventory of Baggage. The representatives of Seller and/or Manager, and of Purchaser shall prepare an inventory of baggage at the Hotel as of 12:00 noon on the Closing Date (which inventory of baggage shall be binding on all parties thereto) of (i) all luggage, valises and trunks checked or left in the care of the Hotel by guests then or formerly in the Hotel, (ii) parcels, laundry, valet packages and other property of guests checked or left in the care of the Hotel by guests then or formerly in the Hotel (excluding, however, property in Hotel safe deposit boxes), (iii) all luggage or other property of guests retained by Seller as security for any unpaid accounts receivable, and (iv) all items contained in the Hotel lost and found. Purchaser shall be responsible from and after the Closing Date for all baggage and other items listed in such inventory of baggage, and Purchaser shall indemnify and hold Seller thereof harmless from and against any claim, liability, cost or expense (including reasonable attorneys' fees) incurred by them with respect thereto. Seller hereby agrees to indemnify and hold Purchaser harmless from any other liability or claims with respect to such inventory of baggage arising prior to the Closing Date. The provisions of this Section 7.8 shall survive the Closing.

7.9 Liabilities and Indemnification.

(a) At Closing, Purchaser shall assume all (i) obligations which Purchaser expressly assumes under this Agreement or in any Closing Document, (ii) Advance Bookings for which Purchaser receives a credit at Closing pursuant to the terms hereof, (iii) liabilities for which Purchaser receives a credit to the Purchase Price on the closing statement or pursuant to any post-closing adjustments, and (iv) obligations under Permitted Title Exceptions and tax obligations including, without limitation, all federal, state, or local income, real property, sales and use, employment, occupancy and/or excise taxes, which accrue to the period from and after the Closing Date, or which accrue to the period prior to the Closing Date and for which Purchaser receives a credit to the Purchase Price on the closing statement or pursuant to any

post-closing adjustments, (v) for any Hotel Employees to the extent arising or accruing from and after the Closing Date, and (vi) liabilities arising from any claims by third parties for personal injury or property damage arising out of events occurring from and after the Closing ("Purchaser Liabilities"). Purchaser hereby indemnifies and holds Seller, its Affiliates, members and partners, and the partners, shareholders, officers, directors, employees, representatives and agents of each of the foregoing, harmless from and against any and all costs, fees, expenses, damages, deficiencies, interest and penalties (including, without limitation, reasonable attorneys' fees and disbursements), losses, liabilities, claims, damages and expenses arising out of, or in any way relating to, the Purchaser Liabilities, excluding special, consequential, punitive, exemplary, and speculative damages, unless actually payable by Seller to a third party.

(b) At Closing, Seller shall retain all liabilities, costs, obligations and expenses, whether fixed or contingent, recorded or unrecorded, known or unknown, with respect to the Hotel, but in no event including any liabilities relating to any environmental or other physical condition of the Property, as follows: (a) to the extent Purchaser did not receive a credit at Closing, all tax obligations, including, without limitation, all federal, state, or local income, real property, sales and use, employment, occupancy and/or excise taxes and withholding liabilities and obligations of Seller or any of its Affiliates with respect to periods prior to the Closing and/or in connection with the transfer of the Real Property to Purchaser at Closing, and any interest, fines or penalties thereon or with respect to returns filed or required to be filed in connection therewith; (b) to the extent Purchaser did not receive a credit at Closing, for any Hotel Employees to the extent arising or accruing prior to the Closing Date, including the payment of any Accrued Compensation due to such Hotel Employees, (c) liabilities arising from any claims by third parties (but excluding in all instances any Affiliate of Purchaser or any of their respective Affiliates) for personal injury or property damage arising out of events occurring prior to the Closing; (d) all liabilities and obligations under the Operating Lease, the License Agreement and the Management Agreement and/or the termination(s) thereof, and (e) any liability for indebtedness, loans or grants undertaken by Seller or Seller's Affiliates pursuant to any congressional action or presidential executive orders, including, without limitation, any payroll protection loans, venue grants or restaurant revitalization grants, in connection with the operation of the Hotel or any other aspect of the Property (collectively, "Retained Liabilities"). Seller hereby indemnifies and holds Purchaser, its Affiliates, members and partners, and the partners, shareholders, officers, directors, employees, representatives and agents of each of the foregoing, harmless from and against any and all costs, fees, expenses, damages, deficiencies, interest and penalties (including, without limitation, reasonable attorneys' fees and disbursements), losses, liabilities, claims, damages and expenses arising out of, or in any way relating to, the Retained Liabilities, excluding special, consequential, punitive, exemplary, and speculative damages, unless actually payable by Purchaser to a third party.

(c) The provisions of this Section 7.9 shall survive the Closing.

ARTICLE VIII
GENERAL PROVISIONS

8 . 1 Fire or Other Casualty. Seller agrees to give Purchaser prompt notice of any fire or other casualty to the Property costing more than Ten Thousand Dollars (\$10,000) to repair and occurring between the Effective Date and the Closing Date of which Seller has knowledge. If, prior to Closing, the Property is damaged by fire or other casualty which is fully insured (without regard to deductibles) and would cost not more than Five Hundred Thousand Dollars (\$500,000) and require less than 180 days to repair, then neither party shall have the right to terminate its obligations under this Agreement to purchase or sell the Property by reason thereof and the Closing shall take place without abatement of the Purchase Price, but Seller shall assign to Purchaser at the Closing all of Seller's interest in any insurance proceeds (except use and occupancy insurance, rent loss and business interruption insurance, and any similar insurance for the period preceding the Closing Date) that may be payable to Seller on account of any such fire or other casualty, to the extent such proceeds have not been previously expended or are otherwise required to reimburse Seller for actual expenditures of restoration, plus Seller shall credit the amount of any deductibles under any policies related to such proceeds to the Purchase Price. If any such damage due to fire or other casualty is insured and would cost in excess of Five Hundred Thousand Dollars (\$500,000) or require more than 180 days to repair, then Purchaser may terminate its obligations under this Agreement to purchase the Property by written notice given to Seller within ten (10) days after Seller has given Purchaser the notice of damage or casualty referred to in this Section 8.1, or on the Closing Date, whichever is earlier, in which case the Deposit shall be promptly returned to Purchaser and the parties hereto shall be released of all further obligations hereunder with respect to the Property except those which expressly survive a termination of this Agreement. Should Purchaser elect to proceed to Closing notwithstanding the amount of the insured loss or the time required for repairs, the Closing shall take place without abatement of the Purchase Price and at Closing Seller shall assign to Purchaser the insurance proceeds and grant to Purchaser a credit against the Purchase Price equal to the amount of the applicable deductible. If, prior to Closing, any Property is damaged by fire or other casualty which is uninsured and would cost more than Twenty-Five Thousand Dollars (\$25,000) to repair, then Purchaser may terminate its obligations under this Agreement to purchase the Property by written notice given to the Seller within ten (10) days after Seller has given Purchaser the notice of damage or casualty or on the Closing Date, whichever is earlier, in which case the Deposit shall be promptly returned to Purchaser and the parties hereto shall be released of all further obligations hereunder, except those which expressly survive a termination of this Agreement. If Purchaser does not elect to terminate its obligations under this Agreement with respect to an uninsured casualty as aforesaid, or if any uninsured fire or casualty would cost not more than One Hundred Thousand Dollars (\$100,000) to repair, then the Closing shall take place as provided herein, and the Purchase Price shall be reduced by the estimated amount to repair such casualty, not to exceed One Hundred Thousand Dollars (\$100,000). Notwithstanding the foregoing, if the estimated amount to repair such uninsured casualty is not more than Five Hundred Thousand Dollars (\$500,000) but more than Twenty-five Thousand Dollars (\$25,000), Seller, at its option, may elect to provide Purchaser with a credit to the Purchase Price at Closing

for the estimated amount to repair such casualty, in which event Purchaser shall proceed to Closing and the Purchase Price shall be reduced by the estimated amount to repair such casualty.

8.2 Condemnation. After the Effective Date, Seller agrees to give Purchaser prompt notice of any notice it receives of any taking or threat of taking by condemnation of any part of or rights appurtenant to the Real Property. If such taking will materially interfere with the operation or use of, access/ingress to, or parking with respect to the Property which constitutes a part of such Real Property, the Purchaser may terminate its obligations under this Agreement to purchase the Property by written notice to Seller within ten (10) days after Seller has given Purchaser the notice of taking referred to in this Section 8.2, or on the Closing Date, whichever is earlier. For purposes of this Section 8.2, a taking will materially interfere with the operation or use of the Property if it leaves remaining a balance of the Real Property in a condition which may not reasonably be anticipated to be economically operated for the purposes and in the manner in which the Real Property was operated prior to such taking. If Purchaser exercises its option to terminate its obligations to purchase the Property pursuant to this Section 8.2, the Deposit shall be promptly returned to Purchaser and the parties hereto shall be released from all further obligations hereunder with respect to the Property, except those which expressly survive a termination of this Agreement. If Purchaser does not so elect to terminate its obligations to purchase the Property, then the Closing shall take place as provided herein, and Seller shall assign to Purchaser at the Closing all of Seller's interest in any condemnation award or payments in lieu of condemnation which may be payable to Seller on account of any such condemnation or threat thereof and, at Closing, Seller shall credit to the amount of the Purchase Price payable by Purchaser the amount, if any, of condemnation proceeds or payments in lieu of condemnation received by Seller between the Effective Date and Closing less (i) any amounts reasonably expended by Seller or Manager in collecting such sums, (ii) any amounts reasonably used by Seller or Manager to repair the Property as a result of such condemnation, and (iii) any amounts which are reasonably allocated to lost earnings or other damages or losses (other than unrepaired property damages) reasonably allocated or attributed to the period of time prior to Closing. If, prior to the Closing, there shall occur a taking by condemnation of any part of or rights appurtenant to the Property that does not materially interfere with the operation or use of, access/ingress to, or parking with respect to the Property which constitutes a part of the Property, Purchaser shall not have the right to terminate its obligations to purchase the Property under this Agreement by reason thereof and the Closing shall take place without abatement of the Purchase Price, but Seller shall assign to Purchaser at the Closing all of Seller's interest in any condemnation award or payments in lieu of condemnation which may be payable to Seller on account of any such condemnation or threat thereof and, at Closing, Seller shall credit to the amount of the Purchase Price payable by Purchaser the amount, if any, of condemnation proceeds or payments in lieu of condemnation received by Seller between the Effective Date and Closing less (i) any amounts reasonably expended by Seller or Manager in collecting such sums, (ii) any amounts reasonably used by Seller or Manager to repair the Property as a result of such condemnation, and (iii) any amounts which are reasonably allocated to lost earnings or other damages or losses (other than unrepaired property damages) reasonably allocated or attributed to the period of time prior to Closing. Provided Purchaser has not exercised its right to terminate

this Agreement pursuant to this Section 8.2, Seller shall notify Purchaser in advance regarding any proceeding or negotiation with respect to the condemnation and Purchaser shall have a reasonable right, at its own cost and expense, to appear and participate in any such proceeding or negotiation. For purposes of Sections 8.1 and 8.2 of this Agreement, estimates of costs and time required for restoration or repair shall be made by an architect or engineer, as appropriate, designated by Seller and reasonably acceptable to Purchaser.

8.3 Broker. The parties acknowledge that Broker has been the procuring cause of this Agreement. It shall be the obligation of Seller to pay Broker its commission, when, as and in accordance with a separate agreement between the Broker and Seller. There is no other real estate broker involved in this transaction. Purchaser warrants and represents to Seller that Purchaser has not dealt with any other real estate broker in connection with this transaction, nor has Purchaser been introduced to the Property or to Seller by any other real estate broker, and Purchaser shall indemnify Seller and hold Seller harmless from and against any claims, suits, demands or liabilities of any kind or nature whatsoever arising on account of the claim of any other person, firm or corporation to a real estate brokerage commission or a finder's fee as a result of having dealt with Purchaser, or as a result of having introduced Purchaser to Seller or to the Property. In like manner, Seller warrants and represents to Purchaser that Seller has not dealt with any other real estate broker in connection with this transaction, nor has Seller been introduced to Purchaser by any other real estate broker, and Seller shall indemnify Purchaser and save and hold Purchaser harmless from and against any claims, suits, demands or liabilities of any kind or nature whatsoever arising on account of the claim of any person, firm or corporation to a real estate brokerage commission or a finder's fee as a result of having dealt with Seller in connection with this transaction. The provisions of this Section 8.3 shall survive the Closing and any termination of this Agreement.

8.4 Bulk Sale and Tax Clearance Certificates. Seller and Purchaser acknowledge that to the extent permitted by applicable law, they do not intend to comply with and have agreed to waive the provisions of any statutory bulk sale or similar requirements applicable to the transaction to be effected by this Agreement. Seller and Purchaser also acknowledge that to the extent Seller's deed to Purchaser states either that (i) the conveyance does not represent the sale of all of substantially all of Seller's assets in Massachusetts or (ii) Seller is not taxed as a corporation for federal or state tax purposes, then no sale and occupancy or similar tax clearance certificates be obtained in connection with the Closing. No later than fifteen (15) days prior to the Closing Date, Seller agrees to request a Certificate of Good Standing and/or Tax Compliance from the Commonwealth of Massachusetts Department of Revenue and shall deliver the same to Purchaser promptly upon receipt.

8.5 Confidentiality. Except as hereinafter provided, Purchaser and Seller and their Affiliates shall keep the terms, conditions and provisions of this Agreement and all documents or information disclosed to or made available to or discovered by each party in connection with this Agreement (including, without limitation, the Submission Matters) confidential and such information shall be used solely for the purpose of evaluating or effecting the transactions contemplated by this Agreement, and neither Purchaser nor Seller shall make any public

announcements hereof unless and until the Closing occurs, unless the other first reasonably approves of same in writing, nor shall either disclose, unless and until the Closing occurs the terms, conditions and provisions of this Agreement or such other documents or information, except to persons who, in the reasonable business judgment of Seller or Purchaser, as applicable, "need to know" for the purpose of evaluating or effecting the transactions contemplated by this Agreement, and who are instructed to keep such information confidential, such as their respective officers, directors, employees, attorneys, accountants, engineers, surveyors, consultants, prospective financiers, prospective partners, prospective investors, potential lessees and bankers and such other third parties whose assistance is required in connection with the consummation of this transaction (collectively, "Representatives"); provided, however, that information or documents shall not be subject to the provisions of this Section 8.5 if, not otherwise in violation of this Section 8.5, such information or documents, (i) were or become(s) generally available to the public, or (ii) were or become(s) available to Purchaser or its Affiliates on a non-confidential basis from a source other than Seller or its Affiliates or Manager. Additionally, notwithstanding anything in this Agreement to the contrary, either party shall have the right to disclose any information regarding the transaction required by subpoena, interrogatories, request for production, or other legal process or by any Applicable Laws or as determined by such party to be necessary or appropriate to satisfy disclosure and reporting obligations of such party and/or its Affiliates. Notwithstanding the foregoing, a Party shall have the right upon or following (x) the expiration of the Study Period to make a disclosure required by Applicable Law and (y) the Closing Date to make a public announcement regarding the transaction described in this Agreement, provided that Seller and Purchaser shall approve the form and substance of any such public announcement, which approval shall not be unreasonably withheld, conditioned or delayed, except if a Party is required to make a public disclosure under Applicable Law, in which case no such approval by the other Party shall be required but such Party (i) shall provide the other Party prior written notice prior to expiration of the Study Period that such public announcement is required under Applicable Law, and (ii) shall consult with the other Party regarding the form and substance of such public announcement. Notwithstanding any of the foregoing, except as required by Applicable Law, in no event shall (x) Purchaser be permitted to include in any public announcement reference to Ashford Hospitality Trust or any similar name, and (y) Seller be permitted to include in any public announcement reference to (a) Certares Real Estate Management, Belcourt Capital Partners, or any similar name to any of the foregoing, or (b) the Purchase Price. The terms of this Section 8.5 shall supersede any prior confidentiality agreements executed by Seller, Purchaser, or any of their respective Affiliates, parents, or subsidiaries, to the extent such confidentiality agreements relate or refer, directly or indirectly, to the transactions contemplated by this Agreement. The provisions of this Section 8.5 relating to press releases shall survive the Closing and all the provisions of this Section 8.5 shall survive a termination of this Agreement for a period of one (1) year after such termination; provided, however, that any liabilities or obligations of either Seller, Purchaser or any of their respective Affiliates, parents, or subsidiaries that may have accrued or arisen under any confidentiality agreements prior to the Effective Date shall survive such confidentiality agreements being superseded hereby.

Seller and Purchaser stipulate that the breach of the provisions of this Section 8.5 by the other party or its respective Affiliates or Representatives may cause irreparable harm to the non-breaching party for which damages may not constitute an adequate remedy. Accordingly, the parties agree that any attempted, threatened, or actual breach of the provisions of this Section 8.5 by one party or its Affiliates or Representatives may be enjoined by an appropriate court order or judgment. The parties waive any requirement for the posting of a bond or other security as a condition to such court order or judgment. Injunctive relief will not be the sole remedy of the non-breaching party for a breach of the provisions of this Section 8.5, and all legal and equitable remedies will continue to be available to the non-breaching party. If the non-breaching party is the prevailing party in any litigation relating to the breach of the provisions of this Section 8.5 by the other party or its Affiliates or Representatives, the non-breaching party will be entitled to recover (in addition to any damages or other relief granted) its reasonable legal fees and other expenses in connection with such litigation.

Notwithstanding anything to the contrary set forth herein or in any other agreement to which the parties hereto are parties or by which they are bound, any and all obligations of confidentiality contained herein and therein (the "Confidentiality Obligations"), as they relate to the transactions and events contemplated by this Agreement (collectively, the "Transaction"), shall not apply to the "structure or tax aspects" (as that phrase is used in Section 1.6011-4T(b)(3) (or any successor provision) of the Treasury Regulations (the "Confidentiality Regulation") promulgated under Section 6011 of the Internal Revenue Code of 1986, as amended) of the Transaction; provided, however, that the Confidentiality Obligations nevertheless shall apply at a given time to any and all items of information not required to be freely disclosable at such time in order for the Transaction not to be treated as "offered under conditions of confidentiality" within the meaning of the Confidentiality Regulation.

8.6 Liquor Licenses. If Purchaser so requests, to the extent permitted by law, Seller shall transfer or cause to be transferred to Purchaser or its designee all alcoholic beverage licenses which are in their respective names, or in the names of any Affiliates licensed for the sale and service of alcohol at the Hotel, and which are necessary to operate the restaurant, bars and lounges presently located within the Hotel (and, notwithstanding anything to the contrary herein or elsewhere, to the extent that applicable laws prohibit the transfer of any portion of Inventory connected with the same, then Purchaser or its designee shall still be required to purchase the Inventory, but the transfer of Inventory shall be appropriately limited or reduced as necessary to comply with such applicable laws without otherwise delaying Closing or reducing the Purchase Price, and such matters shall in no event constitute any breach or default by Seller or any failure of a condition hereunder). Seller (and its Affiliates) and Purchaser shall cooperate each with the other, and each shall execute or cause to be executed such transfer forms, license applications and other documents as may be necessary to effect such transfers and/or to permit Purchaser to obtain new alcoholic beverage licenses, or to comply with state or local regulations. If permitted under the laws of the jurisdiction in which the Hotel is located, such parties shall execute or cause to be executed and file all necessary transfer forms, applications, regulatory compliance applications, and papers with the appropriate regulatory and alcoholic beverage authorities prior to Closing, to the end that the transfer of the existing licenses (and/or such

related Inventory) or Purchaser's obtaining new licenses shall take effect, if possible, on the Closing Date, simultaneously with Closing. If not so permitted, then the parties agree each with the other that they will promptly execute or cause to be executed all transfer forms, applications, regulatory compliance applications and other documents required by the liquor authorities in order to effect such transfer or issuance of new licenses at the earliest date in time possible consistent with the laws of the State where the Property is located, in order that all existing alcoholic beverage licenses (and/or such related Inventory) may be transferred or new alcoholic beverage licenses issued to Purchaser or its designee at the earliest possible time. If Purchaser has so requested the transfer of the existing liquor license and upon Closing the existing liquor license has not been transferred to Purchaser or Purchaser's nominee or a new liquor license has not been issued to Purchaser or Purchaser's nominee, then, subject to Applicable Laws, Seller shall (not to include by Seller the expenditure of any money or guaranty of any obligation) cause the holder of the existing liquor license (the "Existing Permittee") to enter into an interim liquor agreement (an "Interim Liquor Agreement") or any other such license agreements, management agreements and/or other interim agreements, with Purchaser or Purchaser's designee as may be reasonably necessary to govern the contractual relationship between the parties regarding the sale of alcohol at the Hotel after the Closing and before such time as an Affiliate or designee of Purchaser (the "New Permittee") obtains permits (the "New Liquor Permits") relating to the sale and on-premises consumption of liquor and other alcoholic beverages to replace the existing liquor license; provided, however, that (i) Purchaser shall indemnify, defend and hold Seller and Existing Permittee harmless from any actual damages, actual out-of-pocket costs, actual out-of-pocket expenses or claims actually incurred by Seller and Existing Permittee in connection with Purchaser's or its designee's use of the existing liquor license during said period of time, and Purchaser shall procure and pay for dram shop liability insurance (in amounts and with deductibles as previously maintained by Seller) naming Purchaser and Seller and Existing Permittee as insureds thereunder, and (ii) the obligation of Seller to cooperate and keep open the liquor facilities of the Hotel shall terminate ninety (90) days after the Closing Date, or earlier, if Purchaser obtains the New Liquor Permits at an earlier date; provided, however, Purchaser shall have the right to extend such 90-day term for an additional thirty (30) days provided New Permittee has filed and is diligently pursuing its license applications for the New Liquor Permits. At such time after Closing as the New Liquor Permits are obtained, Existing Permittee or Seller, as applicable, will convey, at no additional costs, all alcoholic beverages to New Permittee by a conveyance document in form reasonably acceptable to Seller and Purchaser and in accordance with the requirements of the Applicable Laws. Seller and Purchaser acknowledge that interim liquor agreements that are not pre-approved by the state and local regulatory authorities may govern the contractual relationship between the parties, but do not provide a legal defense against regulatory sanctions by any governmental body charged with the enforcement of liquor laws or regulations and, if Purchaser has so requested the transfer of the existing liquor license, shall use good faith efforts to agree on the form of the Interim Liquor Agreement during the Study Period. This Section 8.6 shall survive the Closing.

8.7 Seller's Accounts Receivable. It is expressly agreed by and between Purchaser and Seller that Seller, other than the guest ledger which shall be handled as set forth in Section

7.6, is not hereby agreeing to sell or cause to be sold to Purchaser, and Purchaser is not hereby agreeing to purchase any of Seller's accounts receivable. All of Seller's accounts receivable shall be and remain the property of Seller subsequent to the Closing of the transaction contemplated hereby. Purchaser shall hold any funds received by Purchaser as payment of such accounts receivable in trust, if Purchaser actually collects any such amounts, and shall pay the monies collected in respect thereof to Seller at the end of each calendar month, accompanied by a statement showing the amount collected on each such account. The provisions of this Section 8.7 shall survive the Closing.

ARTICLE IX
DEFAULT; TERMINATION RIGHTS

9.1 Default by Seller/Failure of Conditions Precedent

(a) If any condition set forth in Section 5.1 for the benefit of Purchaser cannot or will not be satisfied prior to Closing (a "Purchaser Condition Failure"), except as provided in Section 9.1(b) below to the extent such Purchaser Condition Failure is also a Seller Default, and, if curable, if Seller fails to cure any such Purchaser Condition Failure ten (10) Business Days after written notice thereof from Purchaser (or such other time period as may be explicitly provided for herein), (which ten (10) Business Day or other such time periods shall, if necessary, automatically extend the Closing Date to the expiration date of such ten (10) Business Day or other such time period), or upon the occurrence of any other event that would entitle Purchaser to terminate this Agreement and its obligations hereunder (except to the extent expressly provided for otherwise in this Agreement for such other event), Purchaser shall elect either (a) to terminate this Agreement, in which event (i) the Deposit shall be promptly returned to Purchaser and Purchaser shall retain its right to enforce the indemnities and other provisions of this Agreement which expressly survive a termination of this Agreement, and (ii) all other rights and obligations of Seller and Purchaser hereunder (except those set forth herein which expressly survive a termination of this Agreement) shall terminate immediately; or (b) to waive such matter or condition and proceed to Closing with no reduction in the Purchase Price.

(b) If, at any time prior to Closing, any of Seller or its Affiliates breaches its covenants or obligations under this Agreement in any material respect or is otherwise in default of its obligations under this Agreement in any material respect (a "Seller Default"), and there is no then existing uncured Purchaser Default or failure of the condition set forth in Section 5.2(c), Purchaser shall have, in addition to Purchaser's remedies contained in Section 9.1(a) above, the right to: (i) receive reimbursement of Purchaser's all actual third-party out-of-pocket costs and expenses incurred by Purchaser in connection with this Agreement and the transactions contemplated hereby in an amount not to exceed Two Hundred Thousand and No/100 Dollars (\$200,000.00) (the "Reimbursement Cap"), or, if such Seller Default is due to Seller's willful or intentional acts or omissions, the Reimbursement Cap shall be Four Hundred Fifty Thousand and No/100 Dollars (\$450,000.00), which obligation shall survive the termination of this Agreement, or (ii) bring an action for specific performance; provided, (A) Purchaser's suit for specific performance shall be filed against Seller in a court having jurisdiction in the county and state in

which the Property is located, on or before sixty (60) days following the Closing Date, failing which, Purchaser shall be barred from enforcing this Agreement by specific performance and shall be deemed to have elected to terminate this Agreement as provided herein; and (B) if, due to Seller's willful or intentional acts or omissions, the remedy of specific performance is unavailable, then, in addition to its rights under this Section 9.1 generally, Purchaser shall also have the right to pursue an action to recover from Seller all actual damages, costs and expenses suffered or incurred by Purchaser. For the avoidance of doubt, a Non-Breach Inaccuracy shall not be deemed a Seller Default. The provisions of this Section 9.1 shall survive the termination of this Agreement.

9.2 Default by Purchaser/Failure of Conditions Precedent

(a) If any condition set forth in Section 5.2 for the benefit of Seller (a "Seller Condition Failure"), except as provided in this Section 9.2(b) below to the extent such Seller Condition Failure is also a Purchaser Default, cannot or will not be satisfied prior to Closing, and Purchaser fails to satisfy such condition within ten (10) Business Days after notice thereof from Seller, and there is not then existing any uncured Purchaser Condition Failure or Seller Default, Seller, as its sole and exclusive remedy, shall elect either (a) to terminate this Agreement in which event the Deposit shall be promptly returned to Purchaser and the parties hereto shall be released from all further obligations hereunder except those which expressly survive a termination of this Agreement, or (b) to waive its right to terminate, and instead, to proceed to Closing.

(b) If Purchaser (x) defaults in its obligation to pay the balance of the Purchase Price (i.e., as adjusted pursuant to Section 2.2 and less the Deposit) on the Closing Date, or (y) otherwise breaches any material covenant or obligation on the Closing Date and the Closing fails to occur as a result thereof (each of the foregoing (x) and (y), a "Purchaser Default"), and in either case, no Seller Default has occurred which remains uncured, then Seller's sole and exclusive remedy for such default shall be to terminate this Agreement by providing written notice to Purchaser and receive the Deposit in accordance with Section 2.3, and the Parties shall have no further rights or obligations under this Agreement, except those which expressly survive such termination.

9.3 LIQUIDATED DAMAGES. THE PARTIES ACKNOWLEDGE AND AGREE THAT IF THIS AGREEMENT IS TERMINATED PURSUANT TO SECTION 9.2 HEREOF, THE DAMAGES THAT SELLER WOULD SUSTAIN AS A RESULT OF SUCH TERMINATION WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT, IF NOT IMPOSSIBLE, TO ASCERTAIN. THE PARTIES FURTHER AGREE THAT THE DEPOSIT IS A REASONABLE ESTIMATE IF THIS AGREEMENT IS TERMINATED PURSUANT TO SECTION 9.2 HEREOF. ACCORDINGLY, THE PARTIES AGREE THAT SELLER SHALL RETAIN THE DEPOSIT AS FULL AND COMPLETE LIQUIDATED DAMAGES (AND NOT AS A PENALTY) AS SELLER'S SOLE AND EXCLUSIVE REMEDY FOR SUCH TERMINATION; PROVIDED, HOWEVER, THAT IN ADDITION TO THE DEPOSIT, SELLER SHALL RETAIN ALL RIGHTS AND REMEDIES UNDER THIS AGREEMENT

WITH RESPECT TO THOSE OBLIGATIONS OF PURCHASER WHICH EXPRESSLY SURVIVE SUCH TERMINATION.

9.4 Costs and Attorneys' Fees. In the event of any litigation or dispute between the parties arising out of or in any way connected with this Agreement, resulting in any litigation, then the prevailing party in such litigation shall be entitled to recover its costs of prosecuting and/or defending same, including, without limitation, reasonable attorneys' fees at trial and all appellate levels. The provisions of this Section 9.4 shall survive the Closing or any termination of this Agreement.

9.5 Limitation of Liability. The liability of each party hereto resulting from the breach or default by such party shall be limited to direct actual damages incurred by the injured party and each party hereto hereby waives its rights to recover from the other party consequential, punitive, exemplary, and speculative damages, unless actually payable by such Party to a third party. The provisions of this Section 9.5 shall survive the termination of this Agreement. The provisions of this Section 9.5 shall not limit or affect the rights of Seller to receive the Deposit as liquidated damages as and when provided in this Agreement.

ARTICLE X

MISCELLANEOUS PROVISIONS

10.1 Completeness; Modification. This Agreement constitutes the entire agreement between the parties hereto with respect to the transactions contemplated hereby and supersedes all prior discussions, understandings, agreements and negotiations between the parties hereto. This Agreement may be modified only by a written instrument duly executed by the parties hereto.

10.2 Assignments. Other than to an Affiliate of Purchaser, Purchaser may not assign its rights hereunder without the prior consent of Seller; however, any such assignment (including one to Purchaser's Affiliate) shall not relieve Purchaser of its obligations under this Agreement unless Closing has occurred. To be effective hereunder, any assignment by Purchaser hereunder, even one to an Affiliate of Purchaser, must be accompanied by a fully executed and effective assignment and assumption agreement provided to Seller no later than five (5) days prior to the Closing Date.

10.3 Successors and Assigns. This Agreement shall bind and inure to the benefit of the parties hereto and their permitted respective successors and assigns.

10.4 Days. If any action is required to be performed, or if any notice, consent or other communication is given, on a day that is a Saturday or Sunday or a legal holiday in the jurisdiction in which the action is required to be performed or in which is located the intended recipient of such notice, consent or other communication, such performance shall be deemed to be required, and such notice, consent or other communication shall be deemed to be given, on the first Business Day following such Saturday, Sunday or legal holiday. Unless otherwise specified

herein, all references herein to a "day" or "days" shall refer to calendar days and not Business Days.

10.5 Governing Law. This Agreement and all documents referred to herein shall be governed by and construed and interpreted in accordance with the laws of the state in which the Property is located without regard to its principles of conflicts of law.

10.6 JURISDICTION AND VENUE. ANY LITIGATION OR OTHER COURT PROCEEDING WITH RESPECT TO ANY MATTER ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT SHALL BE CONDUCTED IN THE STATE OR FEDERAL COURTS LOCATED IN BOSTON, MASSACHUSETTS, AND SELLER AND PURCHASER HEREBY SUBMIT TO JURISDICTION AND CONSENT TO VENUE IN SUCH COURTS, AND WAIVE ANY DEFENSE BASED ON FORUM NON CONVENIENS.

10.7 SERVICE OF PROCESS. THE PARTIES AGREE THAT, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, SERVICE OF PROCESS SHALL BE EFFECTIVE AS TO A PARTY IF DELIVERY OF ANY COURT DOCUMENTS TO SUCH PARTY IS EFFECTED IN ACCORDANCE WITH SECTION 10.12 HEREOF.

10.8 WAIVER OF TRIAL BY JURY. EACH PARTY HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY LITIGATION OR OTHER COURT PROCEEDING WITH RESPECT TO ANY MATTER ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT.

10.9 Counterparts. To facilitate execution, this Agreement may be executed in as many counterparts as may be required. It shall not be necessary that the signature on behalf of both parties hereto appear on each counterpart hereof. All counterparts hereof shall collectively constitute a single agreement. Telecopied signatures shall have the same valid and binding effect as original signatures.

10.10 Severability. If any term, covenant or condition of this Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to other persons or circumstances, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

10.11 Costs. Regardless of whether Closing occurs hereunder, and except as otherwise expressly provided herein, each party hereto shall be responsible for its own costs in connection with this Agreement and the transactions contemplated hereby, including, without limitation, fees of attorneys, engineers and accountants.

10.12 Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be delivered by hand, transmitted by email, sent prepaid for next-day delivery by Federal Express (or a comparable overnight delivery service) or sent by the United

States mail, certified, postage prepaid, return receipt requested, at the addresses and with such copies as designated below. Any notice, request, demand or other communication delivered or sent in the manner aforesaid may be given by the party required to give such notice, etc., or its attorney, and shall be deemed given or made (as the case may be) when actually delivered to or refused by the intended recipient.

If to Seller: PIM Boston Back Bay LLC
14185 Dallas Parkway, Suite 1100
Dallas, Texas 75254
Attn: Christopher Peckham
Email: cpeckham@ashfordinc.com

and: Jackson Walker LLP
2323 Ross Avenue, Suite 600
Dallas, Texas 75201
Attn: Cynthia B. Nelson
Email: cbnelson@jw.com

If to Purchaser: Beantown Hotel Owner LLC
c/o Certares Real Estate Management LLC
350 Madison Avenue, 8th Floor
New York, New York 10017
Attn: Thomas LaMacchia and Nolan Hecht
Email: tom.lamacchia@certares.com and
Nolan.Hecht@certares.com

With a copy to: Belcourt Capital Partners, LLC
5151 California Avenue, Ste 100
Irvine, California 92617
Attn: Tom Naughton
Email: naughton@belcourtcap.com

and: Greenberg Traurig, LLP
One Vanderbilt Avenue
New York, New York 10017
Attn: Farah S. Ahmed, Esq.
Email: Farah.Ahmed@gtlaw.com

If to Escrow Agent: Kensington Vanguard National Title
5949 Sherry Lane, Suite 111
Dallas, Texas 75225
Attn: Trey Lentz
Email: tlentz@kvnational.com

or to such other address as the intended recipient may have specified in a notice to the other party. Any party hereto may change its address or designate different or other persons or entities to receive copies by notifying the other party and Escrow Agent in a manner described in this Section.

10.13 Escrow Agent. Escrow Agent referred to in the definition thereof contained in Section 1.1 hereof has agreed to act as such for the convenience of the parties without fee or other charges for such services as Escrow Agent. Escrow Agent shall not be liable: (a) to any of the parties for any act or omission to act except for its own willful misconduct or gross negligence; (b) for any legal effect, insufficiency, or undesirability of any instrument deposited with or delivered by Escrow Agent or exchanged by the parties hereunder, whether or not Escrow Agent prepared such instrument; (c) for any loss or impairment of funds that have been deposited in escrow while those funds are in the course of collection, or while those funds are on deposit in a financial institution, if such loss or impairment results from the failure, insolvency or suspension of a financial institution; (d) for the expiration of any time limit or other consequence of delay, unless a properly executed written instruction, accepted by Escrow Agent, has instructed Escrow Agent to comply with said time limit; (e) for the default, error, action or omission of either party to the escrow. Escrow Agent, in its capacity as escrow agent, shall be entitled to rely on any document or paper received by it, believed by such Escrow Agent, in good faith, to be bona fide and genuine. In the event of any dispute as to the disposition of the Deposit or any other monies held in escrow, or of any documents held in escrow, Escrow Agent may continue to hold the Deposit pursuant to the terms hereof, or if Escrow Agent so elects, interplead the matter at the joint and several cost of Purchaser and Seller by filing an interpleader action in a court of general jurisdiction in the county or circuit where the Real Property is located (to the jurisdiction of which both parties do hereby consent), and pay into the registry of the court the Deposit, or deposit any such documents with respect to which there is a dispute in the Registry of such court, whereupon such Escrow Agent shall be relieved and released from any further liability as Escrow Agent hereunder. Escrow Agent shall not be liable for Escrow Agent's compliance with any legal process, subpoena, writ, order, judgment and decree of any court, whether issued with or without jurisdiction, and whether or not subsequently vacated, modified, set aside or reversed. Purchaser and Seller agree to jointly and severally indemnify, defend and hold harmless the Escrow Agent from and against any loss, out-of-pocket cost, actual damage, out-of-pocket expense and reasonable attorney's fee (collectively called "Expenses") in connection with or in any way arising out of the escrow arrangement, other than expenses resulting from the Escrow Agent's own gross negligence or willful misconduct.

10.14 Incorporation by Reference. All of the exhibits and schedules attached hereto are by this reference incorporated herein and made a part hereof.

10.15 Survival. Except to the extent (i) that Seller gives Purchaser written notice prior to Closing of the untruth or inaccuracy of any representation or warranty contained herein, (ii) Purchaser otherwise obtains Actual Knowledge prior to Closing of the untruth or inaccuracy of any representation or warranty contained herein, or (iii) of a Non-Breach Inaccuracy, and in

any such case, Purchaser nevertheless elects to close this transaction (in which case, the applicable representations and warranties shall be deemed modified to the extent of such Actual Knowledge or Non-Breach Inaccuracy), the representations, warranties, agreements, and indemnities made herein shall survive the Closing through but not beyond the Limitation Date (as hereinafter defined) after which such representations, warranties, agreements, and indemnities shall merge into the Closing Documents, provided that the aforesaid limitation shall not apply to (x) the prosecution of any claim made and action commenced in accordance with clauses (a) and (b) below on or prior to the Limitation Date, and (y) Retained Liabilities. The representations, warranties, indemnities and agreements of Seller set forth in this Agreement and the Closing Documents shall survive for twelve (12) months after the Closing Date (the "Limitation Date"). Seller and Purchaser hereby agree that, notwithstanding any provision of this Agreement or any provision of law to the contrary, any action which may be brought for the untruth or inaccuracy of any representation or warranty by Seller or any indemnity or other obligation of Seller in this Agreement or in any of the Closing Documents (a "Claim") shall be forever barred unless, no later than the Limitation Date, Purchaser (a) delivers to Seller a written notice of the Claim setting forth the basis for such Claim, and (b) files a complaint or petition against Seller alleging such Claim in an appropriate Federal district or state court and serves the same upon Seller, in which case the Limitation Date, as to such breach, shall be extended pending resolution of such complaint or petition. Notwithstanding anything to the contrary contained in this Agreement, any Claim that Purchaser may have at any time against Seller will not be valid or effective, and Seller shall have no liability with respect thereto, unless all valid Claims exceed Twenty-five Thousand Dollars (\$25,000) in the aggregate (the "Basket"); provided that, once such aggregate of all valid Claims exceeds the Basket, Purchaser shall be entitled to pursue and receive recovery of the full amount of such Claims, including the first \$25,000 thereof. Seller's liability for damages resulting from valid Claims shall in no event exceed (x) three percent (3%) of the Purchase Price in the aggregate for the first eight (8) months following the Closing Date and (y) for the next four (4) months following the Closing Date, two percent (2%) of the Purchase Price in the aggregate (the "Cap"), provided, however, in no event shall the Basket or the Cap apply with respect to: (i) the broker representation set forth in Section 8.3, (ii) Seller's re-proration obligations pursuant to Section 7.2, (iii) Seller's fraud, and/or (iv) the payment of any taxes that are Retained Liabilities. To secure Seller's obligations hereunder, on the Closing Date, (a) Seller shall deposit into escrow with Escrow Agent (or cause Escrow Agent to hold in escrow from amounts otherwise payable to Seller hereunder), funds in an amount equal to \$1,000,000.00, which funds shall be held and disbursed in accordance with the Holdback Escrow Agreement and (b) Seller shall cause Ashford Hospitality Limited Partnership, a Delaware limited partnership, to sign the joinder attached hereto. Until the Limitation Date (and thereafter during the pendency of any claims of which Purchaser has notified Seller and instituted a proceeding in accordance with the time period set forth above), such joinder is intended to secure payment for Seller's obligations and covenants under this Section 10.15. The provisions of this Section 10.15 shall survive the Closing.

10.16 Exclusivity. None of Seller, its Affiliates, directors, officers, employers, members, partners or agents shall offer to sell, finance, joint venture, restructure or otherwise dispose of all

or any part of (or solicit or accept any such offer involving the sale, financing, joint venture, restructuring or disposition of all or any part of) the Hotel, the Property or any interest therein (whether directly or indirectly, debt or equity) or negotiate or otherwise enter into discussions for the sale, financing, joint venture, restructuring, recapitalization or disposition of all or any part of the Property or the Hotel with any other Person until the Closing or earlier termination of this Agreement.

10.17 Further Assurances. Seller and Purchaser each covenant and agree to sign, execute and deliver, or cause to be signed, executed and delivered, and to do or make, or cause to be done or made, upon the written request of the other party, any and all agreements, instruments, papers, deeds, acts or things, supplemental, confirmatory or otherwise, as may be reasonably required by either party hereto for the purpose of or in connection with consummating the transactions described herein provided that compliance with the provision of this Section 10.17 shall not increase the liability or decrease the rights of the complying party.

10.18 No Partnership. This Agreement does not and shall not be construed to create a partnership, joint venture or any other relationship between the parties hereto except the relationship of seller and purchaser specifically established hereby.

10.19 Time of Essence. Time is of the essence with respect to every provision hereof.

10.20 Signatory Exculpation. The signatory(ies) for Purchaser and Seller is/are executing this Agreement in his/their capacity as representative of such party and not individually and, therefore, shall have no personal or individual liability of any kind in connection with this Agreement and the transactions contemplated by it.

10.21 Rules of Construction. The following rules shall apply to the construction and interpretation of this Agreement, unless otherwise indicated by the context:

(a) Singular words shall connote the plural number as well as the singular and vice versa, and the masculine shall include the feminine and the neuter.

(b) All references herein to particular articles, sections, subsections, clauses or exhibits are references to articles, sections, subsections, clauses or exhibits of this Agreement.

(c) The table of contents and headings contained herein are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

(d) Each party hereto and its counsel have reviewed and revised (or requested revisions of) this Agreement and have participated in the preparation of this Agreement, and therefore any usual rules of construction requiring that ambiguities are to be resolved against a particular party shall not be applicable in the construction and interpretation of this Agreement or any exhibits hereto.

10.22 No Recording. Neither this Agreement nor any memorandum hereof, or any other instrument intended to give notice hereof (or which actually gives notice hereof) shall be recorded, other than with respect to an action for specific performance commenced by Purchaser in accordance with this Agreement.

10.23 PDF Signatures. The execution of this Agreement and all notices given hereunder and all amendments hereto, may be effected by email (PDF) signatures, all of which shall be treated as originals; provided, however, that the party receiving a document with a PDF signature may, by notice to the other, require the prompt delivery of an original signature to evidence and confirm the delivery of the PDF signature.

10.24 Effective Date. This Agreement shall be terminable by either Seller or Purchaser prior to the Effective Date. The "Effective Date" shall mean the first date on which the following shall have occurred: (i) Purchaser and Seller shall have executed this Agreement, and (ii) Escrow Agent shall have acknowledged receipt of this Agreement fully executed by Seller and Purchaser.

The provisions of this Article X shall survive Closing.

IN WITNESS WHEREOF, Seller and Purchaser have caused this Agreement to be executed in their names by their respective duly authorized representatives.

SELLER:

PIM BOSTON BACK BAY LLC,
a Delaware limited liability company

By: /s/ J. Robinson Hays

Name: J. Robison Hays

Title: President

Date: January 29, 2024

PIM TRS BOSTON BACK BAY LLC,
a Delaware limited liability company

By: /s/ Deric Eubanks

Name: Deric Eubanks

Title: President

Date: January 29, 2024

[Signature Page]

PURCHASER:

BEANTOWN HOTEL OWNER LLC, a Delaware limited liability company

By: /s/ Nolan Hecht
Name: Nolan Hecht
Title: Authorized Signatory
Date: January 29, 2024

[Signature Page]

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ESCROW AGENT:

Kensington Vanguard National Title (Escrow Agent hereby acknowledges receipt of a fully executed Agreement from both Seller and Purchaser for purposes of Section 10.24 hereof.)

By: /s/ Patrick Jackson
Name: Patrick Jackson
Title: Vice President
Date: January 29, 2024

[Signature Page]

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ACTIVE 692459524v13

JOINDER

1. In consideration of Purchaser's execution of that certain Agreement of Purchase and Sale (the **Agreement**) to which this "**Joinder**" is attached (and of which it forms a part), the undersigned (**Guarantor**), unconditionally and irrevocably guarantees to Purchaser, the payment of all amounts owed to Purchaser by Seller that survives the Closing under the Agreement (collectively, the "**Obligations**"), in each case, in accordance with the terms of, and subject to the limitations set forth in, the Agreement. Capitalized terms used in this Joinder and not otherwise defined herein shall have the same meanings as set forth in the Agreement.

2. Guarantor acknowledges that Guarantor is an affiliate of Seller and that Guarantor will derive substantial benefits from the execution of the Agreement and the transactions contemplated thereby, and that Guarantor's execution of this Joinder is a material inducement and condition to Purchaser's execution of the Agreement.

3. Notwithstanding anything to the contrary contained in this Joinder, the obligations and liabilities of Guarantor under this Joinder are subject to the limitations on Seller's liability as set forth in the third to last sentence of Section 10.15, and such limitations are incorporated herein by this reference as if set forth in full herein.

4. Guarantor represents and warrants to Purchaser that: Guarantor has duly executed and delivered this Joinder; this Joinder constitutes the legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and by general principles of equity (whether applied in a proceeding at law or in equity), the execution, delivery and performance of this Joinder by Guarantor have been duly authorized by all necessary action on the part of Guarantor, and such execution, delivery and compliance with, and performance of the terms and provisions of this Joinder will not result in any violation of any provision of any bond, note or other instrument of indebtedness, contract, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which Guarantor is a party or violate any applicable law relating to Guarantor except, in each case, for any violation which will not materially adversely affect Guarantor's ability to fulfill its obligations under this Joinder and the Agreement. Furthermore, Guarantor hereby covenants and agrees to maintain a net worth (based on book value of assets without deduction for accumulated depreciation) and liquidity in an amount equal to or above the Cap until the Limitation Date.

[Joinder]

5. Guarantor does hereby waive each of the following: (a) any and all notices and demands of every kind which may be required to be given by any statute, rule or law, (b) any and all subrogation, contribution, indemnity and reimbursement rights against Seller until the Obligations have been paid, performed and fully satisfied in full; (c) any other defense available to a surety under applicable law; and (d) presentment, demand, protest, notice of nonpayment, notice of dishonor, notice of acceptance of this Joinder, and any and all lack of diligence or delays in the collection or enforcement thereof. In the event of any failure on the part of Seller to fulfill the Obligations, a separate action or actions may be brought and prosecuted against Guarantor whether or not Seller is joined therein or a separate action or actions are brought against Seller.

6. Guarantor's liability shall not be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of liability of Seller or of any remedy for the enforcement thereof, resulting from the operation of any present or future provision of the Federal Bankruptcy Code, or any similar law or statute of the United States or any state thereof covering insolvency, bankruptcy, rehabilitation, liquidation or reorganization (collectively, "**Bankruptcy Laws**"), it being the intention of Guarantor that Guarantor's liability hereunder shall be determined without regard to any Bankruptcy Laws which may relieve Seller of any obligations.

7. The following provisions of the Agreement are hereby incorporated into this Joinder (with the understanding that notice to Seller shall be deemed sufficient to notify the undersigned): Sections 10.12 (Notices), 10.10 (Severability), 10.5 (Governing Law), and 10.9 (Counterparts).

8. This Joinder shall survive Closing until the Limitation Date, at which time this Joinder will automatically terminate, except as otherwise provided in the Agreement.

[Joinder]

ASHFORD HOSPITALITY LIMITED PARTNERSHIP, a Delaware limited partnership

By: Ashford OP General Partner LLC, its general partner

By: _____
Name: J. Robison Hays
Title: CEO

[Joinder]

Exhibits

- A – Land
- B – Intentionally Omitted
- C – Form of Deed
- D – Form of Bill of Sale
- E – Form of Assignment and Assumption Agreement
- F – Form of Assignment of Occupancy Agreements
- G – Form of FIRPTA Certificate
- H – Form of CBA Side Letter Assumption Agreement
- I – Form of Holdback Escrow Agreement

Schedules

- 1 – Closing Cost Allocations
- 3.5 – Operating Agreements; Leased Property Agreements
- 3.9 – Occupancy Agreements

RECEIPT OF ESCROW AGENT

Kensington Vanguard National Title, as Escrow Agent, acknowledges receipt of the sum of \$3,000,000 by wire transfer from Purchaser as described in Section 2.3 of the Agreement, said wire transfer to be held pursuant to the terms and provisions of the Agreement.

DATED this ____ day of January, 2024.

Kensington Vanguard National Title

By: _____
Name: _____
Title: _____
Date: _____

[Receipt of Escrow Agent]

EXHIBIT A

LAND

The land and air rights situated in the City of Boston, County of Suffolk, Commonwealth of Massachusetts, bounded and described as follows:

The parcel of land shown as Lot 1 on a plan entitled "Plan of Land Prepared for Dalton Associates, Boston, Mass" J F Hennessey - C.E., dated October 7, 1980, revised November 3, 1980, recorded with Suffolk County Registry of Deeds in Book 9632, End, having an area of 10, 200 square feet according to said plan, bounded and described according to said plan as follows:

SOUTHERLY by Belvidere Street, one hundred fifty (150) feet,
WESTERLY by Lot 2 shown on said plan, sixty-eight (68) feet;
NORTHERLY by Lots 3 and 4 shown on said plan, one hundred fifty (150) feet, and
EASTERLY by Lot 5 shown on said plan, sixty-eight (68) feet.

The air space lying above a horizontal plane drawn at elevation fifty-nine (59) feet, three (3) inches, City of Boston Base, upon and over Lot 4 shown on said plan, excluding the portion thereof marked "Air Shaft," said horizontal plane having an area of 6,764.9 square feet according to said plan, and which horizontal plane intersects the vertical planes determined by the following boundaries as shown on said plan:

NORTHERLY by Scotia Street, seventy-three (73) feet;
EASTERLY by said Lot 5, one hundred six and 96/100 (106.96) feet;
SOUTHERLY by said Lot 1, fifty-three (53) feet;
WESTERLY by said Lot 3, forty-one and 96 /100 (41.96) feet;
SOUTHERLY again by Lot 3, one (1) foot;
WESTERLY thirteen (13) feet, by the area marked "Air Shaft" on said plan;
SOUTHERLY seventeen (17) feet, again by said "Air Shaft";
EASTERLY thirteen (13) feet, again by said "Air Shaft";
SOUTHERLY again by Lot 3, two (2) feet; and
WESTERLY by land shown on said plan as being of Boston Edison Company, sixty-five (65) feet.

The air space lying above a horizontal plane drawn at elevation thirty-nine (39) feet, City of Boston Base, upon and over Lot 3 shown on said plan, excluding the portion thereof marked "Air Shaft," said horizontal plane having an area of 4,053.1 square feet according to said plan, and which horizontal plane intersects the vertical planes determined by the following boundaries as shown on said plan:

NORTHERLY by land shown on said plan as being of Boston Edison Company, and by said Lot 4, seventy-nine (79) feet;

[Exhibit A – Page 1]

EASTERLY one (1) foot, by said "Air Shaft";

NORTHERLY seventeen (17) feet, again by said "Air Shaft";

WESTERLY one (1) foot, again by said "Air Shaft";

NORTHERLY again by Lot 4, one (1) foot;

EASTERLY again by Lot 4, forty-one and 96/100 (41.96) feet;

SOUTHERLY by said Lot 1, ninety-seven (97) feet, and;

WESTERLY by said Lot 2, forty-one and 96 /100 (41.96) feet.

The air space lying above a horizontal plan drawn at elevation thirty-nine (39) feet City of Boston Base upon and over Lot 2 shown on said plan, said horizontal plane having an area of 1,779.6 square feet according to said plan, and which horizontal plane intersects the vertical planes determined by the following boundaries of said Lot 2 as shown on said plan:

SOUTHERLY by Belvidere Street, twenty (20) feet;

WESTERLY by land of the Roman Catholic Archbishop of Boston, sixty-eight (68) feet;

NORTHERLY by land shown on said plan as being of Boston Edison Company, ten (10) feet;

WESTERLY again by the same, forty-one and 96/100 (41.96) feet;

NORTHERLY again by the same, ten (10) feet, and;

EASTERLY by said Lots 3 and 1, one hundred nine and 96/100 (109.96) feet.

The parcel of land shown as Lot 5 on said plan, having an area of 21,580 square feet according to said plan, bounded and described according to said plan as follows:

Starting at a point of curvature in the line of Belvidere Street, then going on a curved line of twenty-six and 88/100 (26.88) feet on a radius of twelve and 66/100 (12.66) feet to a point of tangency in the line of Dalton Street; thence running by Dalton Street North 20° 18' 31" West for a distance of one hundred seventy-five and 02/100 (175.02) feet to a point of curvature at the intersection with Scotia Street then along a curved line a distance of fourteen and 36/100 (14.36) feet on a radius of fourteen and 11/100 (14.11) feet to a point of tangency in the line of Scotia Street; thence by Scotia Street North 78° 38' 19" West for a distance of sixty-two and 21/100 (62.21) feet to a point, thence at a right angle South 11 ° 21' 41" West by said Lot 4 and said Lot 1 for a distance of one hundred seventy-four and 96/100 (174.96) feet to a point in the line of Belvidere Street, thence at a right angle running by Belvidere Street South 78° 38' 19" East for a distance of one hundred fifty-five and 33/100 (155.33) feet to the point of beginning.

Together with the rights and easements contained in the deed of Boston Edison Company to Dalton Associates, dated September 20, 1973, recorded with Suffolk County Registry of Deeds, Book 8661, Page 348, as amended by an Agreement between the same parties dated October 1, 1980, recorded with said Deeds in Book 9632, Page 278, and by Second Amendment to Deed between the same parties dated August 7, 1981, recorded with said Deeds in Book 9849, Page 567, and confirmed by certificate of Boston Edison Company dated December 1, 1989 and recorded December 20, 1989 with the Suffolk County Registry of Deeds in Book 16027, Page 151, and together with the rights and easements contained in said Agreement.

The following air rights, all as shown on a plan entitled "Discontinuance Plan - Vertical, Dalton Street and Belvidere Street, Boston Proper" Scale 1" = 20', dated June 4, 1997, prepared by Harry R. Feldman, Inc. 112 Shawmut Avenue, Boston, Massachusetts 02118 (the "Plan"), recorded with an Order of Taking at

[Exhibit A – Page 2]

Parcel 1: Certain air rights within Belvidere Street, Boston, Suffolk County, Massachusetts, shown as Vertical Discontinuance "A" of the Plan, beginning at elevation 43.00' on Boston City Base (B.C.B.) up to and including elevation 237.00' (B.C.B.), a vertical distance of 194.00' as shown on Elevation View C-C on said Plan, shown by cross-hatching on Detail A of said Plan, and bounded: westerly by a portion of said Belvidere Street by a line labeled N 20° 18' 09" W, a length of 5.92', southwesterly by a portion of said Belvidere Street by a line labeled N 50° 18' 09" W, a length of 8.11'; southerly by a portion of said Belvidere Street by a line labeled N 80° 18' 09" W; a distance of 8.11', southeasterly by a portion of said Belvidere Street by a line labeled S 69° 41' 51" W, a distance of 2.24'; northerly by a portion of Dalton Street by a broken line which is an extension of the northerly sideline of Belvidere Street labeled S 58° 22' 57" E, a length of 7.35'; and northerly by land now or formerly of DHM Associates Limited Partnership ("DHM") by a line labeled S 58° 22' 57" E, a length of 21.58'; all as shown on said Plan, and containing a area of 68 square feet, as shown on Detail A of said Plan.

Parcel 2: Certain air rights within Dalton Street, Boston, Suffolk County, Massachusetts, shown as Vertical Discontinuance "C" on the Plan, being at elevation 43.00' on Boston City Base (B.C.B.) up to and including elevation 237.00' (B.C.B.), a vertical distance of 194.00' as shown on Elevation View D-D on said Plan, shown by shading on Detail A of said Plan and bounded, northerly by land now or formerly of DHM Associates Limited Partnership ("DHM") by an arc with a radius of 12.66', a length of 13.96'; southerly by a portion of Belvidere Street by a broken line which is an extension of the northerly sideline of Belvidere Street which is labeled S 58° 22' 57" E, a length of 7.35', southeasterly by a portion of said Dalton Street by a line labeled S 69° 41' 51" W, a distance of 5.87' and southeasterly by a line labeled N 39° 41' 51" E, a distance of 2.35', all as shown on said Plan, and containing an area of 12 square feet, as shown on Detail A of said Plan.

Parcel 3: Certain air rights within Belvidere Street, Boston, Suffolk County, Massachusetts, shown as Vertical Discontinuance "B" on the Plan, beginning at elevation 237.00' (B.C.B.) up to and including elevation 286.00' (B.C.B.), a vertical distance of 49.00' as shown on Elevation View C-C on said Plan, shown by cross-hatching on Detail B of said Plan, and bounded: easterly, southerly, and southeasterly by a portion of Belvidere Street shown by an arc with a radius of 16.23', a length of 27.49'; northeasterly by a portion of Dalton Street shown by a broken line which is an extension of the northerly sideline of Belvidere Street which is labeled S 58° 22' 57" E, a length of 8.72', and northerly by said land of DHM by a line labeled S 58° 22' 57" E, a length of 24.31' all as shown on Detail B of said Plan, and containing an area of 93 square feet as shown on Detail B of said Plan.

Parcel 4: Certain air rights within Dalton Street, Boston, Suffolk County, Massachusetts, shown as Vertical Discontinuance "D" on the plan, beginning at elevation 237.00' (B.C.B.) up to and including elevation 286.00' (B.C.B.), a vertical distance of 49.00' as shown on Elevation View D-EI on said Plan, shown by shading on Detail B of said Plan, and bounded: northerly by land now or formerly of DHM Associates Partnership by an arc with a radius of 12.66' a length of 20.09'; southwesterly by a portion of Belvidere Street by a broken line which is an extension of the northerly sideline of Belvidere Street which is labeled S 58° 22' 57" E, a length of 8.72'; and southeasterly and easterly by a portion of Dalton Street by an arc with a radius of 16.23', a length of 13.87', all as shown on Detail B of said Plan, and containing an area of 22 square feet as shown on Detail B of said Plan.

NOTE: Any acreage or square footage indicated in the legal description on Exhibit A is solely for the purpose of identifying said tract of land and shall not be construed as insuring the quantity of land.

[Exhibit A – Page 3]

EXHIBIT B

INTENTIONALLY OMITTED

[Exhibit B]

38354973v.11

ACTIVE 692459524v13

EXHIBIT C

FORM OF DEED

**Recording Requested By,
And After Recording
Please Return to:**

**[Attorney Name]
[Firm Name]
[Firm Street Address]
[Firm City, State, Zip Code]**

[Exhibit C – Page 1]

38354973v.11

ACTIVE 692459524v13

Address of property: [Add Street Number and Name], [Add City/Town], Massachusetts

QUITCLAIM DEED

<>, a <> ("Grantor") for consideration paid of <> and <>/100 Dollars (\$<>) grants to <>, a <>, having a place of business at <> ("Grantee") with Quitclaim Covenants, the land, together with the improvements thereon, in <>, <> County, Massachusetts, commonly known and numbered as <>, being more particularly bounded and described on Exhibit A attached hereto and incorporated herein by reference.

Subject to and with the benefit of all easements, agreements, restrictions, covenants and other matters of record, in so far as the same are in force and applicable.

[To be added if applicable: Subject to a Notice of Activity and Use Limitation filed with the <> Registry of Deeds at Book <>, Page <>, which Notice of Activity and Use Limitation affects the land and is included by reference herein.]

[One of the following to be added: <This conveyance does not represent the sale or transfer of all or substantially all of the Grantor's assets within the Commonwealth of Massachusetts.> < Grantor is not taxed as a corporation for federal or state income tax purposes.>]

For Grantor's title, see deed dated <> and recorded with the <> Registry of Deeds at Book <>, Page <>.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed as a sealed instrument as of the ____ day of _____, 20__.

<>, a <>

By: ____
Name:
Title:

COMMONWEALTH/STATE OF

_____, SS

[Exhibit C – Page 2]

On this ____ day of _____, 20__, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding or attached document, as <> of <>, a <>, and acknowledged to me that he/she signed it voluntarily for its stated purpose as the voluntary act of said <>.

Notary Public

(AFFIX SEAL)

Notary name printed:____

My commission expires:____

[Exhibit C – Page 3]

38354973v.11

ACTIVE 692459524v13

Exhibit A

Legal Description of Conveyed Property

[Exhibit C – Page 4]

EXHIBIT D

BILL OF SALE

For Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, PIM Boston Back Bay LLC, a Delaware limited liability company ("Fee Owner") and PIM TRS Boston Back Bay LLC, a Delaware limited liability company ("Operating Lessee", and together with Fee Owner, individually and collectively, jointly and severally, "Seller"), hereby conveys to _____ ("Purchaser") all of its respective right, title and interest in and to the following (collectively, the "Personal Property"):

(i) all items of Tangible Personal Property (as defined in that certain Agreement of Purchase and Sale dated _____, 20____ by and between Seller and Purchaser (the "Agreement")), except any Tangible Personal Property leased by Seller;

(ii) to the extent transferable, all of the Intangible Personal Property (as defined in the Agreement);

(iii) all subsisting and assignable warranties and guaranties relating to the improvements located at the Property (as defined in the Agreement) or the Tangible Personal Property or any part thereof; and

(iv) all petty cash funds used in connection with hotel guest operations at the Property, and the so-called "guest ledger" for the Hotel (as defined in the Agreement) located on the Property of guest accounts receivable payable to the Hotel as of the Cut-Off Time in occupancy as of the Cut-off Time.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale effective as of _____, 20____.

SELLER:

By: _____

Name: _____

Title: _____

[Exhibit D – Page 1]

By: _____

Name: _____

Title: _____

[Exhibit D – Page 2]

38354973v.11

ACTIVE 692459524v13

EXHIBIT E

ASSIGNMENT AND ASSUMPTION AGREEMENT

For Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, PIM Boston Back Bay LLC, a Delaware limited liability company ("Fee Owner") and PIM TRS Boston Back Bay LLC, a Delaware limited liability company ("Operating Lessee", and together with Fee Owner, individually and collectively, jointly and severally, "Seller"), hereby assigns and delegates to _____ ("Assignee") all of their respective right, title and interest in and to the following:

(i) all Operating Agreements (as defined in that certain Agreement of Purchase and Sale dated _____, 20____ by and between Seller and Purchaser (the "Agreement")) with respect to the Property (as defined in the Agreement) set forth on Schedule 1 attached hereto and made a part hereof; and

(ii) all Leased Property Agreements (as defined in the Agreement) set forth on Schedule 1 attached hereto and made a part hereof;

Assignee hereby assumes and agrees to perform all of the obligations of Seller under the Operating Agreements and Leased Property Agreements (collectively the "Assigned Agreements"), to the extent any such obligations accrue and are applicable to periods from and after the date hereof or which accrue prior to the date hereof for which Assignee received a credit on the closing statement of even date herewith between the parties (or pursuant to any post-closing adjustment thereof) in accordance with the Agreement.

If any litigation between Seller and Assignee arises out of the obligations of the parties under this Assignment and Assumption Agreement or concerning the meaning or interpretation of any provision contained herein, the losing party shall pay the prevailing party's costs and expenses of such litigation including, without limitation, reasonable attorneys' fees.

This Assignment and Assumption Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument. Telecopied signatures shall have the same valid and binding effect as original signatures.

[Exhibit E – Page 1]

38354973v.11

ACTIVE 692459524v13

IN WITNESS WHEREOF, Seller and Assignee have executed this Assignment as of _____, 20__.

SELLER:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ASSIGNEE:

By: _____
Name: _____
Title: _____

EXHIBIT F

FORM OF ASSIGNMENT OF OCCUPANCY AGREEMENTS

ASSIGNMENT OF OCCUPANCY AGREEMENTS

For Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, PIM Boston Back Bay LLC, a Delaware limited liability company ("Fee Owner") and PIM TRS Boston Back Bay LLC, a Delaware limited liability company ("Operating Lessee", and together with Fee Owner, individually and collectively, jointly and severally, "Seller"), hereby assigns to _____ ("Assignee") all of its or their respective right, title and interest in and to the Occupancy Agreements (as defined in that certain Agreement of Purchase and Sale dated _____, 20__ by and between Seller and Purchaser (the "Agreement")) set forth on Schedule 1 attached hereto and made a part hereof. Assignee hereby assumes and agrees to perform all of the obligations of Seller under the Occupancy Agreements to the extent any such obligations accrue and are applicable to periods from and after the date hereof or which accrue prior to the date hereof for which Assignee received a credit on the closing statement of even date herewith between the parties (or pursuant to any post-closing adjustment thereof) in accordance with the Agreement.

If any litigation between Seller and Assignee arises out of the obligations of the parties under this Assignment of Occupancy Agreements or concerning the meaning or interpretation of any provision contained herein, the losing party shall pay the prevailing party's costs and expenses of such litigation including, without limitation, reasonable attorneys' fees.

This Assignment of Occupancy Agreements may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument. Telecopied signatures may be attached hereto and shall have the same valid and binding effect as original signatures.

IN WITNESS WHEREOF, Seller and Assignee have executed this Assignment of Occupancy Agreements as of _____, 20__.

SELLER:

By: _____

Name: _____

Title: _____

[Exhibit F – Page 1]

By: _____
Name: _____
Title: _____

ASSIGNEE:

By: _____
Name: _____
Title: _____

[Exhibit F – Page 2]

EXHIBIT G

FORM OF FIRPTA CERTIFICATE

CERTIFICATE OF NON-FOREIGN STATUS

TO: _____

FROM: _____ ("Seller")

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by Seller, the undersigned hereby certifies the following on behalf of Seller:

(a) Seller is not a foreign corporation, foreign partnership, foreign trust, foreign estate or foreign person (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);

(b) Seller is not a disregarded entity, as defined in Income Tax Regulations Section 1.1445-2(b)(2)(iii);

(c) Seller's U.S. employer identification number is _____;

(d) Seller's office address is: c/o Ashford Hospitality Limited Partnership, 14185 Dallas Parkway, Suite 1100, Dallas, Texas; and

(e) The U.S. real property interest being transferred by Seller to the transferee is the land and improvements commonly known as <>, Boston, Massachusetts

Seller understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury, I declare that I have examined this certification, and it is true, correct, and complete; and I further declare that I have authority to sign this document on behalf of Seller.

[Exhibit G – Page 1]

SELLER:

By: _____

Name: _____

Title: _____

Date of Execution: _____, 20____

[Exhibit G – Page 2]

38354973v.11

ACTIVE 692459524v13

EXHIBIT H

FORM OF CBA SIDE LETTER ASSUMPTION AGREEMENT

ASSUMPTION AGREEMENT

This Assumption Agreement (the "Agreement"), dated [●], is entered into by and between [●], a [●] ("Purchaser"), [PIM Boston Back Bay LLC, a Delaware limited liability company ("Fee Owner") and PIM TRS Boston Back Bay LLC, a Delaware limited liability company ("Operating Lessee"], and together with Fee Owner, individually and collectively, jointly and severally, "Seller"), and UNITE HERE Local 26 (the "Union").

BACKGROUND

A. Seller and the Union are parties to an undated letter agreement (the "Letter Agreement") attached as Appendix B to a Collective Bargaining Agreement dated March 1, 2023 by and between Remington Boston Employers, LLC ("Manager") and the Union, which governs the terms and conditions of employment for certain employees of Manager who work at the Hilton Boston Back Bay Hotel located at 40 Dalton Street, Boston, MA 02115 (the "Hotel").

B. The Letter Agreement requires Seller to obligate a purchaser of the Hotel property to assume Seller's obligations to the Union under the Letter Agreement.

C. Seller intends to sell the Hotel property to Purchaser (the "Transaction"), and as a condition to such sale, Purchaser desires to assume each of Seller's obligations under the Letter Agreement.

D. In consideration of the mutual promises set forth in this Agreement, and for other good and valuable consideration, the sufficiency of which is acknowledged, the parties agree as follows:

TERMS

1. Purchaser hereby assumes and agrees to perform all of the obligations of Seller under the Letter Agreement accruing and arising on or after the Closing Date of the Transaction (the "Assumption").

2. The Union hereby acknowledges the Assumption and agrees that Seller has fulfilled all obligations and duties it may owe the Union pursuant to the Letter Agreement. From and after the Assumption, Seller shall have no further obligations under the Letter Agreement.

3. This Agreement and the Assumption shall become effective immediately upon the closing of the Transaction. If the Transaction does not close, this Agreement shall be null and void in its entirety.

[Exhibit H – Page 1]

4. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereto and may not be modified except by a writing signed by an authorized representative of each party.

IN WITNESS WHEREOF, Seller, Purchaser, and the Union have executed this Assignment as of the date set forth above.

SELLER:

By: _____
Name: _____
Title: _____

PURCHASER:

By: _____
Name: _____
Title: _____

UNION:

By: _____
Name: _____
Title: _____

[Exhibit H – Page 2]

EXHIBIT I

FORM OF HOLDBACK ESCROW AGREEMENT

HOLDBACK ESCROW AGREEMENT

This HOLDBACK ESCROW AGREEMENT (this “**Escrow Agreement**”), dated as of _____, 2024, is by and among PIM BOSTON BACK BAY LLC, a Delaware limited liability company and PIM TRS BOSTON BACK BAY LLC, a Delaware limited liability company (collectively, “**Seller**”), _____, a Delaware limited liability company (“**Purchaser**”), and KENSINGTON VANGUARD NATIONAL TITLE (“**Escrow Agent**”).

RECITALS:

A. WHEREAS, Seller and Purchaser entered into that certain Agreement of Purchase and Sale, effective as of _____, 2024 (as amended, the “**Purchase Agreement**”). All initially capitalized terms not otherwise defined in this Escrow Agreement shall have the meaning ascribed to such term in the Purchase Agreement.

B. WHEREAS, of even date herewith, Seller and Purchaser have consummated the Closing and, in connection therewith, Seller and Purchaser desire to establish an escrow with Escrow Agent pursuant to Section 10.15 of the Purchase Agreement.

C. WHEREAS, Purchaser and Seller desire to appoint Escrow Agent as the escrow agent pursuant to this Escrow Agreement, and Escrow Agent is willing to act as escrow agent hereunder.

D. WHEREAS, Escrow Agent has agreed to hold and disburse the Escrow Funds (defined below) pursuant to the terms of this Escrow Agreement.

NOW THEREFORE, in consideration of the covenants and agreements contained in this Escrow Agreement, and intending to be legally bound, the parties hereto agree as follows:

AGREEMENT

ARTICLE I

APPOINTMENT OF ESCROW AGENT

The parties hereto hereby appoint the Escrow Agent to act as escrow agent hereunder, and the Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. Escrow Agent shall hold, invest and disburse the Escrow Funds in accordance with the terms of this Escrow Agreement, which terms shall include, without limitation, the provisions of Article 3 below.

ARTICLE II
ESCROW

2.1 Escrow. Seller hereby deposits \$1,000,000.00 (such deposited funds together with any interest earned thereon are hereinafter referred to as the “**Escrow Funds**”) into escrow with the Escrow Agent, and the Escrow Agent hereby acknowledges receipt thereof. Seller hereby expressly confirms that it has instructed Escrow Agent to retain the Escrow Funds from the net sales proceeds payable to Seller upon the Closing under the Purchase Agreement. The Escrow Funds, together with the interest thereon, shall be deposited by Escrow Agent into a federally insured, interest bearing account reasonably acceptable to Seller and Purchaser (the “**Holdback Account**”). Escrow Agent hereby agrees that the Escrow Funds shall not be commingled with any other funds.

2.2 Fee. Escrow Agent was selected as escrow agent and as the title agent, in connection with the Closing under the Purchase Agreement, in part because it agreed to act as Escrow Agent hereunder without any additional consideration due to it, and Escrow Agent acknowledges that it is not due any additional fee for its services hereunder.

2.3 Disbursement of Escrow Funds. The Escrow Funds shall be held in escrow by Escrow Agent in accordance with the following terms:

2.3.1. From time to time up until 5:00 p.m. Eastern Standard time on the three hundred sixty-fifth (36⁵) day after the Closing Date (the “**Release Date**”), in the event of an occurrence subject to indemnification by Seller as specifically set forth in the Purchase Agreement, Purchaser may request payment from the Escrow Funds by giving written notice of its Claim (as defined in the Purchase Agreement) to Escrow Agent and to Seller (the “**Purchaser Claim Notice**”), certifying in such notice the nature of the Claim, the amount thereof if then ascertainable and, if not then ascertainable, a good faith estimate of the amount thereof and the provision(s) of the Purchase Agreement on which the claim is based. If Escrow Agent does not receive a written objection (an “**Objection Notice**”) from Seller within ten (10) days after Escrow Agent's receipt of a Purchaser Claim Notice, Seller shall be deemed to have authorized payment of the Purchaser Claim Notice from the Escrow Funds, and Escrow Agent shall promptly pay to Purchaser the amount of such Claim to the extent of the balance of the Escrow Funds. If within such ten (10) day period, the Escrow Agent shall receive an Objection Notice from Seller, then Escrow Agent shall not pay such claim and reserve and set aside a portion of the Escrow Funds equal to the amount of such Claim (each, a “**Claim Reserve**”).

2.3.2 Upon the receipt by the Escrow Agent of (i) joint written instructions signed by Purchaser and Seller or (ii) a copy of a final and non-appealable determination, finding, judgment and/or award by a court of competent jurisdiction hearing a claim, Escrow Agent shall pay the portion of the Claim Reserve directed to be paid therein to Purchaser or Seller as the case may be.

2.3.3 On the Release Date, the balance of the Escrow Funds, less the Claim Reserve and an amount equal to the amount of all Claims made prior to the Release Date for which the time period permitted for Seller to provide an Objection Notice has not elapsed, if any, shall be paid to Seller. Upon resolution of all remaining timely provided Purchaser Claim Notices and Objection Notices, the balance of the Escrow Funds shall be paid to Seller.

2.3.4 This Escrow Agreement shall terminate upon the disbursement by Escrow Agent of all of the Escrow Funds in accordance with this Escrow Agreement and Escrow Agent shall thereupon be discharged.

ARTICLE III LIABILITY OF ESCROW AGENT

3.1 Liability of Escrow Agent. Escrow Agent shall have no liability or obligation with respect to the Escrow Funds except for Escrow Agent's willful misconduct or gross negligence. Escrow Agent's sole responsibility shall be for the safekeeping and disbursement of the Escrow Funds in accordance with the terms of this Escrow Agreement. Escrow Agent shall have no implied duties or obligations and shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein. Escrow Agent may rely upon any instrument, not only as to its due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein, which Escrow Agent shall in good faith believe to be genuine, to have been signed or presented by the person or parties purporting to sign the same and to conform to the provisions of this Escrow Agreement. In no event shall Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages. Escrow Agent shall not be obligated to take any legal action or commence any proceeding in connection with the Escrow Funds, any account in which Escrow Funds is deposited, this Escrow Agreement or the Purchase Agreement, or to appear in, prosecute or defend any such legal action or proceeding.

3.2 Authorization of Escrow Agent. The Escrow Agent is authorized and instructed to comply with orders issued or process entered by any court of competent jurisdiction with respect to the Escrow Funds. If any portion of the Escrow Funds is at any time attached, garnished or levied upon under any court order, or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case any order, judgment or decree shall be made or entered by any court affecting such property or any part thereof, then and in any such event, the Escrow Agent is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel selected by it is binding upon it without the need for appeal or other action; and if the Escrow Agent complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

3.3 Indemnification of Escrow Agent. Seller and Purchaser hereby agree jointly and severally to indemnify and hold harmless the Escrow Agent and its directors, officers and

employees from and against any and all losses, liabilities, expenses, claims and demands (including reasonable attorneys' fees and expenses) arising out of or in connection with the performance of the Escrow Agent's obligations in accordance with the provisions of this Escrow Agreement, except for the Escrow Agent's own gross negligence or willful misconduct. The obligations of Purchaser and Seller under this Section shall survive any termination of this Escrow Agreement.

ARTICLE IV MISCELLANEOUS

4.1 Assignment; Successors and Assigns; Third Parties. Except as otherwise provided herein, neither Purchaser nor Seller shall convey, assign or otherwise transfer any of its rights or obligations under this Escrow Agreement without the express written consent of the other party. Any conveyance, assignment or other transfer of any of Escrow Agent's rights and obligations under this Escrow Agreement shall require express written consent of both Purchaser and Seller. This Escrow Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Escrow Agreement is not intended to benefit, and shall not run to the benefit of or be enforceable by, any other person or entity other than the parties hereto and their successors and permitted assigns.

4.2 Tax Reporting. Seller and Purchaser agree that, for tax reporting purposes, all interest or other income earned from the investment of the Escrow Funds in any tax year shall (a) to the extent such interest or other income is distributed by the Escrow Agent to any person or entity pursuant to the terms of this Escrow Agreement during such tax year, be reported as allocated to such person or entity, and (b) otherwise shall be reported as allocated to Seller.

4.3 Entire Agreement. This Escrow Agreement and the Purchase Agreement set forth all of the promises, covenants, agreements, conditions and undertakings between the parties hereto with respect to the subject matter hereof and supersede all prior or contemporaneous agreements and understandings, negotiations, inducements or conditions, express or implied, oral or written. In the event of any direct conflict of the terms of this Escrow Agreement with the terms of the Purchase Agreement, the terms of the Purchase Agreement shall control and prevail.

4.4 Severability. If a provision of this Escrow Agreement is deemed to be contrary to law, that provision will be deemed separable from the remaining provisions of this Escrow Agreement, and will not affect the validity, interpretation or effect of the other provisions of either this Escrow Agreement or any agreement executed pursuant to it or the application of that provision to other circumstances not contrary to law.

4.5 Notices. All notices that are required or permitted hereunder shall be in writing and shall be sufficient if personally delivered or sent by registered or certified mail, email or Federal Express or other nationally recognized overnight delivery service. Any notice shall be deemed given upon the earlier of the date when received at, or the third day after the date when sent by registered or certified mail or the day after the date when sent by Federal Express or the

day of when sent by email to, the address or email set forth below, unless such address email is changed by written notice to the other parties in accordance with this Escrow Agreement:

If to Seller: PIM BOSTON BACK BAY LLC
PIM TRS BOSTON BACK BAY LLC
14185 Dallas Parkway, Suite 1200
Dallas, Texas 75254
Attn: Christopher Peckham
Email: cpeckham@ashfordinc.com

and: Jackson Walker LLP
2323 Ross Avenue, Suite 600
Dallas, Texas 75201
Attn: Cynthia B. Nelson
Email: cbnelson@jw.com

If to Purchaser: []
c/o Certares Real Estate Management LLC
350 Madison Avenue, 8th Floor
New York, New York 10017
Attn: Thomas LaMacchia and Nolan Hecht
Email: tom.lamacchia@certares.com and
Nolan.Hecht@certares.com

With a copy to: Belcourt Capital Partners, LLC
5151 California Avenue, Ste 100
Irvine, California 92617
Attn: Tom Naughton
Email: naughton@belcourtcap.com

and: Greenberg Traurig, LLP
One Vanderbilt Avenue
New York, New York 10017
Attn: Farah S. Ahmed, Esq.
Email: Farah.Ahmed@gtlaw.com

If to Escrow Agent: Kensington Vanguard National Title
5949 Sherry Lane, Suite 111
Dallas, Texas 75225
Attn: Trey Lentz
Email: tlentz@kvnational.com

4.6 Expenses. Except as otherwise provided for herein, each party shall be responsible for its own costs and expenses with respect to matters involving this Escrow Agreement.

4.7 Governing Law. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Massachusetts.

4.8 Execution Counterparts. This Escrow Agreement may be executed in two (2) or more counterparts, each of which shall be deemed to be an original but all of which together shall be deemed to be one and the same instrument.

4.9 Captions. The captions herein are included for convenience of reference only and shall be ignored in the construction and interpretation hereof.

4.10 Attorneys' Fees. If any legal action is brought for the enforcement of this Escrow Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding (together with costs of enforcing any judgments or rulings), in addition to any other relief to which it may be entitled. In all other matters arising hereunder, each party shall bear its own attorneys' fees.

4.11 Further Assurances. Each party hereto, at the reasonable request of another party hereto, shall execute and deliver such other instruments and do and perform such other acts and things as may be necessary or desirable for effecting completely the consummation of this Escrow Agreement and the transactions contemplated hereby.

4.12 Recitals Incorporated. The foregoing recitals are hereby incorporated within and made an integral part of this Escrow Agreement as if fully set forth herein.

4.13 No Waiver. No failure on the part of Purchaser or Seller at any time to require the performance by the other of any provision of this Escrow Agreement shall in any way affect the party's rights to require such performance, nor shall any waiver by any party of any provision hereof be taken or held to be a waiver of any other provision hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller, Purchaser, and Escrow Agent have executed this Escrow Agreement as of _____, 2024.

SELLER:

PIM BOSTON BACK BAY LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____
Date: _____

PIM TRS BOSTON BACK BAY LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____
Date: _____

PURCHASER:

_____,
a ____

By: ____
Name: ____
Title: ____

ESCROW AGENT:

KENSINGTON VANGUARD NATIONAL TITLE

By: ____
Name: ____

Title: __

[Exhibit I – Page 2]

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Schedules:

Schedule 1 Closing Cost Allocations

Schedule 3.5 Operating Agreements; Leased Property Agreements

Schedule 3.9 Occupancy Agreements

Certain schedules have been omitted. The registrant agrees to furnish a copy of any omitted schedules to the Securities and Exchange Commission upon request.

[Schedules 1]

38354973v.11

ACTIVE 692459524v13

AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

THIS AMENDMENT TO AGREEMENT OF PURCHASE AND SALE (this “**Amendment**”), is dated as of February 28, 2024 (the “**Effective Date**”), by and between PIM BOSTON BACK BAY LLC, a Delaware limited liability company (“**Fee Owner**”) and PIM TRS BOSTON BACK BAY LLC, a Delaware limited liability company (“**Operating Lessee**”, and together with Fee Owner, collectively, “**Seller**”), and BEANTOWN HOTEL OWNER LLC, a Delaware limited liability company (“**Purchaser**”).

WITNESSETH:

WHEREAS, Seller and Purchaser entered into that certain Agreement of Purchase and Sale, dated as of January 29, 2024 (the “**Purchase Agreement**”); and

WHEREAS, Seller and Purchaser now desire to amend the Purchase Agreement as hereinafter provided.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the mutual covenants and agreements set forth herein, the parties hereto hereby agree as follows:

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller do hereby covenant and agree as follows:

1. Incorporation of Recitals; Capitalized Terms. The foregoing recitals are incorporated into this Amendment in their entirety. All capitalized terms used in this Amendment but not specifically defined herein shall have the meanings set forth for the same in the Purchase Agreement.

2. Purchase Price. The definition of “Purchase Price” in Section 1.1 of the Purchase Agreement is hereby deleted and replaced in its entirety by the following:

“Purchase Price” shall mean One Hundred Seventy-One Million Dollars (\$171,000,000.00) payable in the manner described in Section 2.2 hereof.

3. Holdback Escrow Agreement. The definition of Holdback Escrow Agreement in Section 1.1 of the Purchase Agreement is hereby deleted in its entirety. Exhibit I to the Purchase Agreement is hereby deleted in its entirety.

4. Release Deed.

(a) Section 1.1 of the Purchase Agreement is hereby amended to add the following defined term in the appropriate alphabetical location:

"Air Rights Slice" shall mean that certain air space described by the revisions to the legal description of the air space above Lots 3 and 4 effectuated by the Third Amendment to Deed recorded with the Suffolk County Registry of Deeds in Book 23457, Page 240, which air space was omitted from the Quitclaim Deed made by HH Boston Back Bay LLC, a Delaware limited liability company, dated December 13, 2012 and recorded December 19, 2012 in Book 50681, Page 214 in the Clerk's Office of the Circuit Court of Suffolk County.

(b) The definition of "Deed" in Section 1.1 of the Purchase Agreement is hereby deleted and replaced in its entirety by the following:

"Deed" shall mean, collectively, (i) a quitclaim deed in substantially the form attached hereto as Exhibit C conveying title to the Real Property from Seller to Purchaser (the "Quitclaim Deed") and (ii) a release deed in form and substance reasonably acceptable to Purchaser, Seller and the Title Company conveying title to the Air Rights Slice, without warranty or covenant, from Seller to Purchaser (the "Release Deed"), which Release Deed of the Air Rights Slice may be included in the Quitclaim Deed or conveyed by separate instrument.

5. Building Permits. The Purchase Agreement is hereby amended to add the following as Section 6.7 thereof:

1.7 Building Permits. Seller shall use commercially reasonable efforts to close out the open building permits set forth on Schedule 6.7 attached hereto prior to Closing.

6. Façade.

(a) Section 1.1 of the Purchase Agreement is hereby amended to add the following defined terms in the appropriate alphabetical location:

"Façade Review Update" shall have the meaning given to such term in Section 6.8 hereof.

"Façade Work" shall have the meaning given to such term in Section 6.8 hereof.

"Façade Work Contract" shall have the meaning given to such term in Section 6.8 hereof.

"Façade Work Credit" shall have the meaning given to such term in Section 6.8 hereof.

(b) The Purchase Agreement is hereby amended to add the following as Section 6.8 thereof:

1.8 Façade. Prior to Closing, Seller shall cause all work performed in connection with the repair of the façade pursuant to that certain Short Form Agreement Between the Owner and the Contractor for a Stipulated Sum, dated

February 22, 2024, by and between Premier Project Management LLC, as Agent for PIM TRS Boston Back Bay LLC, and Patriot Restoration, Inc (the "Façade Work Contract") to be completed in its entirety, including, without limitation, all items noted in that certain Letter regarding Exterior Wall Review Update, dated February 5, 2024, by Wessling Architects to PIM Boston Back Bay LLC (the "Façade Review Update") (such work, collectively, the "Façade Work"), and Seller shall (a) have obtained and delivered to Purchaser (x) a current Exterior Wall Certificate (as defined under the Exterior Wall Ordinance) issued for the Improvements and (y) evidence that all costs and expenses with respect to the Façade Work and the Exterior Wall Certificate have been paid in full and (b) take such action as may be required by the Title Company to release any Monetary Title Encumbrances caused by the Façade Work; provided, Seller may satisfy this obligation (and same shall not be a Seller Default) by (1) providing Purchaser with a credit at Closing in an amount equal to the sum of any unpaid costs and expenses required to complete the Façade Work and obtain the Exterior Wall Certificate (the "Façade Work Credit") and (2) assigning the Façade Work Contract to Purchaser at Closing pursuant to the Assignment and Assumption Agreement.

(c) The Purchase Agreement is hereby amended to add the following as the second to last paragraph of Section 7.6 thereof:

In the event Seller has not satisfied the requirements of Section 6.8 as of the Closing Date, Seller shall provide (and no Seller Default shall have occurred if Seller provides) Purchaser with a credit at Closing in the amount of the Façade Work Credit.

7. Inspections.

(a) Section 1.1 of the Purchase Agreement is hereby amended to add the following defined terms in the appropriate alphabetical location:

"Deficient Inspection Contracts" shall mean, collectively, (i) that certain Quotation from Cintas to Hilton Boston Bay Back – Remington Hotels, Quote #S2402124711 – 2, dated February 15, 2024 and that certain Quotation from Cintas to PIM TRS Boston Back Bay LLC dba Hilton Boston Bay Back – Remington Hotels, Quote #S2402124719 – 2, dated February 15, 2024, attached hereto as Exhibit B-1, (ii) that certain Repair Work Order from TK Elevator

Corporation to Ntl-Hilton Boston Back Bay, dated February 15, 2024, attached hereto as Exhibit B-2 and (iii) that certain Proposal for Smoke Control Semiannual Testing from Jensen Hughes, dated February 20, 2024, attached hereto as Exhibit B-3.

"Deficient Inspections" shall mean the inspection failures and deficiencies at the Property which must be performed that are: (i) described in that certain Quotation from Cintas to Hilton Boston Bay Back – Remington Hotels, Quote #S2402124711 – 2, dated February 15, 2024 and that certain Quotation from Cintas to PIM TRS Boston Back Bay LLC dba Hilton Boston Bay Back – Remington Hotels, Quote #S2402124719 – 2, dated February 15, 2024, attached hereto as Exhibit B-1, (ii)

regarding the three wheel chair lift annual elevator inspections and issuance of operating permits with respect thereto as outlined in that certain Repair Work Order from TK Elevator Corporation to Ntl-Hilton Boston Back Bay, dated February 15, 2024, attached hereto as Exhibit B-2 and (iii) regarding the inspection of the pressurized stair enclosures and floor-by-floor smoke control system as outlined in that certain Proposal for Smoke Control Semiannual Testing from Jensen Hughes, dated February 20, 2024, attached hereto as Exhibit B-3.

"Inspections Credit" shall have the meaning given to such term in Section 5.1(g) hereof.

"Further Work Required Event" shall have the meaning given to such term in Section 5.1(g) hereof.

"Unclean Report" shall have the meaning given to such term in Section 5.1(g) hereof.

(b) The Purchase Agreement is hereby amended to add the following as Section 5.1(g) thereof:

(g) Inspections. Seller shall have delivered to Purchaser (i) inspection reports prepared by licensed contractors and/or consultants, as applicable, indicating that no further work, action or inspection is required (x) for the issuance of valid licenses or permits with respect to the matters disclosed by the Deficient Inspections, or (y) to otherwise cause the conditions underlying the Deficient Inspections to be remedied in compliance with Applicable Law, other than administrative or ministerial actions such as submission of documentation to the appropriate Governmental Authority(ies) and (ii) evidence that the penalties, fines, and costs, if any, associated with the matters disclosed by the Deficient

Inspections or the performance of the inspections themselves, have been paid;provided, however, if the Deficient Inspections have been performed and inspection reports completed, but such inspection reports require, or identify or disclose adverse conditions that, further work or action must be performed (an "Unclean Report"), in either case in order for the issuance of valid licenses or permits with respect to the matters that are the subject of the Deficient Inspections, or to otherwise cause the conditions underlying the Deficient Inspections to be remedied in compliance with Applicable Law (other than administrative or ministerial actions such as submission of documentation to the appropriate Governmental Authority(ies)) (such event, a "Further Work Required Event"), Seller shall have the right to cure, during the time period for Seller to cure a Purchaser Condition Failure set forth in Section 9.1(a) hereof, and Purchaser shall accept as a "cure" of, a Further Work Required Event only (and not, for the avoidance of doubt, a failure of any or all of the Deficient Inspections to be performed at all), as follows: (1) Seller shall provide Purchaser with a credit at Closing in an amount equal to the aggregate sum of the costs and expenses, as estimated by the contractors or consultants engaged under the applicable Deficient Inspection Contracts that delivered Unclean Reports (or such other contractors reasonably approved by Purchaser if the contractors and/or consultants who performed the inspection do not themselves perform the necessary work to remedy adverse conditions disclosed by the Unclean Reports) and reasonably approved by Purchaser, required to (a) perform and complete the work identified in the Unclean Report and cause the conditions underlying the Deficient Inspections to be remedied in compliance with Applicable Law, (b) perform any further inspections recommended or necessitated by the Unclean Report, (c) obtain valid certificates, licenses and/or permits to the extent required under Applicable Law with respect to the matters that are the subject of the Deficient Inspections and/or disclosed by the Unclean Report, (d) satisfy any other requirements of Applicable Law in connection with such Deficient Inspections and the Unclean Report, and (e) pay in full any penalties, fines, and costs, if any, associated with the matters disclosed by the Deficient Inspections and/or the Unclean Report or otherwise required to comply with Applicable Law (collectively, the "Inspections Credit") and (2) assigning the Deficient Inspection Contracts and any additional contracts entered into in connection with the Deficient Inspections and/or remedying conditions disclosed in any Unclean Report to Purchaser at Closing pursuant to the Assignment and Assumption Agreement.

(c) Exhibit B attached to the Purchase Agreement is hereby deleted and replaced in its entirety by Exhibit B-1, B-2 and B-3 attached hereto.

(d) The Purchase Agreement is hereby amended to add the following as the third to last paragraph of Section 7.6 thereof:

In the event Seller elects to cure any Purchaser Condition Failure set forth in Section 5.1(g), Seller shall provide Purchaser with a credit at Closing in the amount of the Inspections Credit.

8. Survival. Section 10.15 of the Purchase Agreement is hereby deleted and replaced in its entirety by the following:

10.15 Survival. Except to the extent (i) that Seller gives Purchaser written notice prior to Closing of the untruth or inaccuracy of any representation or warranty contained herein, (ii) Purchaser otherwise obtains Actual Knowledge prior to Closing of the untruth or inaccuracy of any representation or warranty contained herein, or (iii) of a Non Breach Inaccuracy, and in any such case, Purchaser nevertheless elects to close this transaction (in which case, the applicable representations and warranties shall be deemed modified to the extent of such Actual Knowledge or Non-Breach Inaccuracy), the representations, warranties, agreements, and indemnities made herein shall survive the Closing through but not beyond the Limitation Date (as hereinafter defined) after which such representations, warranties, agreements, and indemnities shall merge into the Closing Documents, provided that the aforesaid limitation shall not apply to (x) the prosecution of any claim made and action commenced in accordance with clauses (a) and (b) below on or prior to the Limitation Date, and (y) Retained Liabilities. The representations, warranties, indemnities and agreements of Seller set forth in this Agreement and the Closing Documents shall survive for twelve (12) months after the Closing Date (the "Limitation Date"). Seller and Purchaser hereby agree that, notwithstanding any provision of this Agreement or any provision of law to the contrary, any action which may be brought for the untruth or inaccuracy of any representation or warranty by Seller or any indemnity or other obligation of Seller in this Agreement or in any of the Closing Documents (a "Claim") shall be forever barred unless, no later than the Limitation Date, Purchaser (a) delivers to Seller a written notice of the Claim setting forth the basis for such Claim, and (b) files a complaint or petition against Seller alleging such Claim in an appropriate Federal district or state court and serves the same upon Seller, in which case the Limitation Date, as to such breach, shall be extended pending resolution of such complaint or petition. Notwithstanding anything to the contrary contained in this Agreement, any Claim that Purchaser may have at any time against Seller will not be valid or effective, and Seller shall have no liability with respect thereto, unless all valid

Claims exceed Twenty-five Thousand Dollars (\$25,000) in the aggregate (the "Basket"); provided that, once such aggregate of all valid Claims exceeds the Basket, Purchaser shall be entitled to pursue and receive recovery of the full amount of such Claims, including the first \$25,000 thereof. Seller's liability for damages resulting from valid Claims shall in no event exceed (x) three percent (3%) of the Purchase Price in the aggregate for the first eight (8) months following the Closing Date and (y) for the next four (4) months following the Closing Date, two percent (2%) of the Purchase Price in the aggregate (the "Cap"), provided, however, in no event shall the Basket or the Cap apply with respect to: (i) the broker representation set forth in Section 8.3, (ii) Seller's re-proration obligations pursuant to Section 7.2, (iii) Seller's fraud, and/or (iv) the payment of any taxes that are Retained Liabilities. To secure Seller's obligations hereunder, on the Closing Date, Seller shall cause Ashford Hospitality Limited Partnership, a Delaware limited partnership, to sign the joinder attached hereto. Until the Limitation Date (and thereafter during the pendency of any claims of which Purchaser has notified Seller and instituted a proceeding in accordance with the time period set forth above), such joinder is intended to secure payment for Seller's obligations and covenants under this Section 10.15. The provisions of this Section 10.15 shall survive the Closing.

9. Allocations. Seller and Purchaser hereby agree that the allocation of the Purchase Price between the Real Property and the Personal Property shall be as set forth on Schedule 2.2(c) attached hereto.

10. New Management Agreement. Seller and Purchaser hereby agree that the form of New Management Agreement is attached hereto as Exhibit C.

11. Go Hard Notice. This Amendment shall constitute Purchaser's "Go Hard Notice" pursuant to Section 2.4 of the Purchase Agreement. Seller acknowledges that such Go Hard Notice has been timely received and accepted by Seller.

12. Full Force and Effect. In the event of any inconsistency between this Amendment and the Purchase Agreement, the terms of this Amendment shall govern and control. Except as amended hereby, the terms and provisions of the Purchase Agreement remain unmodified and in full force and effect and are ratified and confirmed.

13. Counterparts. The parties may sign this Amendment in counterparts and by telecopier or Adobe portable document format file. Separately signed counterparts shall form a single document.

14. Governing Law. This Amendment shall be governed by, interpreted under, and construed and enforced in accordance with, the laws of the Commonwealth of Massachusetts.

15. Form 8K and Press Release. Seller and Purchaser hereby agree that Seller or its Affiliate shall be permitted to (a) file the Form 8-K attached hereto as Exhibit D with the United States Securities and Exchange Commission and (b) submit and/or distribute the press release attached hereto as Exhibit E.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Amendment to be effective as of the first date and year written above.

SELLER:

PIM BOSTON BACK BAY LLC,
a Delaware limited liability company

By: /s/ J. Robinson Hays
Name: J. Robinson Hays
Title: President

PIM TRS BOSTON BACK BAY LLC,
a Delaware limited liability company

By: /s/ Deric Eubanks
Name: Deric Eubanks
Title: President

[Signatures continue on following page]

PURCHASER:

BEANTOWN HOTEL OWNER LLC,
a Delaware limited liability company

By: /s/ Nolan Hecht
Name: Nolan Hecht
Title: Authorized Signatory

[Signature Page to Amendment to Agreement of Purchase and Sale]

**SECOND AMENDMENT TO
AGREEMENT OF PURCHASE AND SALE**

THIS SECOND AMENDMENT TO AGREEMENT OF PURCHASE AND SALE (this "**Amendment**"), is dated as of April 8, 2024 (the "**Effective Date**"), by and between PIM BOSTON BACK BAY LLC, a Delaware limited liability company ("**Fee Owner**") and PIM TRS BOSTON BACK BAY LLC, a Delaware limited liability company ("**Operating Lessee**", and together with Fee Owner, collectively, "**Seller**"), and BEANTOWN HOTEL OWNER LLC, a Delaware limited liability company ("**Purchaser**").

WITNESSETH:

WHEREAS, Seller and Purchaser entered into that certain Agreement of Purchase and Sale, dated as of January 29, 2024, as amended by that certain Amendment to Purchase and Sale Agreement dated as of February 28, 2024 (collectively, the "**Purchase Agreement**"); and

WHEREAS, Seller and Purchaser now desire to amend the Purchase Agreement as hereinafter provided.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the mutual covenants and agreements set forth herein, the parties hereto hereby agree as follows:

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller do hereby covenant and agree as follows:

1. Incorporation of Recitals: Capitalized Terms. The foregoing recitals are incorporated into this Amendment in their entirety. All capitalized terms used in this Amendment but not specifically defined herein shall have the meanings set forth for the same in the Purchase Agreement.
 2. Deficient Inspection. The parties acknowledge and agree to the following:
 - (a) Seller has performed the Deficient Inspection relating to the pressurized stair enclosures and floor-by-floor smoke control system (the "**Stairwell Pressurization Deficiency**") as outlined in that certain Proposal for Smoke Control Semiannual Testing from Jensen Hughes, dated February 20, 2024, attached as Exhibit B-3 to the Purchase Agreement. The result of such inspection was an Unclean Report and a Further Work Required Event, which is a Purchaser Condition Failure (the "**Deficiency Purchaser Condition Failure**").
 - (b) Such Further Work Required Event requires further diligence and engagement of an engineer to determine the level of deficiency, required work, and costs of performance of such work in order to cure the Stairwell Pressurization Deficiency and cause the compliance of the Property with Applicable Law with respect
-

thereto, and that the parties will not, as of the Closing Date, have sufficient information for Seller to provide Purchaser with an Inspections Credit to close over the Purchaser Condition Failure.

(c) Accordingly, the parties agree that Seller will deposit into an escrow account with Title Company a portion of the balance of the Purchase Price paid by Purchaser at Closing equal to \$2,500,000.00 (the "**Stairwell Pressurization Holdback**"), pursuant to an escrow agreement in the form attached hereto as Exhibit A (the "**Holdback Escrow Agreement**"). The parties will execute and deliver the Holdback Escrow Agreement as a mutual closing deliverable, and Section 7.4 of the Purchase Agreement is hereby deemed modified to include, the Holdback Escrow Agreement.

(d) The Holdback Escrow Agreement governs the disposition of funds from the Stairwell Pressurization Holdback and the resolution of the Stairwell Pressurization Deficiency.

(e) Notwithstanding anything herein to the contrary, the parties acknowledge and agree that the Stairwell Pressurization Holdback cures, and is Purchaser's sole remedy for, the Deficiency Purchaser Condition Failure. Furthermore, in no event shall (x) Seller's liability to Purchaser in any way relating to the Stairwell Pressurization Deficiency be in excess of the Stairwell Pressurization Holdback, or (y) Purchaser have any obligation or liability to Seller to remit any excess of funds released to Purchaser pursuant to the terms of the Holdback Escrow Agreement over the actual costs it incurs in any subsequent performance of work to address the Stairwell Pressurization Deficiency.

3. Survival. The parties intend for the terms and provisions of this Amendment to survive the Closing.

4. Full Force and Effect. In the event of any inconsistency between this Amendment and the Purchase Agreement, the terms of this Amendment shall govern and control. Except as amended hereby, the terms and provisions of the Purchase Agreement remain unmodified and in full force and effect and are ratified and confirmed.

5. Counterparts. The parties may sign this Amendment in counterparts and by telecopier or Adobe portable document format file. Separately signed counterparts shall form a single document.

6. Governing Law. This Amendment shall be governed by, interpreted under, and construed and enforced in accordance with, the laws of the Commonwealth of Massachusetts.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Amendment to be effective as of the first date and year written above.

SELLER:

PIM BOSTON BACK BAY LLC,
a Delaware limited liability company

By: /s/ J. Robinson Hays
Name: J. Robinson Hays
Title: President

PIM TRS BOSTON BACK BAY LLC,
a Delaware limited liability company

By: /s/ Deric Eubanks
Name: Deric Eubanks
Title: President

[signatures continue on following page]

PURCHASER:

BEANTOWN HOTEL OWNER LLC,
a Delaware limited liability company

By: /s/ Nolan Hecht
Name: Nolan Hecht
Title: Authorized Signatory

[Signature Page to Second Amendment to Agreement of Purchase and Sale]

CERTIFICATION

I, J. Robison Hays, III, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ashford Hospitality Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2024

/s/ J. ROBISON HAYS, III

J. Robison Hays, III

President and Chief Executive Officer

CERTIFICATION

I, Deric S. Eubanks, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ashford Hospitality Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2024

/s/ DERIC S. EUBANKS

Deric S. Eubanks
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Ashford Hospitality Trust, Inc. (the "Company") on Form 10-Q for the quarterly period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, J. Robison Hays, III, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 9, 2024

/s/ J. ROBISON HAYS, III

J. Robison Hays, III

President and Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Ashford Hospitality Trust, Inc. (the "Company") on Form 10-Q for the quarterly period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Deric S. Eubanks, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 9, 2024

/s/ DERIC S. EUBANKS

Deric S. Eubanks

Chief Financial Officer