



ASHFORD

HOSPITALITY PRIME

NEWS RELEASE

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ASHFORD PRIME PROVIDES UPDATE ON HURRICANE IRMA

DALLAS, September 13, 2017 -- Ashford Hospitality Prime, Inc. (NYSE: AHP) (“Ashford Prime” or the “Company”) provided an update today on the status of its two properties affected by Hurricane Irma.

The hurricane has impacted many regions of the U.S. Virgin Islands and the Company’s Ritz-Carlton St. Thomas resort received some physical damage. The Company is working with its insurers to assess the damage and, along with Ritz-Carlton, will be examining the implementation of a planned renovation program. The resort, which represents 6.3% of Ashford Prime’s Hotel EBITDA on a trailing twelve-month basis through the second quarter, is currently accepting reservations on its website for stays beginning January 2018. The resort remains functioning and currently has approximately 80 guest rooms available for those taking part in the recovery effort.

The Company’s Pier House Resort & Spa in Key West, Florida also sustained physical damage from the hurricane. The property represents 7.5% of Ashford Prime’s Hotel EBITDA on a trailing twelve-month basis through the second quarter. The hotel is accepting reservations and has resumed limited operations. The Company is working with its insurers to assess the damage and will be examining the implementation of a planned renovation program.

“Our thoughts and prayers go out to the people and communities impacted by Hurricane Irma,” commented Richard J. Stockton, Ashford Prime’s President and Chief Executive Officer. “All of our guests and property employees are safe and, while these properties are not expected to be at full operations for some time, we remain steadfast in assisting in the recovery effort. I am very proud of our team and our property managers for how they have handled this difficult time, and we will continue to work with our insurers on remediation efforts. We currently do not expect our uncovered

losses from this natural disaster to exceed \$5 million, and we also do not expect our covered losses to exceed our coverage cap.”

Ashford Prime continues to assess the full impact of the damage caused by Hurricane Irma and all of its properties have comprehensive property, casualty, flood and business interruption insurance. The Company plans to provide additional updates in the event of any material changes.

Ashford Hospitality Prime is a real estate investment trust (REIT) focused on investing in luxury hotels and resorts.

Ashford has created an Ashford App for the hospitality REIT investor community. The Ashford App is available for free download at Apple’s App Store and the Google Play Store by searching “Ashford.”

Certain statements and assumptions in this press release contain or are based upon "forward-looking" information and are being made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this press release include, among others, statements about the implied share price for the Company's common stock. These forward-looking statements are subject to risks and uncertainties. When we use the words "will likely result," "may," "anticipate," "estimate," "should," "expect," "believe," "intend," or similar expressions, we intend to identify forward-looking statements. Such statements are subject to numerous assumptions and uncertainties, many of which are outside Ashford Prime's control.

These forward-looking statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated, including, without limitation: general volatility of the capital markets and the market price of our common stock; changes in our business or investment strategy; availability, terms and deployment of capital; availability of qualified personnel; changes in our industry and the market in which we operate, interest rates or the general economy; our ability to successfully complete and integrate acquisitions, and manage our planned growth, and the degree and nature of our competition. These and other risk factors are more fully discussed in Ashford Prime's filings with the Securities and Exchange Commission. EBITDA is defined as net income before interest, taxes, depreciation and amortization. EBITDA yield is defined as trailing twelve month EBITDA divided by the purchase price. A capitalization rate is determined by dividing the property's annual net operating income by the purchase price. Net operating income is the property's funds from operations minus a capital expense reserve of either 4% or 5% of gross revenues. Hotel EBITDA flow-through is the change in Hotel EBITDA divided by the change in total revenues. Hotel EBITDA Margin is Hotel EBITDA divided by total revenues. Funds from operations ("FFO"), as defined by the White Paper on FFO approved by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT") in April 2002, represents net income (loss) computed in accordance with generally accepted accounting principles ("GAAP"), excluding gains (or losses) from sales of properties and extraordinary items as defined by GAAP, plus depreciation and amortization of real estate assets, and net of adjustments for the portion of these items related to unconsolidated entities and joint ventures.

The forward-looking statements included in this press release are only made as of the date of this press release. Investors should not place undue reliance on these forward-looking statements. We are not obligated to publicly update or revise any forward-looking statements, whether as a result of new information, future events or circumstances, changes in expectations or otherwise