

HERSHA

Investor Presentation

June 2021



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Early Signs of Recovery HERSHA



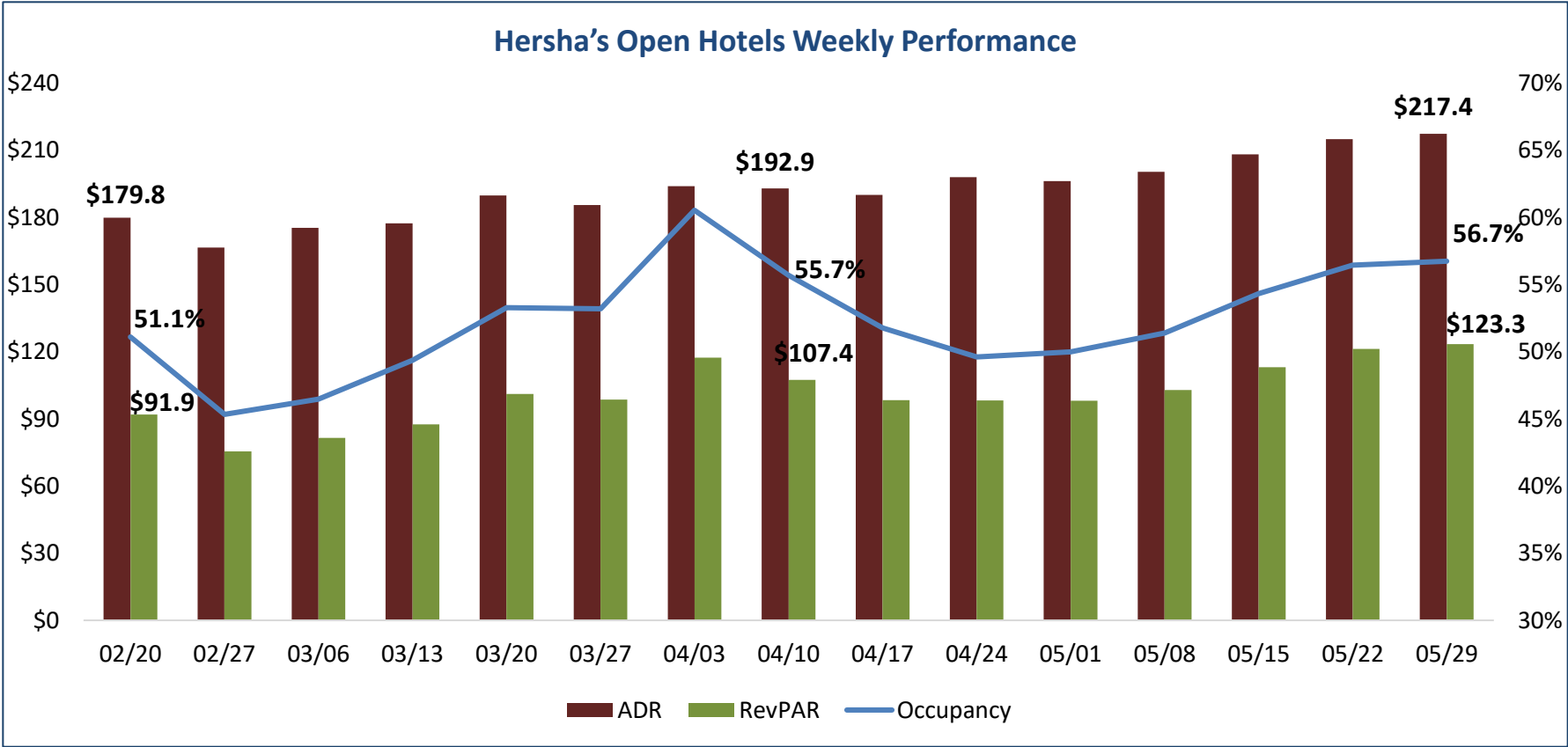
Quarter-To-Date Trends Remain Robust

- Portfolio absolute RevPAR meaningfully improved through the spring as our portfolio generated \$116 RevPAR in May, 14% higher than April and 23% higher than March
 - ✓ Our South Florida portfolio generated 78% occupancy and ~\$300 ADR during May with absolute RevPAR exceeding our forecast by ~12.5%
- Our aggressive cost containment strategies led to strong performance and significant savings in April
 - ✓ 40% GOP margin for comparable portfolio
 - ✓ \$4.2 million in absolute EBITDA generation for resort portfolio
 - ✓ 41% weighted average EBITDA margin for resort portfolio
- Our Resort portfolio has generated strong results second quarter to date as of May, highlighted by:

	Occupancy	ADR Growth	RevPAR Growth
<i>The Parrot Key Hotel & Villas</i>	90%	54%	75%
<i>The Cadillac Hotel & Beach Club</i>	80%	9%	27%
<i>The Sanctuary Beach Resort</i>	79%	46%	29%
<i>The Hotel Milo</i>	76%	30%	18%
<i>Annapolis Waterfront Hotel</i>	73%	7%	1%

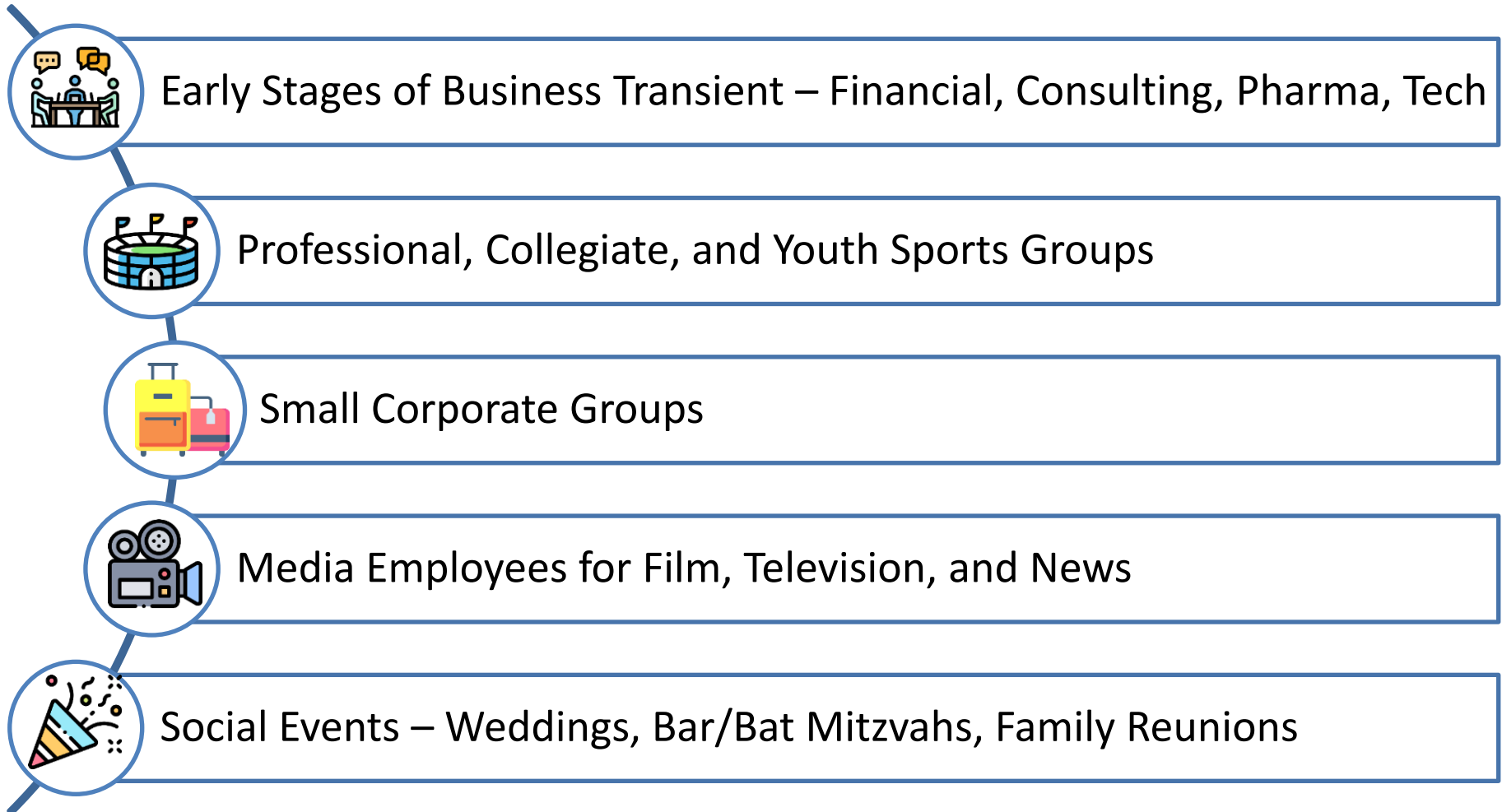
Portfolio Improvement Continues in May

- During May, our 33 comparable hotels generated 55.1% occupancy and an average daily rate of \$210.85. Despite very minimal business transient and group demand across the portfolio, rates in May actualized less than 20% below May 2019 levels
- In April, 28 of our 33 comparable hotels broke even on the GOP line with 19 achieving EBITDA breakeven levels, a 36% increase in properties reaching EBITDA breakeven versus January



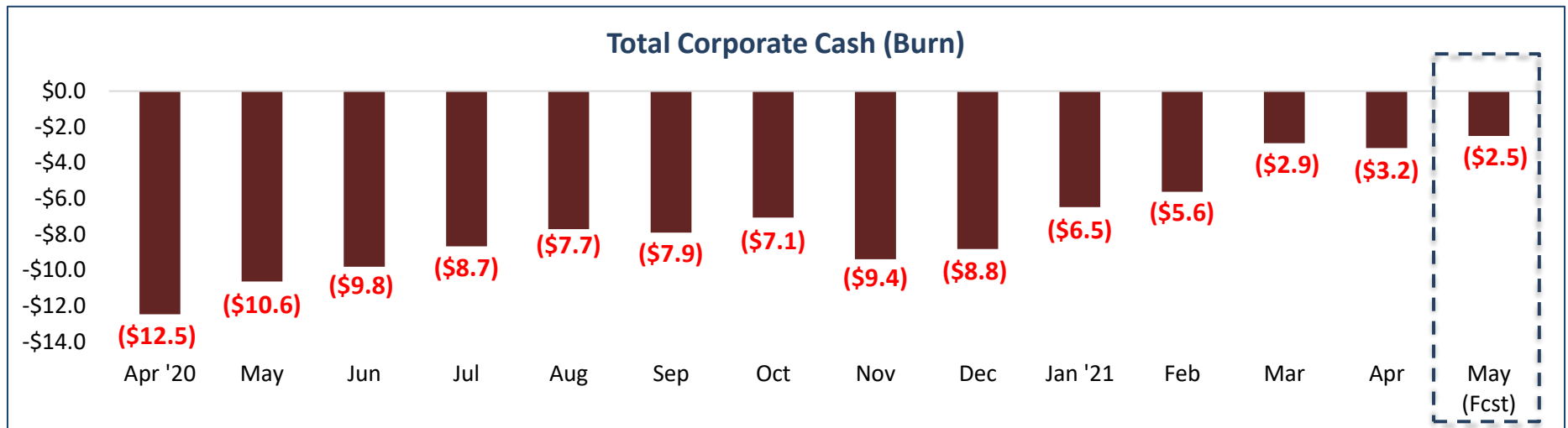
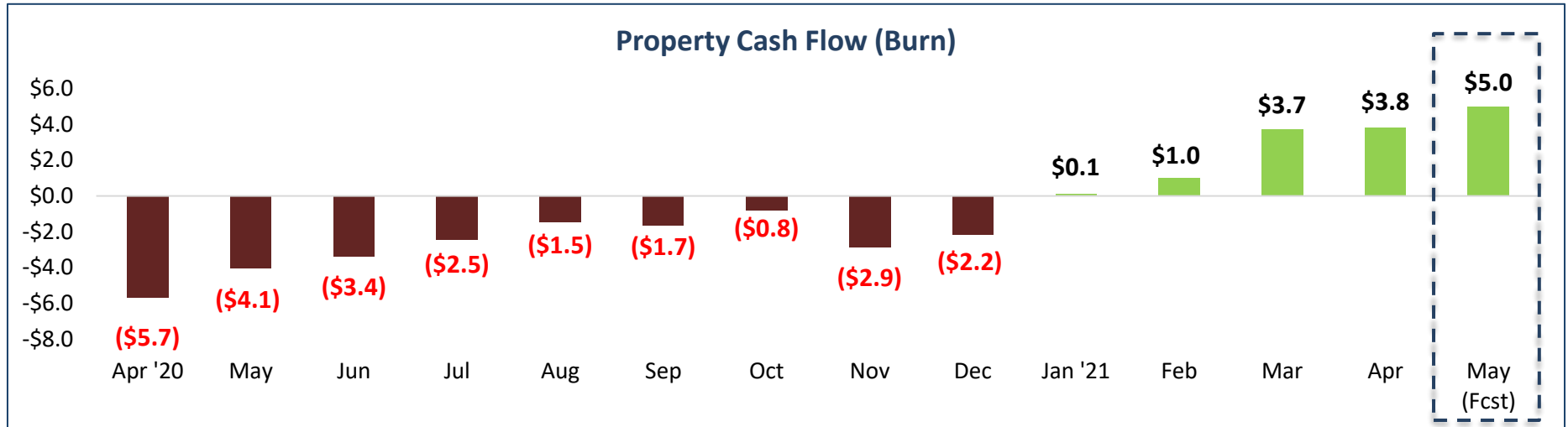
Multiple Segments of Traveler Returning

Year-to-date, leisure demand has been robust, but we are seeing early signs of smaller group and business transient demand across the portfolio



Monthly Cash Flow

- Our portfolio generated \$3.8 million in property-level EBITDA in April, resulting in corporate-level cash burn of \$3.2 million, 74% below total corporate cash burn in April 2020



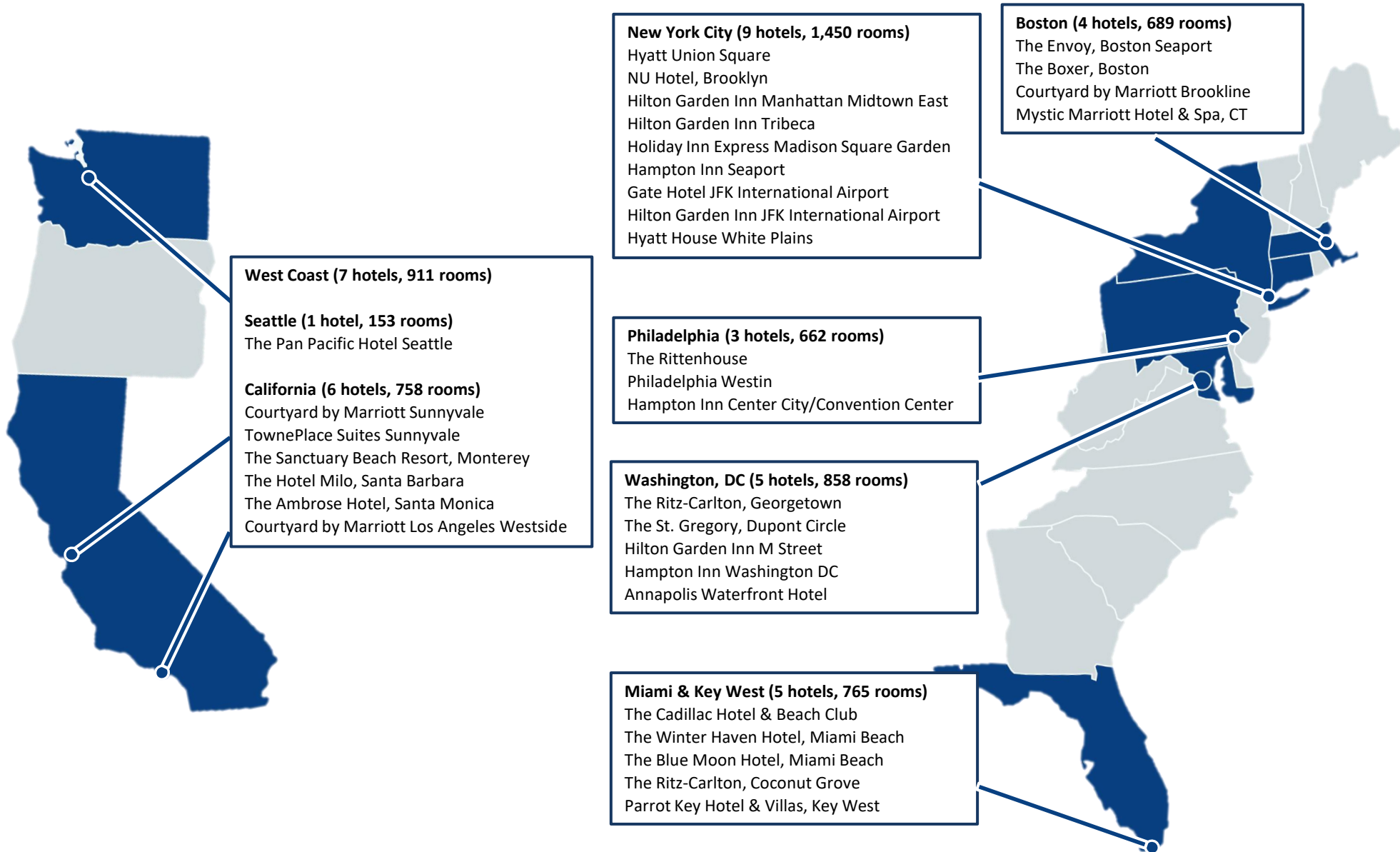
*Above property cash burn includes approximately (\$0.9) of SG&A, (\$3.9) of debt service and (\$2.0) of preferred dividends, which have been retroactively included in the Total Corporate Cash Flow (Burn) chart. The Company resumed quarterly preferred distributions in April 2021

Investment Thesis

HERSHA



Bi-Coastal Portfolio, Clustered for Advantage



Operational Excellence

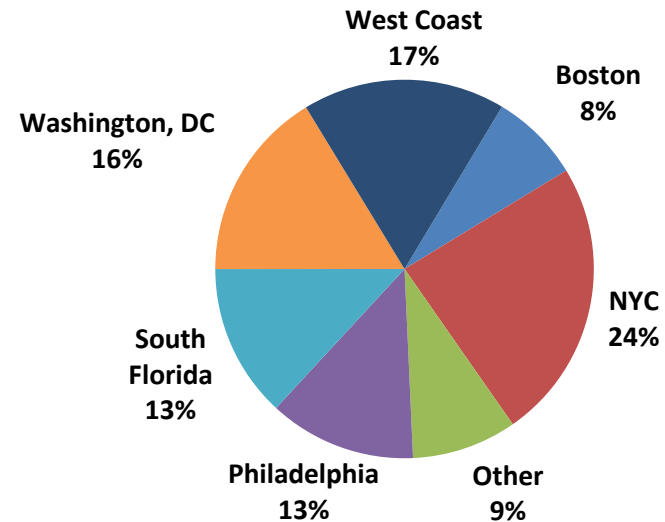
- **Our portfolio of 36 transient hotels are situated in high barrier to entry urban gateway markets and resort destinations and generate sector-leading margins while producing high absolute RevPAR**
 - From Silicon Alley in Manhattan and the Seaport district in Boston out to Seattle and Silicon Valley, many of our assets are situated in key innovation districts across the country with significant life sciences, tech, and multifamily development demand generators
- **Portfolio Replacement Cost of \$500K - \$575K Per Key**
 - \$2.8 - \$3.0 billion consolidated portfolio value on a replacement cost basis
 - Our New York City portfolio can be valued at ~\$550K per key as non-union select service assets in the city have traded near or above \$500K per key pre-pandemic
- **Focused-Service Strategy**
 - Close to 80% of our hotels employ a focused-service strategy and a flexible operating model that quickly adjusts for demand trends
 - Closely aligned relationship with affiliated third party management company allows for real-time decision making and an astute focus on bottom line performance
- **Cluster Strategy Maximizes Revenues and Leverages Economies of Scale for Cost Efficiencies**
 - Cross-utilizing staff between our hotels lowers our overall labor costs and also leverages the extensive market knowledge of our management team across the cluster

Strategically Positioned Portfolio

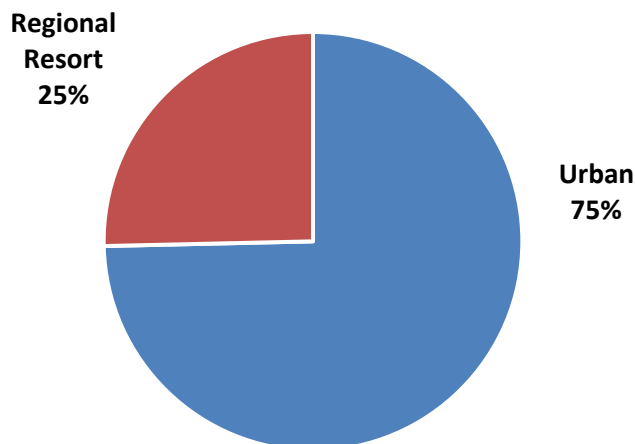
■ Newly Aligned Portfolio

- ✓ 15% reduction in hotel count leads to more efficient asset and revenue management initiatives
- ✓ Absolute RevPAR improves ~4% to \$195
- ✓ EBITDA/Key valuation strengthens ~4% to \$28,345
- ✓ Portfolio Margin remains above 30%, one of the highest among the peers

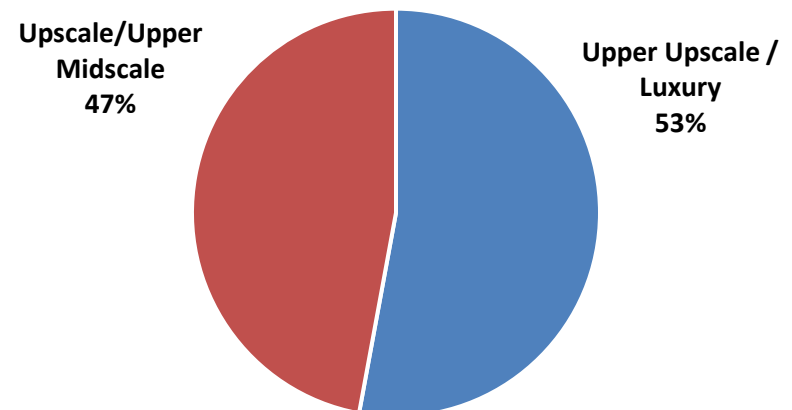
By Market



By Destination



By Segmentation



*Figures Based on 2019 Actual Results and Room Count

**Figures exclude recently closed dispositions: Sheraton Wilmington, Courtyard San Diego, Residence Inn CG, HIEX Cambridge, Capitol Hill Hotel, Duane Street

Purpose-Built Portfolio Mix

Upper Upscale & Luxury Portfolio	
ADR	\$264
RevPAR	\$209
EBITDA Margin	28%
EBITDA/Key	\$29,398
Hotels	19
Room Count (% Total Rooms)	2,827 (53%)

Upper Midscale & Upscale Portfolio	
ADR	\$204
RevPAR	\$177
EBITDA Margin	39%
EBITDA/Key	\$27,158
Hotels	14
Room Count (% Total Rooms)	2,507 (47%)

Wholly-Owned Portfolio



33 Hotels



5,334 Rooms



\$234 ADR



\$194 RevPAR



\$28,345
EBITDA/Key



\$32% EBITDA
Margin

Independent & Collections Portfolio	
ADR	\$258
RevPAR	\$202
EBITDA Margin	31%
EBITDA/Key	\$30,103
Hotels	15
Room Count (% Total Rooms)	1,944 (36%)

Branded Portfolio	
ADR	\$222
RevPAR	\$190
EBITDA Margin	32%
EBITDA/Key	\$27,337
Hotels	18
Room Count (% Total Rooms)	3,390 (64%)

*Figures Based on 2019 Actual Results

**Figures exclude recently closed dispositions: Sheraton Wilmington, Courtyard San Diego, Residence Inn CG, HIEC Cambridge, Capitol Hill Hotel, Duane Street

Long-Term Margin Growth

■ Property-Level Measures to Control Operating Expenses

- ✓ Deep personnel reductions versus pre-COVID pandemic levels
- ✓ Utilizing more tech-enabled solutions such as mobile check-in and concierge services, as well as smartphone ordering systems at food & beverage outlets
- ✓ All non-critical expenses have been reduced or suspended (supplies, linen, training, contract services)
 - Changes in housekeeping protocols, reduction in in-room items, and breakfast amenities should lead to a sustained 10% decrease in cost per occupied room

57%

- ✓ *Average full-time employee headcount reduction versus pre-COVID-19 pandemic levels*

5%-8%

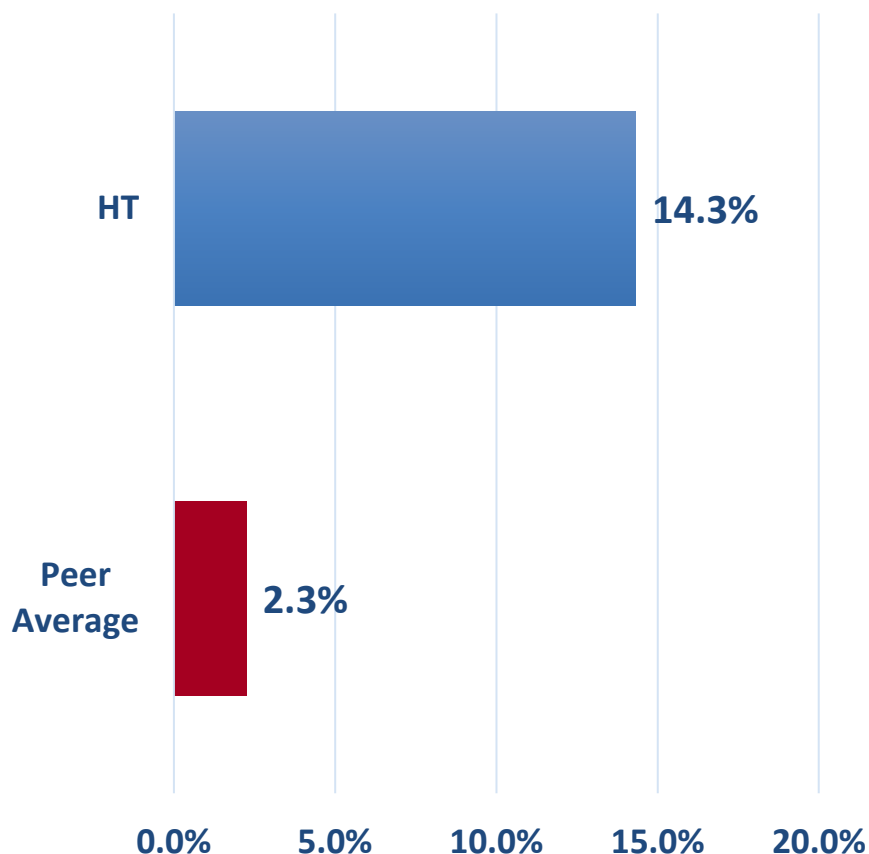
- ✓ *Expected go-forward labor savings through applied asset management initiatives*

150-250 bps

- ✓ *Sustainable long-term margin savings from various portfolio cost reductions*

Aligned Management Team

Insider Ownership



- ✓ Approximately **\$4.0 million** of shares were purchased by management and trustees in 2020

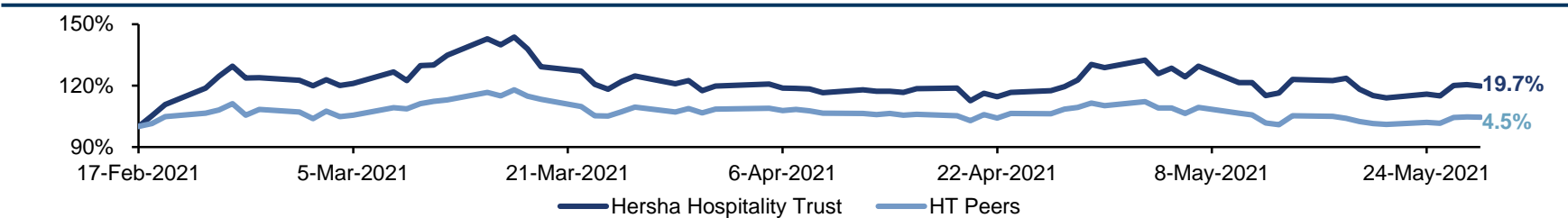
UNIQUE MANAGEMENT STRUCTURE

- ✓ HHM manages 31 of HT's 36 hotels
- ✓ Aligned owner/operator strategy leads to timely, portfolio-wide implementation of revenue and expense management adjustments that drive EBITDA
- ✓ Base management fee and pooled incentive management fee structure drives focus on the entire portfolio
- ✓ Assets unencumbered of management contracts increases liquidity and pricing for asset sales

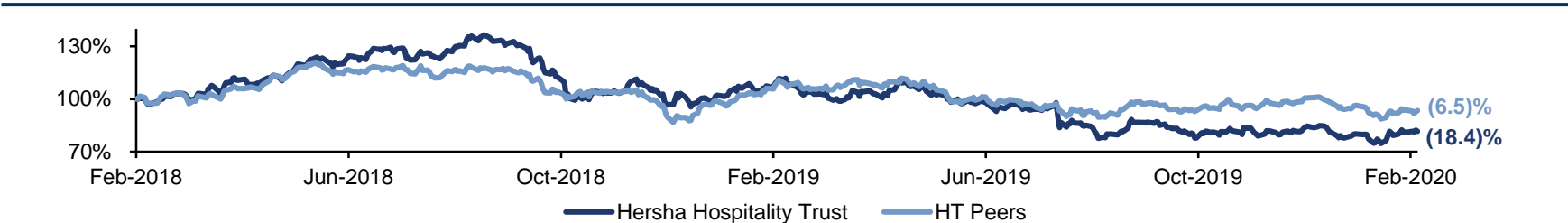
Recent Stock Performance Shows Room to Run

- Since the Company's comprehensive refinancing solution in February, the stock has outperformed the peer group by ~15%
- However, despite this recovery, shares are well below peer levels since the onset of the COVID-19 pandemic

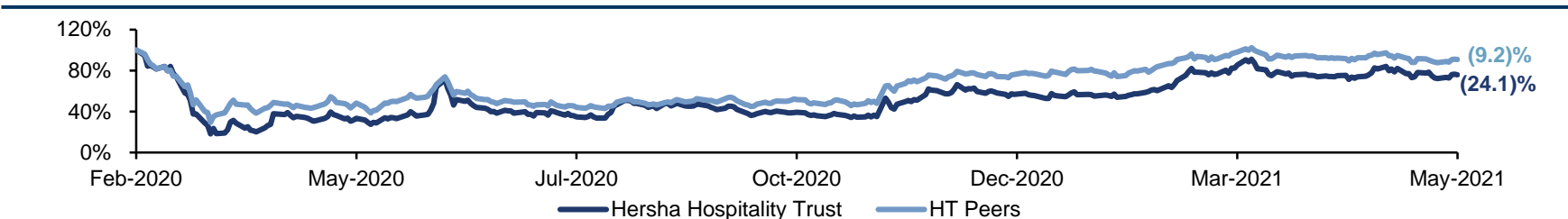
Since Comprehensive Refinancing Solution Announcement (17-Feb-2021)



Two Years Pre-COVID 19 (21-Feb-2020)



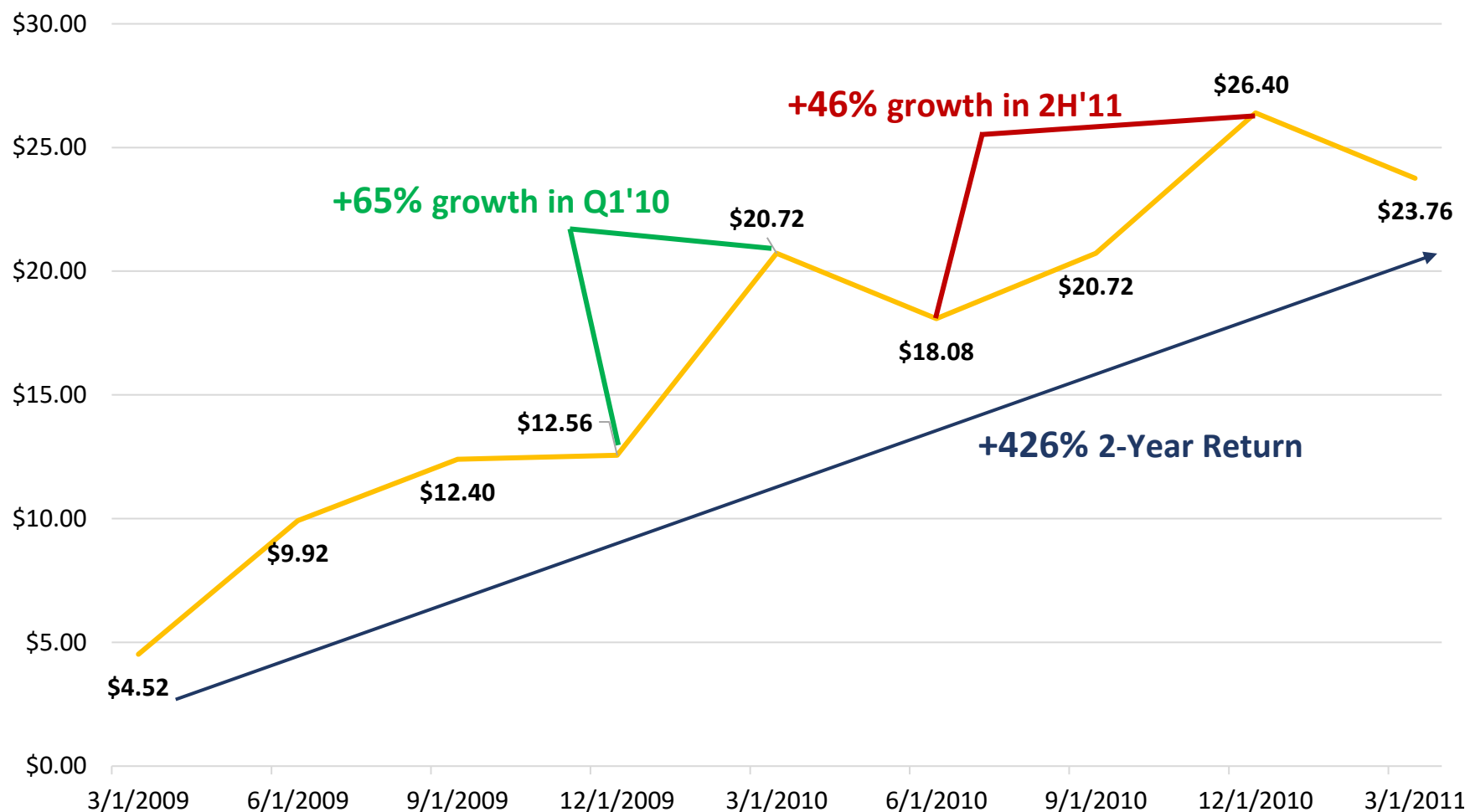
Since COVID-19 (21-Feb-2020) Through May 2021



Source: Goldman Sachs, Bloomberg

HT Stock Price Recovery, GFC

- Hersha's stock price saw rapid price acceleration leading to a long recovery from its March 2009 trough from the Great Financial Crisis, with a 426% return over the ensuing two year period



Strategic Capitalization

HERSHA



Execution of Comprehensive Refinancing Solution

Hersha Hospitality Trust announced a series of strategic and financing transactions providing the Company with increased operating flexibility and liquidity

- ✓ New \$200 million unsecured notes placement from West Street Strategic Solutions Fund I, L.P. and Broad Street Credit Holdings LLC, each of which is an affiliate of the Merchant Banking business of The Goldman Sachs Group, Inc. (“GS Purchasers”)
- ✓ Entered into binding sales agreements at attractive pricing on 6 hotels for a total asset value of \$216 million. Subsequent to the Company paying down mortgage loans, the successful completion of these sales will generate approximately \$191 million in net proceeds
- ✓ Successful Bank Credit Facility amendment

These actions eliminate our 2021 term loan maturity, enhance our operating flexibility, bolster liquidity without diluting existing shareholders, and position Hersha to benefit from the recovery

Strategic Capital Commitment

Hersha secured a strategic financing from GS Purchasers

■ \$150 Million Unsecured Notes Due 2026

- ✓ Can be upsized by \$50 million to an aggregate amount of \$200 million via a delayed draw feature at Hersha's sole discretion
- ✓ Bespoke private execution that allows significant prepayment flexibility after the first year
- ✓ Proceeds are non-dilutive to the Company's shareholders
- ✓ 50% of the 9.5% annual interest can accrue at the Company's option in the form of Payment In Kind through March 31, 2022, creating near-term cash savings

■ Financial Flexibility

- ✓ Addresses the Company's capital needs to maintain near and medium term financial flexibility
- ✓ By successfully amending the credit facility to eliminate near-term maturities, Hersha can focus on operational management of the portfolio and accretive growth opportunities through the recovery
- ✓ Allows the Company to simultaneously amend the Credit Facility agreement and extend the covenant waiver holiday through March 31, 2022

Asset Sales to Fund Debt Repayment

Hersha completed the sale of six hotels for net proceeds of \$191M

- **We sold one hotel in each of our geographic clusters with a focus on disposing smaller, older, stabilized hotels expected to underperform relative to their clusters and require more capital investment over the next two to three years**
 - ✓ Hotels or submarkets we expect to have a slower recovery than our portfolio average due to group/business transient reliance or new supply
- **Marginally improves absolute RevPAR and EBITDA/Key of the portfolio, but meaningfully enhances portfolio quality, EBITDA growth rate, and reduces capex drag**
 - ✓ Hotels we have owned longer than our targeted strategic hold period of seven years and buildings that were not purpose built for their market position

Bank Credit Facility Amendment Provides Substantial Flexibility

Extension of Covenant Holiday



Extension of financial covenant waiver period through Q1 2022

Flexible Covenant Calculation



Leverage covenant calculated on a latest quarter annualized (or similar) basis from Q2 2022 through Q1 2023 providing additional flexibility

Extension of Term Loan



2021 term loan maturity extended to August 2022 leaving no material debt maturities until then

Reduced Principal



In excess of \$200 million of non-core properties sold or under contract with proceeds used to reduce term loan principal and bolster liquidity

Ability to Make Preferred Distributions

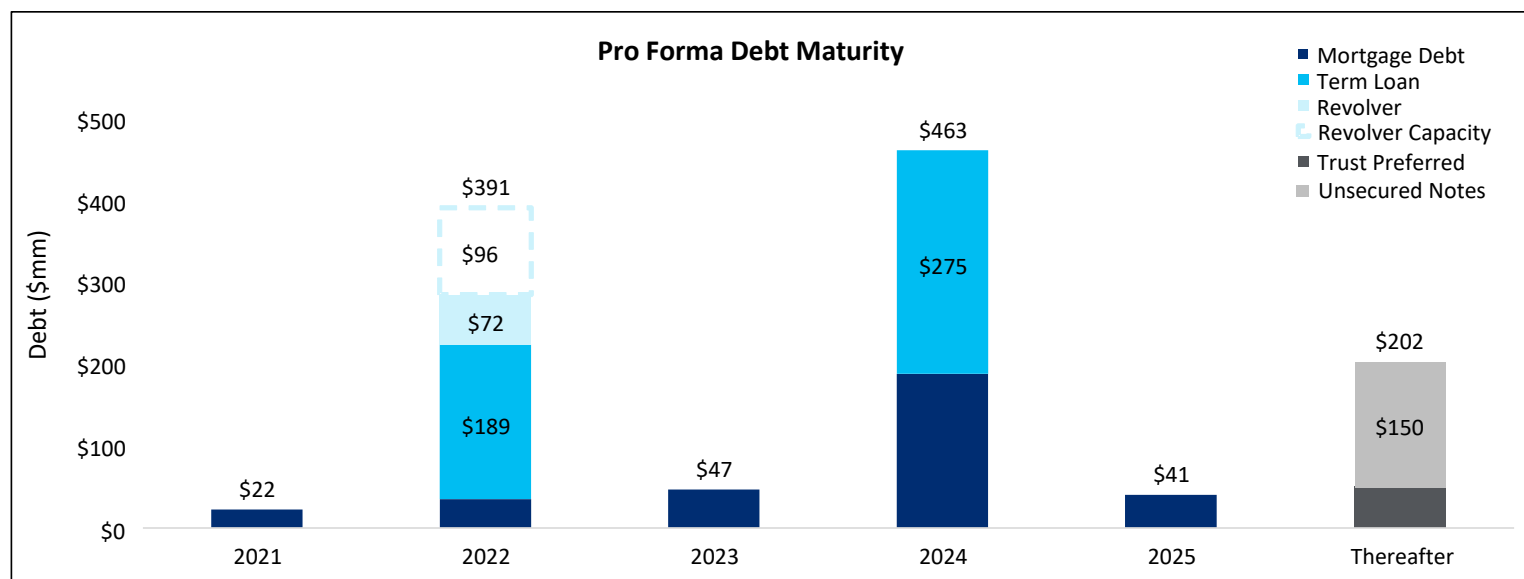


Amendment provided flexibility to pay accrued preferred dividends and resume quarterly preferred distributions

Substantially Improved Balance Sheet

- Proceeds from the unsecured notes and expected asset sales will be used to reduce outstanding balance on the Bank Credit Facility, pay the accrued preferred dividends, and bolster liquidity
- Pro forma weighted debt maturity increased to 3.6 years, improving the Company's credit profile and enhancing operational flexibility

Application of Proceeds			
Sources	\$mm	Uses	\$mm
Unsecured Notes Placement	\$150	Pay down Revolver Balance	\$61
*Net Asset Sale Proceeds (Estimated)	171	Pay down Term Loan Balance	220
		Payment of Accrued Preferred Dividends	30
		Fees, Expenses, OID and General Corporate	10
Total	\$321		\$321



*Excludes sale of Sheraton Wilmington Delaware

Core Market Drivers

HERSHA



Miami Long-Term Growth Drivers

South Florida is seeing an uptick in permanent residents driven by the attractive climate, increased routes at Miami International, no personal income tax, and low corporate taxes

Corporate Growth

- Corporate office development in Coconut Grove, Brickell, Coral Gables, Wynwood, and Downtown is resulting in some of the leading financial firms to open offices in the area:
 - Real Estate: Starwood Capital Group's new headquarters in Miami Beach
 - Investment Firms: Blackstone, Icahn Enterprises, Softbank, Boston Private Wealth Management
 - Technology: South Florida added 14,700 tech jobs between 2015 and 2019, on par with Portland, OR⁽¹⁾
- Miami was recently labeled as the city with the 2nd highest growth economy in the country and among the most significant in terms of job creation. Median household income has increased by nearly 20% in a decade
- The newly redeveloped CocoWalk features 160,000 square feet of bespoke retail and Class A office space drawing interest from investment firms relocating from the Northeast

Transportation & Infrastructure Development

- Miami International Airport has witnessed increased routes to and from Latin American countries, while domestic carriers such as Jet Blue and Frontier have announced plans to increase services in 2021
- Brightline train line from Miami to Ft Lauderdale and Palm Beach; Service to Orlando is being developed
- Port infrastructure and dredging aiding shipping and international trade

⁽¹⁾CBRE

NYC: Supply Deteriorating Meaningfully

The pace of new supply in New York City will be offset by the continued permanent closure of big-box, full-service hotels with significant operating costs

Hotel Closures on the Rise

- Announcements of permanent hotel closures have become more frequent over the past year as a result of the COVID-19 pandemic
- Publicly announced closures have amounted to approximately 7,000 keys, representing close to 7% of total hotel room supply in Manhattan. Hotel closures include, but are not limited to⁽¹⁾:
 - Hotel Pennsylvania (1,704 keys)
 - The Roosevelt (1,015 keys)
 - Hudson Hotel (876 keys)
 - The Maxwell (698 keys)
 - Marriott East Side (636 keys)⁽²⁾
 - Hilton Times Square (460 keys)
- Hersha's suite of select-service, fee-simple hotels in New York City are franchise managed utilizing flexible operating models resulting in lower breakeven levels and higher margin potential than competing portfolios

Special Permit for New Hotel Construction

- The Department of City Planning completed their public hearings on the announced proposal requiring special permits for new hotels and expansions in zoning districts throughout the city where hotel construction is permitted as-of-right
- City Council has approved this bill and the public review process is expected to take 3-6 months⁽³⁾
- No new hotels have been built in light manufacturing zones since 2018, when the city started requiring permits in those areas⁽⁴⁾

⁽¹⁾The Real Deal ; ⁽²⁾NY Department of Labor; ⁽³⁾ National Law Review; ⁽⁴⁾The Real Deal

NYC: Past Recoveries Show Earnings Potential

- Prior demand shocks show the resiliency of New York City, as it was one of the highest growing markets for the early years of the recovery
 - After September 11th, supply levels deteriorated meaningfully resulting in a quick recovery after the event in 2003 and 2004, followed by double digit ADR and RevPAR growth three years thereafter
 - Following the Great Financial Crisis, New York rebounded quickly beginning in 2010 and then posted mid-single digit RevPAR growth for the coming years as hotel values accelerated in the face of new supply
 - Following the COVID-19 pandemic we will see a very similar decelerating supply picture due to permanent hotel closures, increased zoning restrictions for hotel development and a more difficult construction financing market
- We believe our purpose-built New York City cluster coupled with our unique operating model sets us up for lasting success in the city

Post-September 11th(1)

	Occ Growth %	ADR Growth %	RevPAR Growth %
2001	-10.7%	-12.1%	-21.5%
2002	0.7%	-5.1%	-4.5%
2003	1.3%	-2.4%	-1.1%
2004	9.0%	11.0%	21.0%
2005	2.4%	15.5%	18.3%
2006	-0.5%	14.8%	14.2%
2007	1.1%	12.1%	13.4%

Post-Great Financial Crisis⁽¹⁾

	Occ Growth %	ADR Growth %	RevPAR Growth %
2008	-1.1%	2.8%	1.7%
2009	-5.0%	-22.6%	-26.5%
2010	4.4%	8.5%	13.3%
2011	-0.4%	5.4%	5.4%
2012	3.3%	2.5%	5.5%
2013	0.8%	3.0%	3.8%
2014	0.6%	2.1%	2.7%

⁽¹⁾STR

Capital Expenditure Overview

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Major Capital Projects Complete

- Since 2017, Hersha has allocated approximately \$200 million to product upgrades and ROI-generating capital projects
- The Company will significantly reduce capital expenditures over the next few years and does not anticipate significant allocations to capital projects in the near future

Property	Invested Capital (\$M)	Renovation
Cadillac Hotel & Beach Club	\$47.3*	Holistic renovation including all guest rooms, F&B outlets and meeting spaces, the lobby, both pools and all landscaping
Parrot Key Hotel & Villas	\$26.5	Extensive renovation including all guest rooms & villas, the lobby, all four pools and our award-winning landscaping
Mystic Marriott Hotel & Spa	\$15.5	Fully refreshed guestrooms & bathrooms; new FF&E across bar, lobby, front desk, pool, and fitness center
Hyatt House White Plains	\$11.8	Addition of 28 rooms; complete renovation of public spaces including the breakfast bar, meeting spaces and lobby; upgrades to guestrooms
The Ritz-Carlton, Coconut Grove	\$11.1	Transformative renovation including a new restaurant and cocktail lounge managed by LDV Hospitality known as Isabelle's and The Commodore; holistic guestroom renovation and public space updates including new FF&E and additional F&B outlets
The Rittenhouse	\$9.2	Extensive renovation to retain AAA 5 Diamond status; full upgrade of the Presidential suite; 98 keys were updated with all new soft & case goods, bathroom, lighting and architectural finishes
Hampton Inn Philadelphia	\$8.1	Brand-mandated renovation to upgrade guestroom and public space including the expansion of the fitness center & breakfast bar, and the addition of a boardroom
Sanctuary Beach Resort	\$7.5	Repositioned the bar and restaurant with the launch of Salt Wood Kitchen & Oysterette; Upgraded the resort's welcome gatehouse to include a fully refreshed lobby, boutique, spa, and innovative boardroom
Annapolis Waterfront Hotel	\$7.3	Guestroom and public space renovation; Exterior brick façade painting and landscaping
Philadelphia Westin	\$6.7	Lobby, fitness center and meeting space renovation; grand ballroom renovation
Hampton Inn Washington, DC	\$6.5	Guestroom renovation and conversion of the pool to fitness center
Sheraton Wilmington South	\$6.4	Public space and meeting space renovation; guestroom soft goods renovation and new concierge
The St. Gregory, Dupont Circle	\$6.3	Full transformation to a 4-star hotel including re-concepting the restaurant, contemporary guestrooms and the addition of 1 room
The Envoy, Boston Seaport	\$4.4	Expansion of Lookout Rooftop & Bar to increase capacity by over 30%
Holiday Inn Express Cambridge	\$4.2	Full guestroom and bathroom renovation; public area renovation
Hyatt Union Square	\$2.2	Redesigned farm-to-table restaurant and cocktail bar
The Ambrose Hotel	\$1.8	Public space renovation and expansion of outdoor patio

*Includes Buyout of the Former Restaurant Lease

Cadillac & Parrot Key Showcasing Their Earnings Potential

Following a combined ~\$74 million spent renovating the Cadillac Hotel & Beach Club on Miami Beach and Parrot Key Hotel & Villas in Key West, the hotels are ramping in the early stages of the recovery

■ Cadillac Hotel & Beach Club

- Hersha converted the Cadillac to an Autograph Collection Hotel in 2018 including a full renovation all guest rooms, F&B outlets and meeting spaces, the lobby, both pools and all landscaping
- The Miami Beach sub-market has seen demand pick up year-to-date 2021. Occupancy levels sequentially improved year-to-date, growing from 67% in February to 79% in May
- The Cadillac generated \$1.3 million in EBITDA with a 60% EBITDA margin during April. Robust occupancy and strong rates during May resulted in 54% RevPAR growth versus May 2019



■ Parrot Key Hotel & Villas

- Hersha holistically renovated the hotel in 2018 including all guest rooms & villas, the lobby, all four pools and our award-winning landscaping
- The Parrot Key continues to be our best performing asset thus far in 2021. Quarter-to-date performance in the second quarter yielded 90% occupancy and 54% ADR growth for the resort, which resulted in 75% RevPAR growth compared to quarter-to-date performance as of May 2019
- Occupancy has also sequentially increased year-to-date, growing from 76% in February to 91% in May. Rate strength continued last month resulting in a 70% ADR increase and 117% RevPAR growth compared to May 2019



Lookback: Sanctuary Beach Resort

HT invested \$7.5M in the resort's public spaces to reposition the property as a high-end retreat. This update proved to be accretive in 2020 as the asset realized ~18% ADR growth to \$420 while limiting RevPAR loss to ~5% on approximately 70% occupancy despite the intermittent government-mandated shutdowns in Northern California

+ \$3M

✓ *Absolute F&B revenue growth since acquisition*

+ \$65

✓ *Absolute ADR growth since acquisition*

+ 23%

✓ *Forecasted stabilized IRR on capital investments*



■ In 2017, we repositioned the bar and restaurant with the launch of Salt Wood Kitchen & Oysterette, a seaside farm-to-table concept that has received acclaim from guests and locals alike



■ In 2018, HT upgraded the resort's welcome gatehouse, known as The Lodge, which now includes a fully refreshed lobby with the addition of a boutique, spa treatment rooms, and an innovative boardroom

Lookback: The Envoy

- HT's revenue management and e-commerce strategies resulted in significant growth, exceeding our underwriting projections
- HT expanded the Lookout Rooftop & Bar in 2018, increasing our capacity by over 30%. Additional features added to the space include:
 - Installed Igloos for guests to utilize the space during the colder months, a big success in the first winter season
 - Launched a fully functional kitchen which will lead to additional revenue generation
 - Recently configured the rooftop to adhere to socially distant guidelines, allowing guests and locals to enjoy the environment while feeling safe
- Our improvements at the hotel's restaurant and bars has resulted in 47% F&B growth since acquisition
- The Lookout Rooftop & Bar quickly re-established its success upon the reopening of The Envoy on July 1st



↑ **640 bps**

✓ *EBITDA margin growth since acquisition*

↑ **32%**

✓ *RevPAR growth since acquisition*

↑ **845 bps**

✓ *Occupancy growth since acquisition*

(*) Based on results as of December 31, 2019

Sustainability

HERSHA



The Cadillac Hotel & Beach Club, Miami Beach, FL

Sustainability & Financial Impact



- Hersha's EarthView® program is an industry-leading sustainability program implemented across our portfolio
- Founded in 2010, EarthView was strategically created to positively impact our hotels' bottom lines while simultaneously improving the well-being of our guests, associates, communities, and planet
- Aligned with investors' growing interest in material environmental, social, and governance (ESG) topics

■ Hersha is a widely recognized sector leader in ESG practices

- **#1** in GRESB 2020 Public Disclosure among U.S. Hotel peer set
- Awarded in Newsweek's 2020 & 2021 list of **America's Most Responsible Companies** based on ESG practices
- 4-Time winner of **NAREIT's Leader in the Light Award** for superior sustainability practices
- Ranked in the **Top 2%** of real estate companies evaluated by the ISS ESG Corporate Rating
- **34%** of portfolio awarded a third-party building certification such as LEED, ENERGY STAR, or ISO 14001

Financial Impact

\$20 Million in savings since inception from energy and water efficiency projects implemented across our portfolio

1.7 year average payback period for our efficiency investments

\$2 Million from additional energy-savings protocols implemented during low-occupancy in 2020



G R E S B®
Public Disclosure 2020



NAREIT
Leader In The Light

Sustainable Real Estate Practices



Environmental Impact

- Our buildings and operations run efficiently through the implementation of initiatives that reduce our energy and water usage
 - **LED Lighting:** More efficient than incandescent and fluorescent lighting, installed at 95% + of our hotels
 - **Guestroom Energy Management Systems (EMS):** Programmed to reduce energy consumption while rooms are unoccupied, saving our hotels 25-30% in guestroom heating and cooling costs
 - **High Efficiency Water Fixtures:** Reduce water usage by 20-30% while maintaining guest comfort
 - **Laundry Water Reuse System:** Reduces water consumption from laundry cycles by 70-80%
 - Discontinued use of **Single Use Plastic Straws and Stirrers:** Our hotels avoid using over 4 million pieces of plastic straws and stirrers a year

- Our clean energy & transportation strategy includes the expansion of electric vehicle charging infrastructure

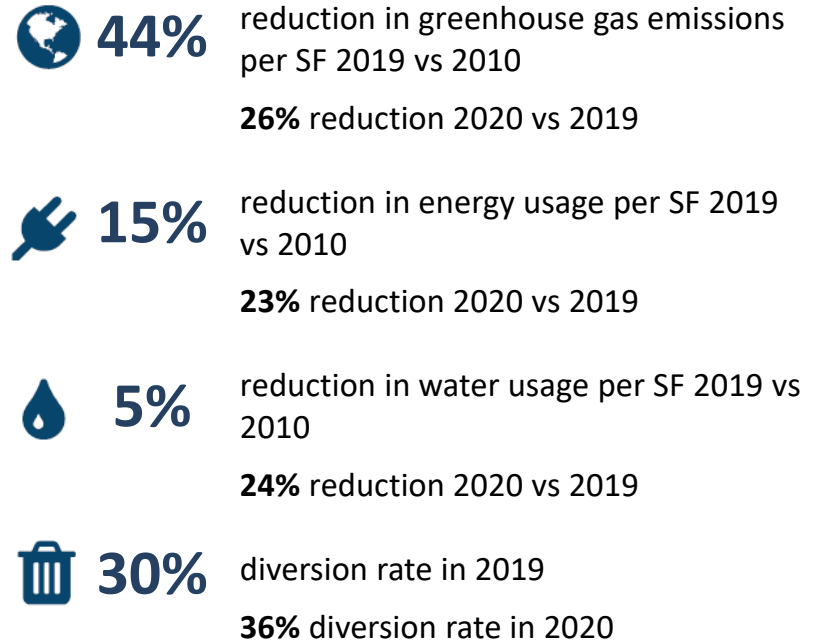


Green roof at Hilton Garden Inn M Street, Washington, DC, a LEED Silver hotel



Electric Vehicle Charging Stations installed at our Rittenhouse Hotel, Philadelphia, PA

Environmental Impact



Resiliency

We recognize climate phenomenon may have an impact on our portfolio and regularly review the prevalence of environmental risk

Average NOAA Flood Risk Hazard Score of Hersha portfolio (1-10, 1=low risk) is **1.3** vs 2.8 average risk for US Lodging REITs*

*NOAA = National Oceanic Atmospheric Administration; statistic from Morgan Stanley Flood Risk Report 3/2019

Social

- Health & Wellness is reflected in our Rest Assured™ program, service offerings, and associate protocols
- Diversity & Inclusion is one of our core commitments outlined in our Code of Conduct. We are signatories of the CEO Action Pledge
- Through a strong presence in our communities, we help to drive positive change on a local and global scale

Governance

- A strong corporate governance foundation is essential to our company’s goal of continuing to operate at the highest level of performance
- Our Risk Subcommittee promotes active and focused discussion of risk and risk oversight, including on environmental and social issues

Social Metrics

- ♥ 20,200 hours volunteered in our local communities since 2015
- 💧 26,000+ people provided with access to clean water for 21 years since 2015
- 🚿 568,000 new bars of soap sent to developing nations since 2011
- 👥 39% of workforce identifies as female

Governance Metrics

- Board Independence:** 6 out of 8 Board Members are Independent Trustees
- Board Diversity:** 50% Female and Minority Board Members
- Leadership Structure:** Separate Board Chair and CEO
- Strong Alignment:** Short-term and long-term incentives 100% based on performance



CEO **ACT!ON** FOR DIVERSITY & INCLUSION



Forward Looking Statements

Certain matters within this presentation are discussed using “forward-looking statements,” including those with regard to the potential future impact of COVID-19, within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. One of the most significant factors is the ongoing impact of the current outbreak of COVID-19 on the United States, regional and global economies, the broader financial markets, the Company’s customers and employees, governmental responses thereto and the operation changes the Company has and may implement in response thereto. The current outbreak of COVID-19 has also impacted, and is likely to continue to impact, directly or indirectly, many of the other important factors below. These forward-looking statements may include statements related to, among other things: assumptions regarding the impact to international and domestic business and leisure travel pertaining to any pandemic or outbreak of disease, including COVID-19, the uncertainty and economic impact of pandemics, epidemics or other public health emergencies or fear of such events, such as the recent outbreak of COVID-19, the impact of and changes to various government programs, including in response to COVID-19, the efficacy of any treatment for COVID-19, the Company’s access to capital on the terms and timing the Company expects, the restoration of public confidence in domestic and international travel, permanent structural changes in demand for conference centers by business and leisure clientele, the Company’s ability to dispose of selected hotel properties on the terms and timing the Company expects, if at all, economic growth, labor markets, real estate values, lodging fundamentals, corporate travel, and the economic vibrancy of our target markets, the Company’s ability to grow operating cash flow, the Company’s ability to forecast breakeven levels and cash burn accurately, the Company’s ability to match or outperform its competitors’ performance, the ability of the Company’s hotels to achieve stabilized or projected revenue, cap rates or EBITDA multiples consistent with our expectations, the stability of the lodging industry and the markets in which the Company’s hotel properties are located, the Company’s ability to generate internal and external growth, and the Company’s ability to increase margins, including hotel EBITDA margins. Certain statements contained in this press release, including those that express a belief, expectation or intention, as well as those that are not statements of historical fact, are forward-looking statements within the meaning of the federal securities laws and as such are based upon the Company’s current beliefs as to the outcome and timing of future events. Forward-looking statements are generally identifiable by use of forward-looking terminology such as “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” “should,” “may” and words of similar import. Such forward-looking statements relate to future events, the Company’s plans, strategies, prospects and future financial performance, and involve known and unknown risks that are difficult to predict, uncertainties and other factors which may cause the Company’s actual results, performance or achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statement, including with respect to the disposition of hotel properties, the amendments to the Company’s revolving credit facility and term loan agreements. There can be no assurance that the disposition of hotel properties, the amendments to the Company’s revolving credit facility and term loan agreements will be consummated on the terms and timing expected, if at all. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the Company’s current beliefs, expectations and assumptions regarding the future of its business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of the Company’s control. The Company’s actual results and financial condition may differ materially from those indicated in the forward-looking statements contained in this press release. Therefore, you should not rely on any of these forward-looking statements. For a description of factors that may cause the Company’s actual results or performance to differ from its forward-looking statements, please review the information under the heading “Risk Factors” included in the Company’s most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q filed by the Company with the Securities and Exchange Commission (“SEC”) and other documents filed by the Company with the SEC from time to time.