



HERSHA

HERSHA HOSPITALITY TRUST

Investor Presentation
June 2023



03 | **INVESTMENT THESIS**

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HERSHA

*INVESTMENT
THESIS*



INVESTMENT THESIS SUMMARY

**CURATED PORTFOLIO OF EXPERIENTIAL LUXURY &
LIFESTYLE HOTELS & RESORTS**

**PORTFOLIO COMPOSITION LEVERED TOWARD
OUTSIZED GROWTH DRIVEN BY NEW YORK CITY**

**HISTORIC DISCOUNT TO PRIVATE MARKET VALUE AS
DEMONSTRATED BY STRATEGIC DISPOSITIONS**

**SIGNIFICANT FINANCIAL FLEXIBILITY & RIGHTSIZED
BALANCE SHEET**

ALIGNED MANAGEMENT TEAM



CURATED, HIGH-QUALITY PORTFOLIO

**\$296
ADR**

**\$203
RevPAR**

**~\$110M
PROPERTY EBITDA**

**~32%
EBITDA MARGIN**

**3,507
Keys**

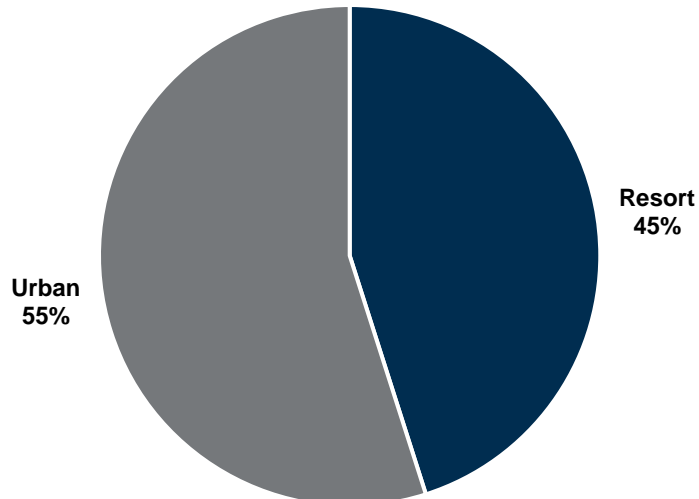
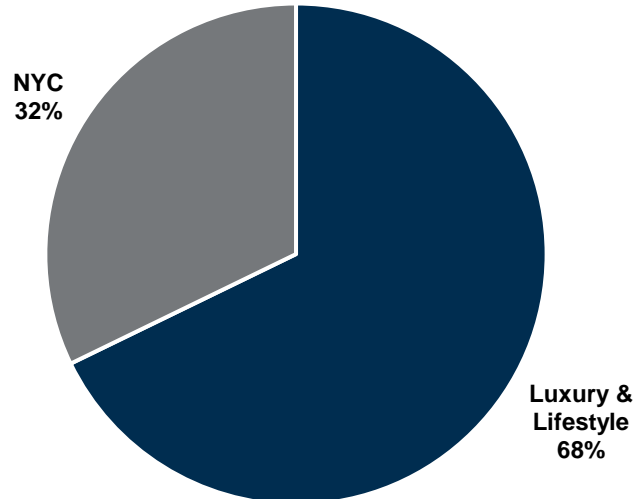
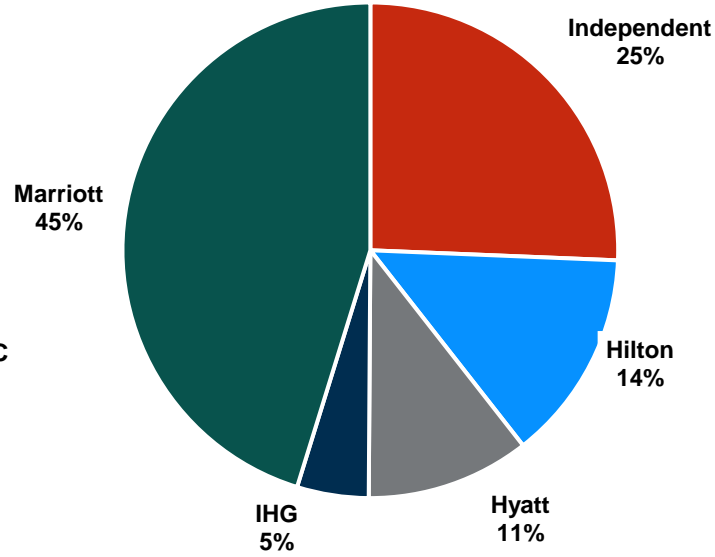
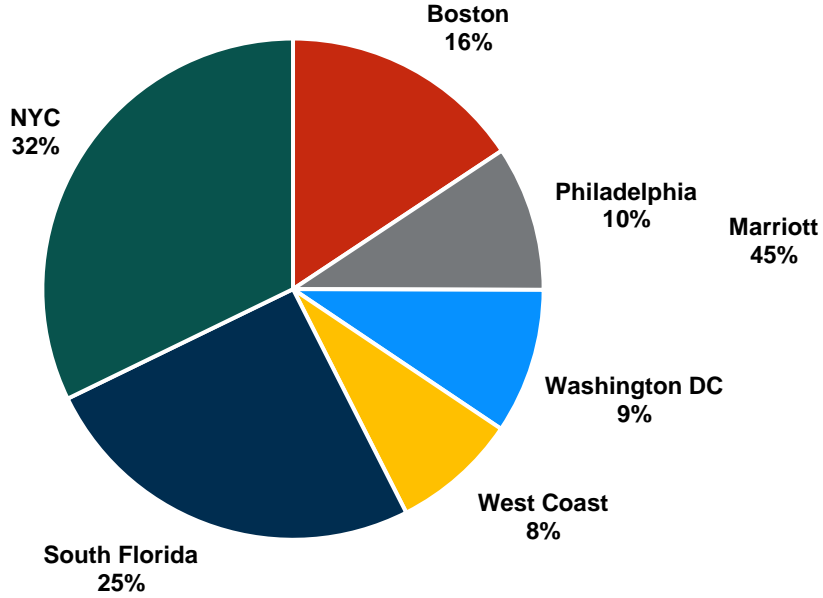
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Key Markets**

Hersha Assets	Market	Room Count
Luxury & Lifestyle		
1. The Envoy Boston Seaport	Boston	136
2. The Boxer Boston West End	Boston	80
3. Mystic Marriott Hotel & Spa	Boston	285
4. Sanctuary Beach Resort	California	60
5. The Ambrose Santa Monica	California	77
6. The Cadillac Hotel & Beach Club	Miami & Key West	357
7. Parrot Key Hotel & Villas	Miami & Key West	148
8. Ritz-Carlton - Coconut Grove	Miami & Key West	115
9. Winter Haven Hotel South Beach	Miami & Key West	70
10. Blue Moon Hotel South Beach	Miami & Key West	75
11. The Rittenhouse	Philadelphia	118
12. Philadelphia Westin	Philadelphia	294
13. Ritz-Carlton Georgetown	Washington D.C.	86
14. The St. Gregory Dupont Circle	Washington D.C.	156
15. Annapolis Waterfront Hotel	Washington D.C.	150
		2,207
New York City		
16. Hyatt Union Square	NYC	178
17. Hilton Garden Inn - Tribeca	NYC	151
18. Nu Hotel Brooklyn	NYC	93
19. Hilton Garden Inn - 52nd Street	NYC	206
20. Holiday Inn Express - 29th Street	NYC	228
21. Hampton Inn - Seaport	NYC	65
22. Hilton Garden Inn - JFK	NYC	192
23. Hyatt House - White Plains	New York Metro	187
		1,300

Note: Comparable excludes Hotel Milo, Pan Pacific, Gate JFK, the 7 Urban Select Service assets, and 6 2021 dispositions from all periods when referenced in this presentation

PORTFOLIO COMPOSITION LEVERED TOWARD GROWTH

2022 EBITDA CONTRIBUTION





OUTPERFORMANCE IN URBAN MARKETS DRIVING GROWTH

CORE URBAN MARKETS EXPERIENCING OUTSIZED GROWTH

- Our streamlined portfolio is comprised of best-in-class luxury and lifestyle offerings situated in high barrier-to-entry urban gateway markets and resort destinations and a purpose-built New York City cluster
- Urban markets are projected to generate 60% of our 2023 EBITDA
- We are levered toward long runways in the recovery of the business transient, small group, and international travel segments
- 65 -70% of EBITDA is forecast to be generated by Miami, NYC, and Boston, three of the most vibrant markets in the country

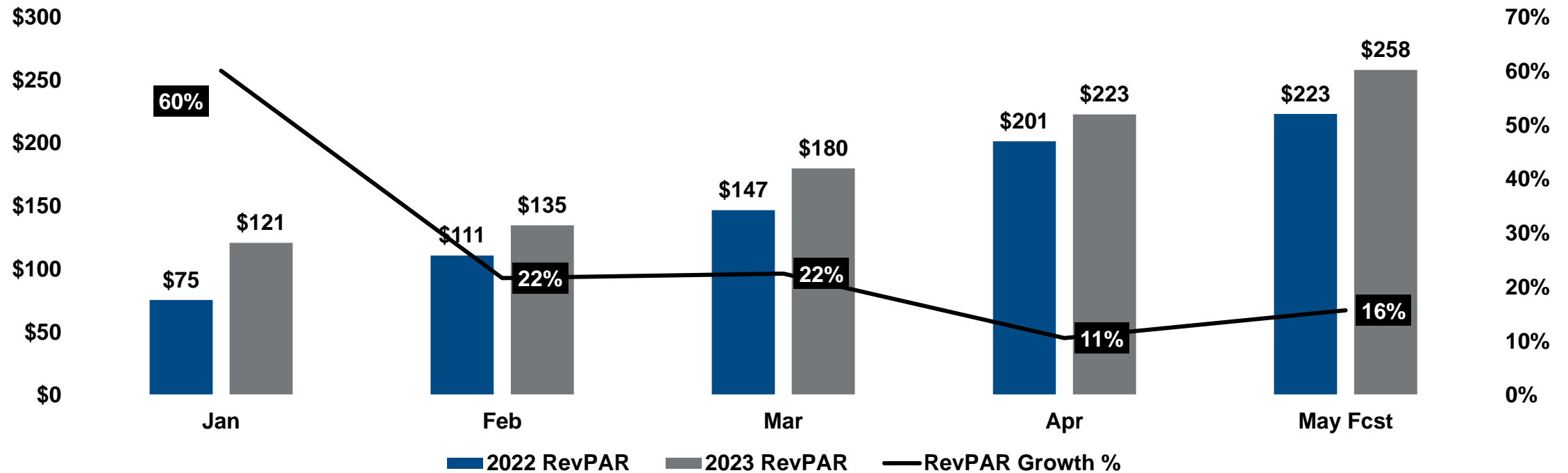
Our urban portfolio RevPAR grew nearly 11% YoY in April with nearly 16% growth in May. May Urban Occupancy of 80% is over **1,100 Bps** above prior year

OUTPERFORMANCE IN URBAN MARKETS DRIVING GROWTH

SIGNIFICANT URBAN REVPAR GROWTH TO 2022 DRIVING OUTPERFORMANCE

- Urban RevPAR has grown sequentially in each month of 2023
- Graduation weekend demand in each of HT's urban markets caused citywide compression in May.
- May Urban RevPAR of \$258 is projected to be ~ 16% ahead of 2022

YEAR OVER YEAR COMPARABLE URBAN REVPAR GROWTH

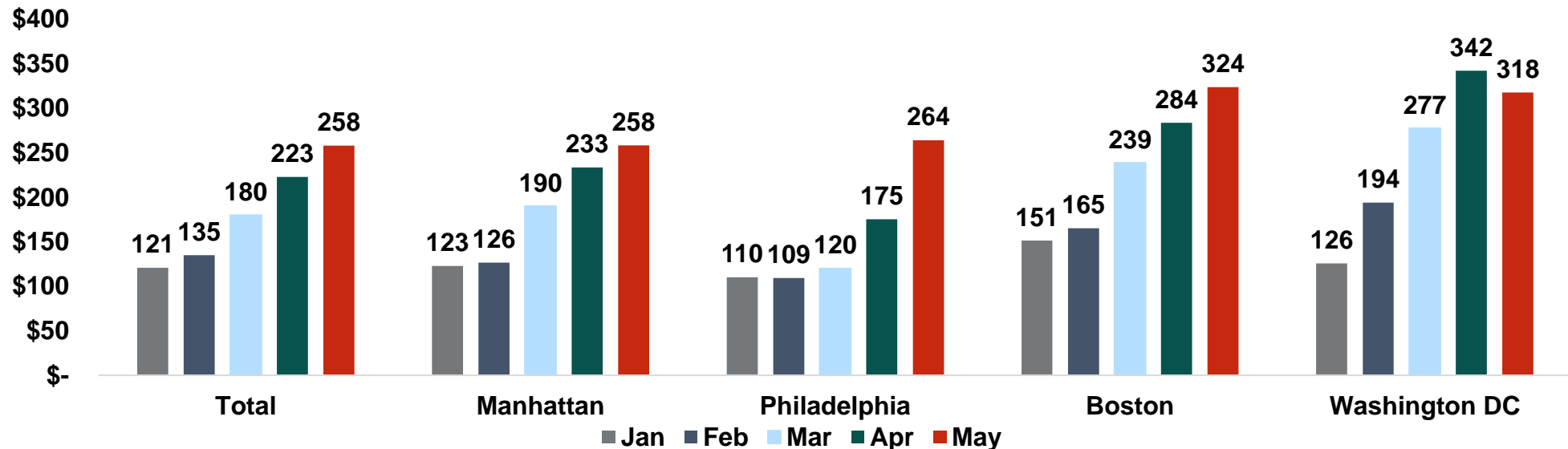


OUTPERFORMANCE IN URBAN MARKETS DRIVING GROWTH

URBAN REVPAR HAS ACCELERATED SIGNIFICANTLY YTD

- Urban RevPAR has accelerated through May
- Philadelphia is benefiting from incremental growth in business transient demand at the newly-renovated Westin Philadelphia. The hotel is forecast to outperform 2022 and 2019 locally negotiated rate room revenue demand by +34.3% and +20.2%, respectively
 - The hotel's existing accounts in the consulting and pharmaceutical industries have ramped up their production, while adding several new accounts due to the hotel's brand-new guestroom product
- Washington D.C. RevPAR is driven by the Ritz-Carlton Georgetown, which posted RevPAR of \$499 and \$532 in May and April respectively
- As of 5/30, 2Q23 group production at St. Gregory is +50.6% ahead of same time last year, primarily driven by the reemergence of government group demand

URBAN REVPAR BY MARKET





STRATEGIC DISPOSITIONS HIGHLIGHT UNREALIZED PORTFOLIO VALUE

- In 2022 we generated ~\$650 Million in gross proceeds from hotel sales which allowed us to significantly improve our leverage profile, reduce the weighted average cost of debt, reinstate our dividend, and build up substantial cash reserves without diluting our shareholders
- Our dispositions of the Pan Pacific Seattle and Hotel Milo Santa Barbara were executed at ~ **\$455K per key**, and are much more inductive of the value of our remaining assets than the disposition of our Urban Select Service portfolio which sold for \$360K per key
- At \$6 per share, HT is currently trading at an implied value of approximately \$300K per key

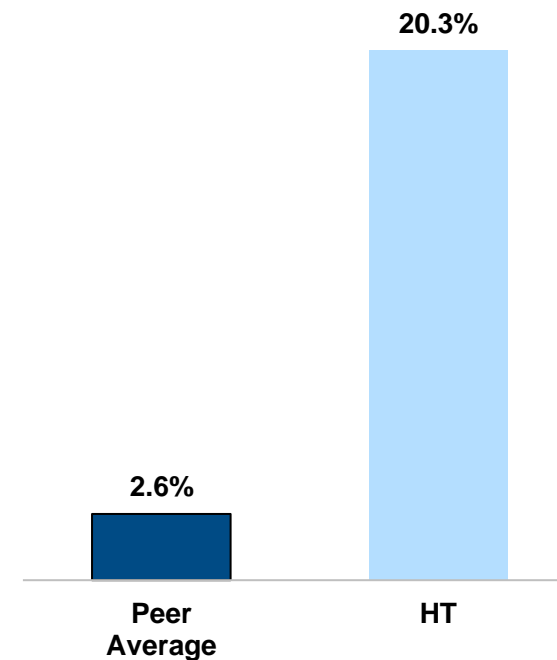
Our most recent dispositions of the Pan Pacific Seattle and Hotel Milo Santa Barbara were executed at ~ **\$455K per key**, highlighting the significant disparity between the public and private market valuation of our portfolio

ALIGNED AND EXPERIENCED MANAGEMENT TEAM

UNIQUE MANAGEMENT STRUCTURE & EXPERTISE

- HHM Hotels manages 21 of HT's 23 hotels
- Aligned owner/operator strategy leads to timely, portfolio-wide implementation of revenue and expense management adjustments that drive EBITDA
- Proven track record of hotel & portfolio repositioning and capital recycling
- Base management fee and pooled incentive management fee structure drives focus on the entire portfolio
- Assets unencumbered by management contracts increases liquidity and pricing for asset sales
- Management team has unique experience across development, operations, mezzanine financing, off-shore JVs, PE partnerships, and M&A totaling over \$5B across 3 cycles in public markets

INSIDER OWNERSHIP





HERSHA

*FINANCIAL
PERFORMANCE*

PRO FORMA CAPITALIZATION

March 31, 2023

(\$ Thousands)

Cash⁽¹⁾	\$145,574
Deposits	4,557
Term Loans ^{(2),(3)}	347,853
Mortgages and Notes Payable - Consolidated Assets ^{(2),(4)}	185,569
Mortgages Payable - HT Portion of Unconsolidated JV Assets ⁽²⁾	25,205
Trust Preferred Securities ⁽²⁾	51,548
Total Debt	610,175
Series C Preferred Shares	75,000
Series D Preferred Shares	192,543
Series E Preferred Shares	100,038
Operating Partnership and LTIP Units (7,844,927 @ \$6.72) ⁽⁵⁾	52,718
Class A Common Shares (40,076,306 @ \$6.72) ⁽⁵⁾	269,313
Total Equity	689,612
ENTERPRISE VALUE	\$1,149,655

⁽¹⁾ Pro forma cash balance assumes \$48M debt paydown from May 2023

⁽²⁾ Excludes unamortized deferred financing costs and unamortized premiums and discounts.

⁽³⁾ Pro forma term loan balance assumes \$25M paydown from May 2023

⁽⁴⁾ Pro forma mortgage balance assumes \$23M paydown from May 2023

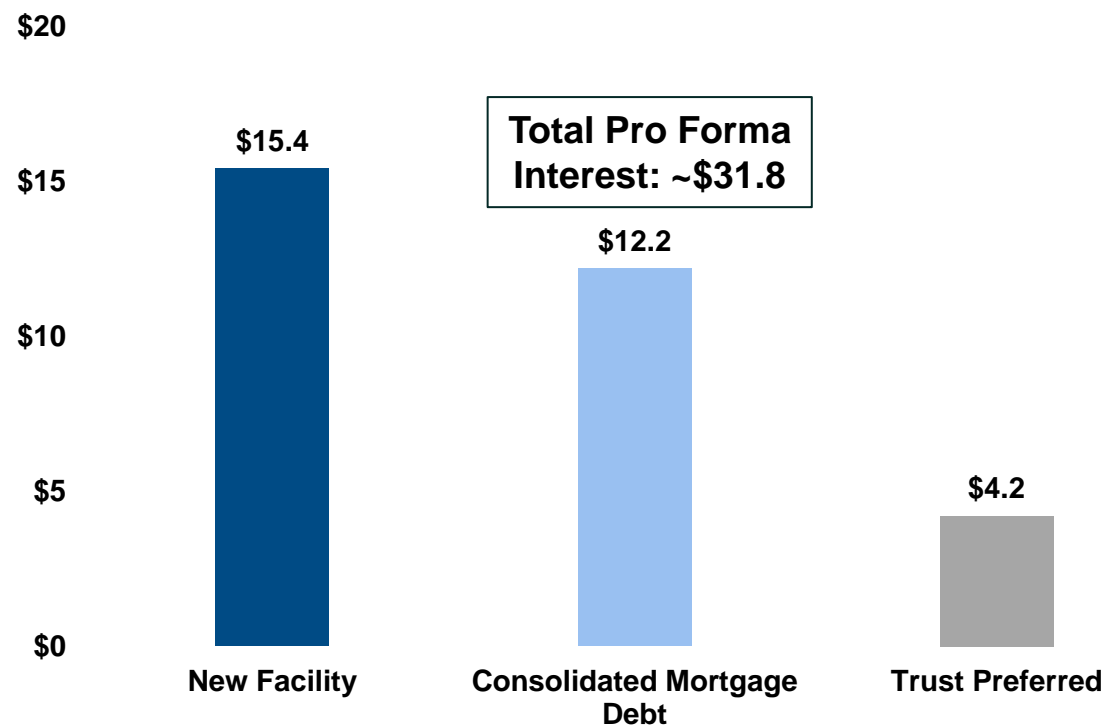
⁽⁵⁾ Stock price and pro forma share counts as of March 31, 2023

INTEREST SAVINGS

ANNUAL CASH INTEREST EXPENSE WAS REDUCED BY APPROXIMATELY \$20 MILLION AS A RESULT OF THE 2022 SALES AND NEW CREDIT FACILITY AS WELL AS THE PAYDOWN OF THE ST. GREGORY MORTGAGE

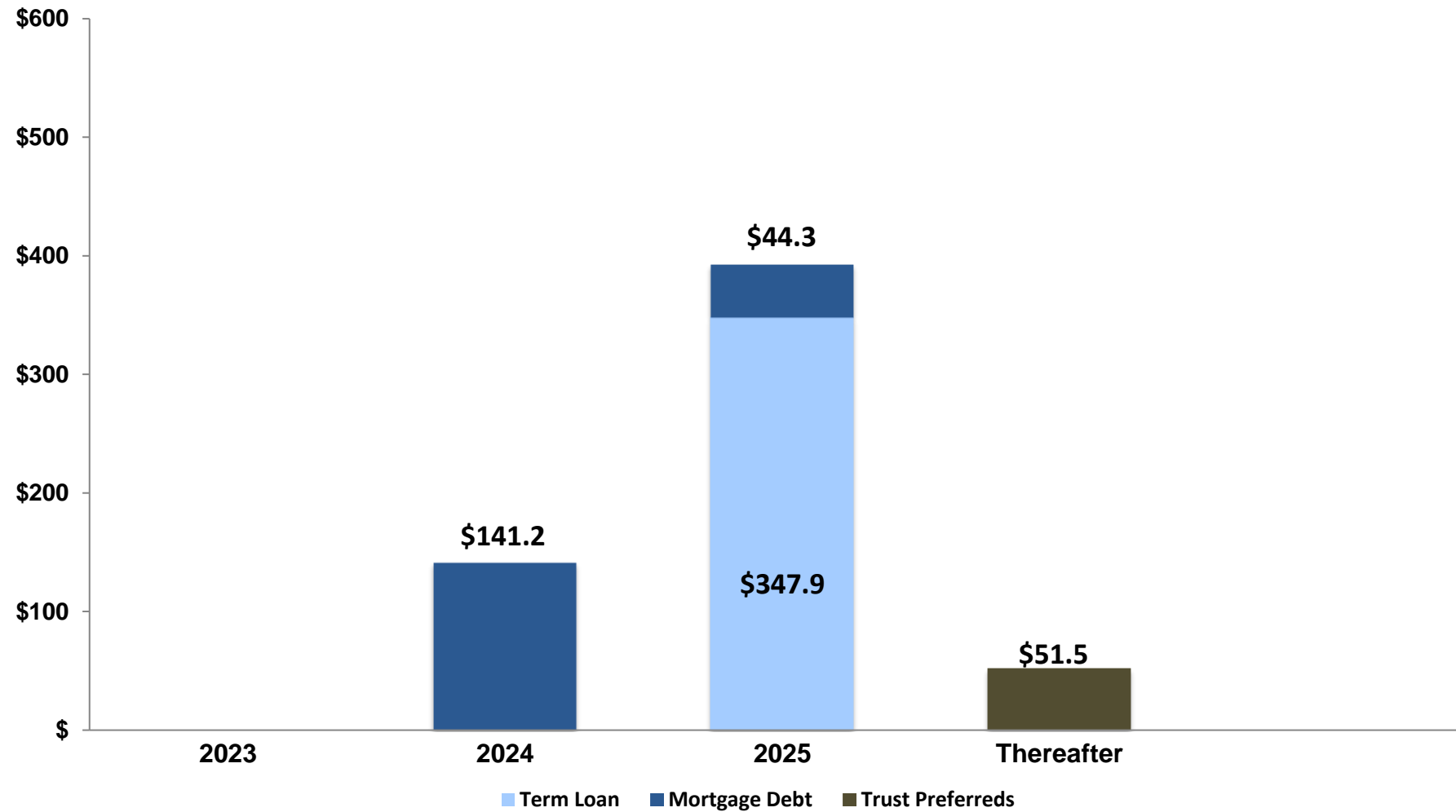
- We utilized an existing swap to hedge \$300M of the \$348M term loan at a fixed rate of 3.93%. The remainder will float at SOFR + 250bps
- As a result of our swap, ~78.5% of our total debt is fixed
- In May, we paid down the outstanding floating rate mortgage on the St. Gregory Hotel of \$23M which was accruing interest of ~9.5% as well as \$25M of the floating rate portion of our term loan, which currently has interest of ~7.5%

Annual Cash Interest Pro Forma



BALANCE SHEET IMPACT – CONSOLIDATED DEBT MATURITIES

WE HAVE SIMPLIFIED AND EXTENDED OUR DEBT MATURITIES UNDER OUR NEW CREDIT FACILITY



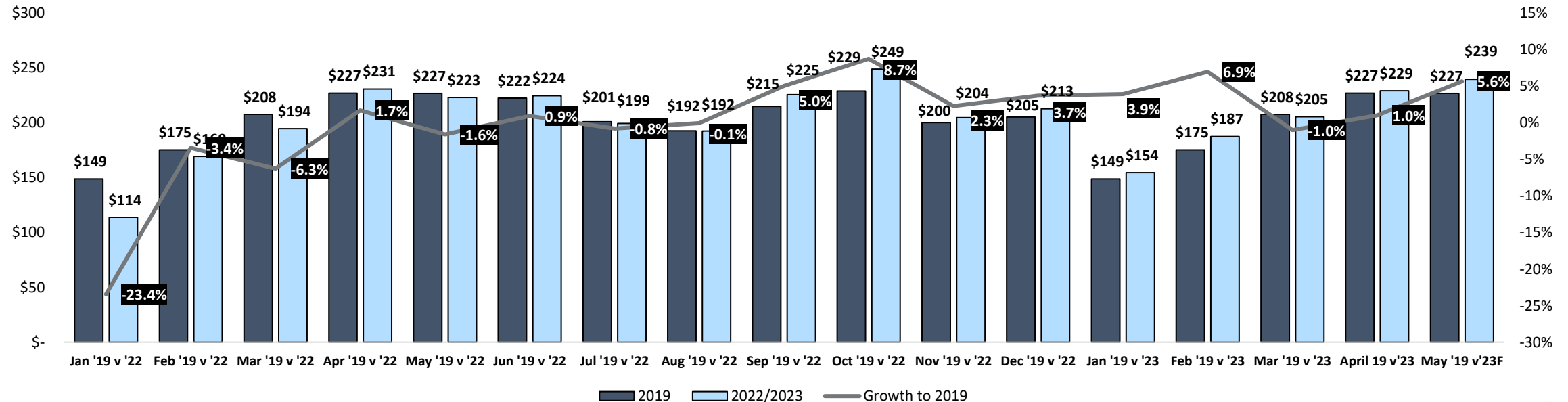
Pro Forma debt assumes balances as of 3/31/23 excluding the \$23 M St. Gregory Mortgage and \$25M of term loan debt paid in May

PORTFOLIO REVPAR GROWTH TO 2019 HAS CONTINUED INTO 2023

SECOND QUARTER—PORTFOLIO EXPANDS ON GROWTH COMPARED TO PRE-COVID PERFORMANCE

- May RevPAR of \$239 is the highest portfolio RevPAR since October 2022, our most profitable month since 2019 and seasonally the strongest month for our portfolio
- May RevPAR is forecast to be 5.6% ahead of 2019 and 7.4% ahead of 2022 driven primarily by a surge in our Urban markets

COMPARABLE REVPAR GROWTH vs 2019

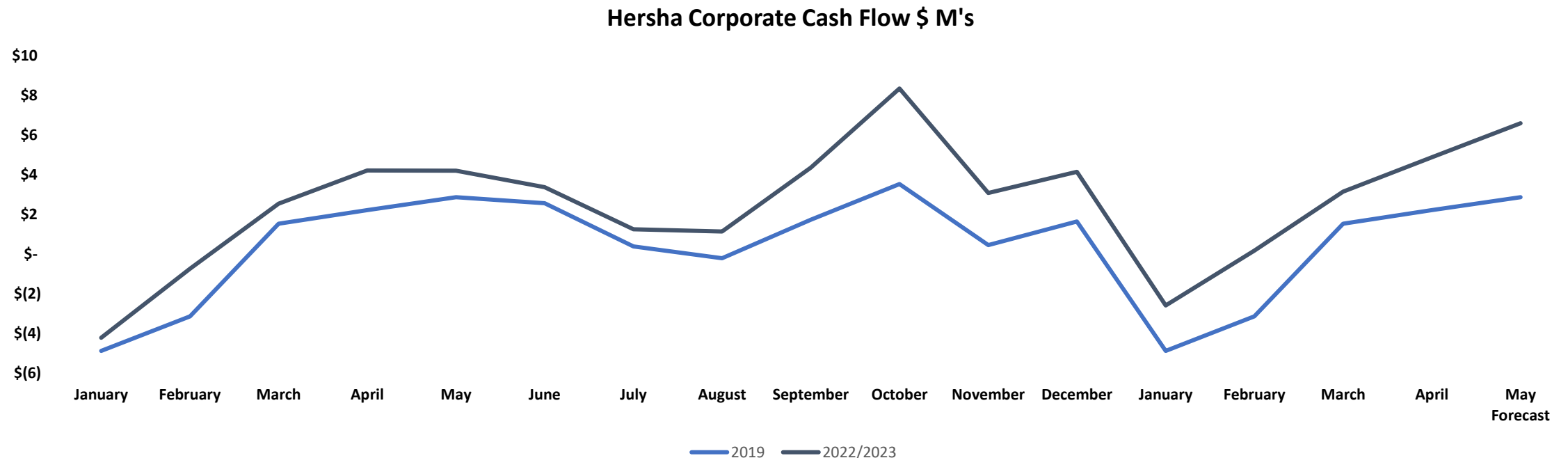


¹ Properties under renovation include The Philadelphia Westin, Sanctuary Beach Resort, Hilton Garden Inn Midtown East, Hilton Garden Inn Tribeca and Mystic Marriott

EFFICIENT CORPORATE CASH FLOW POST DISPOSITIONS

CASH FLOW GROWTH ON A COMPARABLE BASIS EXCLUDING DISPOSITIONS⁽¹⁾

- Excluding EBITDA generated by the 16 aggregate dispositions from 2020- 2022; we have exceeded pre-covid Corporate cash flow for in each month of 2022 and 2023, with a marked acceleration as 2023 has progressed
- The cashflow growth of our focused portfolio coupled with our reduced corporate footprint, and refinanced credit facility has more than offset any EBITDA loss from sales
- Debt service has been reduced to approximately \$2.9M per month after August 2022 despite a significantly elevated interest rate environment



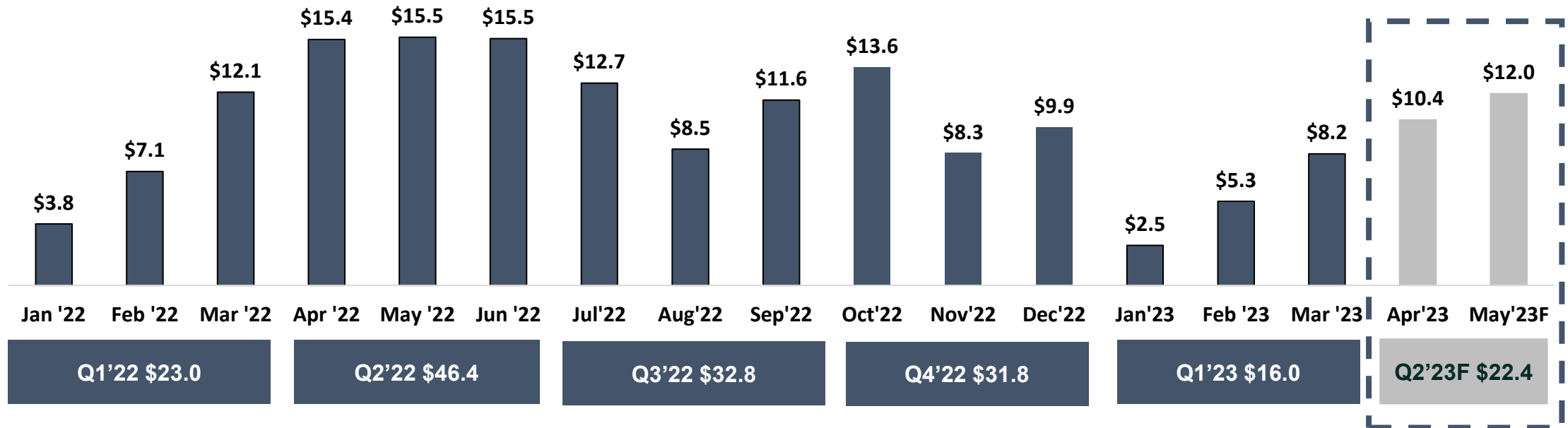
⁽¹⁾ Includes 23 Hotels and excludes Sheraton Wilmington South (sale of asset closed in 2020), Courtyard San Diego, HIEX Cambridge, Capitol Hill Hotel, Residence Coconut Grove, Duane St (Sales closed in 2021), the USS-7, Hotel Milo, Pan Pacific Seattle and Gate JFK (sales closed in 2022)

CONTINUED CASH FLOW GROWTH

PROPERTY CASH FLOW GROWTH HAS ACCELERATED IN 2023

- First Quarter cash flow is seasonally the slowest for our portfolio but has accelerated sequentially as the year has progressed
- Through May, Second Quarter cash flow has already surpassed the first quarter of 2023

TOTAL PROPERTY CASH FLOW

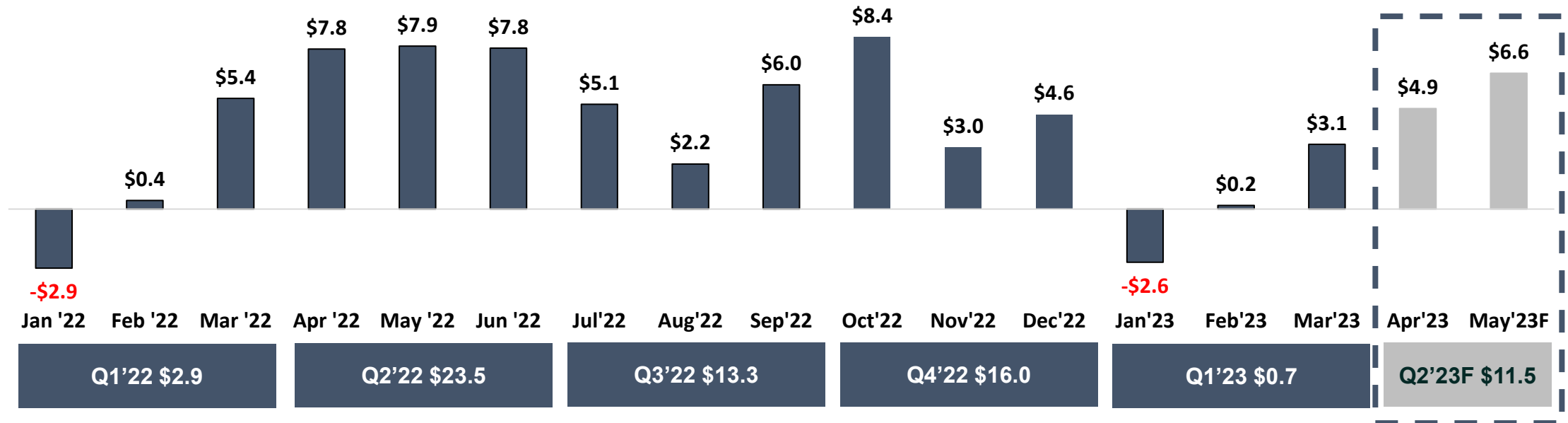


CONTINUED CASH FLOW GROWTH

STABILIZED CASH FLOW GROWTH HAS CONTINUED THROUGH 2023

- First Quarter corporate cash flow came in just \$2M below prior year, despite 10 dispositions, due to efficient corporate structure and interest savings
- Second Quarter cash flow to date of nearly \$12M; after renovation disruption in April, portfolio produced within \$1M of prior May cashflow despite reduced hotel count
- Debt service has been reduced to approximately \$2.9M per month after August 2022; since the onset of the pandemic SG&A is down approx. 20%

TOTAL CORPORATE CASH FLOW





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*MARKET
HIGHLIGHTS*



NYC: STRONG DEMAND FUNDAMENTALS

INBOUND TRAVEL GAINING MOMENTUM

- New York is on track to attract 61.7 million visitors in 2023, up from 56.4 million in 2022 ^{(1),(2)}
- 8.9 million international visitors in 2022 was still ~ 35% below 2019 levels ⁽²⁾ a trend exacerbated by backlog in the visa application system
- In the coming years, we anticipate a full return to pre-pandemic international travel in NYC, which will serve as a tailwind for additional growth for the city
- New York set an all-time record with 32 million passengers passing through John F. Kennedy, Newark Liberty and LaGuardia airports in the first quarter of 2023. This is ~ 1 million more passengers than when the previous benchmark was set in 2019 ^{(3),(4)}
- 28.7 million vehicles crossed into the city through March of 2023, the most since the first three months of 2008 ^{(3),(4)}

Expedia listed NYC as its #1 destination for domestic travel this summer while TripAdvisor's latest Seasonal Travel Index named NYC as a top 5 domestic destination

⁽¹⁾Travel Weekly; ⁽²⁾ NYC & Co; ⁽³⁾The Port Authority of New York and New Jersey; ⁽⁴⁾ Bloomberg

NYC: PAST RECOVERIES SHOW EARNINGS POTENTIAL

NEW YORK CITY DEMONSTRATES HIGH GROWTH FOLLOWING DEMAND SHOCKS, PROVING ITS RESILIENCY

- After September 11th: recovery accelerated in 2003 and 2004, supported by **lower supply**, 20% RevPAR growth in 2004 was followed by double-digit ADR and RevPAR growth three years thereafter
- After the Great Financial Crisis: sharp rebound in 2010, with mid-single digit RevPAR growth in the next two years as hotel values accelerated despite **~10% new supply**
- Rates have already outpaced the post-GFC recovery as our comparable New York portfolio drove **YoY RevPAR growth of ~15% in May** compared to 2022. We expect this growth to continue throughout this year and accelerate as occupancy returns, and as net supply growth remains low

WE ARE CONFIDENT IN NYC'S MARKET RECOVERY AND 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



NYC: SUPPLY DETERIORATING MEANINGFULLY

HOTEL CLOSURES ON THE RISE

- Publicly announced closures have amounted to approximately 10,000 keys, representing ~10% of total hotel room supply in Manhattan⁽¹⁾
- 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

- On December 9, 2021, City Council approved the amendment to require special permits for new hotels and expansions in zoning districts throughout the city where hotel construction is permitted as-of-right
- The timeline to obtain a special permit for new construction is estimated to take approximately 24 months
- No new hotels have been built in light manufacturing zones since 2018, when the city started requiring special permits in those areas⁽²⁾

Expect net NYC supply to decline approximately 1-2% in the next several years as a result of permanent hotel closures and increased zoning restrictions for hotel development coupled with a more difficult construction financing market. Reduced net supply could lead to outsized ADR and RevPAR growth through the recovery in the years to come



EVOLVING DEMAND GENERATORS IN MIAMI CONTINUE TO DRIVE OUTSIZED GROWTH IN 2023

- The Ritz-Carlton Coconut Grove is forecast to outpace 2022 RevPAR by over 20% in May driven by over 30% ADR growth
- The Ritz-Carlton Coconut Grove currently has \$2.7M in group room revenue on the books for FY 2023, reflecting a +28.5% increase to same time last year pace. Group ADR on the books is +\$100 higher than 2022.
- Cadillac group room revenues on the books for FY 2023 on par with last year despite softer South Florida market conditions. Promisingly, group ADR is +\$15 (or +5.2%) above same time last year levels, which should lead to a higher flow through.
- Our hotels have benefited from several higher-rated corporate group blocks, from the Finance, Consulting, and Pharma sectors as Miami continues to attract top finance and private equity firms

Miami has benefited from the evolving demand dynamics in the market in addition to the continuation of high-end leisure demand

High-rated premium group business is allowing our hotels to continue to drive rate as occupancy increases



MIAMI LONG-TERM GROWTH DRIVERS

CORPORATE GROWTH

- Florida was the fastest-growing state in 2022, with an estimated population growth of 1.9% according to a new report from the U.S. Census Bureau.
- Corporate office development in Coconut Grove, Brickell, Coral Gables, Wynwood, and Downtown is resulting in leading financial firms opening offices in the area
- 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 American, Jet Blue, and Frontier have announced plans to increase services
- 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

South Florida is experiencing a surge in permanent residents and corporate relocations driven by business-friendly regulatory environment, no personal income tax, and an attractive climate

CADILLAC & PARROT KEY REPOSITIONING DELIVERING RESULTS

ROI-GENERATING CONVERSIONS

- In 2018, we converted the Cadillac Hotel & Beach Club to an Autograph Collection Hotel including a full renovation of all guest rooms, F&B outlets, meeting spaces, the lobby, both pools and all landscaping
- We holistically renovated the Parrot Key Hotel & Villas in 2018 including all guest rooms & villas, the lobby, all four pools, and our award-winning landscaping

SIGNIFICANT EBITDA GENERATION

- At prior peak in 2015, the Cadillac and Parrot Key generated \$9.5 million and \$7.8 million in EBITDA, respectively
- In 2022, the Cadillac and Parrot Key generated \$12.1 million and \$10.6 million in EBITDA, respectively
- As the lodging recovery continues to take shape across the next few years we anticipate continued meaningful EBITDA contribution from these assets

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





HERSHA

SUSTAINABILITY

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
- In 2021, we further integrated ESG performance into our governance structure through the addition of a board-level Risk & ESG Subcommittee
- In 2022, we expanded our EarthView engagement strategy through in-depth property-level training on sustainable hospitality
- Hersha is a widely recognized sector leader in ESG practices
 - Ranked #1 in GRESB's Public Disclosure among U.S. Hotel peer set in 2022 for the third consecutive year
 - Listed in Newsweek's 2023 list of America's Most Responsible Companies based on ESG practices for the fourth consecutive year
 - 4-Time winner of NAREIT's Leader in the Light Award for superior sustainability practices
 - 36% of portfolio awarded a third-party building certification such as LEED, ENERGY STAR, ISO 14001 or ISO50001

Financial Impact

\$24 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
annual energy savings from operational protocols implemented by property teams



* More information on Hersha's ESG and Sustainability Program can be found on our website and in Hersha's Annual Sustainability Report

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 100% 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
 - Laundry Water Reuse Systems: Reduces water consumption from laundry cycles by 70-80%
- We have committed to reaching net-zero greenhouse gas emissions by 2050 and have set a near-term emissions target verified by the Science-Based Targets initiative in line with a 1.5°C future
- Our clean energy & transportation strategy includes the expansion of electric vehicle charging infrastructure



The Ambrose Hotel, Santa Monica, CA, the first LEED –EB hotel certification in the nation



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

Environmental Impact



32% reduction in greenhouse gas emissions per SF 2022 vs 2010
54% absolute reduction 2022 vs 2010



19% reduction in energy usage per SF 2021 vs 2010
 1% like-for-like decrease 2022 vs 2021



14% reduction in water usage per SF 2021 vs 2010
 6% like-for-like decrease 2022 vs 2021



30% diversion rate in 2022

Resiliency

- We recognize the 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 **1.9** vs 2.8 average risk for US Lodging REITs*

SOCIAL AND GOVERNANCE

- Social
 - 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
 - Health & Wellness is reflected in our Rest Assured™ program, service offerings, and associate protocols
- Governance
 - A strong corporate governance foundation is essential to our company's goal of continuing to operate at the highest level of performance
 - Our Board-level Risk & ESG Subcommittee promotes active and focused discussion of risk and risk oversight, including on environmental and social issues
 - Executive remuneration tied to ESG performance metrics



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

Social Metrics



20,450

hours volunteered in local communities since 2015



32,200+

people provided with access to clean water for 21 years since 2015



590,000

new bars of soap sent to developing nations since 2011



33%

of our workforce identifies as women

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

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 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 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 presentation, 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. 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 presentation. 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

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