

ASHFORD HOSPITALITY TRUST INC
Form 424B7
December 15, 2014

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)
[TABLE OF CONTENTS](#)

[Table of Contents](#)

Filed Pursuant to Rule 424(b)(7)
Registration Statement No. 333-181499

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit(1)	Proposed maximum aggregate offering price	Amount of registration fee(2)
Common Stock	328,656	\$10.17	\$3,342,431.52	\$388.40

(1) Estimated solely for the purpose of determining the registration fee pursuant to Rule 457(c), based on the average of the high and low prices of the common stock as reported on the New York Stock Exchange on December 12, 2014.

(2) The filing fee of \$388.40 is calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended. Payment of the registration fee at the time of filing of the registrant's registration statement on Form S-3ASR filed with the Securities and Exchange Commission on May 17, 2012 (File No. 333-181499) was deferred pursuant to Rules 456(b) and 457(r) of the Securities Act. This "Calculation of Registration Fee" table shall be deemed to update the "Calculation of Registration Fee" table in the registration statement referenced herein.

Table of Contents

**PROSPECTUS SUPPLEMENT
(To Prospectus dated May 17, 2012)**

328,656 Shares

Common Stock

Ashford Hospitality Trust, Inc., together with its subsidiaries, is a real estate investment trust, or REIT, focused on investing in the hospitality industry across all segments and in all methods, including direct real estate, securities, equity and debt. We own our lodging investments and conduct our business through Ashford Hospitality Limited Partnership, our operating partnership. Ashford OP General Partner LLC, our wholly-owned subsidiary, serves as the sole general partner of our operating partnership.

The selling stockholder named herein may use this prospectus supplement in connection with sales of up to 328,656 shares of our common stock, par value \$0.01 per share, which shares were purchased by the selling stockholder on the open market. The registration of the securities covered by this prospectus supplement does not necessarily mean that any of the securities will be offered or sold by the selling stockholder.

We will not receive any proceeds from the sale of any common stock offered or sold by the selling stockholder, but we have agreed to pay certain registration expenses.

The selling stockholder identified in this prospectus supplement (which term as used herein includes their pledgees, donees, transferees, or other successors in interest), may offer the shares of common stock from time to time as such selling stockholder may determine directly or through underwriters, broker-dealers or agents and in one or more public or private transactions and at fixed prices, prevailing market prices, at prices related to prevailing market prices or at negotiated prices. If these securities are sold through underwriters, broker-dealers or agents, the selling stockholder will be responsible for underwriting discounts or commissions or agents' commissions. See "About this Prospectus Supplement" and "Plan of Distribution" for more information.

Our common stock is listed on the New York Stock Exchange under the symbol "AHT." The last reported sale price of our common stock on the New York Stock Exchange on December 12, 2014 was \$10.16 per share.

To assist us in complying with certain federal income tax requirements applicable to REITs, our charter contains certain restrictions relating to the ownership and transfer of our stock, including an ownership limit of 9.8% on our common stock.

Investing in our common stock involves risks. See "Risk Factors" beginning on page S-3 of this prospectus supplement regarding information included and incorporated by reference into this prospectus supplement to read about risks you should consider before buying our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is December 15, 2014

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

<u>About this Prospectus Supplement</u>	<u>S-1</u>
<u>Our Company</u>	<u>S-2</u>
<u>Risk Factors</u>	<u>S-3</u>
<u>Use of Proceeds</u>	<u>S-3</u>
<u>Federal Income Tax Consequences of Our Status as a REIT</u>	<u>S-3</u>
<u>Selling Stockholder</u>	<u>S-3</u>
<u>Plan of Distribution</u>	<u>S-5</u>
<u>Incorporation of Information by Reference</u>	<u>S-7</u>

Prospectus

<u>Our Company</u>	<u>1</u>
<u>Risk Factors</u>	<u>2</u>
<u>About This Prospectus</u>	<u>2</u>
<u>Forward-Looking Statements</u>	<u>2</u>
<u>Use of Proceeds</u>	<u>3</u>
<u>Ratio of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Stock Dividends</u>	<u>3</u>
<u>Description of Capital Stock</u>	<u>4</u>
<u>Description of Our Common Stock</u>	<u>7</u>
<u>Description of Our Preferred Stock</u>	<u>8</u>
<u>Description of Our Debt Securities</u>	<u>15</u>
<u>Description of Our Warrants</u>	<u>20</u>
<u>Description of Our Rights</u>	<u>21</u>
<u>Book-Entry Securities</u>	<u>22</u>
<u>Material Provisions of Maryland Law And of Our Charter and Bylaws</u>	<u>23</u>
<u>Partnership Agreement</u>	<u>27</u>
<u>Federal Income Tax Consequences of Our Status as a REIT</u>	<u>32</u>
<u>Plan of Distribution</u>	<u>64</u>
<u>Experts</u>	<u>65</u>
<u>Legal Matters</u>	<u>66</u>
<u>Where You Can Find More Information</u>	<u>66</u>
<u>Incorporation of Information by Reference</u>	<u>66</u>

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

You should read this prospectus supplement along with the accompanying prospectus, as well as the information incorporated by reference herein and therein, carefully before you invest in our common stock. These documents contain important information that you should consider before making your investment decision. This prospectus supplement and the accompanying prospectus contain the terms of this offering of common stock. The accompanying prospectus contains information about our securities generally, some of which does not apply to the common stock covered by this prospectus supplement. This prospectus supplement may add, update or change information contained in or incorporated by reference in the accompanying prospectus. If the information in this prospectus supplement is inconsistent with any information contained in or incorporated by reference in the accompanying prospectus, the information in this prospectus supplement will apply and will supersede the inconsistent information contained in or incorporated by reference in the accompanying prospectus.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus, including the information set forth in our prospectus supplement filed with the Securities and Exchange Commission, or the SEC, pursuant to Rule 424(b)(5) on April 10, 2014, which is incorporated by reference into the registration statement, of which this prospectus supplement and the accompanying prospectus are a part. Neither we nor the selling stockholder have authorized any other person to provide you with additional or different information. If anyone provides you with additional or different information, you should not rely on it. Neither we nor the selling stockholders are making an offer to sell the common stock in any jurisdiction where the offer or sale is not permitted.

You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, any such free writing prospectus and the documents incorporated by reference herein and therein is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

All references to "we," "our," and "us" in this prospectus supplement refer to Ashford Hospitality Trust, Inc. and all entities owned or controlled by Ashford Hospitality Trust, Inc., except where it is made clear that the term means only the parent company. The term "you" refers to a prospective investor.

Table of Contents

OUR COMPANY

We are a Maryland corporation that was formed in May 2003 and are focused on investing in the hospitality industry across all segments and in all methods, including direct real estate, equity and debt. As of September 30, 2014, we owned interests in the following hotel properties (all located in the United States) and a note receivable:

88 consolidated hotel properties, including 86 directly owned and two owned through a majority-owned investments in a consolidated entity, which represent 17,291 total rooms (or 17,264 net rooms excluding those attributable to our partners);

28 hotel properties owned through a 71.74% common equity interest and a 50.0% preferred equity interest in an unconsolidated joint venture, which represent 8,084 total rooms (or 5,799 net rooms excluding those attributable to our joint venture partner);

10 hotel properties owned through a 14.4% interest in Ashford Hospitality Prime Limited Partnership;

88 hotel condominium units at WorldQuest Resort in Orlando, Florida; and

a mezzanine loan with a carrying value of \$3.5 million.

All of our hotels are located in the United States and are primarily operated under the widely recognized upscale and upper-upscale brands of Hilton, Hyatt, Marriott, Starwood and Intercontinental Hotels Group.

Our investment strategies continue to focus on full-service and select-service hotels in the upscale and upper-upscale segments within the lodging industry that have anticipated revenue per available room ("RevPAR") of less than twice the then-current national average (*i.e.*, anticipated RevPAR of less than \$137.38 for the trailing 12 months ended December 31, 2013). Our current key priorities and financial strategies include, among other things, acquisition of hotel properties, implementing effective asset management strategies to minimize operating costs and increase revenues, pursuing capital market activities to enhance long-term stockholder value, implementing selective capital improvements designed to increase profitability and financing or refinancing hotels on competitive terms. We believe that as supply, demand, and capital market cycles change, we will be able to shift our investment strategies to take advantage of new lodging-related investment opportunities as they may develop. As the business cycle changes and the hotel markets improve, we intend to continue to invest in a variety of lodging-related assets based upon our evaluation of diverse market conditions including our cost of capital and the expected returns from those investments.

We own our lodging investments and conduct our business through Ashford Hospitality Limited Partnership, our operating partnership, and we are the sole general partner of Ashford Trust OP.

We have elected to be treated as a real estate investment trust ("REIT") for federal income tax purposes. Because of limitations imposed on REITs in operating hotel properties, third-party managers manage each of our hotel properties. All persons employed in the day-to-day operations of our hotels are employees of the management companies engaged by our lessees and are not our employees. We are externally advised by Ashford Hospitality Advisors LLC, a subsidiary of Ashford Inc., a publicly held company that is traded on the NYSE MKT exchange. Because we are externally-advised, we have no employees.

Our principal executive offices are located at 14185 Dallas Parkway, Suite 1100, Dallas, Texas 75254. Our telephone number is (972) 490-9600. Our website is www.ahtreit.com. The contents of our website are not a part of this prospectus supplement or the accompanying prospectus. Shares of our common stock are traded on the New York Stock Exchange under the symbol "AHT."

Table of Contents

RISK FACTORS

An investment in our common stock involves various risks. You should carefully consider the risk factors appearing in our most recent Annual Report on Form 10-K, which information is incorporated by reference into this prospectus supplement, in conjunction with the other information contained in this prospectus supplement and the accompanying prospectus before purchasing our common stock. The risks discussed in this prospectus supplement and the accompanying prospectus can adversely affect our business, liquidity, operating results, prospects and financial condition. This could cause the market price of our common stock to decline and could cause you to lose all or part of your investment.

USE OF PROCEEDS

The proceeds from the sale of the shares of common stock which may be offered pursuant to this prospectus supplement will be received directly by the selling stockholder, and we will not receive any proceeds from the sale of these shares.

FEDERAL INCOME TAX CONSEQUENCES OF OUR STATUS AS A REIT

For a summary of the material federal income tax considerations that may be relevant to a prospective holder of our common stock please see "Federal Income Tax Consequences of Our Status as a REIT" in the accompanying prospectus and "Additional Federal Income Tax Consequences" in the prospectus supplement dated April 9, 2014, which is incorporated by reference into the registration statement of which this prospectus supplement and the accompanying prospectus are a part.

SELLING STOCKHOLDER

This prospectus supplement relates to the resale, from time to time, of up to 328,656 shares of our common stock by the selling stockholder and its respective pledgees, donees, and other successors in interest, described below. Such shares of common stock were purchased in the open market by the selling stockholder. The selling stockholder is an entity wholly-owned by Mr. Monty J. Bennett, our chief executive officer and chairman of our board of directors.

The following table sets forth certain information with respect to the selling stockholders and its ownership of shares of our common stock as of the date hereof. The registration statement of which this prospectus supplement and the accompanying prospectus are a part shall also cover any additional shares of our common stock which become issuable in connection with the shares registered for sale by such registration statement by reason of any stock dividend, stock split, recapitalization or other similar transaction effected without the receipt of consideration which results in an increase in the number of our outstanding shares of common stock. Although the selling stockholder may sell none, some or all of the shares offered hereby, and although there are currently no agreements, arrangements or understandings with respect to the sale of any of such shares, for purposes of the table set forth below, we have assumed that the selling stockholder will sell all of the shares offered by this prospectus supplement.

Edgar Filing: ASHFORD HOSPITALITY TRUST INC - Form 424B7

Table of Contents

The percentage of outstanding common stock owned is calculated based on 89,444,134 shares of common stock issued and outstanding at December 12, 2014. We prepared this table based on our corporate records as of the date of this prospectus supplement.

Selling Stockholders	Shares Beneficially Owned Prior to the Offering(1)	Shares Being Offered under this Prospectus(2)	Shares Beneficially Owned Following the Offering(1)(3)	
			Shares	Percent
MJB Investments, L.P.(4)	6,981,966(5)	328,656	6,653,310	7.4%

- (1) Includes both direct and indirect ownership of shares of common stock and operating partnership units (which are redeemable for cash or, at our option, shares of our common stock) by Monty J. Bennett, the beneficial owner of MJB Investments, L.P. and our Chief Executive Officer and Chairman of our board of directors. Indirect ownership includes shares and operating partnership units that are held by entities 100% of which are owned or controlled by Mr. Bennett, including MJB Investments, L.P.
- (2) Reflects shares purchased on the open market by the selling stockholder.
- (3) Assumes that the selling stockholder will sell all of the shares of common stock offered pursuant to this prospectus supplement. Also, assumes that no transactions with respect to our common stock occur other than the resale by the selling stockholder.
- (4) MJB Investments, L.P. is a Delaware limited partnership that is wholly beneficially owned by Mr. Monty J. Bennett, our Chief Executive Officer and the Chairman of an our board of directors.
- (5) Includes 1,193,501 shares of common stock owned directly or indirectly by Mr. Monty J. Bennett; 4,763,465 shares of common stock that are issuable (directly or indirectly) to Mr. Bennett; and 1,025,000 shares of our common stock that are issuable to Ashford Financial Corporation, an entity controlled by Mr. Bennett. With respect to the shares of common stock that are issuable, such shares are issuable, at our option, upon redemption of units of our operating partnership.

Table of Contents

PLAN OF DISTRIBUTION

This prospectus supplement and the accompanying prospectus relate to the possible sale of up to 328,656 shares of our common stock that the selling stockholder purchased in the open market. We will not receive any proceeds from any sale of these shares of common stock by the selling stockholder.

We are registering the shares of common stock covered by this prospectus supplement and the accompanying prospectus to permit the selling stockholder, or its pledgees, donees, transferees or other successors in interest, to sell such shares without restriction, in the open market or otherwise. Registration does not, however, necessarily mean that any of the shares of common stock to be issued upon such redemption will be offered or sold by the selling stockholder.

The selling stockholder, or its pledgees, donees, transferees or other successors in interest, may from time to time offer and sell, transfer or otherwise dispose of any or all of the shares of our common stock covered by this prospectus supplement and the accompanying prospectus through underwriters or dealers, directly to purchasers or through broker-dealers or agents, who may receive compensation in the form of commissions from the selling stockholder and from the purchasers of such shares for whom they may act as agent. The selling stockholder and any dealers or agents that participate in the distribution of such shares may be deemed to be "underwriters" within the meaning of the Securities Act and any profit on the sale of our common stock by them and any commissions received by any of these dealers or agents might be deemed to be underwriting commissions under the Securities Act.

The common stock may be sold in one or more transactions at fixed prices, prevailing market prices at the time of sale, prices related to the prevailing market prices, varying prices determined at the time of sale or negotiated prices. These prices will be determined by the selling stockholder or by agreement between the selling stockholder and underwriters, dealers or agents who may receive fees or commissions in connection with any such sale. The selling stockholder may dispose of the shares or interests therein by a variety of methods, including the following:

on the New York Stock Exchange or other national exchange or quotation system on which our shares of common stock are listed or traded at the time of sale;

in the over-the-counter market;

in transactions other than on such exchange or in the over-the counter market, which may include privately negotiated transactions and sales directly to one or more purchasers;

short sales;

through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise; or

in any combination of the above or by any other legally available means.

These transactions may include block transaction (in which a broker-dealer will attempt to sell a block of securities as agent but may position and resell a portion of the block as principal to facilitate the transaction) or crosses (in which the same broker-dealer acts as agent on both sides of the trade). The selling stockholder also may resell all or a portion of the common stock covered by this prospectus supplement and the accompanying prospectus in open market transactions in reliance upon Rule 144 under the Securities Act, rather than under this prospectus supplement and the accompanying prospectus, provided it meets the criteria and conforms to the requirements of such rule. Broker-dealers engaged by the selling stockholder may arrange for other broker-dealers to participate in sales.

Table of Contents

In connection with distribution of the shares of our common stock covered by this prospectus supplement and the accompanying prospectus:

the selling stockholder may enter into hedging transactions with broker-dealers;

the broker-dealers may engage in short sales of our common stock in the course of hedging the positions they assume with the selling stockholder;

the selling stockholder may sell our common stock short and deliver our common stock to close out these short positions;

the selling stockholder may enter into option or other transactions with broker-dealers that involve the delivery of our common stock to the broker-dealers, who may then resell or otherwise transfer our common stock; and

the selling stockholder may loan or pledge our common stock to a broker-dealer or other person or entity, and the broker-dealer or other person or entity may sell our common stock, including common stock so loaned or upon a default may sell or otherwise transfer the pledged stock.

Persons participating in the distribution of the shares of our common stock offered by this prospectus supplement and the accompanying prospectus may engage in transactions that stabilize the price of our common stock. The anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of our common stock in the market and to the activities of the selling stockholder.

We have agreed to pay all costs and expenses incurred in connection with the registration under the Securities Act of the shares of common stock covered by this prospectus supplement and the accompanying prospectus, including, but not limited to, all registration and filing fees, printing expenses and fees and disbursements of our legal counsel and accountants. The selling stockholder will pay any brokerage fees and commissions, fees and disbursements of legal counsel for the selling stockholder and stock transfer and other taxes attributable to the sale of shares of common stock covered by this prospectus supplement and the accompanying prospectus.

Table of Contents

INCORPORATION OF INFORMATION BY REFERENCE

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to other documents that we file with the SEC. These incorporated documents contain important business and financial information about us that is not included in or delivered with this prospectus supplement or the accompanying prospectus. The information incorporated by reference is considered to be part of this prospectus supplement, and later information filed with the SEC will update and supersede this information.

We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 139c0, 14 or 15(d) of the Securities Exchange Act of 1934, as amended, on or after the date of this prospectus supplement and before the termination of this offering:

our annual report on Form 10-K for the fiscal year ended December 31, 2013, filed with the SEC on March 3, 2014, as amended by Form 10-K/A filed with the SEC on March 31, 2014;

the information specifically incorporated by reference into our annual report on Form 10-K for the year ended December 31, 2012 from our definitive proxy statement on Schedule 14A filed with the SEC on April 12, 2013;

our quarterly reports on Form 10-Q for the quarterly period ended March 31, 2014, filed with the SEC on May 12, 2014, for the quarterly period ended June 30, 2014, filed with the SEC on August 11, 2014 and for the quarterly period ended September 30, 2014, filed with the SEC on November 7, 2014; and

our current reports on Form 8-K filed with the SEC on February 28, 2014 (with respect to Items 1.01, 5.03, 5.05 and 9.01), March 4, 2014 (with respect to Item 5.02), April 1, 2014, April 29, 2014, May 14, 2014, May 19, 2014 at 14:33:58 (with respect to Items 5.02, 5.07 and 9.01), May 19, 2014 at 14:39:42 (with respect to Item 5.02), June 19, 2014, September 10, 2014, at 16:58:14 (with respect to Items 1.01 and 9.01), September 10, 2014 at 17:16:33 (with respect to Items 8.01 and 9.01), October 15, 2014, October 29, 2014, November 6, 2014, and November 18, 2014 at 17:19:45 (other than any portions thereof deemed furnished and not filed in accordance with SEC rules).

We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed above or filed in the future, that are not deemed "filed" with the SEC.

You may obtain copies of these documents at no cost by writing or telephoning us at the following address:

Investor Relations
Ashford Hospitality Trust, Inc.
14185 Dallas Parkway, Suite 1100
Dallas, Texas 75254
(972) 490-9600

PROSPECTUS

**COMMON STOCK
PREFERRED STOCK
DEBT SECURITIES
WARRANTS
RIGHTS**

Under this prospectus, we may offer, from time to time, in one or more series or classes, the securities described in this prospectus.

We will provide the specific terms of any securities we may offer in a supplement to this prospectus. You should carefully read this prospectus and any applicable prospectus supplement before deciding to invest in these securities. Our common stock is listed on the New York Stock Exchange under the symbol "AHT."

We may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. The prospectus describes some of the general terms that may apply to these securities. The specific terms of any securities to be offered will be described in a supplement to this prospectus.

Investing in our securities involves risks. See "Risk Factors" on page 2 for information regarding risks associated with an investment in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is May 17, 2012.

Table of Contents

TABLE OF CONTENTS

<u>Our Company</u>	<u>1</u>
<u>Risk Factors</u>	<u>2</u>
<u>About This Prospectus</u>	<u>2</u>
<u>Forward-Looking Statements</u>	<u>2</u>
<u>Use of Proceeds</u>	<u>3</u>
<u>Ratio of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Stock Dividends</u>	<u>3</u>
<u>Description of Our Capital Stock</u>	<u>4</u>
<u>Description of Our Common Stock</u>	<u>7</u>
<u>Description of Our Preferred Stock</u>	<u>8</u>
<u>Description of Our Debt Securities</u>	<u>15</u>
<u>Description of Our Warrants</u>	<u>20</u>
<u>Description of Our Rights</u>	<u>21</u>
<u>Book-Entry Securities</u>	<u>22</u>
<u>Material Provisions of Maryland Law and of Our Charter and Bylaws</u>	<u>23</u>
<u>Partnership Agreement</u>	<u>27</u>
<u>Federal Income Tax Consequences of Our Status as a REIT</u>	<u>32</u>
<u>Plan of Distribution</u>	<u>64</u>
<u>Experts</u>	<u>65</u>
<u>Legal Matters</u>	<u>66</u>
<u>Where You Can Find More Information</u>	<u>66</u>
<u>Incorporation of Information by Reference</u>	<u>66</u>

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone else to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. An offer to sell these securities will not be made in any jurisdiction where the offer and sale is not permitted. You should assume that the information appearing in this prospectus, as well as information we previously filed with the Securities and Exchange Commission and incorporated by reference, is accurate as of the date on the front cover of this prospectus only. Our business, financial condition, results of operations and prospects may have changed since that date.

Table of Contents

OUR COMPANY

We are a Maryland corporation that was formed in May 2003 to invest in the hospitality industry at all levels of the capital structure. As of March 31, 2012, our hotel portfolio includes 92 directly owned hotel properties and four hotel properties that we own through majority-owned equity investments in joint ventures. Our hotels are generally upscale and upper-upscale properties under the widely recognized family of brands associated with Hilton, Marriott, Starwood and Intercontinental. Currently, all of our hotels are located in the United States.

In March 2011, we acquired 96 hotel condominium units at WorldQuest Resort in Orlando, Florida (of which two have since been sold), and we also converted our interest in a joint venture that held a mezzanine loan into a 71.74% common equity interest and a \$25.0 million preferred equity interest in a new joint venture that holds 28 high quality full and select service hotel properties. At March 31, 2012, we also wholly owned a mezzanine loan receivable with a carrying value of \$3.1 million and one note receivable of \$8.1 million in connection with a joint venture restructuring. Beginning in March 2008, we have entered into various derivative transactions with financial institutions to hedge our debt, to improve cash flows, and to capitalize on the historical correlation between changes in LIBOR and RevPAR (Revenue Per Available Room).

Our investment strategies focus on the upscale and upper-upscale segments within the lodging industry. We believe that as hotel supply and demand and capital market cycles change, we will be able to shift our investment strategies to take advantage of newly created lodging-related investment opportunities as they develop. As the business cycle changes and the hotel markets improve, we intend to continue to invest in a variety of lodging-related assets based upon our evaluation of diverse market conditions including our cost of capital and the expected returns from those investments.

We are self-advised and own our lodging investments and conduct our business through Ashford Hospitality Limited Partnership, our operating partnership. We are the sole general partner of our operating partnership.

We have elected to be treated as a real estate investment trust, or REIT, for federal income tax purposes. Because of limitations imposed on REITs in operating hotel properties, third-party managers manage each of our hotel properties. Our employees perform, directly through our operating partnership, various acquisition, development, redevelopment, asset management, accounting and corporate management functions. All persons employed in the day-to-day operations of our hotels are employees of the management companies engaged by our lessees, and are not our employees.

Our principal executive offices are located at 14185 Dallas Parkway, Suite 1100, Dallas, Texas 75254. Our telephone number is (972) 490-9600. Our website is <http://www.ahtreit.com>. The contents of our website are not a part of this prospectus. Our shares of common stock are traded on the New York Stock Exchange, or the "NYSE," under the symbol "AHT."

Table of Contents

RISK FACTORS

An investment in our securities involves various risks. You should carefully consider the risk factors incorporated by reference to our most recent Annual Report on Form 10-K and the other information contained in this prospectus, as updated by our subsequent filings under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and the risk factors and other information contained in the applicable prospectus supplement before acquiring any of our securities.

ABOUT THIS PROSPECTUS

This prospectus is part of a shelf registration statement. We may sell, from time to time, in one or more offerings, any combinations of the securities described in this prospectus. This prospectus only provides you with a general description of the securities we may offer. Each time we sell securities under this prospectus, we will provide a prospectus supplement that contains specific information about the terms of the securities. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with the additional information described below under the heading "Where You Can Find More Information."

FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated herein by reference, together with other statements and information publicly disseminated by us, contain certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Exchange Act, that are subject to risks and uncertainties. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and include this statement for purposes of complying with these safe harbor provisions. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. Statements regarding the following subjects are forward-looking by their nature:

our business and investment strategy;

our projected operating results;

our entry into (including the terms and conditions of) any proposed transactions or completion of any pending transactions;

our ability to obtain future financing arrangements;

our understanding of our competition;

market and industry trends;

projected capital expenditures; and

the impact of technology on our operations and business.

The 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 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

Table of Contents

our securities. Additionally, the following factors could cause actual results to vary from our forward-looking statements:

the factors discussed in this prospectus, and in the information incorporated by reference into it, including those set forth in our Annual Report on Form 10-K under the section titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business" and "Properties;"

general volatility of the capital markets and the market price of our securities;

changes in our business or investment strategy;

availability, terms and deployment of capital;

availability of qualified personnel;

changes in our industry and the market in which we operate, interest rates or the general economy; and

the degree and nature of our competition.

When we use words or phrases such as "will likely result," "may," "anticipate," "estimate," "should," "expect," "believe," "intend," or similar expressions, we intend to identify forward-looking statements. You should not place undue reliance on these forward-looking statements. Our forward-looking statements speak only as of the date of this prospectus or as of the date they are made, as applicable, and except as otherwise required by federal securities laws, we are not obligated to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

USE OF PROCEEDS

Unless otherwise indicated in a prospectus supplement, we expect to use the net proceeds from the sale of these securities for general corporate purposes, which may include acquisitions of additional properties or hospitality-related securities, as suitable opportunities arise, the origination or acquisition of hotel debt, the joint venture of hotel investments, the repayment of outstanding indebtedness, capital expenditures, the expansion, redevelopment or improvement of properties in our portfolio, working capital and other general purposes. Further details regarding the use of the net proceeds of a specific series or class of the securities will be set forth in the applicable prospectus supplement.

RATIO OF EARNINGS TO FIXED CHARGES AND EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The following table sets forth our historical ratio of earnings to fixed charges, as adjusted for discontinued operations, for each of the periods indicated and our ratio of earnings to combined fixed charges and preferred stock dividends, as adjusted for discontinued operations, for each of the periods indicated:

	Three Months Ended March 31,		Year Ended December 31,				
	2012	2011	2010	2009	2008	2007	
Ratio of earnings to fixed charges	*	*	*	*	1.61	1.01	
Ratio of earnings to combined fixed charges and preferred stock dividends	**	**	**	**	1.39	**	

*

For these periods, earnings were less than fixed charges, and the coverage deficiency was approximately \$11,862,000, \$53,645,000 and \$191,325,000 for the years ended December 31, 2011, 2010 and 2009, respectively, and \$14,106,000 for the three months ended

Edgar Filing: ASHFORD HOSPITALITY TRUST INC - Form 424B7

March 31, 2012.

**

For these periods, earnings were less than combined fixed charges and preferred stock dividends, and the coverage deficiency was approximately \$41,375,000, \$74,839,000, \$210,647,000 and \$22,020,000 for the years ended December 31, 2011, 2010, 2009 and 2007, respectively, and \$22,437,000 for the three months ended March 31, 2012.

Table of Contents

For purposes of computing the ratios of earnings to fixed charges and of earnings to combined fixed charges and preferred stock dividends and the amount of coverage deficiency, earnings is computed as pre-tax income from continuing operations before equity method earnings or losses from equity investees plus: (a) fixed charges less preferred unit distribution requirements included in fixed charges but not deducted in the determination of earnings and (b) distributed income of equity investees. Fixed charges consist of (a) interest expenses as no interest was capitalized in the periods presented, (b) amortization of debt issuance costs, discount or premium, (c) the interest component of rent expense, and (d) preferred dividend requirements of a majority-owned subsidiary, excluding a non-recurring non-cash dividend paid for the redemption of the Series B-1 preferred stock.

DESCRIPTION OF OUR CAPITAL STOCK

General

We were formed under the laws of the State of Maryland. Rights of our stockholders are governed by the Maryland General Corporation Law, or MGCL, our charter and our bylaws. The following is a summary of the material provisions of our capital stock. Copies of our charter and bylaws are filed as exhibits to the registration statement of which this prospectus is a part. See "Where You Can Find More Information."

Authorized Stock

Our charter provides that we may issue up to 200 million shares of voting common stock, par value \$.01 per share, and 50 million shares of preferred stock, par value \$.01 per share.

Power to Issue Additional Shares of Our Common Stock and Preferred Stock

We believe that the power of our board of directors, without stockholder approval, to issue additional authorized but unissued shares of our common stock or preferred stock and to classify or reclassify unissued shares of our common stock or preferred stock and thereafter to cause us to issue such classified or reclassified shares of stock provides us with flexibility in structuring possible future financings and acquisitions and in meeting other needs which might arise. The additional classes or series, as well as the common stock, will be available for issuance without further action by our stockholders, unless stockholder consent is required by applicable law or the rules of any stock exchange or automated quotation system on which our securities may be listed or traded. Although our board of directors does not currently intend to do so, it could authorize us to issue an additional class or series of stock that could, depending upon the terms of the particular class or series, delay, defer or prevent a transaction or a change of control of our company, even if such transaction or change of control involves a premium price for our stockholders or stockholders believe that such transaction or change of control may be in their best interests.

Restrictions on Ownership and Transfer

In order for us to qualify as a REIT under the Internal Revenue Code or "Code," not more than 50% of the value of the outstanding shares of our stock may be owned, actually or constructively, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year (other than the first year for which an election to be a REIT has been made by us). In addition, if we, or one or more owners (actually or constructively) of 10% or more of us, actually or constructively owns 10% or more of a tenant of ours (or a tenant of any partnership in which we are a partner), the rent received by us (either directly or through any such partnership) from such tenant will not be qualifying income for purposes of the REIT gross income tests of the Code. Our stock must also be beneficially owned by 100 or more persons during at least 335 days of a taxable year of

Table of Contents

12 months or during a proportionate part of a shorter taxable year (other than the first year for which an election to be a REIT has been made by us).

Our charter contains restrictions on the ownership and transfer of our capital stock that are intended to assist us in complying with these requirements and continuing to qualify as a REIT. The relevant sections of our charter provide that, subject to the exceptions described below, no person or persons acting as a group may own, or be deemed to own by virtue of the attribution provisions of the Code, more than (i) 9.8% of the lesser of the number or value of shares of our common stock outstanding or (ii) 9.8% of the lesser of the number or value of the issued and outstanding preferred or other shares of any class or series of our stock. We refer to this restriction as the "ownership limit."

The ownership attribution rules under the Code are complex and may cause stock owned actually or constructively by a group of related individuals and/or entities to be owned constructively by one individual or entity. As a result, the acquisition of less than 9.8% of our common stock (or the acquisition of an interest in an entity that owns, actually or constructively, our common stock) by an individual or entity, could, nevertheless cause that individual or entity, or another individual or entity, to own constructively in excess of 9.8% of our outstanding common stock and thereby subject the common stock to the ownership limit.

Our board of directors may, in its sole discretion, waive the ownership limit with respect to one or more stockholders who would not be treated as "individuals" for purposes of the Code if it determines that such ownership will not cause any "individual's" beneficial ownership of shares of our capital stock to jeopardize our status as a REIT (for example, by causing any tenant of ours to be considered a "related party tenant" for purposes of the REIT qualification rules).

As a condition of our waiver, our board of directors may require an opinion of counsel or IRS ruling satisfactory to our board of directors, and/or representations or undertakings from the applicant with respect to preserving our REIT status.

In connection with the waiver of the ownership limit or at any other time, our board of directors may decrease the ownership limit for all other persons and entities; provided, however, that the decreased ownership limit will not be effective for any person or entity whose percentage ownership in our capital stock is in excess of such decreased ownership limit until such time as such person or entity's percentage of our capital stock equals or falls below the decreased ownership limit, but any further acquisition of our capital stock in excess of such percentage ownership of our capital stock will be in violation of the ownership limit. Additionally, the new ownership limit may not allow five or fewer "individuals" (as defined for purposes of the REIT ownership restrictions under the Code) to beneficially own more than 49.0% of the value of our outstanding capital stock.

Our charter provisions further prohibit:

any person from actually or constructively owning shares of our capital stock that would result in us being "closely held" under Section 856(h) of the Code or otherwise cause us to fail to qualify as a REIT; and

any person from transferring shares of our capital stock if such transfer would result in shares of our stock being beneficially owned by fewer than 100 persons (determined without reference to any rules of attribution).

Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of shares of our common stock that will or may violate any of the foregoing restrictions on transferability and ownership will be required to give notice immediately to us and provide us with such other information as we may request in order to determine the effect of such transfer on our status as a REIT. The foregoing provisions on transferability and ownership will not apply if our board of directors determines that it is no longer in our best interests to qualify, or to continue to qualify, as a REIT.

Table of Contents

Pursuant to our charter, if any purported transfer of our capital stock or any other event would otherwise result in any person violating the ownership limits or the other restrictions in our charter, then any such purported transfer will be void and of no force or effect with respect to the purported transferee or owner (collectively referred to hereinafter as the "purported owner") as to that number of shares in excess of the ownership limit (rounded up to the nearest whole share). The number of shares in excess of the ownership limit will be automatically transferred to, and held by, a trust for the exclusive benefit of one or more charitable organizations selected by us. The trustee of the trust will be designated by us and must be unaffiliated with us and with any purported owner. The automatic transfer will be effective as of the close of business on the business day prior to the date of the violative transfer or other event that results in a transfer to the trust. Any dividend or other distribution paid to the purported owner, prior to our discovery that the shares had been automatically transferred to a trust as described above, must be repaid to the trustee upon demand for distribution to the beneficiary of the trust and all dividends and other distributions paid by us with respect to such "excess" shares prior to the sale by the trustee of such shares shall be paid to the trustee for the beneficiary. If the transfer to the trust as described above is not automatically effective, for any reason, to prevent violation of the applicable ownership limit, then our charter provides that the transfer of the excess shares will be void. Subject to Maryland law, effective as of the date that such excess shares have been transferred to the trust, the trustee shall have the authority (at the trustee's sole discretion and subject to applicable law) (i) to rescind as void any vote cast by a purported owner prior to our discovery that such shares have been transferred to the trust and (ii) to recast such vote in accordance with the desires of the trustee acting for the benefit of the beneficiary of the trust, provided that if we have already taken irreversible action, then the trustee shall not have the authority to rescind and recast such vote.

Shares of our capital stock transferred to the trustee are deemed offered for sale to us, or our designee, at a price per share equal to the lesser of (i) the price paid by the purported owner for the shares (or, if the event which resulted in the transfer to the trust did not involve a purchase of such shares of our capital stock at market price, the market price on the day of the event which resulted in the transfer of such shares of our capital stock to the trust) and (ii) the market price on the date we, or our designee, accepts such offer. We have the right to accept such offer until the trustee has sold the shares of our capital stock held in the trust pursuant to the clauses discussed below. Upon a sale to us, the interest of the charitable beneficiary in the shares sold terminates and the trustee must distribute the net proceeds of the sale to the purported owner and any dividends or other distributions held by the trustee with respect to such capital stock will be paid to the charitable beneficiary.

If we do not buy the shares, the trustee must, within 20 days of receiving notice from us of the transfer of shares to the trust, sell the shares to a person or entity designated by the trustee who could own the shares without violating the ownership limits. After that, the trustee must distribute to the purported owner an amount equal to the lesser of (i) the net price paid by the purported owner for the shares (or, if the event which resulted in the transfer to the trust did not involve a purchase of such shares at market price, the market price on the day of the event which resulted in the transfer of such shares of our capital stock to the trust) and (ii) the net sales proceeds received by the trust for the shares. Any proceeds in excess of the amount distributable to the purported owner will be distributed to the beneficiary.

Our charter also provides that "Benefit Plan Investors" (as defined in our charter) may not hold, individually or in the aggregate, 25% or more of the value of any class or series of shares of our capital stock to the extent such class or series does not constitute "Publicly Offered Securities" (as defined in our charter).

All persons who own, directly or by virtue of the attribution provisions of the Code, more than 5% (or such other percentage as provided in the regulations promulgated under the Code) of the lesser of the number or value of the shares of our outstanding capital stock must give written notice to us within

Table of Contents

30 days after the end of each calendar year. In addition, each stockholder will, upon demand, be required to disclose to us in writing such information with respect to the direct, indirect and constructive ownership of shares of our stock as our board of directors deems reasonably necessary to comply with the provisions of the Code applicable to a REIT, to comply with the requirements or any taxing authority or governmental agency or to determine any such compliance.

All certificates representing shares of our capital stock bear a legend referring to the restrictions described above.

These ownership limits could delay, defer or prevent a transaction or a change of control of our company that might involve a premium price over the then prevailing market price for the holders of some, or a majority, of our outstanding shares of common stock or which such holders might believe to be otherwise in their best interest.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock and preferred stock is Computershare Trust Company, N.A.

DESCRIPTION OF OUR COMMON STOCK

The following description of our common stock sets forth certain general terms and provisions of our common stock to which any prospectus supplement may relate, including a prospectus supplement providing that common stock will be issuable upon conversion or exchange of our debt securities or preferred stock or upon the exercise of warrants or rights to purchase our common stock.

All shares of our common stock covered by this prospectus will be duly authorized, fully paid and nonassessable. Subject to the preferential rights of any other class or series of stock and to the provisions of the charter regarding the restrictions on transfer of stock, holders of shares of our common stock are entitled to receive dividends on such stock when, as and if authorized by our board of directors out of funds legally available therefor and declared by us and to share ratably in the assets of our company legally available for distribution to our stockholders in the event of our liquidation, dissolution or winding up after payment of or adequate provision for all known debts and liabilities of our company, including the preferential rights on dissolution of any class or classes of preferred stock.

Subject to the provisions of our charter regarding the restrictions on transfer of stock, each outstanding share of our common stock entitles the holder to one vote on all matters submitted to a vote of stockholders, including the election of directors and, except as provided with respect to any other class or series of stock, the holders of such shares will possess the exclusive voting power. There is no cumulative voting in the election of our board of directors, which means that the holders of a plurality of the outstanding shares of our common stock can elect all of the directors then standing for election and the holders of the remaining shares will not be able to elect any directors.

Holders of shares of our common stock have no preference, conversion, exchange, sinking fund, redemption or appraisal rights and have no preemptive rights to subscribe for any securities of our company. Subject to the provisions of the charter regarding the restrictions on transfer of stock, shares of our common stock will have equal dividend, liquidation and other rights.

Under the MGCL, a Maryland corporation generally cannot dissolve, amend its charter, merge, consolidate, transfer all or substantially all of its assets, engage in a statutory share exchange or engage in similar transactions outside the ordinary course of business unless declared advisable by the board of directors and approved by the affirmative vote of stockholders holding at least two-thirds of the shares entitled to vote on the matter unless a lesser percentage (but not less than a majority of all of the votes entitled to be cast on the matter) is set forth in the corporation's charter. Our charter does not provide for a lesser percentage for these matters. However, Maryland law permits a corporation to transfer all

Table of Contents

or substantially all of its assets without the approval of the stockholders of the corporation to one or more persons if all of the equity interests of the person or persons are owned, directly or indirectly, by the corporation. Because operating assets may be held by a corporation's subsidiaries, as in our situation, this may mean that a subsidiary of a corporation can transfer all of its assets without a vote of the corporation's stockholders.

Our charter authorizes our board of directors to reclassify any unissued shares of our common stock into other classes or series of classes of stock and to establish the number of shares in each class or series and to set the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications or terms or conditions of redemption for each such class or series.

DESCRIPTION OF OUR PREFERRED STOCK