Vinson&Elkins

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October 21, 2023

Alex Rose
Executive Vice President, General Counsel and Secretary
Braemar Hotels & Resorts, Inc.
14185 Dallas Parkway, Suite 1200
Dallas, Texas 75254

Dear Mr. Rose:

I write on behalf of Blackwells Capital LLC ("***Blackwells***"), an investment manager that beneficially owns an aggregate of 100 shares of common stock of Braemar Hotels & Resorts, Inc. (NYSE: BHR, BHR-PB, BHR-PD) (the "***Company***"), to express its concern to the independent members of the Company's board of directors (the "***Board***") regarding the damage that has been caused to the Company and its shareholders by the Board's blind complaisance in allowing the Company's external managers, Ashford Inc. and its subsidiary, Ashford Hospitality Advisors LLC (together with Ashford Inc., "***Ashford***"), and Monty J. Bennett (Chairman of the Board, as well as Chief Executive Officer and Chairman of the board of directors of Ashford Inc.), to raid the coffers of the Company to the detriment of the Company's shareholders.

Blackwells has made multiple inquiries regarding the Company's numerous faults. Each has gone unanswered. Perhaps this should not be surprising given the Company's history of mistreating its shareholders. In any event, the Company's dramatic underperformance is no longer simply a matter of inept leadership; the Board has a duty to pursue the termination of the Company's outrageous external management agreement for cause, and/or conduct a process that will return capital to shareholders without further enriching Ashford and Mr. Bennett.

Over the past five years, the Company had a total shareholder return of -67.63%. While the Company's performance is abysmal, its ability to burn through shareholder capital is not, due to its external management agreement. Without consideration to the Company's financial outlook, the total amount of fees and reimbursements paid to Ashford "as a percentage of market capitalization will never be less than the average of internalized expenses of our industry peers" and may "greatly [exceed] the average of internalized expenses" of the Company's industry peers.[1] The Board has a fiduciary responsibility to pursue the termination for cause of this onerous

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[1] *See* the Company's Annual Report on Form 10-K for the fiscal year ending December 31, 2022 ("***The aggregate amount of fees and expense reimbursements paid to our advisor will exceed the average of internalized expenses of our industry peers (as provided in our advisory agreement), as a percentage of total market capitalization. As a part of these fees, we must pay a minimum advisory fee to our advisor regardless of our performance.***") (emphasis in original).

agreement, and will be held personally responsible for failing to take any and all steps to protect shareholder capital before a bankruptcy.

Blackwells hereby demands that the Board immediately investigate potential breaches of fiduciary duty and/or other wrongdoing related to mismanagement or self-dealing by members of the Board and/or management in connection with the Company's relationship with Mr. Bennett and Ashford. If the Company fails to take immediate action, then Blackwells is prepared to take all necessary action to unlock value for shareholders and, to the extent possible, to undo the harm that has been caused under the reckless watch of the Board. We hope, of course, that it does not come to that.

Blackwells looks forward to hearing from the Board soon about the actions the Board will take to regain shareholder confidence and remains available to discuss solutions that would immediately benefit all shareholders.

Sincerely,

/s/ Christopher E. Duffy
Christopher E. Duffy