



AMERICAN HOTEL
INCOME PROPERTIES REIT LP

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Notice of Annual and Special Meeting
of Unitholders to be held on May 8, 2024

and

Information Circular

Dated: April 1, 2024



AMERICAN HOTEL
INCOME PROPERTIES REIT LP

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NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of the holders (“**Unitholders**”) of the limited partnership units (“**Units**”) of American Hotel Income Properties REIT LP (the “**REIT**”) will be held at the offices of Farris LLP located at 2500-700 West Georgia Street, Vancouver, British Columbia at 11:00 am (Pacific Time), on Wednesday, May 8, 2024, with participation in the Meeting being made available to Unitholders both in person and via teleconference as set forth in detail below, for the following purposes:

1. to receive the financial statements of the REIT for the financial year ended December 31, 2023 and the report of the auditors thereon;
2. to elect directors of American Hotel Income Properties REIT (GP) Inc. (the “**General Partner**”) for the ensuing year;
3. to appoint KPMG LLP as auditors of the REIT for the ensuing year and to authorize the directors of the General Partner to fix their remuneration;
4. to consider, and if thought fit, to approve with or without variation, a special resolution authorizing and approving certain clarifying amendments to the Amended and Restated Limited Partnership Agreement of the REIT dated June 17, 2021 with respect to the manner by which the auditor of the REIT may be appointed or removed, as more particularly described in, and subject to, the accompanying information circular of the REIT dated April 1, 2024 (the “**Information Circular**”); and
5. to transact such further and other business as may properly come before the Meeting or any adjournment or postponement thereof.

Specific details of the above items of business are contained in the Information Circular that accompanies and forms a part of this Notice of Annual and Special Meeting.

Unitholders of record as of the close of business on March 22, 2024 are entitled to vote at the Meeting either in person or by proxy. However, Unitholders are strongly encouraged to read, complete, sign and deliver the accompanying Form of Proxy well in advance of the Meeting in order to ensure their vote is counted. To be effective, the Form of Proxy must be received by Computershare Investor Services Inc., 100 University Avenue, 8th Floor, North Tower, Toronto, Ontario M5J 2Y1, Attention: Proxy Department (facsimile: 1-866-249-7775) not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting, or any adjournment or postponement thereof. Alternatively, registered Unitholders can call the toll-free telephone number (1-866-732-VOTE (8683)) of Computershare Investor Services Inc. or access its dedicated voting website www.investorvote.com in order to vote the Units held by them.

Beneficial Unitholders who hold their Units of the REIT through an intermediary/broker are not entitled, as such, to vote at the Meeting through a proxy. Regulatory policy requires intermediaries/brokers to seek voting instructions from beneficial Unitholders in advance of the Meeting. Beneficial Unitholders should carefully follow the instructions of their intermediary/broker, including those on how and when voting instructions are to be provided, in order to have their Units voted at the Meeting.

Registered Unitholders and duly appointed proxy holders who do not attend the Meeting in person may participate in the Meeting via a live teleconference. Specifically, registered Unitholders and duly appointed proxy holders who have properly registered prior to the Meeting as outlined below will be able to ask questions of management via the live teleconference at the conclusion of the Meeting. All other Unitholders and stakeholders can attend the Meeting via teleconference without pre-registering as outlined below, but will not be permitted to ask questions at the Meeting.

In order to be permitted to ask questions at the Meeting via the live teleconference, registered Unitholders and duly appointed proxy holders must register via the following link prior to the proxy cut-off time at 11:00 a.m. (Pacific Time) on Monday, May 6, 2024:

<https://dpregrister.com/sreg/10023212/f7f0283658>

After such registration has been completed, such registered Unitholders and duly appointed proxy holders will be assigned a unique PIN and dial-in phone number. It is recommended that Unitholders attempt to connect at least ten minutes prior to the scheduled start time of the Meeting.

For all other Unitholders and stakeholders wishing to attend the Meeting by teleconference, but not ask questions, please dial the following toll free, or international toll number approximately five minutes prior to the commencement of the Meeting and ask the operator to join the Annual and Special Meeting of Unitholders of American Hotel Income Properties REIT LP:

Toll-free (Canada/U.S.): 1-844-763-8274, or

Toll (international): +1-647-484-8814.

We request that all Unitholders wishing to participate in the Meeting submit their proxies or voting instructions, as applicable, well in advance of the Meeting in order to have their Units voted.

DATED at Vancouver, British Columbia, this 1st day of April, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) W. Michael Murphy
Chair

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AMERICAN HOTEL INCOME PROPERTIES REIT LP

INFORMATION CIRCULAR

(Containing information as at March 22, 2024 unless indicated otherwise)

(All amounts in Canadian dollars unless indicated otherwise)

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the board of directors (the “**Board of Directors**”, “**Board**” or the “**Directors**”) of American Hotel Income Properties REIT (GP) Inc. (the “**General Partner**”) on behalf of American Hotel Income Properties REIT LP (the “**REIT**”) for use at the annual and special meeting (the “**Meeting**”) of the holders (the “**Unitholders**”) of limited partnership units (the “**Units**”) of the REIT to be held at the offices of Farris LLP located at 2500-700 West Georgia Street, Vancouver, British Columbia at 11:00 am (Pacific Time), on Wednesday, May 8, 2024 with participation in the Meeting being made available to Unitholders both in person and via teleconference as set forth in detail below under “*Telephonic Participation*”, or at any adjournments or postponements thereof, for the purposes set forth in the accompanying Notice of Annual and Special Meeting. Unless the context otherwise requires, all references to the “**Meeting**” in this Information Circular include all adjournments and postponements thereof.

It is expected that the solicitation of proxies for the Meeting will be primarily by mail, but proxies may be solicited personally, by telephone or by other means of communication by the Directors, officers and regular employees of the REIT and its subsidiaries who will not be specifically remunerated therefor. All costs of solicitation of proxies by or on behalf of the Directors will be borne by the REIT. The REIT has arranged for intermediaries/brokers to forward the Meeting materials to Beneficial Unitholders (defined below) of the REIT held of record by those intermediaries/brokers, and the REIT may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

NOTICE-AND-ACCESS

The REIT is sending meeting materials for the Meeting to registered Unitholders and Beneficial Unitholders using the “notice-and-access” provisions of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), which allow for the REIT to provide Unitholders with electronic access to this Information Circular instead of sending a paper copy. This means that the Information Circular is posted online for Unitholders to access, rather than being mailed to Unitholders. Notice-and-access is more environmentally friendly, as it helps reduce paper and energy use and also reduces printing and mailing costs.

Registered Unitholders and Beneficial Unitholders, will however, still receive a form of proxy or a voting instruction form in the mail so they can vote their Units. However, unless a Unitholder requests a paper copy, rather than receiving a paper copy of this Information Circular, a Unitholder will receive a notice that has instructions on how to access and review an electronic copy of this Information Circular and how to request a paper copy. The notice also provides Unitholders with instructions on how to vote their Units using the various different voting methods provided (internet, telephone, mail). If a Unitholder would like to receive a paper copy of this Information Circular, please follow the instructions in the notice.

TELEPHONIC PARTICIPATION

Unitholders of record as of the close of business on the Record Date (defined below) are entitled to vote at the Meeting either in person or by proxy.

Registered Unitholders and duly appointed proxy holders who do not attend the Meeting in person may ask questions at the Meeting via a live teleconference, but will not be permitted to vote through such means of participation. Specifically, registered Unitholders and duly appointed proxy holders who have properly registered prior to the Meeting as outlined below will be able to ask questions of management via the live teleconference at the conclusion of the Meeting. All other Unitholders and stakeholders can attend the Meeting via teleconference without pre-registering as outlined below, but will not be permitted to ask questions at the Meeting.

In order to be permitted to ask questions at the Meeting via the live teleconference, registered Unitholders and duly appointed proxy holders must register via the following link prior to the proxy cut-off time at 11:00 a.m. (Pacific Time) on Monday, May 6, 2024:

<https://dpre register.com/sreg/10023212/f7f0283658>

After such registration has been completed, such registered Unitholders and duly appointed proxy holders will be assigned a unique PIN and dial-in phone number. It is recommended that Unitholders attempt to connect at least ten minutes prior to the scheduled start time of the Meeting. All registered Unitholders and duly appointed proxy holders who have duly completed the above noted registration process will be able to listen to, and ask questions at, the Meeting via teleconference instead of attending the Meeting in person.

For all other Unitholders and stakeholders wishing to attend the Meeting by teleconference, but not wishing to ask questions, please dial the following toll free, or international toll number approximately five minutes prior to the commencement of the Meeting and ask the operator to join the Annual and Special Meeting of Unitholders of American Hotel Income Properties REIT LP:

Toll-free (Canada/U.S.): 1-844-763-8274, or

Toll (international): +1-647-484-8814.

APPOINTMENT OF PROXIES

The persons named in the accompanying Form of Proxy are Directors. A Unitholder desiring to appoint some other person, who need not be a Unitholder, to attend and act on the Unitholder's behalf at the Meeting has the right to do so, either by inserting the desired person's name in the blank space provided in the Form of Proxy or by completing another proper Form of Proxy.

A Form of Proxy must be in writing and signed by the Unitholder or by the Unitholder's attorney duly authorized in writing or, if the Unitholder is a body corporate or association, under its seal or by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing. If an attorney executes the Form of Proxy, evidence of the attorney's authority must accompany the Form of Proxy. A proxy will not be valid unless the completed Form of Proxy is received by Computershare Investor Services Inc., 100 University Avenue, 8th Floor, North Tower, Toronto, Ontario M5J 2Y1, Attention: Proxy Department (facsimile: 1-866-249-7775) not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting, or any adjournment or postponement thereof. Alternatively, registered Unitholders can call the toll-free telephone number (1-866-732-VOTE (8683)) of Computershare Investor Services Inc. ("**Computershare**") or access its dedicated voting website www.investorvote.com in order to vote the Units held by them.

Beneficial Unitholders who hold their Units of the REIT through an intermediary/broker are not entitled, as such, to vote at the Meeting through a proxy. Regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Unitholders in advance of the Meeting. Beneficial Unitholders should carefully follow the instructions of their intermediary/broker, including those on how and when voting instructions are to be provided, in order to have their Units voted at the Meeting. See "*Beneficial Unitholders*".

REVOCATION OF PROXIES

A Unitholder who has given a Form of Proxy may revoke it by an instrument in writing that is signed and delivered to Computershare in the manner as described above so as to arrive at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the Form of Proxy is to be used, or to the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or in any other manner provided by law. A revocation of a Form of Proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF PROXIES

The Director representatives designated in the accompanying Form of Proxy will vote or withhold from voting the Units in respect of which they are appointed proxy on any ballot that may be called for in accordance with the instructions of the Unitholder as indicated on the Form of Proxy and, if the Unitholder specifies a choice with respect to any matter to be acted upon, the Units will be voted accordingly. Where no choice is specified in the Form of Proxy, such Units will be voted “for” the matters described therein and in this Information Circular.

The accompanying Form of Proxy confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Annual and Special Meeting and with respect to other matters that may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Annual and Special Meeting are properly brought before the Meeting or any other business is properly brought before the Meeting, it is the intention of the Director representatives designated in the accompanying Form of Proxy to vote in accordance with their best judgement on such matters or business. At the time of the printing of this Information Circular, the Directors know of no such amendment, variation or other matter, which may be presented to the Meeting.

BENEFICIAL UNITHOLDERS

These meeting materials are being sent to both registered and non-registered Unitholders. If you are a non-registered Unitholder and the REIT or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary/broker holding Units on your behalf.

The information set forth in this section is important to all Unitholders. Unitholders who do not hold their Units in their own name are referred to in this Information Circular as “**Beneficial Unitholders**”. There are two kinds of Beneficial Unitholders — those who object to their names being made known to the issuers of securities which they own (called “**OBOs**” for Objecting Beneficial Owners), and those who do not object (called “**NOBOs**” for Non-Objecting Beneficial Owners). **Beneficial Unitholders should note that only a Unitholder whose name appears on the records of the REIT as of the close of business on the Record Date as a registered holder of Units or a person they appoint as a proxy can be recognized and vote at the Meeting.** Subject to limited exceptions that may exist from time to time, all issued and outstanding Units are in a book-based system administered by CDS Clearing and Depository Services Inc. (“**CDS**”). Consequently, all Units are, subject to limited exceptions that may exist from time to time, registered under the name of CDS & Co. (the registration name for CDS). CDS also acts as nominee for brokerage firms through which Beneficial Unitholders hold their Units. Units held by CDS can only be voted (for or against resolutions) upon the instructions of the Beneficial Unitholder.

The REIT is relying on the provisions of NI 54-101, which permit the REIT to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs will receive Meeting materials from Computershare, including a voting instruction form. By choosing to send these materials to NOBOs directly, the REIT (and not the intermediaries holding Units on behalf of NOBOs) has assumed responsibility for: (i) delivering these materials to NOBOs; and (ii) executing NOBOs’ proper voting instructions. NOBOs are requested to return their voting instructions as specified in the request for voting instructions.

Proxy-related materials will be delivered indirectly to the REIT’s OBOs. As a result, OBOs can expect to receive Meeting materials from their intermediary/broker, including a voting instruction form as more particularly described immediately below.

Applicable regulatory policy requires intermediaries/brokers to whom meeting materials have been sent to seek voting instructions from Beneficial Unitholders in advance of Unitholders’ meetings. Every intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Unitholders in order to ensure that their Units are voted at the Meeting. Often, the voting instruction form supplied to a Beneficial Unitholder by its intermediary/broker is nearly identical to the Form of Proxy provided to registered Unitholders. However, its purpose is limited to instructing the registered Unitholder (the intermediary/broker) how to vote on behalf of the Beneficial Unitholder. The majority of intermediaries/brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically

prepares a special voting instruction form, mails those forms to the Beneficial Unitholders and asks for appropriate instructions respecting the voting of Units to be represented at the Meeting. Beneficial Unitholders are requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, Beneficial Unitholders can call a toll-free telephone number or access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and vote the Units held by them. Broadridge then tabulates the results of all voting instructions received and provides appropriate instructions respecting the voting of Units to be represented at the Meeting. A Beneficial Unitholder receiving a voting instruction form cannot use that voting instruction form to vote Units directly at the Meeting. The voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Units voted. Beneficial Unitholders who receive forms of proxies or voting materials from organizations other than Broadridge should complete and return such forms of proxies or voting materials in accordance with the instructions on such materials in order to properly vote their Units at the Meeting.

Beneficial Unitholders cannot be recognized at the Meeting for purposes of voting their Units in person or by way of depositing a Form of Proxy. If you are a Beneficial Unitholder and wish to vote in person at the Meeting, please see the voting instructions you received or contact your intermediary/broker well in advance of the Meeting to determine how you can do so.

Beneficial Unitholders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Units voted at the Meeting.

REIT STRUCTURE

The REIT is a limited partnership formed under the *Limited Partnerships Act* (Ontario) to invest in hotel real estate properties located in the U.S. The REIT is governed by its amended and restated limited partnership agreement dated June 17, 2021 (the "**LP Agreement**"), a copy of which is available on SEDAR+ at www.sedarplus.com.

At the annual and special meeting of Unitholders held on May 10, 2017, the Unitholders approved a special resolution authorizing and approving certain amendments to the LP Agreement, including, without limitation, amendments which would authorize the creation and issuance of a new class of preferred units, which resolution gave the Board the discretion to determine the appropriate time for the implementation of such amendments. To date such amendments to the LP Agreement have not been implemented, but may be implemented in the future at the Board's discretion without further notice to the Unitholders.

The General Partner is the general partner of the REIT. The General Partner is a corporation incorporated under the *Canada Business Corporations Act* ("**CBCA**") and, as general partner of the REIT, has the authority to manage and control the business and affairs of the REIT. The affairs of the General Partner are supervised by the Board of Directors. A third party trustee holds all of the outstanding shares in the capital of the General Partner subject to the Voting Trust Agreement discussed below (see "*Voting Trust Agreement*").

The REIT's Units are listed for trading on the Toronto Stock Exchange (the "**TSX**") in Canadian Dollars under the symbol HOT.UN and in U.S. dollars under the symbol HOT.U. The REIT's Units also trade in the U.S. on the OTCQX International marketplace under the symbol AHOTF. The REIT's 6.0% convertible unsecured subordinated debentures trade on the TSX in U.S. dollars under the symbol HOT.DB.V.

The financial year end of the REIT is December 31. The reporting currency of the REIT is U.S. dollars.

The REIT's head office and address for service is located at Suite 800, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.

VOTING TRUST AGREEMENT

The following is a summary of certain material provisions of the Voting Trust Agreement (defined below). This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Voting Trust Agreement itself, a copy of which has been filed with the Canadian securities regulatory authorities and is available on SEDAR+ at www.sedarplus.com.

The General Partner and the REIT determined that the Unitholders should have control over the election of the Board of Directors and certain other fundamental matters relating to the General Partner. Accordingly, Maverick Management Corp., Darren Investments Inc. and Triple E Investments Ltd., which collectively beneficially own 100% of the outstanding shares of the General Partner, entered into a voting trust agreement with a third party trustee (the “**Voting Trust Agreement**”) dated February 20, 2013 pursuant to which the Unitholders are provided with the right to vote for the election of the Board of Directors and in respect of certain other matters relating to the General Partner including, among others, the following:

- (a) any sale or transfer of the assets of the General Partner as an entirety or substantially as an entirety (other than as part of an internal reorganization of assets of the General Partner);
- (b) the combination, amalgamation or arrangement of the General Partner or its subsidiaries with any other entity (other than as part of an internal reorganization that does not result in a change of control of the General Partner);
- (c) any plan or proposal for a complete or partial liquidation or dissolution, or any reorganization of the General Partner or any case, proceeding or action pursuant to which the General Partner is seeking relief under any existing laws or future laws relating to bankruptcy or insolvency;
- (d) any amendment to the charter documents of the General Partner to change the authorized minimum or maximum number of Directors;
- (e) any other matter required by an applicable securities regulator, by the TSX or by any other applicable stock exchange where the REIT’s securities trade from time to time; or
- (f) any commitment or agreement to do any of the foregoing.

The Voting Trust Agreement also contains restrictions on transfers of the shares of the General Partner held beneficially by each of Maverick Management Corp., Darren Investments Inc. and Triple E Investments Ltd., subject to exceptions for transfer of such shares to affiliates.

NOMINATION AGREEMENT

The following is a summary of certain material provisions of the Nomination Agreement (defined below). This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Nomination Agreement itself, a copy of which has been filed with the Canadian securities regulatory authorities and is available on SEDAR+ at www.sedarplus.com.

Pursuant to the nomination agreement (the “**Nomination Agreement**”) between the General Partner and Sunstone O’Neill Hotel Management Inc. (“**SOHMI**”) dated February 20, 2013, the General Partner granted to SOHMI the right to nominate for election as a Director at each meeting of Unitholders at which Directors are to be considered for election (each a “**Directors Election Meeting**”), a certain minority number of selected SOHMI nominees (based upon the holdings of Units by SOHMI’s principals and their affiliates from time to time).

The General Partner is required to provide SOHMI with notice of each Directors Election Meeting informing SOHMI of the date of the applicable meeting and SOHMI is required to deliver to the General Partner in writing, within 14 days after receiving such notice, the names of the applicable number of selected SOHMI nominees, together with the information regarding such selected nominees (including the number of common shares of the General Partner, the number of Units owned or controlled by each such nominee and a biography of each such nominee) as the REIT is required pursuant to the LP Agreement and applicable securities laws to include in the information circular of the REIT to be sent to Unitholders in respect of such Directors Election Meeting (a “**Nomination Letter**”).

If SOHMI fails to deliver a Nomination Letter to the General Partner within 14 days after receiving a notification from the General Partner in respect of a Directors Election Meeting, then the General Partner has no obligation to include one or more selected SOHMI nominees as part of the group of nominees to be considered for election as a Director at such Directors Election Meeting (and for greater certainty, no obligation to include one or more SOHMI nominees in the information circular for such Directors Election Meeting) for which the notice was provided to SOHMI.

SOHMI has delivered a Nomination Letter to the General Partner identifying John O'Neill as SOHMI's nominee to be included as part of the group of nominees to be considered for election as a Director at the Meeting.

INVESTOR RIGHTS AGREEMENT

The following is a summary of certain material provisions of the Investor Rights Agreement (defined below) relating to the nomination of directors. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Investor Rights Agreement itself, a copy of which has been filed with the Canadian securities regulatory authorities and is available on SEDAR+ at www.sedarplus.com.

The REIT, the General Partner, American Hotel Income Properties REIT Inc. (“**U.S. REIT**”), HCI-BGO Victoria JV LP (the “**Investor**”) and HCI-BGO Victoria JV GP LLC entered into an investor rights agreement dated January 28, 2021, as amended (the “**Investor Rights Agreement**”) on closing of the Investor's strategic private placement in the REIT and the U.S. REIT on January 28, 2021 (the “**Private Placement**”).

Pursuant to the Investor Rights Agreement, the Investor is entitled to designate one nominee (an “**Investor Nominee**”) for election to the Board, for so long as the Investor and its affiliates beneficially own, in the aggregate, (i) shares of Series C Cumulative Non-Voting Redeemable Preferred Stock of U.S. REIT (“**Series C Shares**”) with an aggregate liquidation preference of at least US\$15.0 million, or (ii) at least 30.0% of the outstanding Series C Shares (defined as the “\$15M Beneficial Ownership Requirement” in the Investor Rights Agreement); provided that, in the event that, and for so long as, the Investor and its affiliates beneficially own, in the aggregate, (i) Series C Shares with an aggregate liquidation preference of at least US\$25.0 million, or (ii) at least 50.0% of the outstanding Series C Shares (defined as the “\$25M Beneficial Ownership Requirement” in the Investor Rights Agreement), then the Investor shall be entitled to designate a second Investor Nominee for election to the Board of Directors. Each Investor Nominee must be an individual who is a senior officer of BentallGreenOak Real Estate Advisors LP, Highgate Hotels, L.P., Highgate Capital Investments LP or their respective affiliates or successors (or, in the case of a permitted assignee of the Investor, a senior officer of such permitted assignee or its affiliates or successors) and otherwise acceptable to the Nominating, Governance and Sustainability Committee of the Board, acting reasonably and applying the same principles in a like manner as applied to all independent Directors of the Board. The nomination of each Investor Nominee to the Board shall be subject to the same conditions applicable to all independent Directors of the Board as well as certain other criteria set forth in the Investor Rights Agreement.

In the event that an Investor Nominee ceases to serve as a Director for any reason, the Investor will have the right to designate a replacement non-voting observer to the Board to serve in such role until the next meeting of Unitholders at which directors are put forth for election, at which time the Investor will again have the right to nominate an Investor Nominee subject to the criteria set forth in the Investor Rights Agreement (provided the Investor remains eligible to nominate an Investor Nominee). The non-voting observer will be subject to the same qualification criteria as an Investor Nominee. Notwithstanding the foregoing, the Board may exercise its discretion to appoint the individual designated to be a non-voting observer as a Director to fill the vacancy left by the departed Investor Nominee. In addition, subject to certain requirements, for so long as an Investor Nominee serves on the Board, the General Partner shall use commercially reasonable efforts to cause the Board to appoint one Investor Nominee designated in writing by the Investor to serve on each committee of the Board for which such Investor Nominee is qualified, other than any special or independent committee specifically formed for the purposes of considering a transaction which constitutes a “related party transaction” (as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Moreover, for so long as the Investor has the right to nominate one or more Directors to the Board, the Investor shall have the right to designate in writing one Investor Nominee who serves on the Board of Directors for appointment as a non-voting observer of the U.S. REIT board of directors (which non-voting observer is currently Mahmood Khimji).

The Investor Nominees included as part of the group of nominees to be considered for election as a Director at the Meeting are Mahmood Khimji and Matthew Cervino.

SUPPORT AGREEMENT

The following is a summary of certain material provisions of the Support Agreement (defined below) relating to the nomination of Directors. This summary does not purport to be complete and is subject to, and

qualified in its entirety by reference to, the terms of the Support Agreement itself, a copy of which has been filed with the Canadian securities regulatory authorities and is available on SEDAR+ at www.sedarplus.com.

On March 31, 2023, the REIT and the General Partner entered into a support agreement (the “**Support Agreement**”) with K2 Principal Fund L.P. (“**K2 Fund**”) and K2 & Associates Investment Management Inc. (“**K2**” and together with the K2 Fund, the “**K2 Group**”).

Pursuant to the Support Agreement, the K2 Group is entitled to designate one nominee (a “**K2 Nominee**”) for election to the Board at the Meeting for purposes of the election of Directors; provided that, the K2 Group beneficially owns and has control and direction over, in aggregate, at least 4.0% of the issued and outstanding Units on a non-diluted basis. The K2 Nominee must be an individual who is a senior officer of a member of the K2 Group or an affiliate thereof and otherwise be acceptable to the Nominating, Governance and Sustainability Committee of the Board, acting reasonably and applying the same principles in a like manner as applied to all independent Directors of the Board. The nomination of the K2 Nominee to the Board shall be subject to the same conditions applicable to all independent Directors of the Board as well as certain other criteria set forth in the Support Agreement.

In the event that a K2 Nominee ceases to serve as a Director for any reason, the K2 Group will have the right to cause the General Partner to promptly appoint as a Director until the next annual meeting of Unitholders of the REIT for the election of Directors to the Board an individual designated by the K2 Group to fill the vacancy. The appointee will be subject to the same qualification criteria as a K2 Nominee.

Following the election of the K2 Nominee, the REIT is required to take any and all steps and actions necessary to ensure that the K2 Nominee shall serve on the Nominating, Governance and Sustainability Committee of the Board so long as the K2 Nominee serves on the Board. In addition, subject to certain requirements, for so long as a K2 Nominee serves on the Board, the General Partner shall use commercially reasonable efforts to cause the Board to appoint the K2 Nominee to serve on each special committee (or the equivalent) of the Board, other than any special committee (or the equivalent) specifically formed for the purposes of considering a transaction involving the K2 Group or its affiliates or persons acting jointly or in concert therewith which constitutes a “related party transaction” (as defined in MI 61-101).

The K2 Nominee included as part of the group of nominees to be considered for election as a Director at the Meeting is Josef Vejvoda.

VOTING UNITS AND PRINCIPAL HOLDERS THEREOF

As of March 22, 2024, there were 79,160,606 Units issued and outstanding, each of which entitles the holder to one vote on a ballot.

Every question submitted to a meeting, other than a special resolution, shall, unless a ballot vote is demanded, be decided by a show of hands, on which every person present and entitled to vote will be entitled to one vote. Only registered holders of Units at the close of business on March 22, 2024, the record date established by the Directors (the “**Record Date**”), are entitled to vote at the Meeting.

To the knowledge of the Directors and General Partner’s executive officers, no person owns, directly or indirectly, more than 10% of the voting rights attached to the issued and outstanding Units. However, as part of the Private Placement, the Investor subscribed for and was issued 19,608,755 warrants (“**Warrants**”) to acquire up to 19,608,755 Units at an exercise price of US\$3.20 per Unit by way of cashless exercise at any time prior to January 28, 2026. The number of Units underlying the Warrants represents 19.85% of the outstanding Units of the REIT as of March 22, 2024 on an as-exercised basis. However, the Warrants may only be exercised by means of cashless exercise, such that, in lieu of paying the exercise price in cash on an exercise of the Warrants, the holder will receive (subject to an exercise cap applicable in certain circumstances) a number of Units based on the difference between the then current market price per Unit and the exercise price which will lead to an exercised ownership position of the Investor in the REIT of less than 19.85%. The Investor has certain nomination rights described above under “*Investor Rights Agreement*”.

ADVANCE NOTICE POLICY

The LP Agreement includes provisions which require advance notice be given to the General Partner, on behalf of the REIT, of Unitholder proposals relating to the nomination of the Directors (the “**Advance Notice Policy**”).

Among other things, the Advance Notice Policy sets a deadline by which Unitholders must submit a notice of Director nominations to the General Partner prior to any annual or special meeting of Unitholders where Directors are to be elected and sets forth the information that a Unitholder must include in the notice for it to be valid.

In the case of an annual meeting of Unitholders, notice to the General Partner must be given no less than 30 days prior to the date of the annual meeting provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be given no later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of Unitholders (which is not also an annual meeting), notice to the General Partner must be given no later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Advance Notice Policy allows the General Partner to receive adequate prior notice of Director nominations, as well as sufficient information on the proposed nominees. The General Partner is thus able to evaluate the proposed nominees’ qualifications and suitability as Directors and communicate its views to Unitholders in a timely way. The Advance Notice Policy is intended to facilitate an orderly and efficient meeting process.

As at the date hereof, no Unitholder proposals have been received by the General Partner under the Advance Notice Policy for the Meeting.

ELECTION OF DIRECTORS

The term of office of each of the present Directors expires at the close of the Meeting. All Directors elected at the Meeting will hold office for a term expiring at the close of the next annual meeting of Unitholders or until their successors are appointed, unless a Director’s office is earlier vacated in accordance with the LP Agreement.

The Board currently consists of nine Directors. Tamara Lawson has informed the Board that she will be retiring from the Board and will not stand for re-election at the Meeting. The Board has considered its composition and size in the context of the REIT’s current business operations and determined to set the number of Directors at eight for purposes of the Meeting.

The below table states the name of each person proposed to be nominated for election as a Director, the municipality in which he or she is ordinarily resident, all offices of the REIT now held by him or her, his or her principal occupation, the period of time for which he or she has been a Director of the REIT, and the number of Units beneficially owned by him or her, directly or indirectly, or over which he or she exercises control or direction, as at the date hereof.

All nominees have established their eligibility and willingness to serve as Directors.

Name, Position and Municipality of Residence⁽¹⁾	Principal Occupation⁽¹⁾	Service as a Director	Number of Securities⁽¹⁾
W. MICHAEL MURPHY Chair (Independent Director) Atlanta, GA, USA	Corporate Director	Since October 11, 2012	127,824 Units 50,000 options
CHARLES VAN DER LEE Vice Chair (Independent Director) Vancouver, BC, Canada	President and CEO of Papa M Pizza Canada Inc.	Since May 12, 2016	113,209 Units 50,000 options
MATTHEW CERVINO Independent Director New York, New York, USA	Managing Partner and Portfolio Manager, BentallGreenOak	Since March 8, 2022	Nil
STEPHEN J. EVANS Independent Director North Vancouver, BC, Canada	COO of Sunstone Realty Advisors Inc.	Since October 11, 2012	411,350 Units 462,065 ⁽²⁾ Units 50,000 options
AMY FREEDMAN Independent Director Toronto, ON, Canada	Advisor, Ewing Morris & Co. Partners on Engagement Fund Investing	Since October 18, 2023	41,929 Units
MAHMOOD KHIMJI Independent Director Dallas, TX, USA	Co-Founder and Managing Principal, Highgate Hotels, L.P.	Since January 28, 2021	Nil
JOHN O'NEILL Non-Independent Director West Vancouver, BC, Canada	CEO of O'Neill Hotels and Resorts Ltd.	Since June 8, 2023	1,083,299 ⁽³⁾ Units 462,065 ⁽²⁾ Units 305,000 ⁽⁴⁾ Units
JOSEF VEJVODA Independent Director Oakville, ON, Canada	Special advisor to K2 & Associates Investment Management Inc.	Since June 8, 2023	Nil

- (1) The information as to municipality of residence, principal occupation and number of Units beneficially owned or over which a Director exercises control or direction, not being within the knowledge of the REIT, has been furnished by the respective Directors individually.
- (2) Stephen Evans, along with John O'Neill and another individual, share control and direction of 462,065 Units held by SunOne Developments Inc. and SunOne Developments General Partnership pursuant to agreements entered into on March 10, 2015, as amended from time to time.
- (3) The reported number of Units includes 14,750 units over which John O'Neill has control and direction that are beneficially owned by members of his immediate family.
- (4) John O'Neill shares control and direction of 305,000 Units held by Maverick Management Corp. with another individual.

The Board currently has four standing committees, the current membership of which is summarized in the following table:

Board Member	Audit Committee	Nominating, Governance and Sustainability Committee	Compensation Committee	Investment Committee
W. MICHAEL MURPHY Chair (Independent Director)	—	Member	Member	—
CHARLES VAN DER LEE Vice Chair (Independent Director)	—	Committee Chair	Member	—
MATTHEW CERVINO Independent Director	Member	—	Member	—
STEPHEN J. EVANS Independent Director	Member	—	—	Committee Chair
AMY FREEDMAN Independent Director	Member	—	Committee Chair	—
MAHMOOD KHIMJI Independent Director	—	Member	—	Member
TAMARA L. LAWSON ⁽¹⁾ Independent Director	Committee Chair	—	—	Member
JOHN O'NEILL Non-Independent Director	—	—	—	Member
JOSEF VEJVODA Independent Director	—	Member	—	—

(1) Tamara Lawson is retiring from the Board and is not standing for re-election at the Meeting.

The Board intends to reconstitute the membership of each of its standing committees following the conclusion of the Meeting, taking into consideration its obligations under the Investor Rights Agreement and the Support Agreement, consistent with its past practice. For further discussion with respect to each of the standing committees of the Board, see Schedule A to this Information Circular.

Profile of the Board

The following are brief profiles of the above-named Director nominees:

W. Michael Murphy. Mr. Murphy is a corporate director who recently served as Head of Lodging and Leisure Capital Markets of the First Fidelity Mortgage Corporation. From 1998 to 2002, Mr. Murphy served as the Senior Vice President and Chief Development Officer of ResortQuest International, Inc. (“ResortQuest”), a public, NYSE-listed company. Prior to joining ResortQuest, from 1995 to 1997, he was President of Footprints International, a company involved in the planning and development of environmentally friendly hotel properties. From 1994 to 1996, Mr. Murphy was a Senior Managing Director of Geller & Co., a Chicago-based hotel advisory and asset management firm. Prior to that, Mr. Murphy was a partner in the investment firm of Metric Partners where he was responsible for all hospitality related real estate matters including acquisitions, sales and the company’s investment banking platform. Mr. Murphy served in various development roles at Holiday Inns, Inc. from 1973 to 1980. He is the past Co-Chairman of the Industry Real Estate Finance Advisory Council (IREFAC) and past President of the board of the Atlanta Hospitality Alliance. He is also currently a director of Ashford, Inc. (NYSE: AINC) and previously served as a director of Ashford Hospitality Prime, Inc., (NYSE: AHP) and as Lead Director of Ashford Hospitality Trust (NYSE: AHT). He is also a member of the advisory board of Radical Innovation. He holds a Bachelor of Science degree from the University of Memphis and a Master of Arts degree from the University of Iowa.

Charles van der Lee. Mr. van der Lee is currently the principal owner, President and Chief Executive Officer of Papa M Pizza Canada Inc., which has the master franchise for Papa Murphy’s restaurants in Canada. From May

1990 to September 2009, Mr. van der Lee served as President and Chief Executive Officer of Rogers Retail (a division of Rogers Communications Inc.) and during his tenure he was responsible for expanding the network of company stores from 33 to over 400 locations. From 2004 to 2015, Mr. van der Lee also served as an independent director of Amica Mature Lifestyles Inc. culminating in the successful sale of this company in late 2015. Mr. van der Lee graduated with a Bachelor of Commerce and Business Administration Degree from the University of Alberta.

Matthew Cervino. Mr. Cervino is a Managing Director and Portfolio Manager of the U.S. Value-Add Funds at BentallGreenOak. Mr. Cervino is responsible for overseeing all aspects of the investment process for BentallGreenOak's U.S. value add business. Since joining GreenOak Real Estate (predecessor to BentallGreenOak) at its founding in 2010, Mr. Cervino has been involved in acquiring, disposing and asset managing office, industrial, multi-family, retail and hospitality real estate assets across the U.S. Mr. Cervino's leadership at BentallGreenOak includes an active role in driving the firm's environmental, social and corporate governance (ESG) and diversity and inclusion missions and Mr. Cervino is involved in the mentorship and development of investment professionals at the firm. Prior to BentallGreenOak, Mr. Cervino was an Associate in Morgan Stanley's Real Estate Private Equity Group. Mr. Cervino serves on the board of directors for the Institute for Community Living (ICL) where he also chairs the real estate committee for the non-profit organization. Mr. Cervino holds a Bachelor of Science degree from New York University.

Stephen J. Evans. Mr. Evans has over 25 years of real estate experience in both Canada and the U.S. with an extensive track record in all areas of commercial real estate. His public companies have raised over \$1.8 billion of equity over the past decade. Mr. Evans was a co-founder, CEO and Trustee of Pure Industrial Real Estate Trust ("PIRET"), which was a publicly-listed real estate investment trust on the TSX with a diversified portfolio of income-producing industrial properties in major markets across Canada and the U.S. Since its initial public offering in 2007, PIRET grew from a small portfolio to a dominant industrial platform of industrial logistics assets and was successfully sold to Blackstone Property Partners for \$3.8 billion in 2018. Mr. Evans was also a co-founder, CEO and director of Pure Multi-Family REIT LP ("Pure Multi"), which was a publicly-listed real estate investment trust on the TSX and owned and operated a portfolio of high quality apartment communities in the U.S. sunbelt growth markets. Since its initial public offering, Pure Multi grew to over 7,000 apartments and was ultimately sold to an affiliate of Cortland Partners, LLC in September 2019 for approximately \$1.6 billion. Mr. Evans is the principal of Sunstone Realty Advisors Inc., which has acquired, redeveloped and drove asset management of over \$800 million in retail, industrial, residential and hotel properties in Canada and the U.S. Mr. Evans also co-founded the REIT.

Amy Freedman. Ms. Freedman is an independent advisor with over 25 years of experience in public capital markets. Ms. Freedman is currently an advisor to Ewing Morris & Co. Partners on Engagement Fund Investing. Ms. Freedman is also an advisor to Longacre Square Partners, a leading strategic communications firm based in New York. Ms. Freedman was previously CEO of Kingsdale Advisors, a leading shareholder services and advisory firm specializing in strategic and defensive advisory, governance advisory, proxy and voting analytics and investor communications. Prior to Kingsdale, Ms. Freedman spent over 15 years in capital markets as an investment banker with global firms including Stifel and Morgan Stanley in both Toronto and New York. In addition to being a Director of the REIT, Ms. Freedman is a director of Canaccord Genuity Group Inc. and Mandalay Resources Corporation. Ms. Freedman serves on the investment committee of the Childrens Aid Foundation. Ms. Freedman holds a JD/MBA from the University of Toronto.

Mahmood Khimji. Mahmood Khimji is a Co-Founder and Managing Principal of Highgate, a fully-integrated real estate investment and hospitality management company. Prior to founding Highgate in 1988, Mr. Khimji practiced law at Paul, Weiss, Rifkind, Wharton & Garrison. Mr. Khimji is a member of the Young Presidents' Organization, the Real Estate Forum and a member of the Board of Directors of Sagicor Financial Corporation Limited and Playa Hotels & Resorts. Mr. Khimji also serves on the National Committee of Aga Khan Foundation USA and on the Boards of Aga Khan Museum and the Asia Society. Additionally, he serves on the Board of Visitors for Columbia Law School. He attended the University of British Columbia, holds a Bachelor of Arts, summa cum laude, from the University of Houston, and a Juris Doctor from Columbia Law School.

John O'Neill. Mr. O'Neill has been in the hospitality industry for more than 35 years and is currently the Chief Executive Officer of O'Neill Hotels and Resorts Ltd. Mr. O'Neill, a co-founder of the REIT, was also Chief Executive Officer of the REIT from October 2018 until his retirement in October 2020. Mr. O'Neill was Chief Executive Officer of ONE Lodging Management, Inc., which was ranked as the 15th largest hotel management company in North American in 2017, before the business was sold to Aimbridge in early 2018. Prior to this, Mr.

O’Neill was a co-founder of CHIP REIT and served as a director of the board from 1999 to 2001. John is also former member of the board of directors of Pure Multi, serving from 2013 to 2019. Mr. O’Neill is a Director of the Fraser Institute and Chair of the Collingwood School Foundation. He has also served as a member of the Minister’s Council on Tourism, as a Director of Tourism Whistler, as a member of the Faculty Advisory Board Sauder School of Business (UBC), and as Chair of the B.C. Chapter Young President’s Organization. Mr. O’Neill graduated from the University of British Columbia with a Bachelor of Commerce.

Josef Vejvoda. Mr. Vejvoda acts as a special advisor to K2. Previously Josef was a portfolio manager at K2 from August 2013 and became K2’s Chief Compliance Officer in March 2017 and Chief Executive Officer in October 2018, until stepping back from administrative duties in March 2021 to focus solely on special projects. Mr. Vejvoda has over 25 years of extensive capital markets experience and has held senior management roles at a number of the country’s largest financial institutions including Merrill Lynch Canada, National Bank Financial, and TD Securities. Mr. Vejvoda has served on numerous public company boards and has contributed to the realization of significant increases in shareholder value. Mr. Vejvoda graduated from Queen’s University with a bachelors degree in computer science. Mr. Vejvoda has also earned the Chartered Investment Manager (CIM®) designation from the Canadian Securities Institute and is a graduate of the Institute of Corporate Directors having achieved the ICD.D designation.

Board Skills Matrix

The Nominating, Governance and Sustainability Committee and the Board have identified certain skills and competencies key to the oversight of the REIT’s strategy and operations. The following matrix (the “**Skills Matrix**”) sets out those skills and competencies, and identifies the relevant principal skills and competencies, of the current Directors. The Nominating, Governance and Sustainability Committee reviews the Skills Matrix annually, along with the age, gender and other diversity characteristics, and tenure of each of the Directors (as well as any Director nominees) and the competencies, skills and personal qualities of each Director (and each of the Director nominees) as part of its nomination process.

Name	Age	Independence	Competencies											
			Leading Teams	Executive Mgt. Experience	Strategic Planning	Board Experience / Accreditation	P&L Responsibility	Financial Literacy	Hotel / Hospitality / Service	Capital Markets / Banking	Governance	Communication Skills	Legal	Real Estate
Michael Murphy	78	Independent	x	x	x	x	x	x	x	x	x	x	x	x
Charles van der Lee	70	Independent	x	x	x	x	x	x	x	x		x	x	x
Matthew Cervino	39	Independent	x	x		x	x	x	x	x	x	x	x	x
Stephen Evans	60	Independent	x	x	x	x	x	x	x	x		x		x
Amy Freedman	51	Independent	x	x	x	x	x	x		x	x	x	x	
Mahmood Khimji	63	Independent	x	x	x	x	x	x	x	x	x	x	x	x
Tamara Lawson ⁽¹⁾	66	Independent	x	x	x	x	x	x		x	x	x		x
John O’Neill	61	Non-Independent	x	x	x	x	x	x	x	x	x	x		x
Josef Vejvoda	59	Independent	x	x	x	x	x	x		x	x	x		

(1) Tamara Lawson is retiring from the Board and is not standing for re-election at the Meeting.

Majority Voting Policy

The Board of Directors has adopted a policy (the “**Majority Voting Policy**”) providing for majority voting in Director elections at any meeting where an “uncontested election” of Directors is held. An “uncontested election” means an election where the number of nominees for election as Directors is equal to the number of Directors to be elected.

Pursuant to the Majority Voting Policy, the forms of proxy circulated in connection with a meeting of Unitholders at which an election of Directors is conducted will provide Unitholders with the ability to vote in favour of, or to withhold from voting for, each Director nominee. If the number of proxy votes withheld for a particular Director nominee is greater than the votes in favour of that nominee, the Director nominee is required to submit his or her resignation to the Chair of the Board of Directors. Following receipt of a resignation, the Nominating, Governance and Sustainability Committee will consider whether to accept the offer of resignation and recommend to the Board of Directors whether or not to accept it. Absent exceptional circumstances, the Board of Directors will accept the resignation of the Directors in question and will, in any case, publicly disclose the decision within 90 days following the applicable meeting of Unitholders. If a resignation is accepted, the Board of Directors may, in accordance with the LP Agreement, the General Partner’s bylaws and the CBCA, appoint a new director to fill the vacancy created by the resignation, reduce the size of the Board of Directors, leave the vacancy open, call a special meeting to fill the vacancy, or any combination of the foregoing. In the event that any Director who received a greater number of proxy votes withheld than votes in favour of such Director’s election does not tender his or her resignation in accordance with the Majority Voting Policy, he or she will not be re-nominated by the Board of Directors.

Cease Trade Orders, Bankruptcies, Penalties and Sanctions

Except as may otherwise be set forth below:

- (a) no proposed Director is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the General Partner and the REIT) that:
 - (i) was subject to an order (defined below) that was issued while the proposed Director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the proposed Director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) no proposed Director is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the General Partner and the REIT) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) no proposed Director has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) no proposed Director has been subject to:
 - (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Unitholder in deciding whether to vote for a proposed Director.

For the purposes of (a) above, “**order**” means:

- (a) a cease trade order;
 - (b) an order similar to a cease trade order; or
 - (c) an order that denied the relevant company access to any exemption under securities legislation,
- that was in effect for a period of more than 30 consecutive days.

Stephen Evans was a director of SRAI Capital Corp. and the general partner of Sunstone Opportunity Fund (2005) LP, both of which are non-listed reporting issuers, and became subject to cease-trade orders on May 7, 2021 due to failure to file audited annual financial statements. These entities ceased filing financial statements and other documents in connection with the wind-up of such entities which no longer held any significant assets, and in the case of Sunstone Opportunity Fund (2005) LP, was dissolved in December 2020. The cease trade order in respect of Sunstone Opportunity Fund (2005) LP was revoked on July 29, 2021, whereas the cease trade order for SRAI Capital Corp. remains in effect.

The Directors recommend that the Unitholders vote FOR the election of each proposed Director.

Unless contrary instructions are indicated on the Form of Proxy or the voting instruction form, or such authority is withheld, the persons designated in the accompanying Form of Proxy or voting instruction form intend to vote “for” the election, as Director, of the persons whose names are set forth above and identified in the accompanying Form of Proxy or the voting instruction form, as applicable.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

General

The REIT is committed to strengthening its competitive position and growing its business over the long-term. As a result of the competitive nature of the industry that the REIT operates in, executives have significant career mobility and there is significant competition for experienced executives. This competition and the need for talented and experienced executive officers to execute the REIT’s objectives underlies the design and implementation of the REIT’s compensation programs.

For the REIT’s most recently completed financial year, the following individuals represent the General Partner’s and the REIT’s subsidiaries’ Named Executive Officers (as defined in Form 51-102F6 – *Statement of Executive Compensation* as the Chief Executive Officer, Chief Financial Officer, and each of the three most highly compensated executive officers of the REIT, including its subsidiaries, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000) (collectively, the “**Named Executive Officers**”): Mr. Jonathan Korol (Chief Executive Officer); Mr. Travis Beatty (Chief Financial Officer); Mr. Bruce Pittet (Chief Operating Officer); and Ms. Stephanie Li (Vice President, Finance).

Objectives and Principles

The objectives of the REIT’s compensation program are to:

- attract and retain qualified executive officers;
- motivate executive officers to achieve the REIT’s financial and strategic objectives;

- maintain competitive compensation levels for executive officers; and
- ensure a significant portion of executive compensation is tied to financial performance, aligning the interests of executive officers with the interests of Unitholders.

While the REIT's objective is to pay for performance and remain competitive in the marketplace for executive talent, the REIT considers the expense of compensation and benefits in relation to the REIT's consolidated budget and financial position as a significant factor in determining compensation levels. In particular, salary levels are intended to be competitive with those of Canadian public issuers of a similar size to the REIT, while the structure of short term and long term compensation is based on structures for public issuers both in Canada and the U.S. with an enterprise value similar to the REIT's.

The REIT's compensation plan for its Named Executive Officers includes: (i) base salary; (ii) short-term incentives in the form of a bonus paid in cash provided under the STIP (defined below); (iii) long-term incentives in the form of Units or other Unit-based compensation issued under the LTIP (defined below) and/or the SBC Plan (defined below); (iv) the Unit Purchase Policy (defined below); and (v) certain benefits and perquisites. For further details, see "*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation*". The REIT does not currently have a pension plan.

The REIT believes that compensation levels should reflect performance – both the performance of the REIT as a whole and the personal performance of the Named Executive Officers. The REIT provides fixed compensation, as well as compensation that is variable, or "at risk" in nature. This approach helps to link compensation to performance by making a significant portion of the Named Executive Officers' compensation in any given year variable and thus subject to decrease or increase based on REIT and individual performance during the year.

Setting Executive Compensation

Roles and Responsibilities

The Compensation Committee is responsible for the administration of the REIT's compensation programs for the Named Executive Officers and reviews compensation awards and changes in compensation with the Board. The Compensation Committee members are currently Amy Freedman (Chair), W. Michael Murphy, Charles van der Lee and Matthew Cervino. None of the Compensation Committee members are current or former officers or employees of the REIT, the General Partner or their respective subsidiaries. Members of management, including the Chief Executive Officer, are invited to Compensation Committee meetings from time to time, but are excused from discussions and decisions with respect to their particular compensation.

The REIT recognizes the importance of appointing knowledgeable and experienced individuals to the Compensation Committee. All of the members of the Compensation Committee are independent, and each member has the necessary background and skills to provide effective oversight of executive compensation and ensure that sound risk management principles are being adhered to in order to align the REIT's and Unitholders' interests. More specifically, all of the Compensation Committee members have significant senior leadership experience from their tenures at public and private organizations, as well as operational or functional experience overseeing executive compensation in those organizations. For more information on the relevant experience and qualifications of each of the members of the Compensation Committee, see the biographies of such Directors under "*Election of Directors*" above.

In fulfilling its duties and responsibilities, the Compensation Committee seeks periodic input and recommendations from various sources, including the Board of Directors, executive officers and external independent compensation consultants with respect to the compensation of the Named Executive Officers and the Board of Directors. The Compensation Committee retains discretion in its executive compensation decisions and is not bound by the input and/or recommendations received from any external independent consultants.

The compensation of the Chief Executive Officer is recommended by the Compensation Committee for approval by the Board of Directors as a whole.

The Chief Executive Officer is actively engaged in the REIT's compensation programs (other than with respect to his own compensation package). The Chief Executive Officer conducts an annual evaluation of each Named

Executive Officer's performance for the previous year, and, in the case of each other Named Executive Officer recommends salary adjustments, short-term incentive awards and long-term incentive awards to the Compensation Committee. The recommendations are reviewed and approved by the Compensation Committee for recommendation to the Board after discussion and adjustment, if appropriate.

Financial performance goals for the purpose of compensation of the Named Executive Officers, are reviewed and set by the Board and upon recommendation from the Compensation Committee at meetings held each year. The Board, in consultation with management, sets the REIT's organizational wide performance goals, and the Compensation Committee, in consultation with the Chief Executive Officer sets the individual performance goals and compensation targets for the other Named Executive Officers.

Compensation Clawback Policy

The Board of Directors has adopted an executive compensation clawback policy concerning awards made under the REIT's STIP, LTIP and SBC Plan and amounts paid under the Unit Purchase Policy, which policy applies to the Named Executive Officers and certain other members of senior management of the REIT. Under this policy, if the REIT is required to prepare an accounting restatement of its financial statements and/or management's discussion and analysis due to the REIT's non-compliance with any financial reporting requirements under applicable laws (an "**Accounting Restatement**"), the REIT will require reimbursement of annual and long-term incentive compensation paid to a senior executive or former senior executive during the three completed fiscal years immediately preceding the date on which the REIT is required to prepare an Accounting Restatement.

The amount(s) to be recovered from each Named Executive Officer will be the amount by which the Named Executive Officer's incentive compensation in respect of which the policy applies for the relevant fiscal year(s) exceeded the amount(s) that such Named Executive Officer otherwise would have received had such incentive compensation been determined based on the stated amount(s) contained in the Accounting Restatement.

For incentive compensation based on financial reporting measures such as Unit price or total Unitholder return, where the amount of excess compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the Board of Directors will calculate the amount to be reimbursed based on a reasonable estimate of the effect of the Accounting Restatement on any such financial reporting measure upon which the incentive compensation was received.

The Board of Directors will determine, in its sole discretion, the method(s) for recovering reasonably promptly any applicable incentive compensation under the policy as permitted by applicable laws. Such methods may include, without limitation, one or more of the following: (a) requiring reimbursement of compensation previously paid; (b) forfeiting any compensation contribution under the REIT's incentive compensation plans, as well as any matching amounts and earnings thereon; (c) offsetting the recovered amount from any compensation that a Named Executive Officer may earn or be awarded in the future; or (d) taking any other remedial and recovery action permitted by law.

Performance Goals

The primary performance goal for each Named Executive Officer is to increase the REIT's long-term funds from operations ("**FFO**") per Unit⁽¹⁾ and unitholder value which are expected to result in an increase in the price of the REIT's Units. Each Named Executive Officer is incentivised to achieve this goal by a compensation package that includes base salary and grants under the REIT's STIP, LTIP and SBC Plan.

The performance goals in 2023 for the Named Executive Officers also included both REIT objectives and individual objectives. Key REIT objectives are described below under the headings "*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Short-Term Incentive Plan*" and "*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Long-Term Incentive Plan*". In addition, they also include such general objectives as the following:

- active management of revenues and operating costs to achieve annual financial targets of revenue, NOI margin⁽¹⁾ and FFO per Unit⁽¹⁾;
- initiatives related to non-financial goals in the areas of ESG and status as a preferred employer; and

- individual objectives agreed to with the Chief Executive Officer and approved by the Compensation Committee.

(1) FFO per Unit and NOI Margin are non-IFRS ratios. For details as to how the REIT calculates such measures, see the REIT's management's discussion and analysis dated March 4, 2024 for the year ended December 31, 2023, a copy of which is available on SEDAR+ at www.sedarplus.com.

The active Named Executive Officers' overall remuneration is also based on the individuals' efforts in completing certain individual and corporate strategic initiatives for 2023, as follows:

- Chief Executive Officer (Mr. Jonathan Korol): strategic planning, identifying business acquisitions and asset sales, overseeing property performance, capital investment and brand relations for the hotel portfolio, investor and franchise relations, amending the REIT's master hotel manager contract and managing the REIT's master hotel manager to achieve the REIT's annual operating and capital budgets.
- Chief Financial Officer (Mr. Travis Beatty): financial reporting, tax compliance and treasury activities for the REIT and its subsidiaries, investor relations, strategic planning, capital markets transactions, debt amendments and refinancing including negotiating and sourcing financing, risk management, compliance with regulations, and overseeing the REIT's annual operating and capital budgets.
- Chief Operating Officer (Mr. Bruce Pittet): overseeing property performance and operations, strategic planning, capital investment and execution, brand relations, oversight of the hotel manager to improve margins and cash flows, and achieving the REIT's annual operating and capital budgets.
- Vice President, Finance (Ms. Stephanie Li): public company compliance and reporting requirements including financial reporting, lender reporting and compliance with taxation laws, maintaining internal controls over financial reporting, risk management, overseeing corporate office finance-related matters and human resources.

Benchmarking

With respect to benchmarking, the Compensation Committee identifies relevant groupings and reviews their target incentive information to assist the Compensation Committee in evaluating competitive incentive structures and performance measures. The main source of benchmarking data used by the Compensation Committee is a group of growth-oriented companies with similar operations, opportunities and risks. The proxy performance group is reviewed and, if deemed appropriate, revised by the Compensation Committee in conjunction with the Chief Executive Officer following the completion of each financial year. The group currently consists of public issuers with business operations that are comparable to the REIT, based on the following criteria: (i) enterprise value, market capitalization and competitive yields; (ii) hospitality REITs in the U.S.; and (iii) internalized asset management and externalized property management. The full list of issuers identified is listed in alphabetical order below:

2023 Peer Group	2022 Peer Group
Apple Hospitality REIT, Inc.	Apple Hospitality REIT, Inc.
Chatham Lodging Trust	Chatham Lodging Trust
RLJ Lodging Trust	RLJ Lodging Trust
Summit Hotel Properties, Inc.	Summit Hotel Properties, Inc.

The Compensation Committee believes that the above group of issuers are relevant in that they provide incentive and related governance data from companies with business operations that are closely comparable to the REIT in terms of business nature.

Executive Compensation – Related Fees

Prior to the implementation in 2022 of the revisions to the LTIP structure for the Named Executive Officers summarized in detail below under the heading “*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Long-Term Incentive Plan*”, the Compensation Committee engaged Hugessen Consulting Inc. (“**Hugessen**”) to conduct a review of such revisions to determine if they were appropriate and to comment thereon.

Hugessen determined that the changes in aggregate better aligned the LTIP with market practice and supported the implementation of such changes.

Hugessen was paid \$10,000 in connection with the above noted executive compensation consulting services it provided to the Compensation Committee in 2022. No other fees were paid by the REIT to Hugessen or to any other compensation consultant in 2023 or 2022, or the current year to date.

Elements of Compensation

Compensation for the REIT's Named Executive Officers is composed of the following primary elements, each of which is summarized in further detail following the below table:

Element of Compensation	Form	Period	Description
Standard Compensation			
Base Salary	Cash	Annual	Reflects the Named Executive Officer's level of responsibility, performance, experience, and market competitiveness
Unit Purchase Policy	Cash	Annual	Encourages Unit ownership by Named Executive Officers to create alignment with Unitholders
Benefits	Cash	Annual	Group health, dental and insurance benefits
Perquisites	Cash	Annual	Parking
Variable / At Risk Compensation			
STIP	Cash	Annual	Rewards Named Executive Officers for achievement of current annual financial performance targets, personal and strategic objectives
LTIP 40% of total	RSUs	Vests in thirds over three years from grant	Designed to align Named Executive Officers with the interests of the REIT and Unitholders, and provide a retention incentive
LTIP 60% of total	Performance Awards	Vests on December 31 st in the third year after grant	Designed to align Named Executive Officers with the interests of the REIT and Unitholders, and reward long-term performance

Base Salary

The REIT pays salaries to attract and retain executive talent and provide fair and competitive compensation commensurate with experience and consistent effective performance in discharging day-to-day responsibilities. Base salary is important to give an individual financial stability for personal planning purposes.

In reviewing the base salary of each Named Executive Officer, the REIT considers the responsibilities, performance and experience of the Named Executive Officer, historical compensation and contractual commitments, market competitiveness and the recommendations of the Chief Executive Officer (for all Named Executive Officers other than the Chief Executive Officer). The Chief Executive Officer's base salary is reviewed and recommended for adjustment, if any, by the Compensation Committee. In considering base salary levels, the Compensation Committee does not utilize any specific weighting of the above factors.

In order to increase alignment with Unitholders, Jonathan Korol (the REIT's current CEO) previously elected each year to receive 50% of his base salary in the form of RSUs (defined below), which vested in the form of Units. This election was made in each of 2020, 2021, 2022 and 2023, but has not been made in 2024. As a result, since the commencement of employment on October 7, 2020 to December 31, 2023, Mr. Korol received 50% of his base salary in RSUs, which were priced, issued and vested in the form of Units at the end of each quarter.

Short-Term Incentive Plan

In addition to base salaries, the REIT provides the Named Executive Officers with non-equity incentive awards paid as cash (subject to the discretion of the Compensation Committee in a given year to permit the Named Executive Officers to opt to receive such awards as securities-based compensation). In the view of the Compensation Committee, non-equity incentives are key to motivating Named Executive Officers on job aspects that are performance-based.

The REIT's Short-Term Incentive Plan ("STIP") is used by the Compensation Committee and the Board to make informed decisions with respect to the amount of cash bonuses awarded to each of the Named Executive Officers. As noted above, the Board and Compensation Committee also retain the discretion to provide Named Executive Officers with the option of receiving their cash bonuses in the form of securities-based compensation. Named Executive Officers and other participants in the STIP are not permitted to pledge or hedge any securities-based compensation granted thereto under the STIP prior to the vesting and issuance of the underlying Units.

Under the STIP, the Board has the discretion to establish financial and operational metrics against which the performance of the Named Executive Officers and other senior management of the REIT and its subsidiaries will be measured as well as an annual target award for each of the Named Executive Officers and other senior management of the REIT and its subsidiaries. The Compensation Committee reviews the annual financial and operational metrics and target payouts under the STIP each year. The target incentive is multiplied by the individual financial/operational score (in relation to the below financial and operational metrics) and the respective base salary of each of the Named Executive Officers to determine the annual cash bonus under the STIP. The formula also includes a discretionary component, which allows the Board to apply informed judgment as necessary to vary the amount of the awards based on factors they deem relevant.

For the 2023 financial year, STIP targets were set as a percentage of base salary for each Named Executive Officer as follows:

- Chief Executive Officer at 100%;
- Chief Financial Officer and Chief Operating Officer, each at 50%; and
- Vice President, Finance at 40%.

Measurement of achievement under the STIP was based on the following metrics for the 2023 financial year:

- 25% based on target FFO per Unit⁽¹⁾ (subject to a performance multiplier of 0% - 200%);
- 25% based on target NOI Margin⁽¹⁾ (subject to a performance multiplier of 0% - 200%);
- 25% based on personal objectives; and
- 25% based on Board discretion.

(1) FFO per Unit and NOI Margin are non-IFRS ratios. For details as to how the REIT calculates such measures, see the REIT's management's discussion and analysis dated March 4, 2024 for the year ended December 31, 2023, a copy of which is available on SEDAR+ at www.sedarplus.com.

The cash bonus amount of each Named Executive Officer's STIP award is determined as the target of the respective Named Executive Officer's base salary multiplied by the individual performance score (in relation to the

above metrics), subject to time-based adjustment for those Named Executive Officers who were employed for partial periods. The payout under the STIP for the FFO per Unit and NOI Margin metrics is set forth in the following table:

2023 STIP Award		
FFO per Unit ⁽¹⁾ relative to Target	NOI Margin ⁽¹⁾ relative Target	Performance Factor
\$ (0.03)	(300 basis points)	0%
\$ (0.02)	(200 basis points)	25%
\$ (0.01)	(100 basis points)	50%
At Target	At Target	100%
\$ 0.01	100 basis points	125%
\$ 0.02	200 basis points	150%
\$ 0.03	300 basis points	200%

- (1) FFO per Unit and NOI Margin are Non-IFRS ratios. For details as to how the REIT calculates such measures, see the REIT's management's discussion and analysis dated March 4, 2024 for the year ended December 31, 2023, a copy of which is available on SEDAR+ at www.sedarplus.com.

The achievement levels under the STIP for the 2023 financial year were as follows:

Measure	Allocation	Goal	Result	Performance Factor	Result
FFO per Unit ⁽¹⁾	25%	Achieve target FFO per unit in 2023	Result below target by > \$0.03	0%	0%
NOI Margin ⁽¹⁾	25%	Achieve target NOI margin in 2023	Result below target by 120 basis points	46%	11.5%
Personal Objectives	25%	As described above under Performance Goals	Personal objectives measured at 80% target	80%	20%
Board Discretion	25%	Subjective evaluation of Board in respect to achievement towards strategic direction and financial results	50% amount awarded	50%	12.5%
Aggregate Achievement					44%

- (1) FFO per Unit and NOI Margin are non-IFRS ratios. For details as to how the REIT calculates such measures, see the REIT's management's discussion and analysis dated March 4, 2024 for the year ended December 31, 2023, a copy of which is available on SEDAR+ at www.sedarplus.com.

See "Executive Compensation – Compensation Discussion and Analysis – Recent Grants of Awards – 2023 STIP Award" for a summary of the awards granted to the Named Executive Officers under the STIP in respect of their performance in the 2023 financial year.

Long-Term Incentive Plan

The REIT's Long-Term Incentive Plan ("LTIP") is used by the Compensation Committee and the Board to make informed decisions with respect to the amount of Unit-based compensation awarded to Eligible Persons (defined below).

Prior to the LTIP grant made in March 2022 in respect of the performance of the Named Executive Officers for the REIT's 2021 fiscal year, the Compensation Committee determined that it was appropriate to review the structure of the LTIP and consider alternatives to better ensure the LTIP achieved its primary purposes, which are to:

1. incentivize and reward the Eligible Persons who are primarily responsible for the growth of the REIT and the REIT's and operations for achievement of long-term goals and the creation incremental, long-term Unitholder value;
2. attract and encourage retention of key executives; and
3. increase equity ownership by Named Executive Officers to align their interests with the long-term interests of Unitholders.

In conducting its assessment of and making revisions to the LTIP, the Compensation Committee closely reviewed the compensation practices of the REIT's peer group and retained Hugessen (see "*Executive Compensation – Compensation Discussion and Analysis – Executive Compensation – Related Fees*") to assist the Compensation Committee in formulating the revised parameters for LTIP, which are briefly summarized in the following table and in further detail below.

Component	Current LTIP (awards granted after January 1, 2022)	Prior LTIP (awards granted prior to January 1, 2022)
Target Award	Issue LTIP at target percentage, which is 40%-100% of base salary	100% of STIP payout value from the prior year (ranged from 0%-150% of target bonus amount)
Target performance	55%	50%
Performance Award allocation as a percentage of LTIP grant	60%	60%
Performance Award measurement	Total Unitholder return compared to the issuers comprising the Bloomberg Hotel REIT Index, measured over three years on a relative performance basis by percentile rank with payout ranging from of 0% - 200%	Total Unitholder return compared 50% to the S&P/TSX Capped REIT Index and 50% to the Bloomberg Hotel REIT Index, measured over three years on an absolute return basis with payout ranging from 0% - 200%
Time-based Award allocation as a percentage of LTIP grant	40%	40%
Time-based Award vesting schedule	1/3 per year	1/3 per year
Grant Timing	Grant during fiscal year	Grant following fiscal year end

Prior to January 1, 2022, the grant date value of LTIP awards was linked to the value of each Named Executive Officer's STIP award of the prior fiscal year. In the view of the Compensation Committee, linking the value of the LTIP to the STIP increased the risk of incenting management to focus on short-term performance. This was contrary to the objectives the LTIP, which are focussed on rewarding, among other things, the creation of long-term Unitholder value and executive retention. Accordingly, the Compensation Committee determined it was appropriate

to separate the determination of the target value of the LTIP awards from the STIP, which is consistent with the approach taken by each of the members of the REIT's peer group.

Commencing in 2022, each Named Executive Officer receives an LTIP award equal to a specified target amount, which varies from 40% to 100% of their respective base salary. As a result of the transition to the current LTIP structure, there were two grants of awards under the LTIP in 2022: (i) the grant under the LTIP made on March 30, 2022 in respect of the 2021 fiscal year; and (ii) the grant under the LTIP made on May 20, 2022 in respect of the 2022 fiscal year.

LTIP awards continue to be weighted toward the creation of long-term Unitholder value, with executive retention being the secondary objective. Accordingly, grants under the LTIP are expected to continue to be comprised 60% in the form of Performance Awards (defined below) that cliff vest subject to performance after three years, and 40% in the form of RSUs that will vest in equal annual installments over three years from the date of grant.

Prior to January 1, 2022, Performance Awards were measured 50% relative to the S&P/TSX Capped REIT Index and 50% relative to the Bloomberg Hotel REIT Index, on an absolute return basis with payout ranging from 0% - 200%. The Compensation Committee determined that the S&P/TSX Capped REIT Index is less relevant to the REIT given that no members of the REIT's peer group are included in such index and such index is comprised of issuers with different property types than the REIT, which could result in payouts to the Named Executive Officers that are not reflective of the REIT's performance within the U.S. hotel industry. Beginning with the 2021 LTIP grant awarded in March 2022, Performance Awards are now measured solely against the issuers comprising the Bloomberg Hotel REIT Index, of which each of the REIT's peer group members form a part and which index is comprised of issuers operating in the US hotel REIT industry. In addition, consistent with prevailing practice and that of the majority of the REIT's peer group, performance is measured solely against the issuers operating within the REIT's industry (in the case of the REIT, the issuers comprising the Bloomberg Hotel REIT Index) on a relative performance basis by percentile rank. In addition to being consistent with market practice, a percentile rank measurement against the issuers comprising such index as opposed to the index itself is less subject to being skewed by the relative market cap of any single issuer and outlier returns resulting from one-time events. Performance Awards issued under the LTIP for 2021, 2022 and 2023 vest subject to a performance multiplier ranging from 0% to 200% as described below. The percentage of the Performance Award that is earned for performance between the threshold and target, and between the target and maximum, levels will be calculated by straight-line interpolation. If the REIT is below the 30th percentile of the peer group at the end of the measurement period, no portion of the Performance Award will vest. The target level to achieve 100% vesting on Performance Awards has been increased to 55% from 50%. Measurement of Performance Awards granted under the LTIP will be made using the REIT's distributions paid in U.S. dollars, if any, and the REIT's U.S. dollar ticker on the TSX.

Performance relative to issuers comprising the Bloomberg Hotel REIT Index	Vesting of Performance Awards
Below Threshold: 30 th percentile or less	0%
Threshold: 30 th percentile	55% to 99.99% by straight-line interpolation between the 30 th and 55 th percentile
Target: 55 th percentile	100% to 199.99% by straight-line interpolation between the 55 th and 80 th percentile
Maximum: 80 th percentile or greater	200%

Because the prior structure of the LTIP required the STIP measurement prior to the LTIP grant, LTIP grants could not be completed until after fiscal year end. In effect, this resulted in a one year delay in the grant of LTIP awards to the Named Executive Officers, which is inconsistent with the approach taken by the majority of the members of the REIT's peer group. Commencing in 2022, annual LTIP awards are generally expected to be granted within the first half of the relevant fiscal year. Given the transition to the new LTIP program occurred following the completion of the 2021 fiscal year, the LTIP awards for 2021 were granted subsequent to year end under the terms of the revised

LTIP program. As part of the transition to the revised LTIP structure, the vesting schedule for the 40% time-based RSU portion of the 2021 LTIP award provided for such awards to vest in equal installments over two years, with the 60% Performance Award component remaining subject to a three-year cliff vest based on the performance of the REIT over three years. The Compensation Committee, following consultation with Hugessen, determined it was reasonable to allow for a two-year vesting period for the time-based RSUs granted under the LTIP in respect of the performance of the Named Executive Officers in 2021 and in light of the \$177,400 (or 15%) reduction in the total LTIP grant value for the Named Executive Officers in respect of the LTIP grants for their performance in 2021 that resulted from the transition to the new LTIP program.

Named Executive Officers and other participants in the LTIP are not permitted to pledge or hedge any securities-based compensation granted thereto under the LTIP prior to the vesting and issuance of the underlying Units.

The Board and Compensation Committee retain the discretion under the SBC Plan and LTIP to apply informed judgment as necessary to vary the amount of the Awards and any associated vesting periods based on factors they deem relevant.

Securities-Based Compensation Plan

The following is a summary of certain of the current provisions of the amended and restated securities-based compensation plan of the REIT (the “SBC Plan”) adopted by the Unitholders at the Annual and Special Meeting of the REIT held on May 11, 2022. It is not intended to be a comprehensive discussion of all of the terms and conditions of the SBC Plan and, in the case of any conflict or discrepancy between the summary set forth below and the terms of the SBC Plan, the terms of the SBC Plan govern, a copy of which is available under the REIT’s profile on SEDAR+ at www.sedarplus.com.

Purpose

The purpose of the SBC Plan is to promote the REIT’s interests and long-term success by providing Directors, officers, employees and consultants of the REIT, the General Partner and their respective affiliates (“**Eligible Persons**”) with greater incentive to further develop and promote the REIT’s business and financial success, to further the alignment of interests of persons to whom Awards (defined below) may be granted with those of the Unitholders generally through a proprietary ownership interest in the REIT, and to assist the REIT in attracting, retaining and motivating such directors, officers, employees and consultants.

The SBC Plan allows the Compensation Committee flexibility in determining which of Unit options (“**Options**”), stock appreciation rights (“**Stock Appreciation Rights**”), restricted stock (“**Restricted Stock**”), restricted stock units (“**Restricted Stock Units**” or “**RSUs**”), performance awards (“**Performance Awards**”) or other stock-based awards (collectively, “**Awards**”) are best suited to be granted to Eligible Persons. The Compensation Committee has the power to administer the SBC Plan, where consistent with the general purpose and intent of the SBC Plan and subject to the specific provisions of the SBC Plan and any approvals or requirements of any regulatory authorities to which the REIT is subject, including the TSX. Such power includes, without limitation, determining the types of Awards to be granted, the times the Awards will be granted and the pricing, vesting and other terms of grant.

In determining which Eligible Persons shall receive an Award and the terms of any Award, the Compensation Committee may take into account the nature of the services rendered by the respective Eligible Persons, their present and potential contributions to the success of the REIT or such other factors as the Compensation Committee, in its discretion, deems relevant. Previous grants of Option-based and Unit-based Awards may be taken into account by the Compensation Committee when considering new grants.

Number of Units Issuable

Subject to the adjustment provisions provided for in the SBC Plan and the applicable rules and regulations of all regulatory authorities to which the REIT is subject (including any stock exchange), the total number of Units reserved for issuance pursuant to the SBC Plan and all other securities-based compensation arrangements of the REIT shall not exceed 10% of the issued and outstanding Units on a “rolling” basis. In addition, the total number of Units

issuable from treasury by the REIT pursuant to the SBC Plan and all other securities-based compensation arrangements of the REIT in respect of Awards granted as Restricted Stock, and Restricted Stock Units (including, for greater certainty, Performance Awards, issued in the form of Restricted Stock or Restricted Stock Units) (collectively, “**Full Value Awards**”) shall not, in the aggregate, exceed 5% of the issued and outstanding Units on a “rolling basis”.

The term “rolling” means that as the outstanding capital of the REIT increases from time to time by the issuance of Units, the number of Units eligible to be issued under the SBC Plan will automatically increase to 10% of the then issued and outstanding Units, or 5% of the then issued and outstanding Units in respect of Full Value Awards. As at April 1, 2024: (i) up to 6,143,932 Units were issuable pursuant to outstanding Awards granted under the SBC Plan, representing 7.76% of the REIT’s issued and outstanding Units on a non-diluted basis, of which 3,943,932 are Full Value Awards and 2,200,000 are Options; and (ii) 1,772,128 Units were eligible to be issued under the SBC Plan representing 2.24% of the REIT’s issued and outstanding Units on a non-diluted basis, of which 14,098 were eligible to be issued as Full Value Awards, representing 0.02% of the REIT’s issued and outstanding Units on a non-diluted basis.

For greater certainty, the REIT must obtain approval from a requisite majority of Unitholders at a duly called meeting of Unitholders without counting the votes associated with Units held by insiders of the REIT or their associates if the total number of Units issuable pursuant to the SBC Plan and all other securities-based compensation arrangements of the REIT could result at any time in the number of Units:

- (a) reserved under all securities-based compensation arrangements of the REIT exceeding 10% of the issued and outstanding Units;
- (b) issued within any one-year period under all securities-based compensation arrangements of the REIT exceeding 10% of the issued and outstanding Units;
- (c) reserved under all securities-based compensation arrangements of the REIT in respect of Full Value Awards exceeding 5% of the issued and outstanding Units; or
- (d) issued within any one-year period under all securities-based compensation arrangements of the REIT in respect of Full Value Awards exceeding 5% of the issued and outstanding Units.

For purposes of the above, if an Award entitles the holder to receive or purchase Units, the number of Units covered by such Award or to which such Award relates is counted on the date of grant of such Awards against the aggregate number of Units available for granting Awards under the SBC Plan. Every Unit subject to an option is counted against the limit as one Unit. Every Unit subject to all other Awards is counted either as a whole Unit or such greater or lesser fraction thereof as is determined in the discretion of the REIT having due regard to such matters and considerations as it determines relevant, including any applicable rules or policies of the TSX.

If an outstanding Award for any reason expires or is terminated or cancelled without having been exercised or settled in full, or if Units acquired pursuant to an Award subject to forfeiture are forfeited by the REIT for an amount not greater than the purchase price for the applicable Participant (defined below), the Units are again available for issuance under the SBC Plan. Units are not deemed to have been issued pursuant to the SBC Plan with respect to any portion of an Award that is settled in cash.

Under the terms of the SBC Plan: (i) the maximum value of Awards that may be granted pursuant to the SBC Plan and all other securities-based compensation arrangements of the REIT to non-executive Directors of the General Partner in a fiscal year is limited to \$100,000 per non-executive Director; and (ii) the maximum number of Units permitted to be reserved for issuance pursuant to the SBC Plan and all other securities-based compensation arrangements of the REIT to non-executive Directors of the REIT is 1% of the issued and outstanding Units on a “rolling” basis (collectively, the “**Non-Executive Director Participation Limits**”). The REIT is required to obtain disinterested Unitholder approval prior to making any amendment to the SBC Plan to increase the Non-Executive Director Participation Limits.

Exercise Price of Options

The exercise price per Unit for Options is determined by the Compensation Committee, in its sole discretion, provided that, the exercise price shall not be less than the fair market value of a Unit on the date of the grant of the Option. Subject to the foregoing, the fair market value of any Units for the purposes of determining the exercise price for any Option is the weighted average price at which the Units have traded on the TSX during the period of five consecutive trading days ending on the trading day immediately prior to the date such Option is granted, where “weighted average price” means, for any period, the amount obtained by dividing the aggregate sale price of all of the Units traded on the TSX during such period by the total number of Units so traded.

Vesting Restrictions for Option Grants

Except as determined from time to time by the Compensation Committee, all Options cease to vest as at the date upon which the participating Eligible Person (a “**Participant**”) ceases to be an Eligible Person (which, in the case of an employee or consultant, is the date on which their employment or engagement, as applicable, terminates, specifically without regard to any period of reasonable notice or any salary continuance).

Term of Options

Subject to an extension in the case of a blackout period, the term of Options granted is determined by the Compensation Committee and specified in the Option agreement pursuant to which such Option is granted, provided that the date cannot be later than the earlier of: (i) the date which is the tenth anniversary of the date on which such Option is granted; and (ii) the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the REIT is subject. The SBC Plan provides for early termination of Options in certain circumstances, including death and termination for cause. See “*Causes of Cessation*”, below.

Transforming Options to Stock Appreciation Rights

The Compensation Committee has the discretion to transform an Option to a Stock Appreciation Right involving an issuance of REIT securities from treasury.

Stock Appreciation Rights

The Compensation Committee is authorized to grant Stock Appreciation Rights to Eligible Persons subject to the terms and conditions of the SBC Plan and the requirements of the TSX.

For Stock Appreciation Rights granted under the SBC Plan, the Participant, upon exercise of the Stock Appreciation Right, has the right to receive, as determined by the Compensation Committee, cash or a number of Units equal to the excess of: (i) the fair market value of one Unit on the date of exercise (or, if the Compensation Committee so determines at any time during a specified period before or after the date of exercise); and (ii) the grant price of the Stock Appreciation Right as determined by the Compensation Committee, which grant price cannot be less than 100% of the fair market value of one Unit on the date of grant of the Stock Appreciation Right.

Term of Stock Appreciation Rights

The term of each Stock Appreciation Right granted is determined by the Compensation Committee and specified in the Award agreement pursuant to which such Stock Appreciation Right is granted, provided that the date cannot be later than the earlier of: (i) the date which is the tenth anniversary of the date on which such Stock Appreciation Right is granted; and (ii) the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the REIT is subject. The SBC Plan provides for early termination of Stock Appreciation Rights in certain circumstances, including death and termination for cause. See “*Causes of Cessation*”, below.

Restricted Stock

The Compensation Committee is authorized to grant Restricted Stock, in the form of Units to Eligible Persons subject to the terms and conditions of the SBC Plan and the requirements of the TSX. The Restricted Stock is subject

to such restrictions as the Compensation Committee may impose and which comply with the requirements of the TSX which restrictions may lapse separately or in combination at such time or times, in such instalments or otherwise as the Compensation Committee determines.

Term of Restricted Stock

Subject to an extension in the case of a blackout period, the term of Restricted Stock granted is determined by the Compensation Committee and specified in the agreement pursuant to which such Award is granted, provided that the date cannot be later than the earlier of: (i) the date which is the tenth anniversary of the date on which such Restricted Stock is granted; and (ii) the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the REIT is subject.

Restricted Stock Units

The Compensation Committee is authorized to grant Restricted Stock Units to Eligible Persons subject to the terms and conditions of the SBC Plan and the requirements of the TSX. Restricted Stock Units granted under the SBC Plan confer on the holder the right to receive a Unit (or cash payment equal to the fair market value of such security if the Compensation Committee so elects) at some future date.

Restricted Stock Units may also allow the Participant to receive a payment in cash or property equal to any dividend or other distribution paid on the underlying security, subject to the discretion of the Compensation Committee. Any amount so paid does not have to be repaid by the Participant if the Restricted Stock Units are terminated or cancelled prior to vesting. Restricted Stock Unit Awards are subject to an Award agreement containing such terms and conditions, not inconsistent with the provisions of the SBC Plan, as the Compensation Committee determines and reflecting the mechanics of the Restricted Stock Unit component of the SBC Plan set forth below.

Term of Restricted Stock Units

Subject to an extension in the case of a blackout period, the term of Restricted Stock Units granted are determined by the Compensation Committee and specified in the agreement pursuant to which such Award is granted, provided that the date cannot be later than the earlier of: (i) the date which is the tenth anniversary of the date on which such Restricted Stock Unit is granted; and (ii) the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the REIT is subject. The SBC Plan provides for early vesting of Restricted Stock Units in the event of the death of an Eligible Person and early termination of Restricted Stock Units in certain circumstances, including termination for cause. See “*Causes of Cessation*”, below.

Performance Awards

The Compensation Committee is authorized to grant Performance Awards to Eligible Persons subject to the terms and conditions of the SBC Plan and the requirements of the TSX. A Performance Award granted under the SBC Plan: (i) may be denominated or payable in cash, Units (including, without limitation, Restricted Stock and Restricted Stock Units), other securities, other Awards or other property; and (ii) confers on the holder thereof the right to receive payments, in whole or in part, upon the achievement of such performance goals during such performance periods as the Compensation Committee establishes. Subject to the terms of the SBC Plan, the performance goals to be achieved during any performance period, the length of any performance period, the amount of any Performance Award granted, the amount of any payment or transfer to be made pursuant to any Performance Award and any other terms and conditions of the Performance Award is determined by the Compensation Committee.

Other Securities-Based Awards

The Compensation Committee is authorized to grant to an Eligible Person, subject to the terms of the SBC Plan and the requirements of the TSX, such other Awards that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Units (including, without limitation, securities convertible into Units) as are deemed by the Compensation Committee to be consistent with the purpose of the SBC Plan provided the maximum number of Units (including, without limitation, securities convertible into Units) issuable during a calendar year under such Awards shall not exceed 500,000 Units.

Causes of Cessation

In the event the Participant ceases to be an Eligible Person for any reason, other than the death of the Participant or the termination of the Participant for cause, Options, Stock Appreciation Rights and Restricted Stock Units expire and terminate at such period of time after the date on which the Participant ceases to be an Eligible Person as may be specified by the Compensation Committee, which date shall not exceed three months following the date of termination of the Participant's directorship, employment or active engagement, as applicable.

In the event of the termination of the Participant as a Director, officer, employee or consultant for cause, Options, Stock Appreciation Rights and Restricted Stock Units expire and terminate on the date of notice of such termination. In the event of the death of a Participant prior to: (i) the Participant ceasing to be an Eligible Person; or (ii) the date which is the number of days specified by the Compensation Committee pursuant to the paragraphs above from the date on which the Participant ceased to be an Eligible Person, Options, Stock Appreciation Rights and Restricted Stock Units expire on the date which is one year after the date of death of the Participant or such other earlier date specified by the Compensation Committee and which period is specified in the Award agreement with the Participant with respect to such Options, Stock Appreciation Rights and Restricted Stock Units. Except as otherwise determined by the Compensation Committee, upon a Participant's ceasing to be an Eligible Person (as determined under criteria established by the Compensation Committee) during the applicable restriction period, all applicable Units of Restricted Stock shall be forfeited and reacquired by the REIT.

Assignability

Awards granted under the SBC Plan are non-transferable and non-assignable to anyone other than to a "Permitted Assign" as defined in the SBC Plan (e.g. a spouse, RRSP or holding entity of a Participant).

Procedure for Amending

Without the approval of any of the securityholders of the REIT, unless required by the TSX, the Compensation Committee has the right, subject only to those limitations noted below, to at any time suspend, amend modify or terminate the SBC Plan or any Award agreement, including, without limitation, the right to make the following amendments to the SBC Plan or any Award agreement: (i) amendments of a clerical nature, including but not limited to the correction of grammatical or typographical errors or clarification of terms; (ii) amendments to reflect any requirements of any regulatory authorities to which the REIT is subject, including the TSX; (iii) cancel any Award for Units, reduce the number of Units under any Award or increase the exercise price of an Award for Units; (iv) amendments to the vesting provisions under any Award; (v) convert the SBC Plan to a fixed number plan at any time, provided that the fixed number does not exceed 10% of the then issued and outstanding Units, and the number of Units reserved under the fixed number plan and all other securities-based compensation arrangements of the REIT in respect of Full Value Awards, does not, in the aggregate, exceed 5% of the then issued and outstanding Units; and (vi) amendments to obtain, preserve or clarify the provision of desirable tax treatment to Participants, the REIT or its subsidiaries in respect of Awards, as well as amendments which may be necessary or desirable in the interests of the Participants, the REIT or its subsidiaries as a result of changes in taxation laws or in their interpretation or administration (including changes in the administrative practices and assessing policies of the Canada Revenue Agency). Notwithstanding the foregoing, all procedures and necessary approvals required under the applicable rules and regulations of all regulatory authorities to which the REIT is subject, including the TSX, shall be complied with and obtained in connection with any such suspension, termination, amendment or other modification to the SBC Plan or amendments to any Award agreement.

The Compensation Committee will not have the right to: (i) without the prior approval of Unitholders by ordinary resolution and except as may be permitted under the SBC Plan: (A) extend the term of an Award for Units beyond its original expiry date (other than, for greater clarity, an extension provided in accordance with the terms of the SBC Plan in respect of a blackout period in effect on the expiry date); or (B) cancel any Award for Units and replace such Award within three months of the cancellation; (ii) reduce the exercise price per Unit under any Award held by an insider of the REIT or the General Partner without obtaining disinterested Unitholder approval; (iii) reduce the exercise price per Unit under any Award held by non-insiders of the REIT or replace such Award with a lower exercise price per Unit under such replacement Award without obtaining the approval of Unitholders by ordinary resolution; (iv) affect in a manner that is adverse or prejudicial to, or that impairs, the benefits and rights of any Participant under any Award previously granted under the SBC Plan (except as permitted pursuant to the SBC Plan

and except for the purpose of complying with applicable securities laws or the bylaws, rules and regulations of any regulatory authority to which the REIT is subject, including the TSX) unless the consent of the affected Participants is first obtained; (v) decrease the number of securities which may be purchased pursuant to any Award (except as permitted under the SBC Plan) without the consent of such Participant; (vi) increase the exercise price at which securities may be purchased pursuant to any Award (except as permitted under the SBC Plan) without the consent of such Participant; (vii) grant any Awards for Units with, or extend the term of any Awards for Units beyond, a period of ten years or the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the REIT is subject, including the TSX; (viii) grant any Award if the SBC Plan is suspended or has been terminated; or (ix) without the prior approval of Unitholders by ordinary resolution, amend any of the terms of the SBC Plan governing the transferability of Awards, or the terms of the SBC Plan governing amendments to the SBC Plan.

Financial Assistance

The REIT does not provide financial assistance to Participants to facilitate the purchase of Units upon the exercise of Awards granted under the SBC Plan.

Other Material Information

Appropriate adjustments to the SBC Plan and to Awards granted thereunder are to be made by the Compensation Committee to give effect to adjustments in the number and type of Units (or other securities or other property) resulting from subdivisions, consolidations, substitutions, or reclassifications of Units, payment of distributions in kind or other changes in the REIT's capital. In the event of any merger, acquisition, amalgamation, arrangement or other scheme of reorganization that results in a change of control, the Compensation Committee has the right, in an appropriate and equitable manner: (i) to determine the purchase price or exercise price with respect to any Award, provided, however, that the number of Units covered by any Award or to which such Award relates is always a whole number; (ii) to determine the manner in which all unexercised rights granted under the SBC Plan will be treated; (iii) to offer any Participant the opportunity to obtain a new or replacement Award over any securities into which the Units are changed or are convertible or exchangeable, on a basis proportionate to the number of Units under Award and the exercise price (and otherwise substantially upon the terms of the Award being replaced, or upon terms no less favourable to the Participant); and/or (iv) to commute for or into any other security or any other property or cash, any Award that is still capable of being exercised, upon giving to the Participant to whom the Award has been granted at least 30 days written notice of its intention to commute the Award, and during such period of notice, such Award, to the extent it has not been exercised, can be exercised by the Participant without regard to any vesting conditions attached thereto, and on the expiry of such period of notice, the unexercised portion of such Award will lapse and be cancelled.

Equity Compensation Burn Rate

The REIT's annual equity compensation "burn rate", as described in Section 613(p) of the TSX Company Manual, was 1.34% for the year ended December 31, 2023, 1.18% for the year ended December 31, 2022 and 0.36% for the year ended December 31, 2021. The equity compensation burn rate is calculated by dividing the number of equity-settled Awards granted under the SBC Plan during the applicable fiscal year by the weighted average number of Units outstanding for that year and is subject to change from time to time, based on the number of equity-settled Awards granted and the total number of Units issued and outstanding. For the purposes of the foregoing calculations, the RSUs that were granted as Performance Awards and vest subject to a multiplier of 0% to 200% are included in the calculation of the equity compensation burn rate based on their maximum payout (see "*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Long-Term Incentive Plan*" above for a description of the multipliers).

The equity compensation "burn rate" was higher in 2023 due to several factors, including: (i) the REIT using the SBC Plan to issue RSUs in lieu of a portion of cash Board retainers in the fourth quarter of 2023, to preserve cash and strengthen liquidity; and (ii) Unit prices being well below historical averages, resulting in a higher number of Units underlying equity awards, which are priced relative to market. The equity compensation "burn rate" was also higher in 2022 due to there being two grants under the LTIP as the REIT transitioned to its current LTIP structure (see "*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Long-Term Incentive Plan*" for further information).

Unit Purchase Policy

The REIT has in place a unit purchase policy (the “**Unit Purchase Policy**”), which was implemented by the Board to: (i) promote increased ownership of Units by members of the Board, executive officers and employees of the REIT, the General Partner and their respective affiliates with a view to greater aligning their interests with the interests of Unitholders; and (ii) assisting the REIT, the General Partner and their respective affiliates in attracting, retaining and motivating their respective Directors, executive officers and employees.

The Board has delegated to the Compensation Committee the responsibility of overseeing and ensuring the implementation and administration of the Unit Purchase Policy.

Subject to the limitations noted below, participants in the Unit Purchase Policy are entitled to reimbursement for 50% of the purchase price for any “Eligible Purchase” of Units, subject to statutory withholdings. For the purposes of the Unit Purchase Policy an “Eligible Purchase” means a secondary market acquisition by a participant in the Unit Purchase Policy of at least 100 Units through the facilities of the TSX or the OTCQX or such other stock exchange in Canada or the U.S. on which the Units may trade from time to time and specifically excludes any acquisition of Units from treasury of the REIT or through any merger, arrangement, amalgamation or similar transaction. This right to reimbursement is subject to any applicable claw-back policy of the REIT which may be in place from time to time.

Under the terms of the Unit Purchase Policy: (i) Directors are permitted to be reimbursed the purchase price for up to a maximum of 2,500 Units acquired through Eligible Purchases in respect of a given financial year of the REIT, or such other number or dollar value of Units as the Compensation Committee may approve from time to time; and (ii) each executive officer is permitted to be reimbursed the purchase price for up to that maximum number of Units acquired through Eligible Purchases in respect of a given financial year of the REIT, or such maximum dollar value of Units, as the Compensation Committee may approve from time to time.

The maximum number of Units eligible to be purchased under the Unit Purchase Policy by the Named Executive Officers in respect of a given financial year of the REIT is as follows: (i) 10,000 by the Chief Executive Officer; (ii) 5,000 by each of the Chief Financial Officer and the Chief Operating Officer; and (iii) 2,500 by the Vice President, Finance.

Benefits and Perquisites

The REIT offers limited perquisites and benefits to the Named Executive Officers, and only where the REIT believes such perquisites and benefits promote retention or promote the efficient performance of duties. The REIT does not believe that such perquisites and benefits should represent a significant portion of any compensation package. During the REIT’s most recently completed financial year, Named Executive Officers’ perquisites and benefits totalled approximately \$130,000. Such amounts have not been included in the summary compensation table below.

Recent Grants of Awards

2023 STIP Award

On February 27, 2024, the Board, on the recommendation of the Compensation Committee, determined the value of the STIP awards to be granted to the Named Executive Officers in 2024 in respect of their performance in 2023. For a discussion of the methodology applied by the Compensation Committee and the Board in determining the value of these awards, see “*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Short-Term Incentive Plan*”.

Named Executive Officer	Cash STIP Award
Jonathan Korol	\$233,376
Travis Beatty	\$99,671
Bruce Pittet ⁽¹⁾	\$116,395
Stephanie Li	\$43,375

(1) The amount shown represents the amount awarded to Mr. Pittet (US\$86,237), converted into Canadian dollars using the average U.S. dollar to Canadian dollar daily rate of exchange of 1.3497 posted by the Bank of Canada for the period from January 1, 2023 to December 31, 2023.

2024 LTIP Grant

On February 27, 2024, the Board, on the recommendation of the Compensation Committee, determined the cash value of the LTIP awards to be granted to the Named Executive Officers in 2024. The 2024 LTIP awards were then subsequently priced and issued on March 26, 2024, subject to a 5.0% reduction in the Performance Award component (the “**Performance Award Reduction**”) in order to comply with the limit on full value awards set forth in the SBC Plan. For a discussion of the methodology applied by the Compensation Committee and the Board in determining the value of these awards, see “*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Long-Term Incentive Plan*”.

Named Executive Officer	Grant Date Dollar Value ⁽¹⁾	Target Restricted Stock Units	Maximum Restricted Stock Units	Vesting Schedule ⁽²⁾⁽³⁾			
				March 2025	March 2026	December 2024	March 2026
Jonathan Korol	\$523,800						
Performance Based 60%		450,790	901,580 ⁽²⁾	Nil	Nil	0 – 901,580	Nil
Time Based 40%		316,344	316,344	105,448	105,448	Nil	105,448
Travis Beatty ⁽⁴⁾	\$223,100						
Performance Based 60%		192,002	384,004 ⁽²⁾	Nil	Nil	0 – 384,004	Nil
Time Based 40%		134,739	134,739	44,913	44,913	Nil	44,913
Bruce Pittet	US\$194,000 ⁽⁴⁾						
Performance Based 60%		226,530	453,060 ⁽²⁾	Nil	Nil	0-453,060	Nil
Time Based 40%		158,968	158,968	52,990	52,989	Nil	52,989
Stephanie Li	\$96,900						
Performance Based 60%		85,148	170,296 ⁽²⁾	Nil	Nil	0-170,296	Nil
Time Based 40%		59,753	59,753	19,918	19,918	Nil	19,917

- (1) Awards of Restricted Stock Units were granted on March 26, 2024 at \$0.6828 per Unit. The grant date fair value of \$0.6828 per Restricted Stock Unit was calculated using the volume weighted average price at which the Units traded on the TSX during the period of the five most recent trading days ending on the trading day immediately prior to the grant date. The grant date fair value of the Restricted Stock Units that were granted as Performance Awards and vest subject to a multiplier of 0% to 200% are calculated based on the target payout of 100% for purpose of this table. Grant date dollar values are after the application of the Performance Award Reduction.
- (2) In the case of each Named Executive Officer, 40% of their respective LTIP awards were granted in the form of Restricted Stock Units, which such Restricted Stock Units will vest over approximately three years in equal annual installments on March 14, 2025, March 13, 2026 and March 15, 2027, and 60% of their respective LTIP awards, subject to the Performance Award Reduction, were granted in the form of Restricted Stock Units as Performance Awards, which such Restricted Stock Units representing the Performance Awards are subject to a multiplier of 0% to 200% on vesting computed based on the REIT’s three-year performance relative to the issuers comprising the Bloomberg Hotel Index for the period from January 1, 2024 to December 31, 2026 (see “*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Long-Term Incentive Plan*” above for details).
- (3) Restricted Stock Units, once vested and settled in the form of Units, will be entitled to receive distributions on the basis that any distributions made to Unitholders on or after the grant date until the date of vesting of any Restricted Stock Units will be accrued and then, at the time of vesting, paid to the holder in the form of cash equal to the aggregate amount of the then accrued distributions. If any Restricted Stock Units are cancelled or otherwise fail to vest, the entitlement to distributions accrued on thereon will also be cancelled and forfeited by the holder thereof.
- (4) Bruce Pittet is compensated in U.S. dollars; accordingly, the grant date fair value of the Restricted Stock Units issued to him, was converted to US dollars based on the average daily Canadian dollar to US dollar exchange rate (Cdn\$1.00 = US\$0.7370) posted by the Bank of Canada for the five most recent trading days prior to the grant date.

Summary Compensation Table

The following table summarizes the compensation of the Named Executive Officers for the years ended December 31, 2023, 2022 and 2021:

Name and principal position	Fiscal year	Salary	Unit-based awards	Option-based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
					Annual incentive plans	Long-term incentive plans			
Jonathan Korol Chief Executive Officer	2023	526,150 ⁽¹⁾	212,159 ⁽²⁾	—	233,376 ⁽⁹⁾	—	—	20,973 ⁽⁶⁾⁽¹⁰⁾	992,658
	2022	507,917 ⁽¹⁾	404,000 ⁽³⁾⁽⁴⁾	—	255,000 ⁽⁵⁾	—	—	37,819 ⁽⁶⁾⁽¹⁰⁾	1,204,736
	2021	500,000 ⁽¹⁾	46,737 ⁽⁷⁾	—	500,000 ⁽⁸⁾	—	—	40,557 ⁽⁶⁾	1,087,295
Travis Beatty Chief Financial Officer ⁽¹¹⁾	2023	449,420	90,609 ⁽²⁾	—	99,671 ⁽⁹⁾	—	—	16,384 ⁽⁶⁾⁽¹⁰⁾	656,084
	2022	433,411	136,711 ⁽³⁾⁽⁴⁾	—	108,906 ⁽⁵⁾	—	—	17,290 ⁽⁶⁾⁽¹⁰⁾	696,318
	2021	241,477	—	—	170,443 ⁽⁸⁾	—	—	73,424 ⁽⁶⁾⁽¹²⁾	485,344
Bruce Pittet Chief Operating Officer ⁽¹³⁾	2023	524,828	105,090 ⁽²⁾	—	116,395 ⁽⁹⁾	—	—	39,685 ⁽⁶⁾⁽¹⁰⁾⁽¹⁵⁾	785,998
	2022	483,105	184,680 ⁽³⁾⁽⁴⁾	—	122,600 ⁽⁵⁾	—	—	39,025 ⁽⁶⁾⁽¹⁰⁾	829,410
	2021	501,157	68,036 ⁽⁷⁾	—	301,623 ⁽⁸⁾	—	—	19,336 ⁽⁶⁾⁽¹⁰⁾	890,153
Stephanie Li Vice President, Finance ⁽¹⁴⁾	2023	243,544	39,432 ⁽²⁾	—	43,375 ⁽⁹⁾	—	—	7,282 ⁽⁶⁾⁽¹⁰⁾	333,633
	2022	137,358	21,701 ⁽⁴⁾	—	27,123 ⁽⁵⁾	—	—	6,750 ⁽⁶⁾	192,932
	2021	—	—	—	—	—	—	—	—

- Mr. Korol agreed to receive 50% of his base salary in the form of RSUs in 2023, 2022 and 2021 which RSUs were priced, issued and vested in Units at the end of each quarter during such years.
- Awards of RSUs representing the LTIP award in respect of the 2023 financial year of the REIT were granted on May 12, 2023 at \$2.5324 per underlying Unit. Mr. Korol was granted 209,445 RSUs with 27,926 vested on March 15, 2024, 27,926 vesting on March 14, 2025 and 27,926 vesting on March 13, 2026 and 125,667 vesting, subject to a multiplier of 0% to 200%, on December 31, 2025. Mr. Beatty was granted 89,450 RSUs with 11,927 vested on March 15, 2024, 11,927 vesting on March 14, 2025 and 11,926 vesting on March 13, 2026 and 53,670 vesting, subject to a multiplier of 0% to 200%, on December 31, 2025. Mr. Pittet was granted 103,744 RSUs with 13,833 vested on March 15, 2024, 13,833 vesting on March 14, 2025 and 13,832 vesting on March 13, 2026 and 62,246 vesting, subject to a multiplier of 0% to 200%, on December 31, 2025. Ms. Li was granted 38,927 RSUs with 5,191 vested on March 15, 2024, 5,191 vesting on March 14, 2025 and 5,189 vesting on March 13, 2026 and 23,356 vesting, subject to a multiplier of 0% to 200%, on December 31, 2025. The grant date fair value of \$2.5324 per RSU was calculated using the volume weighted average price at which the Units traded on the TSX during the period of the five most recent trading days ending on the trading day immediately prior to the grant date. Mr. Pittet is compensated in U.S. dollars; accordingly, the grant date fair value of the RSUs issued to him, was calculated to be US\$1.8892 per underlying Unit. This figure was calculated by multiplying the Canadian dollar grant date fair value of \$2.5324 per underlying Unit by the average Canadian dollar to U.S. dollar exchange rate (Cdn\$1.00 = US\$0.74) posted by the Bank of Canada for the five most recent trading days prior to the grant date. In accordance with Form 51-102F6 – *Statement of Executive Compensation*, the value of Unit-based awards that vest subject to a multiplier of 0% to 200% are calculated based on the minimum payout of zero dollars. The primary purpose of such grants was to retain and incentivize the future performance of such Named Executive Officers.
- Awards of RSUs representing the LTIP award in respect of the 2021 financial year of the REIT were granted on March 30, 2022 at \$4.1308 per underlying Unit. Mr. Korol was granted 121,041 RSUs with 24,209 vested on March 15, 2023 and 24,208 vested on March 15, 2024 and 72,624 vesting, subject to a multiplier of 0% to 200%, on December 31, 2024. Mr. Beatty was granted 30,008 RSUs with 6,002 vested on March 15, 2023 and 6,002 vesting on March 15, 2024 and 18,004 vesting, subject to a multiplier of 0% to 200%, on December 31, 2024. Mr. Beatty's award was subject to pro-ratio given his appointment on June 7, 2021. Mr. Pittet was granted 53,099 RSUs with 10,620 vested on March 15, 2023 and 10,620 vested on March 15, 2024 and 31,859 vesting, subject to a multiplier of 0% to 200%, on December 31, 2024. The grant date fair value of \$4.1308 per RSU was calculated using the volume weighted average price at which the Units traded on the TSX during the period of the five most recent trading days ending on the trading day immediately prior to the grant date. Mr. Pittet is compensated in U.S. dollars; accordingly, the grant date fair value of the RSUs issued to him, was calculated to be US\$3.2963 per underlying Unit. This figure was calculated by multiplying the Canadian dollar grant date fair value of \$4.4862 per underlying Unit by the average Canadian dollar to U.S. dollar exchange rate (Cdn\$1.00 = US\$0.798) posted by the Bank of Canada for the five most recent trading days prior to the grant date. In accordance with Form 51-102F6 – *Statement of Executive Compensation*, the value of Unit-based awards that vest subject to a multiplier of 0% to 200% are calculated based on the minimum payout of zero dollars. The primary purpose of such grants was to retain and incentivize the future performance of such Named Executive Officers.
- Awards of RSUs representing the LTIP award in respect of the 2022 financial year of the REIT were granted on May 20, 2022 at \$3.78 per underlying Unit. Mr. Korol was granted 134,920 RSUs with 17,990 vested on June 30, 2023, 17,990 vesting on June 28, 2024 and 17,988 vesting on June 30, 2025 and 80,952 vesting, subject to a multiplier of 0% to 200%, on June 30, 2025. Mr. Beatty was granted 57,622 RSUs with 7,683 vested on June 30, 2023, 7,683 vesting on June 28, 2024 and 7,683 vesting on June 30, 2025 and 34,573 vesting, subject to a multiplier of 0% to 200%, on June 30, 2025. Mr. Pittet was granted 64,114 RSUs with 8,549 vested on June 30, 2023, 8,549 vesting on June 28, 2024 and 8,548 vesting on June 30, 2025 and 38,468 vesting, subject to a multiplier of 0% to 200%, on June 30, 2025. Ms. Li was granted 14,351 RSUs with 1,914 vested on June 30, 2023, 1,914 vesting on June 28, 2024 and 1,914 vesting on June 30, 2025 and 8,610 vesting, subject to a multiplier of 0% to 200%, on June 30, 2025. Ms. Li's award was subject to pro-ratio given her appointment on June 1, 2022. The grant date fair value of \$3.78 per RSU was calculated using the volume weighted average price at which the Units traded on the TSX during the period of the five most recent trading days ending on the trading day immediately prior to the grant date. Mr. Pittet is compensated in U.S. dollars; accordingly, the grant date fair value of the RSUs issued to him, was calculated to be US\$3.2484 per underlying Unit. This

figure was calculated by multiplying the Canadian dollar grant date fair value of \$3.78 per underlying Unit by the average Canadian dollar to U.S. dollar exchange rate (Cdn\$1.00 = US\$0.78) posted by the Bank of Canada for the five most recent trading days prior to the grant date. In accordance with Form 51-102F6 – *Statement of Executive Compensation*, the value of Unit-based awards that vest subject to a multiplier of 0% to 200% are calculated based on the minimum payout of zero dollars. The primary purpose of such grants was to retain and incentivize the future performance of such Named Executive Officers.

- (5) Number represents cash amount of the STIP award approved for grant to such Named Executive Officer for his or her performance during the financial year ended December 31, 2022. In accordance with the terms of his employment agreement, Mr. Korol elected to have \$251,500 of such amount contributed to his RCA Plan (defined below), with \$125,750 contributed in cash with a corresponding payment of \$125,750 concurrently paid to the Canada Revenue Agency in accordance with the RCA Plan (see “*Executive Compensation – Pension Plan Benefits and Deferred Compensation Plans*”). Ms. Li was appointed as the Vice President, Finance of the General Partner effective June 1, 2022; accordingly, she received a prorated award under the STIP in respect of the financial year ended December 31, 2022.
- (6) Number includes the aggregate of the cash payments made by the REIT to the Named Executive Officer for reimbursement of 50% of the cost of Units acquired by such Named Executive Officer under the Unit Purchase Policy (see “*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Unit Purchase Policy*”).
- (7) Awards of RSUs were granted on May 21, 2021 at \$4.4862 per underlying Unit. Mr. Korol was granted 26,045 RSUs with 3,472 vested on March 15, 2022, 3,472 vested on March 15, 2023, 3,474 vested on December 15, 2023 and 15,672 vesting, subject to a multiplier of 0% to 200%, on May 21, 2024. Mr. Korol’s award was subject to pro-ration given his appointment on October 7, 2020. Mr. Pittet was granted 36,548 RSUs with 4,873 vested on March 15, 2022, 4,873 vested on March 15, 2023, 4,873 vested on December 15, 2023 and 21,929 vesting, subject to a multiplier of 0% to 200%, on May 21, 2024. The grant date fair value of \$4.4862 per RSU was calculated using the volume weighted average price at which the Units traded on the TSX during the period of the five most recent trading days ending on the trading day immediately prior to the grant date. Mr. Pittet is compensated in U.S. dollars; accordingly, the grant date fair value of the RSUs issued to him, was calculated to be US\$3.7128 per underlying Unit. This figure was calculated by multiplying the Canadian dollar grant date fair value of \$4.4862 per underlying Unit by the average Canadian dollar to U.S. dollar exchange rate (Cdn\$1.00 = US\$0.8276) posted by the Bank of Canada for the five most recent trading days prior to the grant date. In accordance with Form 51-102F6 – *Statement of Executive Compensation*, the value of Unit-based awards that vest subject to a multiplier of 0% to 200% are calculated based on the minimum payout of zero dollars. The primary purpose of such grants was to retain and incentivize the future performance of such Named Executive Officers.
- (8) Number represents cash amount of the STIP award approved for grant to such Named Executive Officer for his or her performance during the financial year ended December 31, 2021. Pursuant to the terms of Mr. Korol’s employment agreement his STIP award was paid in the form of RSUs, which were priced and vested in underlying Units at the end of December 2021; however, Mr. Korol elected, in accordance with his employment agreement, to have \$230,500 of such amount contributed to his RCA Plan, with \$115,250 contributed in the form of Units with a corresponding payment of \$115,250 concurrently made to the Canada Revenue Agency in accordance with the RCA Plan (see “*Executive Compensation – Pension Plan Benefits and Deferred Compensation Plans*”). Mr. Beatty was appointed as the Chief Financial Officer of the General Partner effective June 7, 2021; accordingly, he received a prorated award under the STIP in respect of the financial year ended December 31, 2021.
- (9) Number represents cash amount of the STIP award approved for grant to such Named Executive Officer for his or her performance during the financial year ended December 31, 2023. See “*Executive Compensation – Compensation Discussion and Analysis – Recent Grants of Awards – 2023 STIP Award*” above for further details.
- (10) Number includes the sum of the aggregate of the cash payments made by the REIT to the Named Executive Officer upon the vesting of RSUs held thereby in lieu of cash distributions that would have otherwise been paid to the Named Executive Officer from the date of grant to the date of vesting.
- (11) Mr. Beatty was appointed as the Chief Financial Officer of the General Partner effective June 7, 2021. The compensation amounts included for Mr. Beatty in respect of the 2021 financial year reflect compensation for a partial period. The annualized salary for Mr. Beatty for the 2021 financial year was \$425,000.
- (12) Mr. Beatty was reimbursed \$50,000 in respect of moving expenses in accordance with the terms of his employment agreement.
- (13) Mr. Pittet receives all compensation in U.S. dollars; accordingly, his compensation has been converted to Canadian dollars using the average U.S. dollar to Canadian dollar daily rate of exchange of (i) 1.3497 posted by the Bank of Canada for the period from January 1, 2023 to December 31, 2023, in respect of compensation for the 2023 financial year, (ii) 1.3011 posted by the Bank of Canada for the period from January 1, 2022 to December 31, 2022, in respect of compensation for the 2022 financial year, and (iii) 1.2535 posted by the Bank of Canada for the period from January 1, 2021 to December 31, 2021, in respect of compensation for the 2021 financial year.
- (14) Ms. Li was appointed effective June 1, 2022. The compensation amounts included for Ms. Li in respect of the 2022 financial year reflect compensation for a partial period. The annualized salary for Ms. Li for the 2022 financial year was \$232,500.
- (15) Includes the market value of the Unit-based Performance Awards that vested during 2023, calculated as the product of the number of Unit-based Performance Awards that vested on June 6, 2023 (10,727) multiplied by the closing price of the Units on the TSX of \$2.52 as at June 6, 2023.

Incentive Plan Awards

Outstanding Option-Based and Unit-Based Awards

The following table sets out the Option-based and Unit-based awards outstanding as at December 31, 2023 for the Named Executive Officers:

Name and principal position ⁽⁴⁾	Option-based awards				Unit-based awards		
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of Units that have not vested	Market or payout value of Unit-based awards that have not vested	Market or payout value of vested Unit-based awards not paid out or distributed
	(#)	(\$)		(\$)	(#)	(\$)	(\$)
Jonathan Korol Chief Executive Officer	2,000,000	5.00	October 7, 2025	—	143,964 ⁽¹⁾	\$123,809 ⁽²⁾	—
Travis Beatty Chief Financial Officer	—	—	—	—	57,148 ⁽¹⁾	\$49,147 ⁽²⁾	—
Bruce Pittet, Chief Operating Officer	—	—	—	—	69,215 ⁽¹⁾	\$59,525 ⁽²⁾	—
Stephanie Li Vice President, Finance	—	—	—	—	19,398 ⁽¹⁾	\$16,682 ⁽²⁾	—

- (1) As at December 31, 2023, Mr. Korol, Mr. Beatty, Mr. Pittet and Ms. Li held 294,870, 106,247, 154,502 and 31,966 RSUs, respectively, which are subject to a multiplier of 0% to 200% on vesting based on the achievement of certain performance goals, which RSUs are not included in the above table.
- (2) The market values of Unit-based awards that did not vest during 2023 were calculated by multiplying the number of Unit-based awards (less any Unit-based awards that vest subject to a multiplier of 0% to 200% based on the achievement of performance goals) that did not vest by the closing price of the Units on the TSX of \$0.86 as at December 29, 2023 (being the last trading day for the year ended December 31, 2023). In accordance with Form 51-102F6 – *Statement of Executive Compensation* all Unit-based awards that vest subject to a multiplier of 0% to 200% based on the achievement of performance goals are calculated based on the minimum payout, in this case zero dollars.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested or earned with respect to option-based and Unit-based awards during 2023 for the Named Executive Officers:

Name and principal position	Option-based awards – Value vested during the year	Unit-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
	(\$)	(\$)	(\$)
Jonathan Korol, Chief Executive Officer	—	114,095 ⁽¹⁾⁽²⁾	233,376 ⁽³⁾
Travis Beatty, Chief Financial Officer	—	33,334 ⁽⁴⁾	99,671 ⁽³⁾
Bruce Pittet, Chief Operating Officer	—	88,723 ⁽⁵⁾	116,395 ⁽³⁾⁽⁶⁾
Stephanie Li, Vice President, Finance	—	4,536 ⁽⁷⁾	43,375 ⁽³⁾

- (1) RSUs that were issued to Mr. Korol in lieu of cash salary that vested in 2023 have not been included in this amount.
- (2) The market value of the Unit-based awards that vested during 2023 was calculated as the product of the number of Unit-based awards that vested on (i) March 16, 2023 (24,209) multiplied by the closing price of the Units on the TSX of \$2.52 as at March 16, 2023; (ii) April 5, 2023 (3,472) multiplied by the closing price of the Units on the TSX of \$2.38 as at April 5, 2023; (iii) June 30, 2023 (17,990) multiplied by the closing price of the Units on the TSX of \$2.37 as at June 30, 2023; and (iv) December 15, 2023 (3,474) multiplied by the closing price of the Units on the TSX of \$0.63 as at December 15, 2023.
- (3) Number represents cash amount of the STIP award approved for grant to such Named Executive Officer for his or her performance during the financial year ended December 31, 2023. See “*Executive Compensation – Compensation Discussion and Analysis – Recent Grants of Awards – 2023 STIP Award*”.
- (4) The market value of the Unit-based awards that vested during 2023 was calculated as the product of the number of Unit-based awards that vested on (i) March 16, 2023 (6,002) multiplied by the closing price of the Units on the TSX of \$2.52 as at March 16, 2023; and (ii) June 30, 2023 (7,683) multiplied by the closing price of the Units on the TSX of \$2.37 as at June 30, 2023.
- (5) The market value of the Unit-based awards that vested during 2023 was calculated as the product of the number of Unit-based awards that vested on (i) March 16, 2023 (10,620) multiplied by the closing price of the Units on the TSX of \$2.52 as at March 16, 2023; (ii) April 5, 2023 (4,873) multiplied by the closing price of the Units on the TSX of \$2.38 as at April 5, 2023; (iii) June 6, 2023 (10,727) multiplied by the closing price of the Units on the TSX of \$2.52 as at June 6, 2023; (iv) June 30, 2023 (8,549) multiplied by the closing price of the Units on the TSX of \$2.37 as at June 30, 2023; and (v) December 15, 2023 (4,873) multiplied by the closing price of the Units on the TSX of \$0.63 as at December 15, 2023.
- (6) The amount shown represents the amount awarded to Mr. Pittet (US\$86,237), converted into Canadian Dollars using the average U.S. dollar to Canadian dollar daily rate of exchange of 1.3497 posted by the Bank of Canada for the period from January 1, 2023 to December 31, 2023.
- (7) The market value of the Unit-based awards that vested during 2023 was calculated as the product of the number of Unit-based awards that vested on June 30, 2023 (1,914) multiplied by the closing price of the Units on the TSX of \$2.37 as at June 30, 2023.

The following table sets out the number of Units to be issued upon the exercise of outstanding Options under the SBC Plan, the weighted-average exercise price of the outstanding Options, and the number of Units remaining available for future issuance under the SBC Plan, as at December 31, 2023:

Plan category	Number of Units to be issued upon exercise of outstanding Unit options, warrants and rights	Weighted-average exercise price of outstanding Unit options, warrants and rights	Number of Units remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plan approved by Unitholders	2,250,000	\$5.00	4,187,746 ⁽¹⁾⁽²⁾
Equity compensation plan not approved by Unitholders	N/A	N/A	N/A
Total	2,300,000	\$5.00	4,187,746 ⁽¹⁾⁽²⁾

- (1) The maximum number of Units that are available for grant under the SBC Plan is determined based on 10% of the issued and outstanding number of Units on a “rolling” basis, which means that as the outstanding capital of the REIT increases from time to time by the issuance of Units, whether due to the exercise of Options or otherwise, the number of Units eligible to be issued under Options or other Awards pursuant to the SBC Plan will automatically increase to 10% of the then number of Units issued and outstanding. The number of Units issued and outstanding as at December 31, 2023 was 79,026,415.
- (2) The number of Units remaining available for future issuance under the SBC Plan, as at December 31, 2023, was calculated as the difference of (X) 10% of the number of Units issued and outstanding as at December 31, 2023 (7,902,641), less (Y) the aggregate number of Units 3,714,895 underlying the outstanding: (i) RSUs (1,464,895) that were granted to various Named Executive Officers and other senior management of the REIT that had not vested as at December 31, 2023; and (ii) Options (2,250,000) that were granted to the Chief Executive Officer and certain directors of the General Partner that had vested but not been exercised as at December 31, 2023. The number of Units underlying outstanding RSUs presumes the maximum payout of 200% on the 587,585 RSUs previously granted as Performance Awards which were outstanding on December 31, 2023.

Management of Compensation Risk

The Board of Directors and the Compensation Committee have not formally considered the implications of the risks associated with the REIT’s compensation policies and practices. Such risks, however, are mitigated by the Board’s active involvement at the strategic level of the REIT’s businesses, including:

- annual approval of the REIT’s operational and capital budgets and ongoing review of variances between actual and budgeted operational results, including at regularly scheduled quarterly board meetings;
- approval of business acquisitions and dispositions as they arise, including a review of the acquisition or disposition process and undertaking of due diligence; and
- the ability of the REIT to require reimbursement of annual and long-term incentive compensation paid to its current and former senior executives pursuant to its compensation clawback policy (see “*Executive Compensation – Compensation Discussion and Analysis – Compensation Clawback Policy*”).

The Board of Directors’ oversight helps to ensure proper monitoring of the level of risk-taking by management. This allows the Board to be responsive to management’s potential bias towards achieving short-term goals at the expense of long-term sustainability and Unitholders’ value. Furthermore, the Compensation Committee and the Board can use their discretion when assessing both an individual Named Executive Officer’s and the REIT’s overall performance.

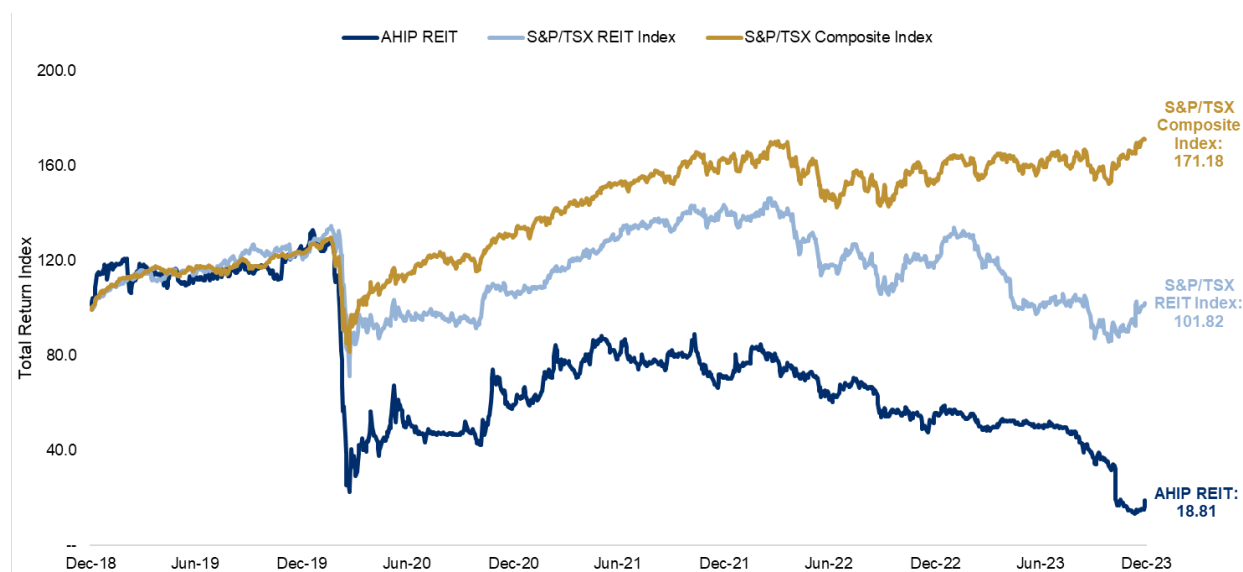
Financial Instruments

The Board has adopted a formal Anti-Hedging Policy in order to prohibit Directors and senior management of the REIT from directly or indirectly engaging in hedging against future declines in the market value of any equity-based securities of the REIT through the purchase of financial instruments (including, without limitation, prepaid variable forward contracts, equity swaps, collars, puts, calls or other derivative securities) designed to offset such risk. It is the Board’s view that the policy is appropriate as purchases of such financial instruments may undermine the purpose for which such securities are granted to such persons.

In addition, Named Executive Officers and other participants in the STIP and LTIP are not permitted to pledge or hedge any RSUs or Performance Awards granted thereto under the STIP or LTIP, as applicable.

Performance of Units

The following graph compares the total cumulative Unitholders return for \$100 invested in Units with the cumulative total return of the S&P/TSX Composite Index and the S&P/TSX REIT Index since January 1, 2019 until December 31, 2023. During the period, the total cumulative Unitholder return for \$100 invested in Units was \$18.81 as compared to \$171.18 for the S&P/TSX Composite Index and \$101.82 for the S&P/TSX REIT Index.



A portion of the Performance Awards granted under the LTIP are based on the total return to Unitholders relative to the performance of the issuers comprising the Bloomberg Hotel REIT Index. See “*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Long-Term Incentive Plan*” for further details.

Pension Plan Benefits and Deferred Compensation Plans

During the REIT’s most recently completed financial year, the REIT and its direct and indirect subsidiaries did not have a defined benefit plan or pension plan.

The REIT has established a retirement compensation arrangement for Mr. Jonathan Korol, the purpose of which is to provide Mr. Korol with additional flexibility in structuring his financial affairs on or after his retirement, termination of employment with the REIT or substantial change in services provided by Mr. Korol to the REIT (the “**RCA Plan**”). The RCA Plan was arranged so as to be of no additional cost to the REIT. Accordingly, to the extent the REIT makes any contributions under the RCA Plan, such contributions shall reduce the REIT’s obligations to pay other compensation to Mr. Korol on a dollar-for-dollar basis. Accordingly, the RCA Plan was established to provide Mr. Korol with flexibility in his long-term personal tax and financial planning by allowing him to direct elements of his compensation, primarily salary and cash bonuses but also Unit-based awards, to be paid into the RCA Plan in lieu of to him directly.

In accordance with the RCA Plan, an actuary was retained to complete a valuation report and establish the maximum contribution amounts for purposes of the RCA Plan. The RCA Plan sets maximum employer and employee contributions for the 2020 through 2023 financial years, which were in equal amounts for each of the employer and employee for each year (2020 – \$363,400; 2021 – \$230,500; 2022 – \$232,500; 2023 – \$251,000). The minimum contribution by Mr. Korol for each year is \$100,000. The RCA Plan provides for the contribution limits to be reviewed and reset by an actuary at regular intervals, with a review currently being underway for purposes of determining the contribution limit for 2024 and certain subsequent years.

On termination of Mr. Korol's employment for any reason, excluding death, the funds then held in trust under the RCA Plan can be paid out in: (i) periodic lifetime income adjusted annually for the consumer price index in amounts to be determined by an actuary; (ii) periodic payments over a fixed period of time and adjusted annually for the consumer price index; or (iii) as a lump sum. In the event of death, similar options for payout are granted to Mr. Korol's estate.

The REIT has no obligations under the RCA Plan following the termination of Mr. Korol's employment, other than Mr. Korol may direct a portion of his severance payments, if applicable, to be paid into the RCA Plan.

During the 2023 financial year, Mr. Korol elected, in accordance with his employment agreement, to have \$251,500 from his 2022 STIP Award paid in March 2023 contributed to his RCA Plan, with \$125,750 contributed in cash with a corresponding payment of \$125,750 concurrently paid to the Canada Revenue Agency in accordance with the RCA Plan.

Funds contributed to the RCA Plan are paid into a trust which is managed by a trustee who has appointed an investment adviser to manage the funds in trust as may be directed by Mr. Korol from time to time.

Termination of Employment, Change in Responsibilities and Employment Contracts

Effective January 1, 2016, AHIP Management Ltd. ("AML"), a wholly-owned direct subsidiary of U.S. REIT, replaced the General Partner as the employer of the executive officers of the REIT and of its other staff. AML provides the services of such persons to the REIT and its subsidiaries through: (i) a services agreement between AML and the REIT; (ii) a services agreement between AML and the U.S. REIT; and (iii) a secondment agreement between AML and the U.S. REIT. Under the terms of their employment arrangements with AML, the REIT's executive officers and all other employees are provided with full credit for past service under their previous employment arrangements with the General Partner. Notwithstanding the foregoing, Mr. Bruce Pittet and one other individual are employed directly by the U.S. REIT, and in the case of Mr. Pittet, his services are provided by the U.S. REIT to the REIT and AML through a secondment agreement between such entities.

The REIT believes that severance and change of control benefits can be necessary in order to attract and retain high calibre executive talent. Severance benefits are appropriate, particularly with respect to a termination without cause since in that scenario, both the REIT and the Named Executive Officer will have a mutually agreed upon severance package that is in place prior to any termination event which provides certainty and the flexibility to make changes in executive management if such change is in the best interests of the REIT. Change of control benefits are intended to ensure stability of leadership at a time of heightened uncertainty and to better enable Named Executive Officers to advise the Board of Directors whether an ownership change proposal is in the best interests of the REIT's owners without such officers being unduly influenced by the possibility of employment termination. Severance and change of control benefits are negotiated and set with regard to the experience level of the individual, the complexity of the position and other relevant market factors.

Jonathan Korol, Chief Executive Officer

A formal employment agreement is in place between AML and Mr. Jonathan Korol. The employment agreement is for an indefinite term. Subject to limited exceptions, it contains non-competition, non-solicitation and confidentiality covenants in favour of AML which apply during the term of employment and will continue for a specified period of time after termination.

During the term of the employment agreement, AML is entitled to terminate the employment of Mr. Korol without cause by providing him with written notice and paying Mr. Korol his total remuneration over 12 months plus one month for each full calendar year Mr. Korol has been employed by AML under his employment agreement up to a maximum of 24 months. Total remuneration means the total salary payable to Mr. Korol plus any additional amounts he is entitled to in accordance with applicable bonus, profit sharing or other incentive or compensation programs. Subject to certain exceptions, Mr. Korol will be entitled to receive benefits for a period of 12 months after termination. Further, Mr. Korol would also be entitled a lump sum of any bonus the Board, in its sole discretion acting reasonably, determines within 90 days after the end of the fiscal year in which Mr. Korol's termination occurs, to pay Mr. Korol a bonus in respect of such year under the STIP and/or LTIP (which amount is assumed for purposes of the below termination amounts to be \$233,376, being the amount of Mr. Korol's STIP bonus in respect of the 2023 fiscal year).

The termination amount for Mr. Korol if terminated without cause on December 31, 2023 would have been approximately \$1,687,000 (including the value of 143,964 RSUs, based on the closing price of the Units on December 31, 2023 of \$0.86 per Unit which would have vested immediately upon his termination without cause).

If the employment of Mr. Korol is terminated for cause, Mr. Korol will not be entitled to any notice and will not be entitled to any compensation or benefits beyond the date of termination.

If Mr. Korol resigns, he must first provide AML with at least 90 days' prior written notice. AML may elect to waive the notice period at any time after Mr. Korol has given notice of his resignation. Mr. Korol will be entitled to receive his base salary for the remainder of the notice period, as well as any benefits he remains eligible for.

If there is a change of control, Mr. Korol may, at his option where good reason exists, terminate his employment by giving appropriate notice and receive compensation equivalent to that from termination without cause noted above except that the relevant period is 24 months. The employment agreement defines a "change of control" as:

- (a) any person, or group of persons becomes the beneficial holder, directly or indirectly, of securities of the REIT representing 50.1% or more of the combined voting power of the REIT's then outstanding securities;
- (b) any sale or transfer of the assets of the REIT as an entirety or substantially as an entirety (other than as part of an internal reorganization of assets of the REIT as approved by the General Partner), or the REIT is dissolved or liquidated;
- (c) the General Partner ceasing for any reason to be the general partner of the REIT;
- (d) any transaction or series of transactions (whether by sale, merger, amalgamation, consolidation, reorganization, plan or arrangement or otherwise) that would have substantially the same effect as a change of control under the foregoing provisions is undertaken or the Board approves and/or recommends that Unitholders accept, approve or adopt any such transaction or series of transactions; or
- (e) any acquisition, directly or indirectly, by any person or group of persons acting jointly or in concert of the right to appoint a majority of the directors of the General Partner or the right or ability to otherwise directly or indirectly control the management, affairs and business of the REIT.

The termination amount for Mr. Korol if terminated with good reason in connection with a change of control on December 31, 2023 would have been approximately \$2,483,000 (including the value of 143,964 RSUs, based on the closing price of the Units on December 31, 2023 of \$0.86 per Unit which would have vested immediately upon his termination with good reason in connection with a change of control).

Travis Beatty, Chief Financial Officer

A formal employment agreement is in place between AML and Mr. Travis Beatty. The employment agreement is for an indefinite term. Subject to limited exceptions, it contains non-competition, non-solicitation and confidentiality covenants in favour of AML which apply during the term of employment and will continue for a specified period of time after termination.

During the term of the employment agreement, AML is entitled to terminate the employment of Mr. Beatty without cause by providing him with written notice and paying Mr. Beatty his total remuneration over 12 months plus one month for each full calendar year Mr. Beatty has been employed by AML under his employment agreement up to a maximum of 18 months. Total remuneration means the total salary payable to Mr. Beatty plus any additional amounts he is entitled to in accordance with applicable bonus, profit sharing or other incentive or compensation programs. Subject to certain exceptions, Mr. Beatty will be entitled to receive benefits for a period of 12 months after termination.

The termination amount for Mr. Beatty if terminated without cause on December 31, 2023 would have been approximately \$851,000 (including the value of 57,148 RSUs, based on the closing price of the Units on December 31, 2023 of \$0.86 per Unit which would have vested immediately upon his termination without cause).

If the employment of Mr. Beatty is terminated for cause, Mr. Beatty will not be entitled to any notice and will not be entitled to any compensation or benefits beyond the date of termination.

If Mr. Beatty resigns, he must first provide AML with at least 90 days' prior written notice. AML may elect to waive the notice period at any time after Mr. Beatty has given notice of his resignation. Mr. Beatty will be entitled to receive his base salary for the remainder of the notice period, as well as any benefits he remains eligible for.

If there is a change of control, Mr. Beatty may, at his option where good reason exists, terminate his employment by giving appropriate notice and receive compensation equivalent to that from termination without cause noted above except that the relevant period is 18 months. The employment agreement defines a "change of control" as:

- (a) any person, or group of persons becomes the beneficial holder, directly or indirectly, of securities of the REIT representing 50.1% or more of the combined voting power of the REIT's then outstanding securities;
- (b) any sale or transfer of the assets of the REIT as an entirety or substantially as an entirety (other than as part of an internal reorganization of assets of the REIT as approved by the General Partner), or the REIT is dissolved or liquidated;
- (c) the General Partner ceasing for any reason to be the general partner of the REIT;
- (d) any transaction or series of transactions (whether by sale, merger, amalgamation, consolidation, reorganization, plan or arrangement or otherwise) that would have substantially the same effect as a change of control under the foregoing provisions is undertaken or the Board approves and/or recommends that Unitholders accept, approve or adopt any such transaction or series of transactions; or
- (e) any acquisition, directly or indirectly, by any person or group of persons acting jointly or in concert of the right to appoint a majority of the directors of the General Partner or the right or ability to otherwise directly or indirectly control the management, affairs and business of the REIT.

The termination amount for Mr. Beatty if terminated with good reason in connection with a change of control on December 31, 2023 would have been approximately \$1,080,000 (including the value of 57,148 RSUs, based on the closing price of the Units on December 31, 2023 of \$0.86 per Unit which would have vested immediately upon his termination with good reason in connection with a change of control).

Bruce Pittet, Chief Operating Officer

A formal employment agreement is in place between the U.S. REIT and Mr. Bruce Pittet. The employment agreement is for an indefinite term. Subject to limited exceptions, it contains non-competition, non-solicitation and confidentiality covenants in favour of the U.S. REIT which apply during the term of employment and will continue for a specified period of time after termination.

During the term of the employment agreement, the U.S. REIT is entitled to terminate the employment of Mr. Pittet without cause by providing him with written notice and paying Mr. Pittet his total remuneration over 12 months plus one month for each calendar year (in whole or in part) Mr. Pittet has been employed by the U.S. REIT under his employment agreement up to a maximum of 18 months. Total remuneration means the total salary payable to Mr. Pittet plus any additional amounts he is entitled to in accordance with applicable bonus, profit sharing or other incentive or compensation programs. Subject to certain exceptions, Mr. Pittet will be entitled to receive benefits during the severance period after termination.

The termination amount for Mr. Pittet if terminated without cause on December 31, 2023 would have been approximately \$1,193,000 (including the value of 69,215 RSUs, based on the closing price of the Units on December 31, 2023 of \$0.86 per Unit which would have vested immediately upon his termination without cause).

If the employment of Mr. Pittet is terminated for cause, Mr. Pittet will not be entitled to any notice and will not be entitled to any compensation or benefits beyond the date of termination.

If Mr. Pittet resigns, he must first provide the U.S. REIT with at least 60 days' prior written notice. The U.S. REIT may elect to waive the notice period at any time after Mr. Pittet has given notice of his resignation. Mr. Pittet will be entitled to receive his base salary for the remainder of the notice period, as well as any benefits he remains eligible for.

If there is a change of control, Mr. Pittet may, at his option where good reason exists, terminate his employment by giving appropriate notice and receive compensation equivalent to that from termination without cause noted above except that the relevant period is 18 months. In addition, Mr. Pittet's total remuneration will be adjusted by subjecting his bonus entitlement to a 1.5X multiplier. The employment agreement defines a "change of control" as:

- (a) any person, or group of persons becomes the beneficial holder, directly or indirectly, of securities of the REIT representing 50.1% or more of the combined voting power of the REIT's then outstanding securities;
- (b) all or substantially all of the assets or undertaking of the REIT is sold or otherwise disposed of, or the REIT is dissolved or liquidated;
- (c) the General Partner ceasing for any reason to be the general partner of the REIT; or
- (d) any transaction or series of transactions (whether by sale, merger, amalgamation, consolidation, reorganization, plan or arrangement or otherwise) that would have substantially the same effect as a change of control under the foregoing provisions is undertaken or the Board approves and/or recommends that Unitholders accept, approve or adopt any such transaction or series of transactions.

The termination amount for Mr. Pittet if terminated with good reason in connection with a change of control on December 31, 2023 would have been approximately \$1,335,000 (including the value of 69,215 RSUs, based on the closing price of the Units on December 31, 2023 of \$0.86 per Unit which would have vested immediately upon his termination with good reason in connection with a change of control).

The above termination amounts for Mr. Pittet have been converted into Canadian Dollars using the average U.S. dollar to Canadian dollar daily rate of exchange of 1.3497 posted by the Bank of Canada for the period from January 1, 2023 to December 31, 2023.

Stephanie Li, Vice President, Finance

A formal employment agreement is in place between AML and Ms. Stephanie Li. The employment agreement is for an indefinite term. Subject to limited exceptions, it contains non-competition, non-solicitation and confidentiality covenants in favour of AML which apply during the term of employment and will continue for a specified period of time after termination.

During the term of the employment agreement, AML is entitled to terminate the employment of Ms. Li without cause by providing her with written notice and paying Ms. Li her total remuneration over six months plus one month for each full calendar year Ms. Li has been employed by AML under her employment agreement up to a maximum of 12 months. Total remuneration means the total salary payable to Ms. Li plus any additional amounts she is entitled to in accordance with applicable bonus, profit sharing or other incentive or compensation programs. Subject to certain exceptions, Ms. Li will be entitled to receive benefits during the severance period after termination.

The termination amount for Ms. Li if terminated without cause on December 31, 2023 would have been approximately \$223,000 (including the value of 19,398 RSUs, based on the closing price of the Units on December 31, 2023 of \$0.86 per Unit which would have vested immediately upon her termination without cause).

If the employment of Ms. Li is terminated for cause, Ms. Li will not be entitled to any notice and will not be entitled to any compensation or benefits beyond the date of termination.

If Ms. Li resigns, she must first provide the AML with at least 60 days' prior written notice of her resignation.

If there is a change of control, Ms. Li may, at her option where good reason exists, terminate her employment by giving appropriate notice and receive compensation equivalent to that from termination without cause noted above except that the relevant period is 12 months. The employment agreement defines a "change of control" as:

- (a) any person, or group of persons becomes the beneficial holder, directly or indirectly, of securities of the REIT representing 50.1% or more of the combined voting power of the REIT's then outstanding securities;
- (b) all or substantially all of the assets or undertaking of the REIT is sold or otherwise disposed of, or the REIT is dissolved or liquidated;
- (c) the General Partner ceasing for any reason to be the general partner of the REIT; or
- (d) any transaction or series of transactions (whether by sale, merger, amalgamation, consolidation, reorganization, plan or arrangement or otherwise) that would have substantially the same effect as a change of control under the foregoing provisions is undertaken or the Board approves and/or recommends that Unitholders accept, approve or adopt any such transaction or series of transactions.

The termination amount for Ms. Li if terminated with good reason in connection with a change of control on December 31, 2023 would have been approximately \$370,000 (including the value of 19,398 RSUs, based on the closing price of the Units on December 31, 2023 of \$0.86 per Unit which would have vested immediately upon her termination with good reason in connection with a change of control).

Treatment of Unvested RSUs on Termination without Cause and Change of Control

The Award agreements governing the outstanding RSUs held by the Named Executive Officers and other senior management members of the REIT provide for immediate vesting of all RSUs evidenced by such Awards (excluding any RSUs granted as Performance Awards that vest subject to a multiplier based on the achievement of certain performance goals) upon: (i) the termination of such person without cause; or (ii) such person resigning his or her employment under his or her respective employment agreement or arrangement with AML or the U.S. REIT, as applicable, for "good reason" (as defined in such Award agreements) within 180 days of a change of control of the REIT.

The Compensation Committee believes it is appropriate for the value of RSUs granted as Performance Awards to be set upon: (i) the termination of an executive officer without cause; or (ii) a change of control of the REIT. Accordingly, the Award agreements governing the outstanding RSUs granted as Performance Awards to the Named Executive Officers and other senior management members of the REIT provide that such RSUs will vest immediately upon termination of such person without cause and will be paid out based on the REIT's performance on a three-year lookback at such time relative to the applicable performance benchmark against which such Performance Awards are measured (see "*Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Long-Term Incentive Plan*"). In addition, such Award agreements provide that the value of the RSUs granted as Performance Awards will be set upon the completion of a change of control of the REIT based on the REIT's performance on a three-year lookback at such time relative to the applicable performance benchmark against which such Performance Awards are measured and will be paid out in cash: (a) at the end of the ordinary three-year vesting period if such person continues to be employed following the change of control; or (b) immediately upon such person being terminated without cause or resigning his or her employment under his or her respective employment agreement for "good reason" within 180 days of the change of control of the REIT.

Notwithstanding the foregoing, the Board and Compensation Committee retain the discretion under the SBC Plan and LTIP to apply informed judgment as necessary to vary the amount of the Awards and any associated vesting periods based on factors they deem relevant.

Compensation of Directors

The annual compensation for the Directors was not increased for the 2023 financial year and no increases for the 2024 financial year have been approved as of the date hereof. The annual compensation for each Director for the year ended December 31, 2023 was \$60,000. The additional annual compensation for the Chair of the Board and the Vice Chair for the year ended December 31, 2023 was \$90,000 and \$30,000, respectively. Further, the additional annual compensation paid to the Chair of each of the Audit Committee, Compensation Committee, Nominating, Governance and Sustainability Committee and Investment Committee for the year ended December 31, 2023 was \$25,000, \$20,000, \$20,000 and \$10,000, respectively.

No Director compensation is paid to Directors who are members of management of the REIT. In addition to the above noted compensation, Directors are also entitled to participate in the REIT's Unit Purchase Policy and to be reimbursed for reasonable expenses incurred by them in connection with their services.

Commencing with the cash retainers paid in respect of the fourth quarter of the REIT's 2023 fiscal year, a majority of the directors agreed, subject to the terms and limits of the SBC Plan, to receive 75% of their cash retainers in the form of RSUs which are priced and vest in the form of Units at the end of each fiscal quarter.

Director Compensation Table

The following table summarizes the compensation of the Directors for the year ended December 31, 2023:

Name	Fees earned (\$)	Unit-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
				Annual incentive plans	Long-term incentive plans			
W. Michael Murphy	165,000 ⁽⁹⁾	—	—	—	—	—	10,470 ⁽²⁾	175,470
Charles van der Lee	127,500 ⁽⁹⁾	—	—	—	—	—	1,575 ⁽¹⁾	129,075
Stephen J. Evans	80,000 ⁽⁹⁾	—	—	—	—	—	—	80,000
Amy Freedman ⁽³⁾	19,361	—	—	—	—	—	1,650 ⁽¹⁾	21,011
Richard Frank ⁽⁴⁾	75,639	—	—	—	—	—	15,765 ⁽²⁾	91,404
Robert F. O'Neill ⁽⁵⁾	30,000	—	—	—	—	—	—	30,000
Tamara L. Lawson	97,500	—	—	—	—	—	1,675 ⁽¹⁾	99,175
Mahmood Khimji	72,500	—	—	—	—	—	—	72,500
Matthew Cervino ⁽⁶⁾	67,500	—	—	—	—	—	—	67,500
John O'Neill ⁽⁷⁾	33,791	—	—	—	—	—	1,500 ⁽¹⁾	35,291
Josef Vejvoda ⁽⁸⁾	38,015	—	—	—	—	—	—	38,015

(1) Amount includes cash reimbursement for 50% of the cost of Units acquired under the Unit Purchase Policy. See "Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Unit Purchase Policy".

(2) Amount includes reimbursement of expenses under the General Partner's director education policy.

(3) Amy Freedman was appointed to the Board effective October 18, 2023.

(4) Richard Frank resigned from the Board effective October 18, 2023.

(5) Robert F. O'Neill retired from the Board effective June 8, 2023.

(6) Matthew Cervino directed his compensation to be paid to his employer.

(7) John O'Neill was elected to the Board effective June 8, 2023.

(8) Josef Vejvoda was elected to the Board effective June 8, 2023.

(9) The "Fees earned" column for such director includes fees earned as a result of being a member of an ad-hoc special committee formed to negotiate the Support Agreement.

Incentive Plan Awards

Outstanding Option-Based and Unit-Based Awards

The following table sets out the Option-based and Unit-based awards outstanding at December 31, 2023 for the Directors:

Name and principal position	Option-based awards				Unit-based awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Units that have not vested (#)	Market or payout value of Unit-based awards that have not vested (\$)	Market or payout value of vested Unit-based awards not paid out or distributed (\$)
W. Michael Murphy	50,000 ⁽¹⁾	5.00	September 30, 2025	—	—	—	—
Charles van der Lee	50,000 ⁽¹⁾	5.00	September 30, 2025	—	—	—	—
Stephen J. Evans	50,000 ⁽¹⁾	5.00	September 30, 2025	—	—	—	—
Amy Freedman ⁽²⁾	—	—	—	—	—	—	—
Richard Frank ⁽³⁾	50,000 ⁽¹⁾⁽⁷⁾	5.00	September 30, 2025	—	—	—	—
Tamara L. Lawson	50,000 ⁽¹⁾	5.00	September 30, 2025	—	—	—	—
Robert F. O'Neill ⁽⁴⁾	—	—	—	—	—	—	—
Mahmood Khimji	—	—	—	—	—	—	—
Matthew Cervino	—	—	—	—	—	—	—
John O'Neill ⁽⁵⁾	—	—	—	—	—	—	—
Josef Vejvoda ⁽⁶⁾	—	—	—	—	—	—	—

- (1) The Options are exercisable on a net cashless exercise basis only.
- (2) Amy Freedman was appointed to the Board effective October 18, 2023.
- (3) Richard Frank resigned from the Board effective October 18, 2023.
- (4) Robert F. O'Neill retired from the Board effective June 8, 2023.
- (5) John O'Neill was elected to the Board effective June 8, 2023.
- (6) Josef Vejvoda was elected to the Board effective June 8, 2023.
- (7) The options held by Richard Frank expired in accordance with their terms effective January 16, 2024.

Incentive Plan Awards – Value Vested or Earned During the Year

As noted above, commencing with the cash retainers paid in respect of the fourth quarter of the REIT's 2023 fiscal year, a majority of the directors agreed, subject to the terms and limits of the SBC Plan, to receive 75% of their cash retainers in the form of RSUs which were priced and vested in the form of Units on December 29, 2023. Given these RSU grants were made in lieu of the original cash retainers and are not additional awards, tabular disclosure as to the value of such RSUs vested during the year is not provided.

Directors' and Officers' Liability Insurance

The REIT carries directors' and officers' liability insurance. Under this insurance coverage, the REIT will be reimbursed for payments made under indemnity provisions on behalf of the General Partner's Directors and officers contained in the LP Agreement, subject to a deductible for each loss. Individual Directors and officers will also be reimbursed for losses arising during the performance of their duties for which they are not indemnified by the REIT, subject to a deductible, which will be paid by the REIT. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts. The LP Agreement provides for the indemnification in certain circumstances of Directors and officers of the General Partner from and against liability and costs in respect of any action or suit against them in respect of the execution of their duties of office.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

The Directors, executive officers, employees and former executive officers, Directors and employees of the General Partner, AML, U.S. REIT and the REIT's other direct and indirect subsidiaries had no indebtedness to the REIT, the General Partner, AML, U.S. REIT or their subsidiaries as at April 1, 2024. However, in 2017 the U.S. REIT provided limited guarantees to a Canadian Chartered Bank in respect of loans in the original aggregate amount of \$3.0 million (currently \$0.8 million) made by such bank to certain individuals who were executive officers of the REIT at that time for purposes of such individuals acquiring additional Units in the secondary market. In aggregate, such individuals acquired 326,700 Units with the proceeds of such loans.

Specifically, the U.S. REIT provided limited guarantees to a Canadian Chartered Bank in respect of loans in the amount of \$1.5 million made by such bank to Mr. Robert F. O'Neill (formerly the Chief Executive Officer and formerly a Director of the General Partner), \$0.9 million made to Mr. Ian McAuley (formerly the President of the General Partner) and \$0.6 million to Mr. Azim Lalani (formerly the Chief Financial Officer of the General Partner) at the request of such individuals for purposes of those individuals acquiring additional Units in the secondary market. Mr. O'Neill, Mr. McAuley and Mr. Lalani acquired 164,000 Units, 97,800 Units and 64,900 Units, respectively, with the proceeds from their respective loans. In addition, in connection with Mr. Lalani's departure from the REIT in 2021, he agreed to pledge a further 29,753 Units as security for his loan. Each loan is, or was, as applicable, secured by the Units acquired with the proceeds of the loan and each guarantee provided by the U.S. REIT is limited to the principal amount of the corresponding loan.

The guarantees were provided by the U.S. REIT subject to all Units being acquired with the proceeds from the loan being subject to the REIT's Anti-Hedging Policy, Insider Trading Policy and other applicable policies, the applicable Named Executive Officer personally agreeing to indemnify the U.S. REIT in respect of any amounts paid by the U.S. REIT under the guarantee and agreeing to repay the loan by the earlier of: (i) 90 days of termination of the Named Executive Officer's employment and directorship, as applicable, with the REIT, the General Partner or any of their respective affiliates; and (ii) the period of time for repayment required by the Canadian Chartered Bank.

On March 29, 2022, pursuant to an agreement between U.S. REIT and Mr. Lalani, the U.S. REIT repaid the outstanding principal amount of Mr. Lalani's loan of \$500,000, and Mr. Lalani partially reimbursed the U.S. REIT by payment in the amount of \$392,809.95 (such amount being calculated as the closing price of the Units on the TSX on March 28, 2022 multiplied by the 94,653 Units secured against such loan). Mr. Lalani also made an additional payment to the REIT on account of withholding taxes resulting from such transaction. Accordingly, the guarantee with respect to Mr. Lalani's loan was extinguished as part of such transactions.

Mr. O'Neill repaid the outstanding amount of his \$1.4 million loan in full during the fiscal year ended December 31, 2023; accordingly, as of December 31, 2023 the guarantee with respect to Mr. O'Neill's loan was extinguished.

In connection with Mr. McAuley's resignation effective February 1, 2019, the REIT agreed to keep the guarantee in place in respect of Mr. McAuley's loan until the earlier of the date of the repayment of the loan by Mr. McAuley and December 16, 2019, which date was subsequently extended to December 31, 2023. As of the date of this Information Circular and to the knowledge of the REIT, the principal amount of Mr. McAuley's loan was \$0.8 million. Subsequent to December 31, 2023, the lender requested Mr. McAuley repay the loan and that U.S. REIT repay the loan via the guarantee. The U.S. REIT is in discussions with the lender with respect to this matter and the REIT made provision in its financial statements for the year ended December 31, 2023 with respect to U.S. REIT's liability under the guarantee.

Neither the REIT nor any of its subsidiaries is a party to the applicable loan agreements and as such does not have access to the amounts outstanding thereunder from time to time.

Except as set forth above, no individual who is, or was at any time during the most recently completed financial year, a Director or executive officer of the General Partner, AML, U.S. REIT, a proposed Director, or an associate of any such Director, executive officer or proposed Director, is, or was at any time since the beginning of the most recently completed financial year, indebted to the REIT, the General Partner, AML, U.S. REIT or any of their direct and indirect subsidiaries, or to another entity where such indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the REIT, the General Partner, AML, U.S. REIT or any of their subsidiaries, except, in each case, any indebtedness that has been entirely repaid on or before the date of this Information Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in the REIT's consolidated financial statements for the financial year ended December 31, 2023, no insider of the REIT nor any proposed nominee for election as a Director, nor any associate or affiliate of the foregoing, has any material interest, direct or indirect, in any transaction in the financial year ended December 31, 2023, or the current year to date, or in any proposed transaction which has materially affected or would materially affect the REIT, the General Partner or their subsidiaries.

STATEMENT OF CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, disclosure of the General Partner's governance system is attached to this Information Circular as Schedule A.

APPOINTMENT OF AUDITORS

At the Meeting, the Unitholders will be called upon to appoint KPMG LLP as auditors of the REIT, to hold office until the next annual meeting of the REIT, at a remuneration to be fixed by the Directors. KPMG LLP has acted as the auditors of the REIT since the REIT's formation date of October 12, 2012.

The Directors recommend that the Unitholders vote FOR the appointment of KPMG LLP as auditors of the REIT, at a remuneration to be fixed by the Directors.

Unless contrary instructions are indicated on the Form of Proxy or the voting instruction form, the persons designated in the accompanying Form of Proxy or voting instruction form intend to vote "for" the appointment of KPMG LLP as auditors of the REIT, to hold office until the next annual meeting of the REIT, at a remuneration to be fixed by the Directors.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Amendments to the LP Agreement

The Board, in consultation with management of the REIT, has reviewed the LP Agreement and determined that it would be appropriate to make certain clarifying amendments by way of an amending agreement to the LP

Agreement (the “**LP Amendment Agreement**”) with respect to the manner by which the auditor of the REIT may be appointed or removed. The nature and substance of such proposed amendments are summarized further below.

The below summary of the proposed clarifying amendments to the LP Agreement do not purport to be complete and are subject to, and qualified in their entirety by reference to, the terms of the LP Amendment Agreement. A copy of the LP Amendment Agreement may be obtained in advance of the Meeting by a Unitholder or any other interested party by contacting the Chief Financial Officer of the REIT at Suite 800, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2, by telephone at 1-604-630-3134 or by facsimile at 1-604-629-0790, or by accessing the investor relations page of the REIT’s website at www.ahipreit.com where such document will be posted in advance of the Meeting.

Appointment and removal of auditor

The LP Agreement currently only specifically permits the auditor of the REIT to be appointed by unitholders at an annual meeting of Unitholders. Consistent with the rights granted to shareholders and directors of a corporation under the CBCA, the Board believes: (i) Unitholders should have the ability to remove and replace the auditor by ordinary resolution passed at any annual or special meeting of Unitholders; and (ii) the General Partner should have discretion to appoint a replacement auditor to fill a vacancy in the role of the REIT’s auditor to serve a term ending at the next annual meeting of Unitholders should the auditor, for example, resign outside of the annual meeting cycle. The terms of the LP Amendment Agreement, if approved, would expressly provide Unitholders and the General Partner with such rights.

Approval

At the Meeting, Unitholders will be asked to review and, if deemed appropriate, to adopt the special resolution of the Unitholders reproduced below to approve the foregoing amendments to the LP Agreement (the “**LP Agreement Amendment Resolution**”). To be adopted, the LP Agreement Amendment Resolution must be approved by two-thirds of votes cast by Unitholders present in person or by proxy at the Meeting. **The Directors recommend that the Unitholders vote FOR the approval of the LP Agreement Amendment Resolution. Unless contrary instructions are indicated on the Form of Proxy or the voting instruction form, the persons designated in the accompanying Form of Proxy or voting instruction form intend to vote “for” the LP Agreement Amendment Resolution.** The text of the LP Agreement Amendment Resolution, subject to such amendments, variations or additions as may be approved at the Meeting, is set forth below:

“BE IT RESOLVED THAT:

1. The amendments to the amended and restated limited partnership agreement of American Hotel Income Properties REIT LP (the “**REIT**”) dated June 17, 2021 (the “**LP Agreement**”), substantially as described in the management information circular of the REIT dated April 1, 2024 (the “**Information Circular**”), together with any additional and/or alternative amendments to the LP Agreement that the directors of American Hotel Income Properties REIT (GP) Inc. (the “**General Partner**”) determine to be necessary or desirable for effecting the substance of the changes described in the Information Circular, be and are hereby authorized and approved.
2. Any one director or officer of the General Partner be and is hereby authorized and directed to execute or cause to be executed on behalf of the REIT an amendment to the LP Agreement reflecting the foregoing changes and amendments.
3. Notwithstanding that the foregoing resolutions have been duly passed by the unitholders (the “**Unitholders**”) of the REIT, the directors of the General Partner be and are hereby authorized and empowered, without further notice to, or approval of, the Unitholders, to:
 - (a) decide on the timing of implementation of all or any part of the amendment to the LP Agreement;
 - (b) modify the amendment to the LP Agreement, provided that any modification will not be materially prejudicial to Unitholders; or

- (c) decide not to proceed with all or any part of the amendment to the LP Agreement and revoke the whole or part of these resolutions before they are acted on.
4. Any one or more of the directors or officers of the General Partner be and are hereby authorized for and on behalf of the General Partner, in its capacity as general partner of the REIT, to take all such actions, do such things and execute and deliver all such agreements, disclosure documents, instruments, statements, forms and other documents as they may deem appropriate in connection with the foregoing resolutions, and the execution thereof by any one or more of such directors or officers shall be conclusive proof of their authority to act on behalf of the General Partner or the REIT.”

No Other Matters

The Directors know of no matters to come before the Meeting other than those referred to in the Notice of Annual and Special Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the Director representatives named in the Form of Proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No Director or executive officer of the General Partner, AML, or U.S. REIT nor any person who has held such a position since the beginning of the last completed financial year of the REIT, nor any proposed nominee for election as a Director of the General Partner, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of Directors and as otherwise set out herein.

ADDITIONAL INFORMATION

Additional information relating to the REIT may be found on SEDAR+ at www.sedarplus.com. Additional information in respect of the Audit Committee is contained in the Annual Information Form of the REIT dated March 14, 2024 (the “**Annual Information Form**”), a copy of which is available on SEDAR+ at www.sedarplus.com, under the heading “*Audit Committee Information*”. In addition, the full text of the “Terms of Reference for the Audit Committee” is set out in Schedule A to the Annual Information Form. Additional financial information is provided in the REIT’s audited consolidated financial statements and management’s discussion and analysis for the REIT’s most recently completed financial year. A copy of the REIT’s financial statements and management’s discussion and analysis is available, free of charge, upon written request to the Chief Financial Officer of American Hotel Income Properties REIT (GP) Inc., Suite 800, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2. These documents are also available on SEDAR+ at www.sedarplus.com.

APPROVAL OF CIRCULAR

The undersigned hereby certifies that the contents and the sending of this Information Circular have been approved by the Directors.

DATED at Vancouver, British Columbia, this 1st day of April, 2024.

BY ORDER OF THE DIRECTORS

(signed) W. Michael Murphy
Chair

SCHEDULE A

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The board of directors (the “**Board**”) of American Hotel Income Properties REIT (GP) Inc. (the “**General Partner**”) is responsible for the governance of American Hotel Income Properties REIT LP (the “**REIT**”). Unless the context otherwise requires, references to the REIT in this Schedule A include the REIT and its direct and indirect subsidiaries. Eight of the current nine directors of the General Partner and seven of the eight director nominees are “independent” as defined under *National Instrument 58-101 – Disclosure of Corporate Governance Practices*. The directors have established a standing audit committee consisting of independent directors (the “**Audit Committee**”), a standing nominating, governance and sustainability committee currently consisting of independent directors (the “**Nominating, Governance and Sustainability Committee**”), a standing compensation committee currently consisting of independent directors (the “**Compensation Committee**”) and a standing investment committee currently consisting of a majority of independent directors (the “**Investment Committee**”).

The directors and the Board consider good governance to be central to the effective and efficient operation of the REIT and its subsidiaries and are committed to reviewing and adapting their governance practices so that they meet the REIT’s and its direct and indirect subsidiaries’ changing needs and to ensure compliance with regulatory requirements.

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>1. Directors/Board</p> <p>(a) Disclose the identity of directors who are independent.</p>	<p>W. Michael Murphy (Chair), Charles van der Lee (Vice Chair), Matthew Cervino, Stephen J. Evans, Amy Freedman, Mahmood Khimji, Tamara L. Lawson and Josef Vejvoda are independent directors. Ms. Tamara L. Lawson is retiring from the Board and is not standing for re-election at the annual and special meeting of unitholders of the REIT to be held on May 8, 2024 (the “Meeting”).</p>
<p>(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.</p>	<p>Mr. John O’Neill retired as Chief Executive Officer of the General Partner on October 7, 2020, which was more than three years ago. Accordingly, Mr. O’Neill is not automatically disqualified from being “independent” as that term is defined under <i>National Instrument 58-101 – Disclosure of Corporate Governance Practices</i>. However, the Board has determined that Mr. O’Neill should continue to be considered a non-independent director for the time being due to his past role as Chief Executive Officer of the General Partner.</p>
<p>(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Board does to facilitate its exercise of independent judgement in carrying out its responsibilities.</p>	<p>A majority of the current directors are independent. A majority of the nominees for election as director at the Meeting are independent.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p>	<p>None of the directors are presently a director of another reporting issuer except as follows:</p> <p>W. Michael Murphy is a director of Ashford Inc.</p> <p>Stephen Evans is a Trustee of REALnorth Opportunities Fund, which is a Canadian non-listed reporting issuer.</p> <p>Amy Freedman is a director of Canaccord Genuity Inc. and Mandalay Resources.</p> <p>Mahmood Khimji is a director of Playa Hotels & Resorts, Sagicor Financial Company Ltd. and Sagicor Jamaica.</p> <p>Josef Vejvoda is a director of Moneta Gold Inc.</p>
<p>(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.</p>	<p>A majority of the current directors are independent, and a majority of the nominees for election as director at the Meeting are independent. Members of management may be excluded from a portion of each regularly scheduled meeting of the Board, as required. Meetings where non-independent directors are not in attendance may be held as required by the Board; this is considered appropriate given the REIT's overall governance structure.</p>
<p>(f) Disclose whether or not the chair of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.</p>	<p>W. Michael Murphy is currently the Chair of the Board and is independent. Charles van der Lee is currently the Vice Chair and is independent.</p> <p>The Chair of the Board is responsible for, among other things, providing leadership to the Board, coordinating with the Chief Executive Officer of the General Partner (the "CEO") to ensure that management strategy, plans and performance are appropriately represented to the Board, Unitholders, and other stakeholders as appropriate, assisting the directors in reviewing and monitoring the aims, strategy, policy and directions of the REIT and the achievement of its objectives, among other duties.</p> <p>The primary focus of the Vice Chair's role, when in place, is to provide leadership for the independent directors and to ensure that the Board's agenda meets the needs of the General Partner and the independent directors.</p> <p>The role and responsibilities for the Chair of the Board and the Vice Chair are set forth in written position descriptions, as supplemented from time to time, the current versions of which are available on the REIT's website at www.ahipreit.com.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES																																																												
<p>(g) Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer's most recently completed financial year.</p>	<p>The following attendance records relate to meetings of the Board and the standing committees thereof held during the most recently completed financial year of the REIT.</p> <p><u>Meetings of the Board:</u></p> <table data-bbox="797 436 1136 772"> <tr><td>W. Michael Murphy</td><td>6/6</td></tr> <tr><td>Charles van der Lee</td><td>6/6</td></tr> <tr><td>Matthew Cervino</td><td>5/6</td></tr> <tr><td>Stephen J. Evans</td><td>6/6</td></tr> <tr><td>Mahmood Khimji</td><td>6/6</td></tr> <tr><td>Tamara L. Lawson</td><td>5/6</td></tr> <tr><td>Richard Frank*</td><td>4/5</td></tr> <tr><td>Robert F. O'Neill*</td><td>3/3</td></tr> <tr><td>John O'Neil*</td><td>3/3</td></tr> <tr><td>Josef Vejvoda*</td><td>3/3</td></tr> <tr><td>Amy Freedman*</td><td>1/1</td></tr> </table> <p><u>Meetings of the Audit Committee:</u></p> <table data-bbox="797 848 1136 1003"> <tr><td>Tamara L. Lawson</td><td>4/4</td></tr> <tr><td>Charles van der Lee</td><td>4/4</td></tr> <tr><td>Stephen J. Evans</td><td>4/4</td></tr> <tr><td>Richard Frank*</td><td>3/3</td></tr> <tr><td>Amy Freedman*</td><td>1/1</td></tr> </table> <p><u>Meetings of the Compensation Committee:</u></p> <table data-bbox="797 1108 1123 1234"> <tr><td>Richard Frank*</td><td>2/2</td></tr> <tr><td>W. Michael Murphy</td><td>2/2</td></tr> <tr><td>Charles van der Lee</td><td>2/2</td></tr> <tr><td>Matthew Cervino</td><td>2/2</td></tr> </table> <p><u>Meetings of the Nominating, Governance and Sustainability Committee:</u></p> <table data-bbox="797 1352 1133 1507"> <tr><td>Charles van der Lee</td><td>5/5</td></tr> <tr><td>W. Michael Murphy</td><td>5/5</td></tr> <tr><td>Mahmood Khimji</td><td>4/5</td></tr> <tr><td>Tamara L. Lawson</td><td>5/5</td></tr> <tr><td>Josef Vejvoda*</td><td>3/3</td></tr> </table> <p><u>Meetings of the Investment Committee:</u></p> <table data-bbox="797 1604 1128 1759"> <tr><td>Stephen J. Evans</td><td>3/3</td></tr> <tr><td>Mahmood Khimji</td><td>1/3</td></tr> <tr><td>Tamara L. Lawson</td><td>3/3</td></tr> <tr><td>Richard Frank*</td><td>1/1</td></tr> <tr><td>Amy Freedman*</td><td>2/2</td></tr> </table> <p>* Amy Freedman was appointed to the Board, and Richard Frank resigned from the Board effective October 18, 2023. John O'Neill and Josef Vejvoda were elected to the Board and Robert F. O'Neill retired from the Board effective June 8, 2023</p>	W. Michael Murphy	6/6	Charles van der Lee	6/6	Matthew Cervino	5/6	Stephen J. Evans	6/6	Mahmood Khimji	6/6	Tamara L. Lawson	5/6	Richard Frank*	4/5	Robert F. O'Neill*	3/3	John O'Neil*	3/3	Josef Vejvoda*	3/3	Amy Freedman*	1/1	Tamara L. Lawson	4/4	Charles van der Lee	4/4	Stephen J. Evans	4/4	Richard Frank*	3/3	Amy Freedman*	1/1	Richard Frank*	2/2	W. Michael Murphy	2/2	Charles van der Lee	2/2	Matthew Cervino	2/2	Charles van der Lee	5/5	W. Michael Murphy	5/5	Mahmood Khimji	4/5	Tamara L. Lawson	5/5	Josef Vejvoda*	3/3	Stephen J. Evans	3/3	Mahmood Khimji	1/3	Tamara L. Lawson	3/3	Richard Frank*	1/1	Amy Freedman*	2/2
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CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>2. Board Mandate</p> <p>Disclose the text of the Board’s written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.</p>	<p>The text of the mandate of the directors (called “Terms of Reference and Guidelines for the Directors of American Hotel Income Properties REIT (GP) Inc.”) is attached as Schedule B to the information circular of the REIT dated April 1, 2024 (the “Information Circular”).</p>
<p>3. Position Descriptions</p> <p>(a) Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.</p>	<p>The Board has developed written position descriptions for the Chair of the Board, and the terms of reference for each committee of the Board contains written position descriptions for the Chair of each committee, as supplemented from time to time, the current versions of which are available on the REIT’s website at www.ahipreit.com.</p>
<p>(b) Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.</p>	<p>The Board and the CEO have developed a written position description for the CEO, as supplemented from time to time, the current version of which is available on the REIT’s website at www.ahipreit.com.</p>
<p>4. Orientation and Continuing Education</p> <p>(a) Briefly describe what measures the Board takes to orient new directors regarding:</p>	
<p>(i) the role of the Board, its committees and its directors; and</p>	<p>The Board has adopted a Board Information Manual which contains, among other things, the terms of reference and guidelines of the Board and each of the committees of the Board. This manual has been reviewed by the directors, and a copy of the manual has been provided to each of the directors.</p>
<p>(ii) the nature and operation of the issuer’s business.</p>	<p>The CEO reviews with the Board at each meeting the nature and operations of the business of the REIT and its subsidiaries. The Board meets with other members of senior management of the REIT periodically to review each of their specific operations.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>(b) Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.</p>	<p>The Nominating, Governance and Sustainability Committee is responsible for administering the Director Education Policy, which policy was adopted by the Board to encourage all members of the Board to attend such director education programs as they deem appropriate (given their individual experience and backgrounds) to stay abreast of developments in corporate governance and “best practices” relevant to their contribution to the Board generally and to their specific committee assignments. This policy not only encourages directors of the General Partner to stay abreast of emerging corporate governance topics but also broader topics such as accounting, finance, general business and human resource management. The REIT reimburses directors for all reasonable costs of attending director education programs under the Director Education Policy (subject to an annual limit per director as set forth in the policy).</p>
<p>5. Ethical Business Conduct</p> <p>(a) Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If the Board has adopted a written code:</p>	<p>The REIT has adopted a written code of conduct (the “Code of Conduct”) for the General Partner’s, the REIT’s and its subsidiaries’ respective directors, officers and employees.</p>
<p>(i) disclose how a person or company may obtain a copy of the code;</p>	<p>The Code of Conduct is available on SEDAR+ at www.sedarplus.com and on the REIT’s website at www.ahipreit.com.</p>
<p>(ii) describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and</p>	<p>A copy of the Code of Conduct is provided to each of the directors, officers and senior employees of the General Partner, the REIT and its subsidiaries, and each is requested to certify that he or she has read the Code of Conduct and that, to the best of his or her knowledge, information or belief, no breach of the Code of Conduct has occurred except those instances reported by him or her for remedial action. This certification is to be provided annually. A copy of the Code of Conduct is provided to each new director, officer and employee.</p>
<p>(iii) provide a cross-reference to any material change report(s) filed since the beginning of the issuer’s most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.</p>	<p>No material change reports have been filed by the REIT since the beginning of its most recently completed financial year that pertain to the conduct of a director, officer or senior employee that constitutes a departure from the Code of Conduct.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>(b) Describe any steps the Board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p>	<p>A director is required to disclose to the Board information regarding any transaction or agreement in respect of which a director or executive officer has a material interest and to abstain from voting on any matter in respect of such transaction or agreement. The Board may request the director to excuse himself or herself from the portion of any meeting at which such transaction or agreement is discussed. In addition, the Board may form, and has in the past formed, an ad-hoc special committee to review and approve, or provide recommendations to the Board in respect of, transactions involving the REIT or its subsidiaries or affiliates in respect of which a director or executive officer has a material interest.</p>
<p>(c) Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board encourages and promotes a culture of ethical business conduct and requires the CEO to conduct himself in a manner that exemplifies ethical business conduct. Each director is entitled to engage an outside advisor at the REIT's expense in appropriate circumstances.</p>
<p>6. Nomination of Directors</p> <p>(a) Describe the process by which the Board identifies new candidates for Board nomination.</p>	<p>The Nominating, Governance and Sustainability Committee is mandated to, among other things, identify new candidates for Board nomination. In making its recommendations, the Nominating, Governance and Sustainability Committee considers the competencies and skills that the Board should possess as a group. When new candidates for Board nomination are reviewed, the Nominating, Governance and Sustainability Committee considers criteria that include, but are not limited to, age, geographical representation, diversity (including gender diversity), disciplines, and other factors that the Nominating, Governance and Sustainability Committee views appropriate.</p> <p>The Board is also required to comply with its obligations under the Nomination Agreement, the Investor Rights Agreement and the Support Agreement (all as defined and further described in the Information Circular) when making nominations.</p>
<p>(b) Disclose whether or not the Board has a nominating committee composed entirely of independent directors. If the Board does not have a nominating committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.</p>	<p>The Nominating, Governance and Sustainability Committee is currently composed of entirely independent directors. The Chair of the committee, who is an independent director, is responsible for, among other things, setting the agenda for Nominating, Governance and Sustainability Committee Meetings, and has a casting vote. As noted above, each director is required to disclose to the Board information regarding any transaction or agreement in respect of which a director or executive officer has a material interest and to abstain from voting on any such matter. In addition, the Nominating, Governance and Sustainability Committee may engage independent third party consultants from time to time to assist it in carrying out its mandate.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>(c) If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>Under its terms of reference, the Nominating, Governance and Sustainability Committee has the responsibility and power to, among other things, administer and make recommendations respecting the overall approach for the REIT and its subsidiaries to corporate governance issues. In addition, the Nominating, Governance and Sustainability Committee assists the Board in determining nominees for election and re-election to the Board, filling vacancies among the directors and periodically reviews the effectiveness of the directors as a whole and individually and oversees compliance with the Code of Conduct and the REIT's disclosure policy.</p> <p>The General Partner has adopted a written terms of reference for the Nominating, Governance and Sustainability Committee, which sets forth further details of the Nominating, Governance and Sustainability Committee's duties and responsibilities, a copy of which is available on the REIT's website at www.ahipreit.com.</p>
<p>7. Compensation</p> <p>(a) Describe the process by which the Board determines the compensation for the issuer's directors and officers.</p>	<p>The Board determines the compensation for the directors with reference to market rates for such services. The Compensation Committee has the responsibility to review and recommend adjustments for compensation to directors as warranted in the future. Compensation for officers and other key employees is reviewed annually by the Compensation Committee of the Board with reference to contributions of each officer to business results achieved and to market-based compensation for similar based positions.</p> <p>For further details, see "<i>Executive Compensation – Compensation Discussion and Analysis – Setting Executive Compensation</i>" in the Information Circular.</p>
<p>(b) Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.</p>	<p>The Compensation Committee is currently composed of entirely independent directors. The Chair of the Compensation Committee, who is an independent director, is responsible for, among other things, setting the agenda for Compensation Committee meetings, engaging independent consultants to assist the Compensation Committee in formulating effective compensation strategies and policies for the REIT and has a casting vote. As noted above, each director is required to disclose to the Board information regarding any transaction or agreement in respect of which a director or executive officer has a material interest and to abstain from voting on any such matter.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>(c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>Under its terms of reference, the Compensation Committee has the responsibility and power to review and make recommendations to the Board respecting the compensation of officers and other key employees.</p> <p>For further details, see “<i>Executive Compensation – Compensation Discussion and Analysis – Setting Executive Compensation</i>” in the Information Circular. The General Partner has adopted a written terms of reference for the Compensation Committee, which sets forth further details of the Compensation Committee’s duties and responsibilities, a copy of which is available on the REIT’s website at www.ahipreit.com.</p>
<p>8. Other Board Committees</p> <p>If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>As noted above, the Board also has an Investment Committee currently comprised of a majority of independent directors. The Investment Committee’s primary duties and responsibilities include:</p> <p>(a) reviewing and making recommendations to the Board to approve or reject any proposed acquisition or disposition, including any related financing arrangements; and</p> <p>(b) ensuring any proposed acquisitions and dispositions comply with the Investment Guidelines and Operating Policies of the REIT set out in the LP Agreement (as defined in the Information Circular).</p> <p>The General Partner has adopted a written terms of reference for the Investment Committee, which sets forth further details of the Investment Committee’s duties and responsibilities, a copy of which is available on the REIT’s website at www.ahipreit.com.</p>
<p>9. Assessments</p> <p>Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual directors are performing effectively.</p>	<p>The Nominating, Governance and Sustainability Committee has the responsibility to ensure that a process is in place for the annual review of the performance of individual directors, the Board as a whole and the individual committees. Specifically, the Nominating, Governance and Sustainability Committee is responsible for and conducts annual surveys of the Board on Board effectiveness and of each committee on committee effectiveness. A review of the performance of the individual directors and Board as a whole was completed with respect to the REIT’s most recently completed financial year. The Audit Committee completes a self assessment after the completion of each financial year.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>10. Term Limits</p> <p>Disclose whether or not the REIT has adopted term limits for the directors on the Board or other mechanisms of Board renewal and, if so, include a description of those director term limits or other mechanisms of Board renewal. If the REIT Partner has not adopted director term limits or other mechanisms of Board renewal, disclose why it has not done so.</p>	<p>The General Partner has not adopted term limits for the directors on the Board because the Board believes the imposition of arbitrary term limits may result in an effective director being disqualified and discounts the value of experience and continuity. The Nominating, Governance and Sustainability Committee is responsible for assessing the effectiveness of the Board and Board renewal is one of the factors the Nominating, Governance and Sustainability Committee utilizes in its evaluation.</p>
<p>11. Policies Regarding the Representation of Women on the Board</p> <p>Disclose whether the REIT has adopted a written policy relating to the identification and nomination of women directors. If the REIT has not adopted such a policy, disclose why it has not done so. If the REIT has adopted such a policy, disclose the following in respect of the policy:</p> <ul style="list-style-type: none"> (i) a short summary of its objectives and key provisions, (ii) the measures taken to ensure that the policy has been effectively implemented, (iii) annual and cumulative progress by the REIT in achieving the objectives of the policy, and (iv) whether and, if so, how the Board or its Nominating, Governance and Sustainability Committee measures the effectiveness of the policy. 	<p>The General Partner has adopted a written Board Diversity Policy in order to define the General Partner's policy with respect to diversity on its Board and to set out the guidelines by which the Board endeavours to maintain a diverse Board. Responsibility for overseeing and ensuring the implementation of the Policy has been delegated to the Nominating, Governance and Sustainability Committee. The Policy articulates the Board's desire to promote better corporate governance and performance and effective decision-making by having a diverse range of views and considerations represented at the Board level. In considering directors for election to the Board, the Policy requires the Nominating, Governance and Sustainability Committee to consider diversity criteria generally, with factors such as gender, ethnicity, age, religion, education, experience, geographical representation, political belief and disability all being considered. As such, the Policy does not focus solely on promoting gender diversity. Under the Policy, the Nominating, Governance and Sustainability Committee is required to annually assess the diversity initiatives that may be established by the Board from time to time under the Policy and the progress in achieving them. Other factors that the Nominating, Governance and Sustainability Committee takes into consideration when considering the composition of the Board include the current strengths, skills and experience on the Board, any planned retirement dates and the strategic direction of the REIT. The Board does not believe a written policy relating solely to the identification of directors based upon gender is necessary.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>12. Consideration of the Representation of Women in the Director Identification and Selection Process</p> <p>Disclose whether and, if so, how the Board or Nominating, Governance and Sustainability Committee considers the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. If the REIT does not consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board, disclose the REIT's reasons for not doing so.</p>	<p>The Nominating, Governance and Sustainability Committee considers the diversity of the Board, including the level of representation of women, as one of the factors in identifying and nominating candidates for election or re-election to the Board pursuant to its Board Diversity Policy. The other factors that the Nominating, Governance and Sustainability Committee considers include: the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess; the competencies and skills that the Board considers each existing director to possess; the competencies and skills each new nominee will bring to the Board; the time and energy of the proposed nominee to devote to the task, and the understanding by the proposed nominee of the nature of the business and operations of the REIT.</p>
<p>13. Consideration Given to the Representation of Women in Executive Officer Appointments</p> <p>Disclose whether and, if so, how the REIT considers the level of representation of women in executive officer positions when making executive officer appointments. If the REIT does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the REIT's reasons for not doing so.</p>	<p>The General Partner considers diversity in its executive officer positions, including the level of representation of women, as one of the factors in making executive officer appointments. The General Partner also considers the skills and experience necessary for the position.</p>
<p>14. The REIT's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions</p> <p>(a) Disclose whether the REIT has adopted a target regarding women on the Board. If the REIT has not adopted a target, disclose why it has not done so.</p>	<p>The General Partner has not adopted a target regarding women on the Board. Diversity, including gender diversity, is one of the factors that the Nominating, Governance and Sustainability Committee considers in identifying and nominating candidates for election or re-election to the Board. The other factors that the Nominating, Governance and Sustainability Committee considers are described in part 12 and 13 above. The Nominating, Governance and Sustainability Committee believes all of these factors are relevant to ensure that the General Partner has a high functioning Board and that establishing targets based upon only gender may disqualify desirable director candidates.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>(b) Disclose whether the REIT has adopted a target regarding women in executive officer positions of the General Partner and of the subsidiaries of the REIT. If the REIT has not adopted a target, disclose why it has not done so.</p>	<p>The General Partner has not adopted a target regarding women in executive officer positions of the General Partner or of the REIT's subsidiaries. Diversity, including gender diversity, is one of the factors that the General Partner and the REIT's subsidiaries consider in identifying executive officers. The other factors that the General Partner and the REIT's subsidiaries consider are described in part 12 and 13 above. The General Partner believes all of these factors are relevant to ensure appropriate executive officers are hired and retained, and that establishing targets based upon only gender may disqualify desirable executive officer candidates.</p>
<p>15. Number of Women on the Board and in Executive Officer Positions</p> <p>(a) Disclose the number and proportion (in percentage terms) of directors on the Board who are women.</p>	<p>Two of the nine current directors of the General Partner are women, representing 22.2% of the Board as currently constituted.</p>
<p>(b) Disclose the number and proportion (in percentage terms) of executive officers of the REIT, including all subsidiaries of the REIT, who are women.</p>	<p>One of the four executive officers of the General Partner is a woman, representing 25% of the General Partner's executive officers.</p>

SCHEDULE B

AMERICAN HOTEL INCOME PROPERTIES REIT (GP) INC. (the “GP”)

TERMS OF REFERENCE AND GUIDELINES FOR DIRECTORS

A. TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

1. Purpose

- (a) These terms of reference are for the board of directors (the “**Board**”) of the GP.
- (b) The Board has the responsibility to oversee the conduct of the business of American Hotel Income Properties REIT LP (the “**REIT**”) and to supervise management, which is responsible for the day-to-day conduct of business. A key objective of the Board is to generate stable and growing cash distributions for unitholders of the REIT. In performing its functions, the Board also considers the legitimate interests that other stakeholders such as employees, suppliers, customers and communities may have in the REIT. In supervising the conduct of business, the Board through the Chief Executive Officer (“**CEO**”) shall set the standards of conduct for the GP.

2. Organization and Procedures

- (a) The Board is to be composed of a majority of individuals who are “independent” within the meaning of Section 1.4 of *National Instrument 52-110 Audit Committees*, as amended from time to time. Generally, a director is independent if he or she has no direct or indirect material relationship with the REIT, the GP or any of their respective direct and indirect affiliates and subsidiaries. A “material relationship” is a relationship, which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgment.
- (b) The Board operates by delegating certain of its authorities, including spending authorizations, to management and by reserving certain powers to itself.
- (c) The Board retains the responsibility for managing its own affairs including by:
 - (i) selecting its Chair;
 - (ii) if the Chair is not independent, selecting a Lead Independent Director or otherwise developing a procedure to provide leadership for its independent directors;
 - (iii) nominating candidates for election to the Board, after considering the recommendations of the Nominating and Governance Committee;
 - (iv) constituting committees of the Board;
 - (v) determining director compensation; and
 - (vi) holding regularly scheduled meetings at which members of management are not in attendance.
- (d) Subject to the By-laws of the GP and the *Canada Business Corporations Act*, the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

3. Duties and Responsibilities

- (a) Selection of Management. With respect to the selection of management:
 - (i) the Board has the responsibility: (i) to appoint and replace the CEO; (ii) to monitor the CEO's performance; (iii) to approve the CEO's compensation; (iv) to provide advice and counsel in the execution of the CEO's duties; and (v) to the extent feasible, to satisfy itself as to the integrity of the CEO and other executive officers in order to create a culture of integrity throughout the organization;
 - (ii) acting upon the advice of the CEO, and the recommendation of the Compensation Committee, the Board has the responsibility for establishing and overseeing parameters for the appointment and remuneration of all corporate officers; and
 - (iii) the Board has the responsibility for ensuring that plans have been made for succession of executive management, including appointing, training and monitoring senior management.
- (b) Orientation and Continuing Education. With respect to orientation and continuing education:
 - (i) the Board shall ensure that all new directors receive a comprehensive orientation. All new directors should fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Board expects from its directors); and
 - (ii) the Board shall provide continuing education opportunities for all directors through a formal education policy or otherwise, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of the business of the REIT remains current.
- (c) Monitoring and Acting. The Board has the responsibility:
 - (i) for monitoring the progress of the GP towards its goals, and to revise and alter its direction through management in light of changing circumstances;
 - (ii) for approving distributions by the GP to unitholders of the REIT;
 - (iii) for approving financing by the GP on behalf of the REIT;
 - (iv) for oversight in the identification and assessment of the principal risks of the business and affairs of the REIT including, without limitation, risks arising from cybersecurity and from environmental, social, governance and other public policy (ESG) matters relevant to the REIT, and taking all reasonable steps to ensure the implementation of appropriate systems to manage these risks;
 - (v) for directing management to ensure systems are in place for the implementation and integrity of the internal control and management information systems of the GP; and
 - (vi) for directing management to ensure appropriate disclosure controls and procedures are in place to enable information to be recorded, processed, summarized and reported within the time periods required by law.
- (d) Strategy Determination. The Board has the responsibility:
 - (i) to adopt a strategic planning process and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business of the REIT;

- (ii) to review with management the mission of the business, as well as objectives and goals, and the strategy by which it proposes to reach those goals; and
 - (iii) to review progress in respect to the achievement of the goals established in the strategic plans.
- (e) Policies and Procedures. The Board has the responsibility:
- (i) to approve and monitor compliance with all significant policies and procedures by which the GP is operated; and
 - (ii) to direct management to implement systems which are designed to ensure that the GP operates at all times within applicable laws and regulations, and to the highest ethical and moral standards.
- (f) Compliance Reporting and Corporate Communications. The Board has the responsibility:
- (i) to ensure that the financial performance of the REIT is adequately reported to unitholders and other security holders in order that the GP can meet its responsibilities to report the financial performance to unitholders of the REIT and regulators on a timely and regular basis;
 - (ii) to ensure that the financial results are reported fairly and in accordance with generally accepted accounting principles;
 - (iii) to ensure that the GP has appropriate disclosure controls and procedures that enable information to be recorded, processed, summarized and reported within the time periods required by law;
 - (iv) to ensure the timely reporting of any developments that are required to be disclosed by applicable law;
 - (v) to provide information to enable the GP to report annually to unitholders of the REIT on the stewardship of the directors of the GP for the preceding year (the Annual Report); and
 - (vi) to assist the GP to enable it to communicate effectively with unitholders of the REIT, stakeholders and the public generally.
- (g) General Legal Obligations of the Board of Directors. With respect to the general legal obligations of the Board:
- (i) The Board is responsible for confirming its ongoing expectation that management will ensure all applicable legal requirements have been met, and that documents and records have been properly prepared, approved and maintained.
 - (ii) The *Canada Business Corporations Act* identifies the following as legal requirements for the Board and individual directors:
 - (A) to manage the affairs and business of the GP including the relationships with the direct and indirect subsidiaries of the REIT, their members or security holders, directors and officers;
 - (B) to act honestly and in good faith with a view to the best interests of the GP;
 - (C) to exercise the care, diligence and skill of a reasonably prudent person; and

- (D) in particular, the following matters must be considered by the Board as a whole:
- (1) to submit to the unitholders of the REIT any question or matter requiring the approval of the unitholders;
 - (2) to fill a vacancy among the directors or in the office of the auditor of the REIT;
 - (3) to issue securities except in the manner and on the terms authorized by the directors;
 - (4) to declare distributions by the REIT;
 - (5) to purchase, redeem or otherwise acquire shares issued by the GP or units issued by the REIT;
 - (6) to approve a management proxy circular;
 - (7) to approve a take-over bid circular or directors' circular;
 - (8) to approve any financial statements, management's discussion and analysis or annual information form; and
 - (9) to adopt, amend or repeal By-laws of the GP.

B. TERMS OF REFERENCE FOR A DIRECTOR

1. Goals and Objectives

As a member of the Board, each of the directors shall:

- (a) fulfill the legal requirements and obligations of a director which includes a comprehensive understanding of the statutory and fiduciary roles;
- (b) represent the interests of all unitholders of the REIT in the governance of the REIT ensuring that the best interests of the REIT are paramount; and
- (c) participate in the review and approval of the REIT's and GP's policies and strategy and in monitoring their implementation.

2. Duties and Responsibilities

- (a) Board Activity. As a member of the Board, each director shall:
 - (i) exercise good judgment and act with integrity;
 - (ii) use his or her abilities, experience and influence constructively;
 - (iii) be an available resource to management and the Board;
 - (iv) maintain the confidentiality of information acquired by virtue of being a member of the Board;
 - (v) advise the CEO, Chair, any Vice Chair and/or any Lead Independent Director when introducing significant and/or previously unknown information or material at a Board meeting;

- (vi) understand the difference between governing and managing, and not encroach on management's area of responsibility;
 - (vii) identify potential conflict areas (real or perceived) and ensure they are appropriately identified and reviewed;
 - (viii) when appropriate, communicate with the Chair, any Vice Chair, any Lead Independent Director and the CEO between meetings;
 - (ix) demonstrate a willingness and availability for one on one consultation with the Chair, any Vice Chair, any Lead Independent Director and/or the CEO;
 - (x) evaluate the performance of the CEO as well as the GP and the REIT; and
 - (xi) assist in maximization of the distribution of available cash to unitholders of the REIT while maintaining the long-term objectives of the REIT.
- (b) Preparation and Attendance. To enhance the effectiveness of Board and committee meetings, each director shall:
- (i) prepare for Board and committee meetings by reading reports and background materials prepared for each meeting;
 - (ii) maintain an excellent Board and committee meeting attendance record; and
 - (iii) have acquired adequate information necessary for decision making.
- (c) Communication. Communication is fundamental to Board effectiveness and therefore each Board member shall:
- (i) participate fully and frankly in the deliberations and discussions of the Board;
 - (ii) encourage free and open discussion of the affairs of the GP by the Board and its members;
 - (iii) ask probing questions, in an appropriate manner and at proper times; and
 - (iv) focus inquiries on issues related to strategy, policy, implementation and results rather than issues relating to the day to day management of the GP.
- (d) Independence. Recognizing that the cohesiveness of the Board is an important element in its effectiveness, each director shall:
- (i) be a positive force with a demonstrated interest in the long-term success of the REIT; and
 - (ii) speak and act independently.
- (e) Board Interaction. As a member of the Board, each director shall strive to establish an effective, independent and respected presence and a collegial relationship with other Board members.
- (f) Committee Work. In order to assist Board committees in being effective and productive, each director shall:
- (i) participate on committees and become knowledgeable with the purpose and goals of the committee; and

- (ii) understand the process of committee work, and the role of management and staff supporting the committee.
- (g) Business, Corporate and Industry Knowledge. Recognizing that decisions can only be made by well-informed Board members, each director shall:
 - (i) become generally knowledgeable of the REIT's business and industry in which it operates;
 - (ii) develop an understanding of the unique role of the REIT within its various communities;
 - (iii) maintain an understanding of the regulatory, legislative, business, social and political environments within which the GP operates;
 - (iv) become acquainted with the officers of the GP;
 - (v) remain knowledgeable about the REIT's facilities and visit them when appropriate; and
 - (vi) be an effective ambassador and representative of the REIT and the GP.

C. ADMINISTRATIVE GUIDELINES FOR THE BOARD OF DIRECTORS

1. The Board assumes the responsibility for the stewardship of the business of the REIT. While, in law, the Board is called upon to manage the business, this is done by proxy through the CEO who is charged with the day-to-day leadership and management of the business of the REIT.
2. The Board has the authority and obligation to protect and enhance the assets of the REIT in the interest of all unitholders. Although directors are elected to bring special expertise or a point of view to Board's deliberations, the best interests of the business of the REIT must be paramount at all times.
3. Terms of reference for the Board, the Chair, the Vice Chair, the Lead Independent Director, committees and the CEO are annually reviewed by the Nominating and Governance Committee, or other committee where applicable, and any changes are recommended to the Board for approval.
4. Every year the Board reviews and approves a long range strategic plan and one-year operating and capital plans for the business of the REIT.
5. The Board has concluded that the appropriate current size for the Board is not less than seven and not more than nine members.
6. All directors stand for election every year.
7. The Board does not believe that directors who retire from or otherwise change their current position responsibilities should necessarily retire from the Board. There should, however, be an opportunity for the Board, through the Nominating and Governance Committee, to review the appropriateness of continued Board membership.
8. The Board believes there should be a majority of independent directors on the Board.
9. The Board currently supports the concept of the separation of the role of Chair from that of the CEO. The Board is able to function independently of management when necessary and the Chair's role, along with the Vice Chair and/or the Lead Independent Director, is to effectively manage and provide leadership to the Board and to interface with the CEO.
10. The Board will evaluate the performance of the CEO at least annually. The evaluation will be based on criteria that include the performance of the business of the REIT, the accomplishment of long-term strategic objectives and other non-quantitative objectives established at the beginning of each year.

11. The CEO has the special responsibility to manage and oversee the required interfaces between the REIT, the GP and the public and to act as the principal spokesperson for the REIT, the GP and the direct and indirect affiliates and subsidiaries of the REIT. This includes the responsibility for managing the equity and other financial market interfaces on behalf of the business of the REIT.
12. The Chair of the Board, with the assistance of the any Vice Chair, any Lead Independent Director and the CEO, will establish the agenda for each Board meeting. Each Board member is free to suggest the inclusion of items on the agenda.
13. The Board will meet at least four times per year and schedule meetings one year in advance. In addition, the Board will consider resolutions in order to enable the GP to declare any distributions to the unitholders of the REIT as frequently as monthly.
14. Materials should be delivered at least three days in advance of meetings for items to be acted upon. Presentations on specific subjects at director and Board meetings will only briefly summarize the material sent to directors so that discussion can be focused on issues relevant to the material.
15. The Board encourages the CEO to bring employees into Board meetings who can provide additional insight into the items being discussed because of personal involvement in these areas, and/or employees representing future potential whom the CEO wishes to bring to the attention of the Board.
16. The Board is responsible, in fact as well as in procedure, for selecting candidates as directors or for Board membership. The Board delegates the screening process to the Nominating and Governance Committee.
17. The Nominating and Governance Committee will annually assess the effectiveness of the Board and its committees.
18. Committees established by the Board analyze in-depth policies and strategies, usually developed by management, which are consistent with their terms of reference. They examine proposals and, where appropriate, make recommendations to the full Board. Committees do not take action or make decisions on behalf of the Board unless specifically mandated to do so.
19. From time to time the Board may create ad hoc committees to examine specific issues on behalf of the Board.
20. Committee members and committee chairs are appointed by the Board, and, where possible, consideration is given to having directors rotate their committee assignments.
21. Succession and management development plans will be reviewed by the Nominating and Governance Committee and reported annually by the CEO to the Board.
22. The Board ensures new directors are appropriately introduced to the GP and the industry of the REIT and that directors receive the necessary ongoing industry training and development.
23. Unless otherwise exempted in whole or in part by the Board, each director will have three years from the date he or she was appointed to the Board (the “**Original Grace Period**”), to own units of the REIT at least equal to a threshold value of not less than three times (3X) the annual base fees received by the director for his or her participation on the Board (the “**Threshold Value**”), with the applicable annual base fees being those in place at the end of the Original Grace Period. The value ascribed to any units of the REIT acquired by a director is equal to the greater of the acquisition cost and the market value of such units. After the Original Grace Period for each director, he or she is expected, on a timely basis, to increase his or her ownership of units of the REIT to at least maintain the Threshold Value in the event annual base fees increase from time to time. For greater certainty, the annual base fees do not include, without limitation, any additional fees a director receives for acting as Chair of the Board, Vice Chair, Lead Independent Director or chair of any committee or subcommittee of the Board or for acting as a member of any committee or subcommittee of the Board.
24. The Board may meet during each meeting on an “in camera” basis without management present, as required.

25. The Board and committees may engage separate independent counsel and/or advisors at the expense of the GP. An individual director may engage separate independent counsel and/or advisors at the expense of the GP in appropriate circumstances with the approval of the Chair, the Vice Chair or the Lead Independent Director.
26. Attached to these Administrative Guidelines is the forward agenda for the Board.
27. These Guidelines are reviewed and approved annually by the Board.

These Terms were last approved by the Board on February 27, 2024.

AMERICAN HOTEL INCOME PROPERTIES REIT (GP) INC.

Board Forward Agenda

Meeting Timing <i>Agenda Items:</i>	March	May	August	November
A. Governance				
CEO Performance Review	X			X (Begin)
Board Performance Review	X			
Director Nominating Report	X			
Appoint Officers		X		
Appoint Board Committees		X		
Review Terms of Reference of Committees	X			
Review disclosure controls and procedures			X	
Annual certification of Code of Conduct	X			
B. Financial				
Quarterly Results	X	X	X	X
Year End Results	X			
C. Plans and Strategies				
Strategic Plan		X		
Operating Plan, Capital Budgets				X
Succession Plan				X
Compensation Plans				X
D. Operations				
CEO Report	X	X	X	X
Review of Key Corporate Policies	X			