



AMERICAN HOTEL INCOME PROPERTIES

Code of Conduct

Introduction

This Code of Conduct (the “**Code**”) contains policy, guidelines and principles applicable to employees, directors, officers and contractors of American Hotel Income Properties REIT LP, American Hotel Income Properties REIT (GP) Inc. (the “**GP**”) and any subsidiaries (collectively, “**AHIP**”). This Code cannot and is not intended to anticipate every issue that may arise. As with any statement of policy, the exercise of judgment is required in determining applicability of the Code to each individual situation. The term “employee” under this Code will be used to collectively refer to an employee, officer and director of AHIP, third party contractors, as well as anyone else under contract with AHIP, as applicable.

AHIP Commitment

Our commitment at AHIP is to provide excellent customer service at all of our businesses, by putting our customers first in everything we do.

This customer first focus will help provide solid returns for our unitholders and ensure we are a responsible member of our community.

We will take responsibility for our actions as individuals and as an organization. We will work together, support each other and strive hard to never let the customer down.

It is critical that all employees respect everyone at all levels of our businesses. It is AHIP’s expectation and requirement that all employees will conduct themselves in an honest and ethical manner in all of their dealings with AHIP and when acting as a representative of AHIP.

Work Environment

All persons with whom AHIP has business relations, including customers, suppliers and other employees must be treated in a dignified, fair and understanding manner at all times.

Equal Opportunity Commitment

All employees must fully comply with all laws providing equal opportunity to all persons without regard to race, gender, religion, sexual orientation, age or disability.

Workplace Discrimination

Discrimination, harassment or the use of inappropriate language will not be tolerated in any circumstances. Harassment includes racist, sexist or ethnic comments, jokes, gestures or any action that creates an intimidating, hostile or offensive work environment.

Compliance with the Law

Employees are expected at all times to fully comply with all laws applicable to the businesses of AHIP. AHIP is particularly sensitive to health and safety laws, environmental laws, competition laws (which prohibit misleading advertising, price fixing and certain other trade practices), privacy laws and laws that respect the conditions of work. Employees should avoid any situation which could be perceived as improper, unethical or which may indicate a casual attitude towards compliance with the law. No employee has the authority to direct another employee or any other person to violate any law on behalf of AHIP. Where employees are uncertain as to whether a particular action would infringe on the law, they should discuss the matter with their immediate supervisor or AHIP's Chief Financial Officer.

Employee Health and Safety

AHIP is committed to providing a safe work environment for all employees, and complying with applicable laws and regulations that govern work place health and safety. AHIP is required to report and record all work-related accidents. It is the responsibility of all employees to immediately report work-related injuries, unsafe conditions, illness and accidents.

Employee Privacy

AHIP acquires and retains personal information about its employees in the normal course of operations, such as for the purpose of employee benefits. Employees should never access, obtain or disclose another employee's personal information to anyone within or outside of AHIP unless authorized by management.

Customer Privacy

AHIP is committed to protecting the privacy of its customers. To ensure that this commitment is met on an ongoing basis, AHIP has implemented a separate privacy policy. AHIP's privacy policy establishes the reasons for the collection of personal information and how that personal information is used. AHIP only collects personal information, and only distributes it to third parties, where necessary for the conduct of its businesses. AHIP has also taken steps to limit access to this information.

Employees are expected to review, understand and comply with AHIP's privacy policy. If you do not have a copy of this policy, please immediately contact AHIP's Chief Financial Officer.

Workplace Integrity

Employees must not engage or assist others in theft, fraud or acceptance of bribes of any sort. Theft includes, but is not limited to, unauthorized removal from the premises of AHIP assets, merchandise or money and customer or supplier goods or merchandise. In addition, unauthorized copying or using of AHIP software is prohibited. Employees must not accept payment for any time that they have not worked or for which they are not legitimately entitled.

Conflicts of Interest

Employees must avoid any activity, interest or relationship which would create or which might appear to create a conflict with the interests of AHIP. A conflict of interest exists where an employee's personal interests, or those of a Related Party, could influence the employee's decisions and impair the employee's ability to act in the best interests of AHIP, impartially and without bias. A "**Related Party**" includes a family

member, close friend, business associate, corporation or partnership in which an employee holds a significant interest, or a person to whom the employee owes an obligation.

Full disclosure enables employees to resolve unclear situations and gives an opportunity to dispose of conflicting interests before any difficulty arises. If employees have any concerns whether a conflict of interest exists, they must immediately disclose the potential conflict to their immediate supervisor or AHIP's Chief Financial Officer.

Confidentiality

Employees must not disclose to anyone outside of AHIP any confidential information obtained from AHIP except when disclosure is authorized by the Board of Directors of the GP, is done in the ordinary course of business (eg. to financial institutions, insurers, etc.) in accordance with established policies and procedures of AHIP, or is otherwise legally required. Confidential information includes all non-public information that might be useful to competitors, or harmful to AHIP if disclosed. The obligation to preserve and not use any such confidential information continues after a person is no longer an employee of AHIP.

Disclosure of Material Information and Insider Trading

Employees who have access to confidential information concerning AHIP are not permitted to use or share that information for unit trading purposes or in any other manner other than the ordinary course of AHIP's businesses. All non-public information should be considered confidential information. All trading of AHIP units must be completed during predetermined "windows". Employees are expected to review, understand and comply with AHIP's separate policy respecting disclosure of material information and insider trading. If you do not have a copy of this policy, please immediately contact AHIP's Chief Financial Officer.

Employee Misconduct off the Job

Employees must avoid conduct off the job that could impair work performance or affect AHIP's reputation or business interests.

External Employment and Business Activities

Employees will not accept remunerated outside positions that will infringe upon time belonging to AHIP or will interfere with the proper performance of their duties, unless authorized in writing by their immediate supervisor. In addition, employees will not, either directly or through a Related Party, hold ownership positions in competitors or suppliers to the extent that the employee's decisions and actions might reflect their personal interest rather than the interests of AHIP.

Political, Non-Profit and Professional Activities

Employees engaging in the political process must take care to separate their personal activities from their association with AHIP. AHIP appreciates the contribution employees may make through involvement with charitable, community service and professional organizations. Employees may only use AHIP resources for such activities with the prior consent of their immediate supervisor. In the course of any non-corporate activity, employees must ensure that they are seen as speaking in their individual capacity and not as a AHIP employee or spokesperson.

Professional Development

AHIP encourages and supports the professional development of its employees. Employees are expected to keep abreast of developments in the industries in which AHIP's businesses operate, and where employees are members of a profession, they are expected to perform their duties in accordance with the recognized standards of their profession.

Gifts and Entertainment

Employees must not offer or accept gifts, excessive entertainment, favours or other benefits which secure or appear to secure preferential treatment for themselves, AHIP, Related Parties or others.

Employees are permitted to accept invitations to attend social activities so long as they are networking for business and not for personal reasons. This includes, but is not limited to, coffee meetings, lunches, dinners, sporting or social events. In no circumstances may employees solicit invitations; these invitations must be completely voluntary.

Safeguarding AHIP Assets

AHIP facilities, equipment, supplies, intellectual property, time and other assets must be used for company business or for purposes authorized by management. Although AHIP respects the individual privacy of its employees, this does not extend to the personal use of AHIP equipment, supplies and other assets of AHIP. Email and Internet services are AHIP property intended for company business and should only be used for business reasons.

Intellectual property includes trademarks, trade secrets, copyrights, business, marketing and service plans, designs, databases, records, salary information, any unpublished financial data and reports, computer programs, technical processes, reports or articles and any other form of innovation or development. All intellectual property developed by employees within the scope of their employment is the property of AHIP, whether the intellectual property was developed while actually at work or not.

Complete and Accurate Records

All transactions of AHIP must be properly recorded and accounted for. No false or misleading entries will be made in the books of AHIP. No payment will be made on behalf of AHIP without supporting documentation. Funds will only be disbursed for legitimate purposes related to the businesses of AHIP and only when properly authorized by management. Travel expenditures must be reasonable, prudent and pre-authorized by management.

Responsibility

Each employee must fully comply with this Code. Any employee who knows of, or suspects, a breach of this Code must report it AHIP's Chief Executive Officer or Chief Financial Officer who will be responsible for ensuring the privacy of an employee who reports a breach or potential breach of this Code is respected as far as possible in the circumstances and that such employee does not suffer adverse consequences as a result of making the report.

AHIP also has a separate "whistle blowing" policy that allows employees to confidentially or even anonymously report a concern regarding questionable accounting or auditing matters to the audit committee

of AHIP. Employees are expected to review and understand this policy. If you do not have a copy of this policy, please immediately contact AHIP's Chief Financial Officer.

Violations

Any employee who violates the specific provisions of the Code will be subject to disciplinary action including, in appropriate cases, dismissal for cause. Any employee who engages in theft or fraud is subject to discipline up to and including immediate dismissal for cause and prosecution under the law. In addition, any employee may be subject to dismissal for cause for violations of the intent of this Code.

Application of this Code

This Code applies to all employees of AHIP. Any waivers of this Code may be made only by the Board of Directors of the GP.

Employees may seek clarification of any of the provisions of this Code from their immediate supervisor or from AHIP's Chief Financial Officer.

Compliance

Every employee of AHIP will be provided a copy of this Code, which may be amended from time to time, and will be required to sign the form of acknowledgement from time to time when requested.

Individual Acknowledgement

I have read the above Code and I understand its contents. I agree to fully comply with its provisions.

_____	_____
Signed	Date
_____	_____
Name (print)	Title