



AMERICAN HOTEL INCOME PROPERTIES REIT LP REPORTS Q1 2026 RESULTS

Vancouver, British Columbia, May 14, 2026 - American Hotel Income Properties REIT LP (“AHIP”, or the “Company”) (TSX: HOT.UN, TSX: HOT.U, TSX: HOT.DB. V), today announced its financial results for the three months ended March 31, 2026.

All amounts presented in this news release are in United States dollars (“U.S. dollars”) unless otherwise indicated.

2026 FIRST QUARTER HIGHLIGHTS

- Same Property ADR⁽¹⁾ was \$142 for the first quarter of 2026 an increase of 2.2% compared to \$139 for the same period of 2025.
- Same Property Occupancy⁽¹⁾ was 68.7% for the first quarter of 2026, a decrease of 30 bps compared to 69.0% for the same period of 2025.
- Same Property RevPAR⁽¹⁾ was \$98 for the first quarter of 2026, an increase of 2.1% compared to \$96 for the same period of 2025.
- Same property NOI⁽¹⁾ was \$8.7 million for the first quarter of 2026, a decrease of 13.1% compared to \$10.1 million for the same period of 2025.
- Same property NOI margin⁽¹⁾ was 24.1% for the first quarter of 2026, a decrease of 430 bps compared to 28.4% for the same period of 2025.
- RevPAR⁽¹⁾ increased by 5.4% to \$97 for the first quarter of 2026, compared to \$92 for the same period of 2025.
- Diluted FFO per unit⁽¹⁾ and normalized diluted FFO per unit⁽¹⁾ were (\$0.03) for the first quarter of 2026, compared to (\$0.02) for the same period of 2025.
- Revenue decreased 25.2% to \$36.4 million for the first quarter of 2026, compared to \$48.6 million for the same period of 2025.
- NOI decreased 35.0% to \$8.2 million for the first quarter of 2026, compared to \$12.7 million for the same period of 2025.
- AHIP had \$28.6 million in available liquidity as at March 31, 2026, compared to \$51.5 million as at December 31, 2025. The available liquidity of \$28.6 million was comprised of an unrestricted cash balance of \$15.5 million and borrowing availability of \$13.1 million under the Portfolio Loan for capital improvements related to the properties secured by the loan.
- AHIP has no debt maturities until the fourth quarter of 2026.
- On March 13, 2026, AHIP redeemed \$25.0 million of the \$50.0 million stated face value of the Series C Shares.
- As of May 4, 2026, AHIP announced a review of strategic alternatives to maximize unitholder value. This review may result in further hotel sales to enhance liquidity, reduce debt and manage future financial obligations.

“AHIP continues to make progress on our plan to reduce debt and high-grade the portfolio through asset sales and loan refinancings,” said John O’Neill, CEO. “The portfolio improvements are reflected in RevPAR⁽¹⁾ growth of 5.4% and same property RevPAR⁽¹⁾ growth of 2.1%. In 2025 and 2026, AHIP completed the dispositions of 21 hotel properties for total gross proceeds of \$219.9 million. AHIP currently has six additional hotel properties under purchase and sale agreements for estimated total gross proceeds of \$78.4 million which are expected to close by the end of the second quarter 2026. The dispositions completed in 2025 have a blended Cap Rate⁽¹⁾ of 7.6%, demonstrating value beyond AHIP’s current unit price for its current portfolio.”

“At the end of March 2026, AHIP had \$15.5 million in cash and no debt maturing until the fourth quarter of 2026. With closings of hotels currently under contract, expected refinancing of unencumbered properties, and additional planned hotel sales, we plan to be in a position to redeem the remainder of the Series C Shares and the convertible debentures in 2026.”

“On May 4, 2026, AHIP announced its Board of Directors has initiated a review of strategic alternatives to maximize unitholder value. We will continue to evaluate a range of alternatives, among other things, to reduce debt and improve our balance sheet.”

INITIATIVES TO STRENGTHEN FINANCIAL POSITION AND IMPROVE UNITHOLDER VALUE

REVIEW OF STRATEGIC ALTERNATIVES

On May 4, 2026, AHIP announced that its Board of Directors (the “**Board**”) initiated a review of strategic alternatives (the “**Strategic Review**”) to maximize unitholder value. During the Strategic Review, the Board will analyze and evaluate a range of alternatives. AHIP has retained Robert W. Baird & Co. Incorporated (“**Baird**”) as financial advisor to advise AHIP in connection with its Strategic Review.

AHIP has not established a definitive timeline to complete the Strategic Review or any potential transaction, and no decisions have been reached at this time. There can be no assurance that the engagement of Baird or the Strategic Review will result in any transaction or initiative or, if a transaction or initiative is undertaken, as to the terms or timing of such a transaction or initiative. AHIP does not currently intend to disclose further developments in connection with or arising from the Strategic Review or in connection with any transaction, initiative or related matter, unless and until it is determined that disclosure is necessary or appropriate.

ADDRESSING 2026 BALANCE SHEET OBLIGATIONS

AHIP has made significant progress on its plan to reduce debt and improve the quality of its portfolio through asset sales and loan refinancings. AHIP disposed of eighteen hotel properties in 2025 for total gross proceeds of \$160.9 million and three hotel properties to date in 2026 for total gross proceeds of \$67.3 million, which has improved the overall portfolio asset quality, while also significantly reducing leverage. AHIP also completed two loan refinancings in 2025 for total gross proceeds of \$144.3 million. The net proceeds from these sales along with a portion of the proceeds from the loan refinancings, were used to repay the CMBS loans secured by those properties, a portion of the Portfolio Loan and to redeem \$25.0 million of the outstanding Series C Shares. These transactions significantly improved the overall duration of AHIP’s outstanding loans.

AHIP has no secured debt maturing until the fourth quarter of 2026, with a \$22.3 million CMBS loan maturing in November 2026. AHIP is currently marketing each hotel in this portfolio for sale. Effective January 28, 2026, the dividend rate on the \$50.0 million outstanding Series C Preferred Shares of U.S. Subsidiary Inc. (“**Series C Shares**”) increased from 9.0% to 14.0% per annum and certain other provisions under the Investor Rights Agreement apply which may reduce AHIP’s flexibility until such time as the Series C Shares have been fully redeemed. On March 13, 2026, AHIP redeemed \$25.0 million of the \$50.0 million stated face value of the Series C Shares, which results in a remaining \$25.0 million stated face value. These restrictions are summarized below under the heading “Restrictions Under the Investor Rights Agreement”. AHIP’s 6.0% unsecured subordinated convertible debentures (the “**Debentures**”) mature on December 31, 2026.

Regarding potential dispositions, AHIP currently has six hotels under contract for sale with additional hotels under consideration for sale. As noted above the Board is currently conducting the Strategic Review through which the Board considers a range of alternatives, which may include additional asset sales. The number of potential hotel dispositions will be dependent on the outcome of the Strategic Review as well as regional market factors, hotel performance, hotel size, nature and value of any offers and whether any portion of the remaining Series C Shares and/or Debentures are recapitalized. The continuation of AHIP as a going concern is subject to the successful implementation of the above strategies.

(1) Non-IFRS and other financial measures. See “NON-IFRS AND OTHER FINANCIAL MEASURES” section of this news release.

HOTEL DISPOSITIONS

2026 Hotel Dispositions

During the three months ended March 31, 2026, AHIP completed the disposition of one hotel property for total gross proceeds of \$8.3 million. After adjusting for an industry standard 4% FF&E reserve, the sales price for the one hotel property sold in Q1 2026, represents a Cap Rate of 9.0% on 2025 annual hotel EBITDA⁽¹⁾. The net proceeds from this disposition were used to repay a portion of the Portfolio Loan and added to AHIP's cash balances.

AHIP's enterprise value as at March 31, 2026 reflects an implied Cap Rate of 8.7% on 2025 annual hotel EBITDA for the portfolio of 30 hotel properties, based on the Canadian dollar closing price of \$0.46 per unit on the TSX on March 31, 2026, and converted to US dollars at a foreign exchange rate of CDN\$1.39 to US\$1.

At March 31, 2026 and the date of the MD&A, AHIP has six hotel properties under purchase and sale agreements and classified as held for sale: Holiday Inn Express & Suites Fort Myers in Fort Myers, FL Embassy Suites Tempe in Tempe, Springhill Suites Arundel Mills BWI Airport in Hanover, MD; Hilton Garden Inn Baltimore White Marsh in Baltimore, MD; Homewood Suites Dover Rockaway in Dover, NJ; and Homewood Suites Allentown West Fogelsville Allentown in PA. These sales are expected to close in the second and third quarter of 2026. Upon closing, these sales would represent total gross proceeds of \$78.4 million at a blended Cap Rate of 5.9% on 2025 annual hotel EBITDA.

On April 1, 2026, AHIP completed the sale of Embassy Suites Cleveland Rockside in OH and Embassy Suites Columbus Dublin in OH. These two hotels, which were classified as held for sale at March 31, 2026, plus an additional hotel now unencumbered were previously part of a \$58.3 million CMBS Loan which was fully repaid at closing. The total gross proceeds were \$59.0 million at a blended Cap rate of 9.0% on 2025 annual EBITDA. AHIP used the net proceeds from the sale of these hotels to repay the CMBS Loan secured by three hotel properties.

2026 FIRST QUARTER REVIEW

FINANCIAL AND OPERATIONAL HIGHLIGHTS

For the three months ended March 31, 2026, ADR increased 5.0% to \$142, and occupancy increased by 70 bps to 68.6%, compared to the three months ended March 31, 2025. Overall, improved ADR and occupancy resulted in an increase of 5.4% in RevPAR to \$97, compared to the three months ended March 31, 2025. The improved performance is attributable to the disposition of hotel properties with lower-than-average portfolio RevPAR and an increase in same property ADR of 2.2%.

NOI was \$8.2 million for the three months ended March 31, 2026, decreases of 35.0% compared to NOI of \$12.7 for the three months ended March 31, 2025. The decrease in NOI was primarily due to the disposition of the eighteen hotel properties completed in 2025.

NOI margin was 22.7% for the three months ended March 31, 2026, a decrease of 340 bps compared to 26.1% for the same period of 2025. The decrease in NOI margin was due to higher operating expenses as a result of increases in room labour expenses, utilities, and maintenance expenses partially offset by the disposal of underperforming hotels.

Diluted FFO per unit for the three months ended March 31, 2026, was (\$0.03) compared to diluted FFO per unit of (\$0.02) for the three months ended March 31, 2025. The decrease in diluted FFO per unit was mainly due to lower NOI as a result of sold properties, higher operating expenses on same properties, partially offset by a reduction in the weighted average number of Units outstanding and lower corporate and administrative expenses in the current year.

(1) Non-IFRS and other financial measures. See "NON-IFRS AND OTHER FINANCIAL MEASURES" section of this news release.

SAME PROPERTY KPIS

The following table summarizes key performance indicators (“KPIs”) for the portfolio for the five most recent quarters with a comparison to the same period in the prior year on a same-property basis.

Same Property KPIs	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
ADR	\$142	\$137	\$144	\$144	\$139
Change compared to same period in prior year - % increase/(decrease)	2.2%	1.5%	0.4%	(1.5%)	(0.6%)
Occupancy	68.7%	69.0%	74.5%	75.4%	69.0%
Change compared to same period in prior year - bps increase/(decrease)	(30)	(80)	64	(182)	129
RevPAR	\$98	\$95	\$107	\$109	\$96
Change compared to same period in prior year - % increase/(decrease)	2.1%	1.1%	1.3%	(3.8%)	1.2%
NOI	\$8,748	\$7,069	\$ 11,412	\$ 13,642	\$ 10,071
Change compared to same period in prior year - % increase/(decrease)	(13.1%)	(21.8%)	(10.4%)	(7.8%)	(5.2%)
NOI Margin	24.1%	19.8%	28.5%	33.9%	28.4%
Change compared to same period in prior year - bps increase/(decrease)	(430)	(560)	(392)	(174)	(154)

In the first quarter of 2026, same property ADR was \$142, an increase of 2.2% compared to the same period in 2025. Same property occupancy decreased by 30 bps to 68.7% in the current quarter, compared to the same period in 2025. The increase in same property ADR is primarily attributable to improved retail segment, partially offset by a reduction in government travel. Overall, the increase in same property ADR was partially offset by a small decrease in same property occupancy.

Same property NOI decreased by 13.1% and same property NOI margin decreased by 430 bps in the current quarter, compared to the same period in 2025. The decrease in same property NOI and NOI margin was primarily driven by increases in room labour, food and beverage expenses and utility expenses. Two of the Embassy Suites properties were sold following the end of the quarter.

LEVERAGE AND LIQUIDITY

KPIs	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
Debt-to-GBV⁽¹⁾	50.1%	48.7%	48.7%	48.7%	48.7%
Debt-to-EBITDA⁽¹⁾	10.4x	9.4x	9.1x	8.1x	7.9x

⁽¹⁾ See “Non-IFRS and Other Financial Measures”

Debt to gross book value was 50.1% as at March 31, 2026, an increase of 140 bps compared to December 31, 2025. Debt to EBITDA as at March 31, 2026 was 10.4x, an increase of 1.0x compared to December 31, 2025. The change in debt to gross book value and debt to EBITDA ratios was driven by reduction in unrestricted cash balances from the Series C Share redemption of \$25.0 million and use of net proceeds from completed dispositions to reduce outstanding debt. As at March 31, 2026, AHIP had an unrestricted cash balance of \$15.5 million compared to \$36.4 million as at December 31, 2025. The decrease in cash was primarily due to the redemption of \$25.0 million of the \$50.0 million outstanding Series C Shares. As at March 31, 2026 AHIP held a restricted cash balance of \$22.9 million and had an additional \$13.1 million available under the Portfolio Loan for capital improvements related to the properties secured by the loan.

CAPITAL IMPROVEMENTS

AHIP’s capital projects include hotel brand mandated property improvement plans (“PIPs”) and FF&E improvements. Select projects may generate positive return on investment through the refreshment and upgrade of guest-facing items, ensuring that each property maintains its competitive advantage in the marketplace. AHIP currently has one hotel project in the construction phase, one hotel project in the pre-construction phase, and two hotel projects in the design phase for future renovations.

(1) Non-IFRS and other financial measures. See “NON-IFRS AND OTHER FINANCIAL MEASURES” section of this news release.

Actual capital spend on PIPs and FF&E was \$1.3 million and \$1.0 million, respectively, for the three months ended March 31, 2026. The majority of this capital spend was funded through restricted cash contributed by AHIP in prior periods. PIP spend was focused on the renovation at the Fairfield Inn & Suites, South Hill VA which was substantially complete at the end of the first quarter of 2026 and to prepare for the renovation of the Hampton Inn Emporia VA renovation planned for the second quarter of 2026.

SELECTED ANNUAL INFORMATION

(thousands of dollars, except per Unit amounts)	March 31, 2026	December 31, 2025
Revenue	36,364	48,615
Income from operating activities	4,661	6,684
Loss and comprehensive loss	(9,982)	(22,370)
NOI ⁽²⁾	8,246	12,683
NOI Margin ⁽²⁾	22.7%	26.1%
Hotel EBITDA ⁽¹⁾	7,284	11,502
Hotel EBITDA Margin ⁽¹⁾	20.0%	23.7%
EBITDA ⁽¹⁾	5,104	9,130
EBITDA Margin ⁽¹⁾	14.0%	18.6%
Cashflow from operating activities	3,675	1,049
Distributions declared per unit - basic and diluted	-	-
Distributions declared to unitholders - basic	-	-
Distributions declared to unitholders - diluted	-	-
Dividends declared to Series C holders	1,186	1,160
FFO diluted ⁽¹⁾	(1,981)	(1,789)
FFO per unit - diluted ⁽¹⁾	(0.03)	(0.02)
AFFO diluted ⁽¹⁾	(3,175)	(4,415)
AFFO per unit - diluted ⁽¹⁾	(0.04)	(0.06)

⁽¹⁾ See "Non-IFRS and Other Financial Measures"

⁽²⁾ NOI and NOI margin included the IFRIC 21 property taxes adjustment.

(thousands of dollars)	March 31, 2026	December 31, 2025
Total assets	436,660	470,606
Total liabilities	367,460	365,538
Total non-current liabilities	134,412	203,480
Term loans and Portfolio Loan	183,689	224,832
Debt to gross book value ⁽¹⁾	50.1%	48.7%
Debt to EBITDA (times) ⁽¹⁾	10.4	9.4
Interest coverage ratio (times) ⁽¹⁾	1.3	1.4
Term loans and Portfolio Loan:		
Weighted average interest rate	6.19%	6.33%
Weighted average term to maturity (years)	1.6	1.3
Number of rooms	3,692	3,785
Number of properties	30	31
Number of restaurants	9	9

⁽¹⁾ See "Non-IFRS and Other Financial Measures"

2026 FIRST QUARTER OPERATING RESULTS

(thousands of dollars)	Three months ended March 31	
	2026	2025
ADR ⁽¹⁾	142	135
Occupancy ⁽¹⁾	68.6%	67.9%
RevPAR ⁽¹⁾	97	92
Revenue	36,364	48,615
Operating expenses	20,128	26,601
Energy	2,496	2,686
Property maintenance	2,442	3,273
Property taxes, insurance and ground lease	3,052	3,372
Total expenses	28,118	35,932
NOI ⁽²⁾	8,246	12,683
NOI Margin ⁽²⁾	22.7%	26.1%
Depreciation and amortization	3,585	5,999
Income from operating activities	4,661	6,684
Other expenses	14,643	29,377
Current income tax expense (recovery)	-	28
Deferred income tax expense (recovery)	-	(351)
Loss and comprehensive loss	(9,982)	(22,370)

⁽¹⁾ See "Non-IFRS and Other Financial Measures"

⁽²⁾ NOI and NOI margin included the IFRIC 21 property taxes adjustment.

For the three months ended March 31, 2026, ADR, Occupancy and RevPAR increased compared to the same period in the prior year. The overall improved performance is primarily attributable to the disposition of hotel properties with lower-than-average portfolio RevPAR. Revenue in the current quarter decreased by 25.2% compared to the same period in the prior year. The decrease in revenue was due to the disposition of eighteen hotel properties completed in 2025.

For the three months ended March 31, 2026, NOI decreased by 35.0% and NOI margin decreased by 340 bps compared to the same period in the prior year. The decrease in NOI was primarily due to the disposition of eighteen hotel properties in 2025. The decrease in NOI margin was largely driven by higher operating expenses as a result of general cost inflation, repair and maintenance expenses, partially offset by disposition of hotels with lower than average NOI margin.

Income tax expense is comprised of current and deferred income taxes. Current income taxes and deferred income taxes are recognized in loss and comprehensive loss, except to the extent that it relates to a business combination, or items recognized directly in equity. Current income tax is the expected tax payable or receivable on the taxable income or loss for the period using tax rates enacted or substantively enacted by the reporting date, and any adjustment to tax payable in respect of previous years. Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

FINANCIAL INFORMATION

This news release should be read in conjunction with AHIP's unaudited condensed consolidated interim financial statements, and management's discussion and analysis for the three months ended March 31, 2026 and 2025, that are available on AHIP's website at www.ahipreit.com, and under AHIP's profile on SEDAR+.

Q1 2026 CONFERENCE CALL

Management will host a webcast and conference call at 9:00 a.m. Pacific time on Friday, May 15, 2026, to discuss the financial and operational results for the three months ended March 31, 2026 and 2025.

To participate in the conference call, participants should register online via AHIP's website. A dial-in and unique PIN will be provided to join the call. Participants are requested to register a minimum of 15 minutes before the start of the call. An audio webcast of the conference call may be accessed on AHIP's website at www.ahipreit.com.

ABOUT AMERICAN HOTEL INCOME PROPERTIES REIT LP

American Hotel Income Properties REIT LP (TSX: HOT.UN, TSX: HOT.U, TSX: HOT.DB.V), or AHIP, is a limited partnership formed to invest in hotel real estate properties across the United States. AHIP's portfolio of premium branded, select-service hotels are located in secondary metropolitan markets that benefit from diverse and stable demand. AHIP hotels operate under brands affiliated with Marriott, Hilton, and IHG Hotels through license agreements.

More information is available at www.ahipreit.com.

NON-IFRS AND OTHER FINANCIAL MEASURES

Management believes the following non-IFRS financial measures, non-IFRS ratios, capital management measures and supplementary financial measures are relevant measures to monitor and evaluate AHIP's financial and operating performance. These measures and ratios do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures and ratio are included to provide investors and management additional information and alternative methods for assessing AHIP's financial and operating results and should not be considered in isolation or as a substitute for performance measures prepared in accordance with IFRS.

NON-IFRS FINANCIAL MEASURES

FFO: FFO measures operating performance and is calculated in accordance with Real Property Association of Canada's ("REALPAC") definition. FFO – basic is calculated by adjusting income (loss) and comprehensive income (loss) for depreciation and amortization, gain or loss on disposal of property, IFRIC 21 property taxes, fair value gain or loss, impairment of property, deferred income tax, and other applicable items. FFO – diluted is calculated as FFO – basic plus the interest, accretion, and amortization on convertible debentures if convertible debentures are dilutive. The most comparable IFRS measure to FFO is loss and comprehensive loss, for which a reconciliation is provided in this news release.

AFFO: AFFO is defined as a recurring economic earnings measure and calculated in accordance with REALPAC's definition. AFFO – basic is calculated as FFO – basic less maintenance capital expenditures. AFFO – diluted is calculated as FFO – diluted less maintenance capital expenditures. The most comparable IFRS measure to AFFO is loss and comprehensive loss, for which a reconciliation is provided in this news release.

Normalized FFO: calculated as FFO adjusting for non-recurring items. For the three months ended March 31, 2026 and March 31, 2025 normalized FFO was equal to FFO as there were no non-recurring items. The most comparable IFRS measure to normalized FFO is loss and comprehensive loss, for which a reconciliation is provided in this news release.

Normalized NOI: For the three months ended March 31, 2026 and March 31, 2025 normalized NOI was equal to NOI as there were no non-recurring items. The most comparable IFRS measure to normalized NOI is NOI, for which a reconciliation is provided in this news release.

Hotel EBITDA: calculated by adjusting NOI for hotel management fees. The most comparable IFRS measure to hotel EBITDA is NOI, for which a reconciliation is provided in this news release.

(1) Non-IFRS and other financial measures. See "NON-IFRS AND OTHER FINANCIAL MEASURES" section of this news release.

EBITDA: calculated by adjusting NOI for hotel management fees and general administrative expenses. The sum of hotel management fees and general administrative expenses is equal to corporate and administrative expenses in the Financial Statements. The most comparable IFRS measure to EBITDA is NOI, for which a reconciliation is provided in this news release.

Debt: calculated as the sum of term loans, revolving credit facility (where applicable) and Portfolio Loan, the face value of convertible debentures, unamortized portion of debt financing costs, and lease liabilities. The most comparable IFRS measure to debt is total liabilities, for which a reconciliation is provided in this news release.

Gross book value: calculated as the sum of total assets, accumulated depreciation and impairment on property, buildings and equipment, and accumulated amortization on intangible assets. The most comparable IFRS measure to gross book value is total assets, for which a reconciliation is provided in this news release.

Interest expense: calculated by adjusting finance costs for gain/loss on debt settlement, amortization of debt financing costs, accretion of debenture liability, amortization of debenture costs, dividends on series B preferred shares, and accretion of management fee because interest expense excludes certain non-cash accounting items and dividends on preferred shares. The most comparable IFRS measure to interest expense is finance costs, for which a reconciliation is provided in this news release.

NON-IFRS RATIOS:

FFO per Unit – basic/diluted: calculated as FFO – basic/diluted divided by weighted average number of Units outstanding - basic/diluted respectively for the reporting periods.

Normalized FFO per Unit – basic/diluted: calculated as normalized FFO – basic/diluted divided by weighted average number of Units outstanding - basic/diluted respectively for the reporting periods.

AFFO per Unit – basic/diluted: calculated as AFFO – basic/diluted divided by weighted average number of Units outstanding - basic/diluted respectively for the reporting periods.

NOI margin: calculated as NOI divided by total revenue.

Hotel EBITDA margin: calculated as hotel EBITDA divided by total revenue.

EBITDA margin: calculated as EBITDA divided by total revenue.

Capitalization rate (“Cap Rate”): calculated as 2024 annual hotel EBITDA for properties sold in 2025 and 2025 annual Hotel EBITDA for properties sold or under contract for sale in 2026, after adjusting for an industry standard 4% furniture, fixtures, and equipment (“FF&E”) reserve, divided by the actual and estimated gross proceeds of the asset dispositions.

Implied capitalization rate (“Implied Cap Rate”): calculated as 2025 annual hotel EBITDA, after adjusting for an industry standard 4% FF&E reserve, for the portfolio of 30 hotel properties divided by the enterprise value.

CAPITAL MANAGEMENT MEASURES:

Debt to gross book value: calculated as debt divided by gross book value. Debt to gross book value is a primary measure of capital management and leverage.

Debt to EBITDA: calculated as debt divided by the trailing twelve months (“TTM”) EBITDA. Debt to EBITDA measures the amount of income generated and is available to pay down debt before covering interest, taxes, depreciation, and amortization expenses.

Interest coverage ratio: calculated as TTM EBITDA divided by interest expense for the trailing twelve months. The interest coverage ratio is a measure of AHIP’s ability to service the interest requirements of its outstanding debt.

SUPPLEMENTARY FINANCIAL MEASURES:

Occupancy is a major driver of room revenue as well as food and beverage revenues. Fluctuations in occupancy are normally accompanied by fluctuations in most categories of variable hotel operating expenses, including housekeeping and other labour costs. Higher ADR increases room revenue with limited impact on hotel operating expenses. Increase in RevPAR attributable to increase in occupancy may reduce EBITDA and EBITDA margins, while increase in RevPAR attributable to increase in ADR typically result in increases in EBITDA and EBITDA margins.

(1) Non-IFRS and other financial measures. See “NON-IFRS AND OTHER FINANCIAL MEASURES” section of this news release.

Occupancy: calculated as the total number of hotel rooms sold divided by the total number of rooms available for the reporting periods. Occupancy is a metric commonly used in the hotel industry to measure the utilization of hotels' available capacity.

Average daily rate ("ADR"): calculated as total room revenue divided by total number of rooms sold for the reporting periods. ADR is a metric commonly used in the hotel industry to indicate the average revenue earned per occupied room in a given time period.

Revenue per available room ("RevPAR"): calculated as occupancy multiplied by ADR for the reporting periods.

Same property ADR, occupancy, RevPAR, and NOI margin: measured for properties owned by AHIP for both the current reporting periods and the same periods in 2025.

Enterprise value: is a supplementary financial measure and is calculated as the sum of (i) total debt obligations as reflected on the March 31, 2026 Statement of Financial Position (ii) AHIP's market capitalization (which is calculated as the Canadian dollar closing price of the Units on the TSX as of March 31, 2026, converted to US dollars at a foreign exchange rate of CDN\$1.39 to US\$1, multiplied by the total number of Units issued and outstanding as at such date), and (iii) face value of Series C Shares, less (iv) the amount of unrestricted cash and cash equivalents reflected on the March 31, 2026 Statement of Financial Position.

(1) Non-IFRS and other financial measures. See "NON-IFRS AND OTHER FINANCIAL MEASURES" section of this news release.

NON-IFRS RECONCILIATION

INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) TO FFO

(thousands of dollars, except per unit amounts)	Three months ended March 31	
	2026	2025
Loss and comprehensive loss	(9,982)	(22,370)
Adjustments:		
Income attributable to non-controlling interest	(1,186)	(1,160)
Depreciation and amortization	3,585	5,999
Impairment of cash-generating units	5,499	14,790
Write-off of property, building and equipment	-	4
Loss (gain) on sale of properties	(131)	1,378
IFRIC 21 property taxes adjustment	234	(78)
Change in fair value of warrants	-	(1)
Deferred income tax expense (recovery)	-	(351)
FFO basic ⁽¹⁾	(1,981)	(1,789)
Interest, accretion and amortization on convertible debentures	-	-
FFO diluted ⁽¹⁾	(1,981)	(1,789)
FFO per unit – basic ⁽¹⁾	(0.03)	(0.02)
FFO per unit – diluted ⁽¹⁾	(0.03)	(0.02)
Weighted average number of Units outstanding:		
Basic (000's)	71,851	78,743
Diluted (000's) ⁽²⁾	74,167	80,667

⁽¹⁾ See “Non-IFRS and Other Financial Measures”

⁽²⁾ The calculation of FFO diluted, FFO per unit – diluted, weighted average number of Units outstanding – diluted for the three months ended March 31, 2026, and the three months ended March 31, 2025 excluded the convertible debentures because they were anti-dilutive.

RECONCILIATION OF FFO TO AFFO

(thousands of dollars, except per Unit amounts)	Three months ended March 31	
	2026	2025
FFO basic ⁽¹⁾	(1,981)	(1,789)
FFO diluted ⁽¹⁾	(1,981)	(1,789)
Maintenance capital expenditures	(1,194)	(2,626)
AFFO basic ⁽¹⁾	(3,175)	(4,415)
AFFO diluted ⁽¹⁾	(3,175)	(4,415)
AFFO per unit - basic ⁽¹⁾	(0.04)	(0.06)
AFFO per unit - diluted ⁽¹⁾	(0.04)	(0.05)

⁽¹⁾ See “Non-IFRS and Other Financial Measures”

DEBT TO GROSS BOOK VALUE

(thousands of dollars)	March 31, 2026	December 31, 2025
Debt	342,271	346,132
Gross Book Value	682,845	710,083
Debt-to-Gross Book Value	50.1%	48.7%

DEBT

(thousands of dollars)	March 31, 2026	December 31, 2025
Term loans and Portfolio Loan	289,653	293,020
2026 debentures (at face value)	49,730	49,730
Unamortized portion of debt financing costs	2,305	2,745
Lease liabilities	583	637
Debt	342,271	346,132

GROSS BOOK VALUE

(thousands of dollars)	March 31, 2026	December 31, 2025
Total assets	436,660	470,606
Accumulated depreciation and impairment on property, buildings and equipment	242,926	236,254
Accumulated amortization on intangible assets	3,259	3,223
Gross Book Value	682,845	710,083

DEBT TO EBITDA

(thousands of dollars)	March 31, 2026	December 31, 2025
Debt	342,271	346,132
EBITDA (trailing twelve months)	32,907	36,698
Debt-to-EBITDA (times)	10.4x	9.4x

INTEREST COVERAGE RATIO

(thousands of dollars)	March 31, 2026	December 31, 2025
EBITDA (trailing twelve months)	32,907	36,698
Interest expense (trailing twelve months)	24,848	27,018
Interest Coverage Ratio (times)	1.3x	1.4x

(1) Non-IFRS and other financial measures. See "NON-IFRS AND OTHER FINANCIAL MEASURES" section of this news release.

The reconciliation of NOI to hotel EBITDA and EBITDA is shown below:

(thousands of dollars)	Three months ended March 31	
	2026	2025
NOI	8,246	12,683
Management fees	(962)	(1,181)
Hotel EBITDA	7,284	11,502
General administrative expenses	(2,180)	(2,294)
EBITDA	5,104	9,208

The reconciliation of NOI to normalized NOI is shown below:

(thousands of dollars)	Three months ended March 31	
	2026	2025
NOI	8,246	12,683
Business interruption insurance proceeds	-	-
Normalized NOI	8,246	12,683

The reconciliation of finance costs to interest expense is shown below:

(thousands of dollars)	Three months ended March 31	
	2026	2025
Finance costs	6,328	9,790
Amortization of debt financing costs	(329)	(770)
Accretion of debenture liability	(311)	(286)
Amortization of debenture costs	(144)	(127)
Interest Expense	5,544	8,607

(1) Non-IFRS and other financial measures. See "NON-IFRS AND OTHER FINANCIAL MEASURES" section of this news release.

For information on the most directly comparable IFRS measures, composition of the measures, a description of how AHIP uses these measures, and an explanation of how these measures provide useful information to investors, please refer to AHIP's management discussion and analysis for the three months March 31, 2026 and 2025, available on AHIP's website at www.ahipreit.com, and under AHIP's profile on SEDAR+ at www.sedarplus.com.

For additional information, please contact: Investor Relations ir@ahipreit.com

FORWARD-LOOKING INFORMATION

This news release contains forward-looking information and financial outlook within the meaning of applicable securities laws. Forward-looking information and financial outlook generally can be identified by words such as "anticipate", "believe", "continue", "expect", "estimates", "intend", "may", "outlook", "objective", "plans", "should", "will" and similar expressions suggesting future outcomes or events. Forward-looking information and financial outlook include, but are not limited to, statements made or implied relating to the objectives of AHIP, AHIP's strategies to achieve those objectives and AHIP's beliefs, plans, estimates, projections and intentions and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information and financial outlook in this news release include, but are not limited to, statements with respect to: AHIP's planned capital projects; AHIP's expectations with respect to the performance of its hotel portfolio; AHIP's expectations with respect to inflation, labour supply, labour costs, interest rates and other market financial and macroeconomic conditions in 2026 and the expected impacts thereof on AHIP's financial position and performance, including on ADR, occupancy and RevPAR, NOI and NOI margins; AHIP's strategic initiatives and the intended outcomes thereof, including strengthening AHIP's financial position and improving unitholder value; AHIP's expectations with respect to the macroeconomic and operating environment, including certain specific expectations for the 2026 fiscal year; AHIP continuing to make progress on its plan to reduce debt and high-grade the portfolio through asset sales and loan refinancings; AHIP's plan, with closing of hotels currently under contract, expected refinancing of unencumbered properties and additional planned hotel sales, to be in a position to redeem the remainder of the Series C Shares and the Debentures in 2026; the Strategic Review and the possibility of a transaction or initiative involving AHIP, which may result in further hotel sales to enhance liquidity, reduce debt and manage future financial obligations; additional hotels being under consideration for sale; AHIP's planned property dispositions, including the expected terms and timing thereof and the financial impact thereof on AHIP (including the estimated amount and uses of the proceeds from such dispositions); AHIP not having any debt maturities until the fourth quarter of 2026, and its intended means of addressing such debt maturities; the key liquidity risks facing AHIP and its planned strategies for dealing with same; and AHIP remaining focused on creating long-term value for its Unitholders.

Although AHIP believes that the expectations reflected in the forward-looking information and financial outlook contained in this news release are reasonable, AHIP can give no assurance that these expectations will prove to be correct. The estimates and assumptions, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth in this news release as well as the following: inflation and labour shortages, will negatively impact the U.S. economy, U.S. hotel industry and AHIP's business; AHIP will continue to have sufficient funds to meet its financial obligations; AHIP's strategies with respect to completion of capital projects, addressing future financial obligations, and divestiture of assets will be successful and achieve their intended effects; AHIP will complete its currently planned divestitures on the terms currently contemplated and in accordance with the timing currently contemplated; AHIP will meet its objective of generating sufficient capital to address the remaining Series C Shares and the Debentures; AHIP will continue in operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business; the ability of AHIP to achieve the anticipated benefits of the NCIB; that Units will trade below their value from time to time; that AHIP will complete purchases of Units pursuant to the NCIB and ASPP; AHIP will continue to have good relationships with its brand partners; AHIP will find a replacement hotel manager or managers for its hotel properties on commercially reasonable terms; capital markets will provide AHIP with readily available access to equity and/or debt financing on terms acceptable to AHIP, including the ability to refinance maturing debt as it becomes due on terms acceptable to AHIP; AHIP's future level of indebtedness will remain consistent with AHIP's current expectations; the useful lives and replacement cost of AHIP's assets being consistent with management's estimates thereof; the impact of the current economic climate and the current global financial conditions on AHIP's operations, including AHIP's financing capability and asset value, will remain consistent with AHIP's current expectations; there will be no material changes to tax laws, government and environmental regulations adversely affecting AHIP's operations, financing capability, structure or distributions; and conditions in the international and, in particular, the U.S. hotel and lodging industry, including competition for acquisitions, will be consistent with the current economic climate.

(1) Non-IFRS and other financial measures. See "NON-IFRS AND OTHER FINANCIAL MEASURES" section of this news release.

Forward-looking information and financial outlook involve significant risks and uncertainties and should not be read as guarantees of future performance or results as actual results may differ materially from those expressed or implied in such forward-looking information and financial outlook, accordingly undue reliance should not be placed on such forward-looking information or financial outlook. Those risks and uncertainties include, among other things, risks related to: AHIP may not achieve its expected performance levels in 2026; inflation and labour shortages may continue to negatively impact AHIP's financial performance and position; risk of an economic recession in the U.S.; AHIP's brand partners may impose revised service standards and capital requirements which are adverse to AHIP; PIP and other capital projects may not commence or complete in accordance with currently expected timing and may suffer from increased material and labour costs; AHIP may not complete a transaction or initiative that creates or improves unitholder value as result of the Strategic Review or otherwise; AHIP's strategic initiatives with respect to strengthening AHIP's financial position, addressing future financial obligations and divestures of assets may not be successful and may not achieve their intended outcomes; AHIP may not complete its currently planned divestures on the terms currently contemplated or in accordance with the timing currently contemplated, or at all; AHIP may not meet its objective of generating sufficient capital to address the remaining Series C Shares and the Debentures; AHIP may not receive acceptable offers on some or all of the properties it is currently marketing; if AHIP's strategies to address its 2026 balance sheet obligations are not successful, AHIP may not be able to continue as a going concern; there is no guarantee that monthly distributions will be reinstated, and if reinstated, as to the timing thereof or what the amount of the monthly distribution will be; AHIP may not be able to refinance debt obligations as they become due or may do so on terms less favorable to AHIP than under AHIP's existing loan agreements; refinanced loans may be refinanced at significantly higher interest rates; the failure to realize the anticipated benefits of the NCIB; the risk that the market price of the Units will be too high to permit purchases under the NCIB and/or ASPP; a failure to execute purchases under the NCIB and ASPP; general economic conditions and consumer confidence, and impacts of current international conflicts, including on the price of oil and in turn cost of travel and inflation; the growth in the U.S. hotel and lodging industry; prices for the Units and debentures; liquidity; tax risks; ability to access debt and capital markets; financing risks; changes in interest rates; the financial condition of, and AHIP's relationships with, its external hotel manager and franchisors; real property risks, including environmental risks; the degree and nature of competition; ability to acquire accretive hotel investments; environmental matters; and changes in legislation. Additional information about risks and uncertainties is contained in this news release and in AHIP's most recently filed AIF, a copy of which is available on SEDAR+ at www.sedarplus.com.

To the extent any forward-looking information constitutes a "financial outlook" within the meaning of applicable securities laws, such information is being provided to investors to assist in their understanding of estimated proceeds from the planned disposition of certain hotel properties and the expected use thereof and impact thereon on AHIP's financial position.

The forward-looking information and financial outlook contained herein is expressly qualified in its entirety by this cautionary statement. Forward-looking information and financial outlook reflect management's current beliefs and are based on information currently available to AHIP. The forward-looking information and financial outlook are made as of the date of this news release and AHIP assumes no obligation to update or revise such information to reflect new events or circumstances, except as may be required by applicable law.