



AMERICAN HOTEL
INCOME PROPERTIES



INVESTOR PRESENTATION

January 2022 | TSX: HOT.UN (CAD\$) | TSX: HOT.U (US\$) | HOT.DB.V

Legal Disclaimer

General

This presentation is provided for informational purposes only and is not, and under no circumstances is it to be construed as, an offer to sell any of the securities described herein or a solicitation of an offer to buy any of the securities described herein in any jurisdiction where the offer or sale is not permitted. Moreover, this presentation is not, and under no circumstances is to be considered as a public offering of securities. No securities commission or similar regulatory authority has passed on the merits of any of the securities referred to herein and any representation to the contrary is an offence. The information contained in this presentation is not intended to constitute a "valuation," "formal valuation," "appraisal," "prior valuation," or a "report, statement or opinion of an expert" for purposes of any securities legislation in Canada or otherwise.

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any State securities laws and may not be offered or sold in the United States except in compliance with exemptions from the registration requirements of the US Securities Act and applicable State securities laws.

Third Party Information

This presentation includes market information, industry data and forecasts obtained from independent industry publications, market research, analyst reports, public company filings, surveys and other publicly available sources. Although AHIP believes these sources to be generally reliable, market and industry data is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. Accordingly, the accuracy and completeness of this data is not guaranteed. AHIP has not independently verified any of the data from third party sources referred to in this presentation nor ascertained the underlying assumptions relied upon by such sources.

Forward-Looking Information

Certain statements in this presentation may constitute "forward-looking information" or "financial outlook" within the meaning of applicable securities laws (also known as forward-looking statements). Forward looking information and financial outlook involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements or industry results, to be materially different from any future results, performance or achievements or industry results expressed or implied by such forward-looking information or financial outlook. Forward-looking information and financial outlook generally can be identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "feel", "intend", "may", "plan", "predict", "project", "subject to", "will", "would", and similar terms and phrases, including references to assumptions. This presentation contains forward-looking information and financial outlook which reflect management's expectations regarding objectives, plans, goals, strategies, future growth, results of operations, performance and business prospects and opportunities of AHIP. Some of the specific forward-looking information and financial outlook in this presentation include, but are not limited to, statements with respect to: AHIP's strategic partnership with BentallGreenOak and Highgate providing access to capital and positing AHIP for accretive acquisition opportunities; AHIP's strategic objectives with respect to optimizing portfolio performance, growth and valuation creation and improving AHIP's financial position and its stated strategies intended to achieve those objectives; the maintenance of AHIP's distribution at a sustainable level for the long-term; AHIP's acquisition strategy and goals; AHIP's 2022 estimated EBITDA and enterprise value to 2022 estimated EBITDA ratio; AHIP's expectation that it will return to normalized hotel operations in 2022 including completion of PIPs; AHIP's expectation as to the amount of capital expenditures per key on an annual basis; AHIP's expectation that COVID will permanently modify the hotel industry operating environment including the continuation of relaxed brand standards for housekeeping and complimentary food offerings and the estimated amount of related cost savings relative to 2019, with some increases expected in the second half of 2021 and into 2022; AHIP's plan to reduce leverage and strategies intend to achieve such objective; AHIP's expectation that it will achieve the financial covenants under its credit facility in 2021 and 2022; and AHIP's belief that with adequate equity cushion and its current capital structure, AHIP provides an investor with potential for meaningful value creation as AHIP's business continues to recover.

Forward-looking information and financial outlook is based on a number of key expectations and assumptions made by AHIP, including, without limitation: the COVID-19 pandemic will continue to negatively impact the U.S. economy, U.S. hotel industry and AHIP's business, but to a lesser degree than previously; business travel in the U.S. will continue to improve; recent recovery trends at AHIP's properties will continue and not regress and AHIP will be able to re-establish a distribution at a level that will be sustainable in the long term; the vaccination programs in the U.S. will be successful and vaccines effective, and government restrictions related to COVID-19 will alleviate and the expected positive impacts thereof on the U.S. economy, U.S. hotel industry, consumer confidence in travel, consumer behavior and AHIP's business will be consistent with AHIP's expectations; BentallGreenOak and Highgate will provide AHIP with access to additional capital and accretive acquisition opportunities; AHIP will achieve its objectives with respect to optimizing portfolio performance, growth and valuation creation, improving AHIP's financial position and reducing leverage; AHIP will be successful in identifying and completing accretive acquisitions; PIP renovations will be completed on time and on budget; AHIP's 2022 financial performance will be consistent with AHIP's current estimates; hotel brands will continue to provide relaxed brand standards for housekeeping and food and beverage; AHIP will continue to have access to debt and equity capital on reasonable terms; there will be no changes to tax laws adversely affecting AHIP's financing capability, operations, activities, structure or distributions; the useful lives of AHIP's assets being consistent with management's estimates thereof; AHIP will be able to successfully integrate properties acquired into its portfolio; AHIP management's estimates with respect to replacement costs are accurate; the accuracy of third party reports with respect to lodging industry data and peer performance; AHIP will retain and continue to attract qualified and knowledgeable personnel; there will be no material changes to government and environmental regulations adversely affecting AHIP's operations; 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. Although the forward-looking information and financial outlook contained in this presentation is based on what AHIP's management believes to be reasonable assumptions, AHIP cannot assure readers that actual results will be consistent with such information.

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. Those risks and uncertainties include, among other things, risks related to: the impacts of the COVID-19 pandemic on the U.S. economy, the hotel industry, the willingness of the general public to travel, demand for travel, transient and group business, guest traffic and guest reservations, the level of consumer confidence in the safety of travel, consumer and corporate behavior with respect to travel and AHIP's business, all of which have negatively impacted, and are expected to continue to negatively impact, AHIP and may materially adversely affect AHIP's investments, results of operations, financial condition and AHIP's ability to obtain additional equity or debt financing, or re-finance existing debt, or make interest and principal payments to its lenders and to holders of AHIP's debentures, and otherwise satisfy its financial obligations and may cause AHIP to be in non-compliance with one or more of the financial or other covenants under its existing credit facilities and cause a default, or engage certain restrictive provisions (including cash management provisions), thereunder; the recent increase in COVID-19 cases attributable primarily to the Delta variant has the potential to reduce corporate and leisure travel in future periods, which may negatively impact AHIP; the pace of recovery cannot be accurately predicated and may be slow; the speed of vaccinations may decline, the effectiveness, acceptance and availability of vaccines, the duration of associated immunity and efficacy of the vaccines against emerging variants of COVID-19 (including the Delta variant) all may be less than expected, which may prolong the impacts of COVID-19 on the U.S. economy, lodging industry and AHIP and cause various levels of government to consider the imposition of new travel and other restrictions and may negatively impact corporate travel policies and consumer behavior, which could put downward pressure on occupancy levels and revenues for an extended period of time; recent recovery trends may not continue and may regress and AHIP may not achieve its expected performance improvements in 2021 and beyond; there is no guarantee that distributions will be sustainable and may be suspended at any time; BentallGreenOak and Highgate may not provide AHIP with access to additional capital and accretive acquisition opportunities; AHIP may not achieve its objectives with respect to optimizing portfolio performance, growth and valuation creation, improving AHIP's financial position or reducing leverage; AHIP may not be successful in identifying an completing accretive acquisitions; AHIP's 2022 financial performance may be below AHIP's current estimates; hotel brands may not continue to provide relaxed brand standards for housekeeping and food and beverage, which would increase AHIP's operating costs; AHIP may not continue to have access to debt and equity capital on reasonable terms; PIP renovations may not be completed on time or on budget and may not result in improved hotel performance; an investment in AHIP may not result in meaningful value creation. Management believes that the expectations reflected in the forward-looking information and financial outlook contained in this presentation are based upon reasonable assumptions and information currently available; however, management can give no assurance that actual results will be consistent with such forward-looking information and financial outlook. Additional information about risks and uncertainties related to AHIP and its securities is contained in AHIP's MD&A dated November 9, 2021 and AHIP's annual information form for the year ended December 31, 2020, copies of which are available on SEDAR at www.sedar.com.

To the extent any forward-looking information or statements in this presentation constitute a "financial outlook" within the meaning of applicable securities laws, such information is being provided to readers to assist them in understanding management's estimates of certain aspects of AHIP's future financial performance as its business recovers from the impacts of the COVID pandemic.

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 is made as of the date of this presentation 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.

All figures presented are in U.S. dollars, unless otherwise stated.

Investment Highlights

Premium Branded
Select Service Hotel
portfolio located
primarily in
secondary markets

Strategic partnership
with BentallGreenOak
& Highgate provides
access to capital and
acquisition
opportunities

Asset management
platform drives above
average financial
results

New management
team with a track
record of success

Hotel Overview



Premium Branded
Select-Service
Hotels

78

HOTELS

8,801

KEYS



Geographically
Diversified
Suburban Drive-to
Locations

22

STATES

51

CITIES



Affiliation with
Leading Global
Hotel Brands

Marriott

Hilton

IHG®

CORE BRAND
FAMILIES

14

BRAND FLAGS



High-Quality
Portfolio

~5 years⁽¹⁾

AVERAGE AGE

~\$100 million

CAPEX SINCE IPO

Geographically Diverse Portfolio

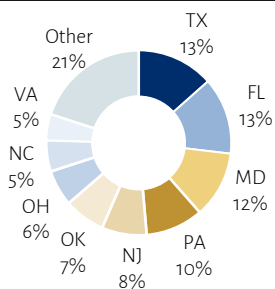
Focused on Secondary Markets in “Drive to” Locations with Multiple Demand Generators

AHIP's portfolio primarily caters to travelers in Suburban (55%), Small Metro (15%) and Interstate (15%) locations

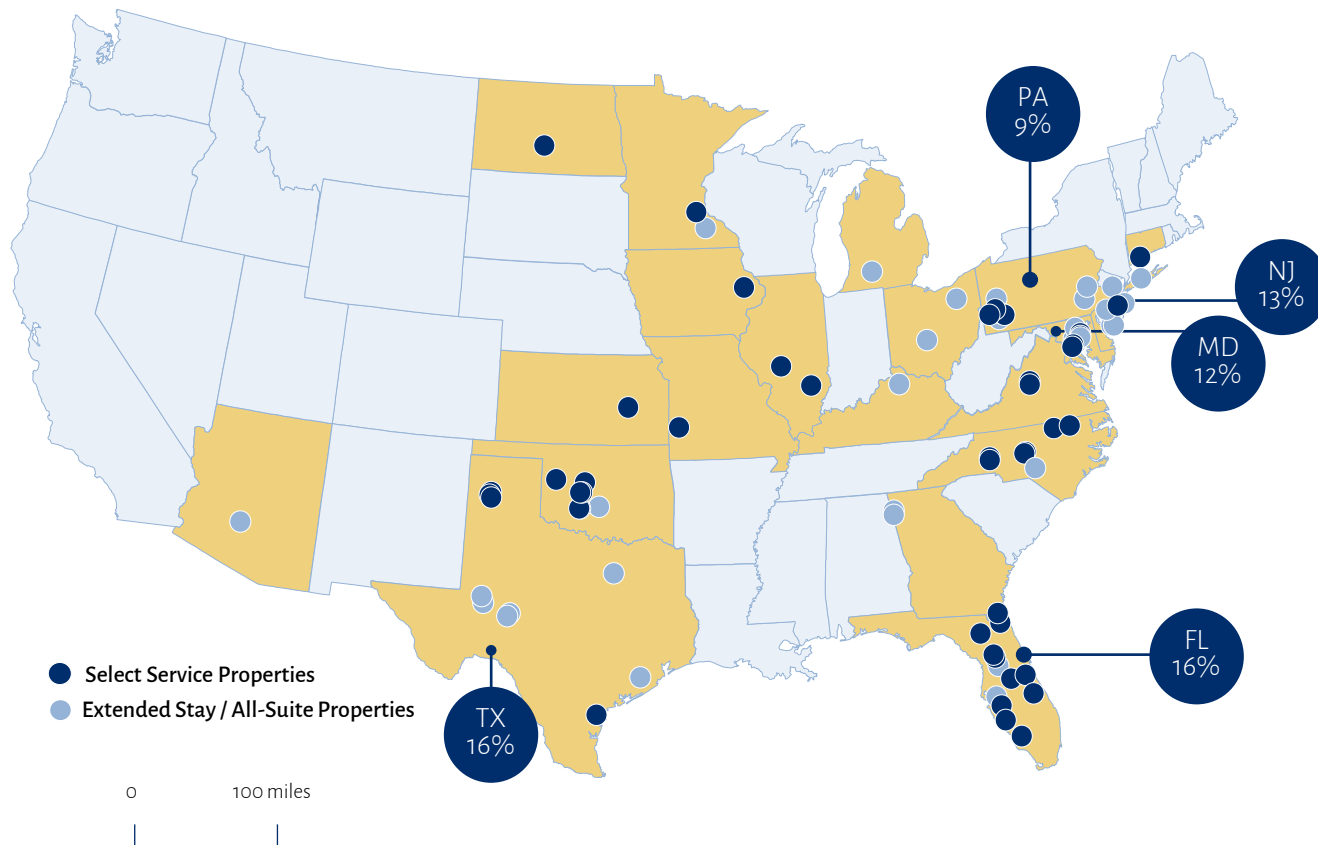
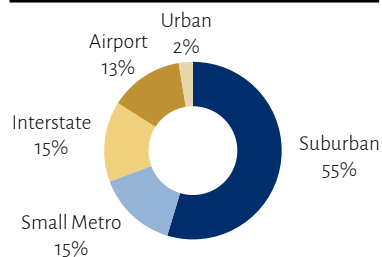
Property Type⁽¹⁾



Geographic Breakdown by Room



Location Type Breakdown⁽¹⁾



Experienced Management Team



Jonathan Korol

Vancouver
Chief Executive Officer

RELEVANT EXPERIENCE

- AHIP CEO October 2020-present
- SilverBirch Hotels & Resorts President/ SVP 2014-20
- Amadeus Property Partners Managing Partner 2012-14
- Apollo Real Estate Advisors Vice President 2006-12

ACCOMPLISHMENTS

- Led portfolio improvements, refinancing and sales of non-core assets
- As President of SilverBirch, full accountability for asset management and property operations
- Led C\$1.1 billion disposition of national hotel portfolio resulting in successful exit for Canadian pension fund investor
- Originated, evaluated, structured, financed and asset managed over \$900 million in real estate equity and debt investments



Travis Beatty

Vancouver
Chief Financial Officer

- AHIP CFO June 2021 - present
- Northview Apartment REIT CFO 2016-20
- West Valley Energy CFO 2012-14
- OPTI Canada Inc. CFO 2009-11

- Managed leverage down from 60% to 52% over 4 year period
- Accretive growth; \$600+ million acquisitions and \$100+ million dispositions
- Successfully managed corporate M&A process resulting in sale at all time high unit price during pandemic
- Enhanced corporate planning and analysis function to support execution; clear measures and strategy to stakeholders



Bruce Pittet

Phoenix
Chief Operating Officer,
SVP Asset Management

- AHIP COO and SVP Asset Management 2019-present
- Aimbridge Hospitality 2013-19
- Winding Road Development Company 2007-13

- Opened, repositioned/branded, onboarded, asset managed or managed over 150 hotels in North America
- Successfully scaled management business; operations, sales, revenue management, engineering/design construction
- Broad depth of experience having operated independent and branded hotels in economy to upper upscale segments
- Significant experience in due diligence and evaluation of development, acquisition and disposition opportunities; \$1+ billion



Edward Chang

Vancouver
Managing Director,
Real Estate

- AHIP Managing Director, Real Estate June 2021-present
- Sonder Inc. Head of EU Underwriting 2018-20
- SilverBirch Hotels & Resorts Director 2014-18
- Goldman Sachs Realty Management Division Analyst 2011-14

- Completed \$1+ billion in real estate transactions
- Prior to AHIP, founded and ran a consulting corporation serving over a dozen worldwide clients
- Underwrote, negotiated, or completed deals in over 20+ countries
- CFA Charterholder; Cornell Hotel School
- Previous experience with IHG and Four Seasons

Strategic Objectives

Management team focused on value creation through the following strategic objectives

Optimize Portfolio Performance	Growth and Capital Recycling	Improve Financial Position
<ul style="list-style-type: none">• Revenue Management initiatives driving occupancy and RevPAR penetration• Focus on margin enhancement and cash flows• Improve portfolio positioning through strategic capital deployment• Develop and implement strategic plans for each hotel• Focused Property Improvement Plans (PIPs) to maximize return on investment	<ul style="list-style-type: none">• Resiliency and stability of cash flow profile provides support for growth objectives• Maintain financial discipline and execute growth opportunities• Fund growth transactions with effective mix of equity and debt• Organic growth through optimization of portfolio performance• Explore portfolio rationalization via sale of non-core assets	<ul style="list-style-type: none">• Maintain suitable liquidity position• Manage overall capital structure to reduce cost of capital• Manage debt maturities• Reduce corporate leverage over time• Be financially positioned to pursue accretive opportunities• Maintain distribution at a sustainable level for the long term• Increase mix of institutional unitholders over time

Hotel & Operating Highlights



Residence Inn by Marriott, Ocala, FL

Dedicated Asset Management Team



AMERICAN HOTEL
INCOME PROPERTIES

Asset Management Initiatives

Portfolio Analytics

- Evaluate asset and portfolio performance
- Active feedback to the Aimbridge hotel management team
- Continuous benchmarking of financial results against external data

Active Asset Management

- Comprehensive review of all AHIP's assets
- Active management of Aimbridge, revenue and operations to maximize profitability from the portfolio

Portfolio / Capex Planning

- Repositioning and rebranding opportunities
- Capital planning and scheduling to minimize lost revenue

Brand Relationships

- Increase brand engagement
- Manage timing of PIP spend
- Educate brands on AHIP's growth strategy

Acquisition Criteria

Execution	Pricing	Size & Quality	Brand & Market
<ul style="list-style-type: none"> • Leverage extensive industry relationships to source and execute attractive acquisition opportunities • Use market knowledge to inform pro forma asset underwriting • Alignment with largest global hotel manager provides off-market opportunities for growth • Exercise fiscal discipline to ensure return expectations are met 	<ul style="list-style-type: none"> • Acquire at an accretive cap rate⁽¹⁾ with opportunities for yield expansion through active asset management • Priced below replacement cost (including change of ownership PIPs) • Pursue transactions with fiscal discipline, don't chase deals or value 	<ul style="list-style-type: none"> • Upscale and upper midscale chains • Hotels that exceed 100 guestrooms • Stabilized RevPAR that exceeds \$100 • Target newer assets with limited initial capital requirements 	<ul style="list-style-type: none"> • Bias toward Marriott and Hilton brands • Grow higher margin Extended Stay footprint from current 30% of portfolio • Secondary U.S. markets with multiple non-cyclical demand generators • Well located in applicable submarkets • Markets with limited new supply in the development pipeline, barriers to entry in secondary markets

Aimbridge is Industry Leading Manager

Strong alignment has resulted in long term value creation



AMERICAN HOTEL
INCOME PROPERTIES

HOTEL MANAGER



- Aimbridge manages all 78 AHIP properties
- Aimbridge is the world's largest third-party manager
- Benefits of working with a large hotel manager:
 - Purchasing power
 - Stronger employee retention
 - Technology and reporting systems
 - Deep relationships with the leading hotel brands

BRANDS

Marriott.

Hilton

IHG®

- AHIP portfolio achieves weighted average RevPAR penetration rate of 115%⁽¹⁾
- Brand contribution and direct bookings account for 76% of AHIP's room bookings
- Brands continue to adapt to changing environment in order to gain customer trust:
 - Increased commitment to cleanliness
 - Hybrid housekeeping model
 - Packaged F&B offerings

Strategic Investment by BGO & Highgate

Q1 2021 Transaction Description

- BentallGreenOak and Highgate made a \$50 million strategic investment in AHIP
- Preferred equity stock and warrants on a private placement basis
- A portion of the net proceeds from the investment to repay debt and enhance corporate liquidity
- Investors have appointed two board members to AHIP's Board of Directors

Strategic Rationale

- Recognition of AHIP's premium branded, select-service hotel strategy and asset management platform
- Well capitalized strategic partners with significant hotel portfolios position AHIP to pursue value accretive acquisitions
- Highgate and BGO principals have a longstanding relationship of investing together in the hospitality space

Strategic Partner Overview



BentallGreenOak 

- Leading global real estate investment management advisor and provider of real estate services
- Majority-owned by SLC Management
- Offices in 24 cities across 12 countries, 750+ institutional clients, \$69 billion of assets under management



 **HIGHGATE**

- Industry leading real estate investment and hospitality management company
- Investment management capabilities extend to hospitality-adjacent real estate verticals including multifamily, short-term rentals, and diversified healthcare real estate, real estate-linked securities, technology platforms, and operating businesses
- Portfolio includes 350 owned and/or managed hotels comprising over 65,000 rooms across the U.S., Europe, Latin America, and the Caribbean
- Hotel assets under management have an aggregate value of more than \$15 billion
- In-house select-service and extended stay hotel development platform with an extensive pipeline of active projects
- Corporate offices in New York, Dallas, London, Miami, Seattle, and Waikiki

Strong Brand Recognition

AHIP's core portfolio has long-term brand affiliation with three largest global hotel companies

Guestrooms by Brand

IHG®

15 HOTELS

- Holiday Inn Express
- Holiday Inn
- Staybridge Suites

Marriott

34 HOTELS

- Fairfield Inn
- Residence Inn
- Courtyard
- TownPlace Suites
- Springhill Suites

Hilton

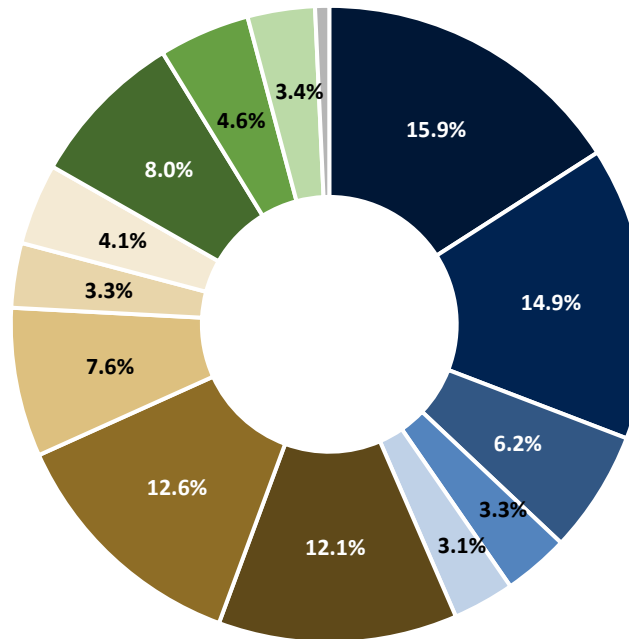
28 HOTELS

- Hampton Inn
- Embassy Suites
- Homewood Suites
- Home2 Suites
- Hilton Garden Inn

CHOICE™
HOTELS

1 HOTEL

- Sleep Inn & Suites



Benefits of Premium Branded Select-Service Hotels



Focused Operating Model

- Lean operating model with revenues primarily driven from Rooms
- Limited amenity and services result in reduced labor requirements
- Select Service is less capital intensive as a result of efficient building design with reduced amenity and common area space
- Not reliant on air travel, international visitors or large group and conference business

Benefit from Brand Partnerships

- High-quality branded hotels that appeal to multiple market segments
- Unique and targeted service and amenities by Brand
- Global brands provide access to loyalty members, driving repeat business
- Strong brand segmentation
- Global reservation systems

Wide Array of Demand Generators

- Business
- Leisure
- Government
- Military
- Athletics
- Health Care
- Education
- First Responders
- Social
- Construction

Sustainability Initiatives

AHIP is pleased to work with hotel brands that employ sustainability practices to reduce waste, water and energy consumption



Across AHIP's hotel portfolio:

- **55%** of properties have eliminated single use toiletry bottles
- **84%** of properties have eliminated single use plastic straws
- **71%** of properties track their use of electricity and water to reduce consumption
- **75%** of hotels have installed or are in the process of installing energy efficient lighting
- **82%** of hotels pay all hotel employees more than applicable minimum wage

Hilton

- Hilton's LightStay measures environmental and social impact
- LightStay water reduction and energy reduction targets in line with 2030 goals

Marriott

- Marriott's Serve 360 provides framework to source responsibly, reduce environmental impact and contribute to social causes
- Hotel metrics are measured to help achieve Marriott's 2025 corporate sustainability goals

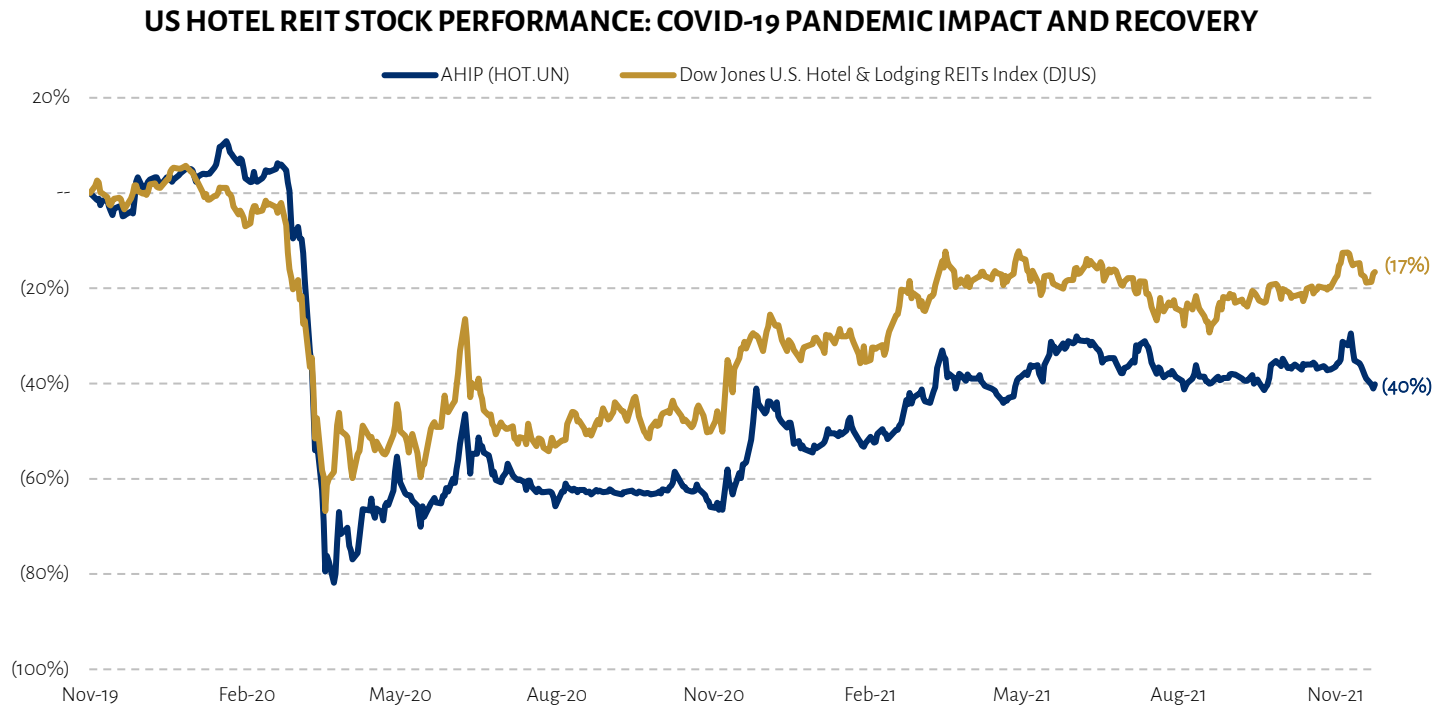
IHG®

- IHG Green Engage provides green solutions to manage and report energy, carbon, water and waste
- Includes LED lighting, low-flow taps, toilets and shower heads

Financial & Valuation Highlights

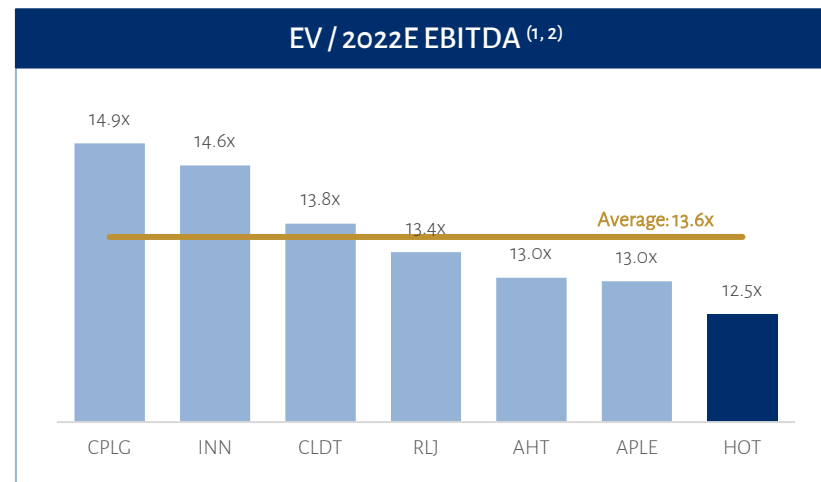
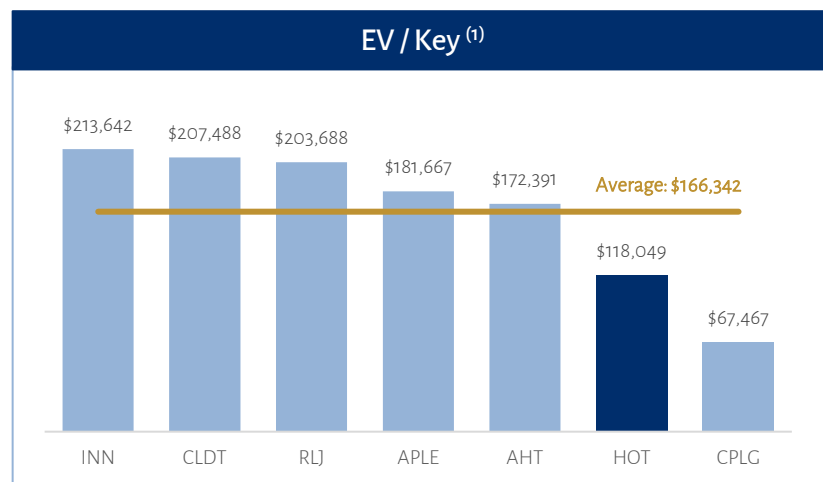
Unique Opportunity for Long-Term Hotel Sector Exposure

- The COVID-19 pandemic has provided a rare opportunity to invest in the hotel sector
- Prices significantly below historical and intrinsic value



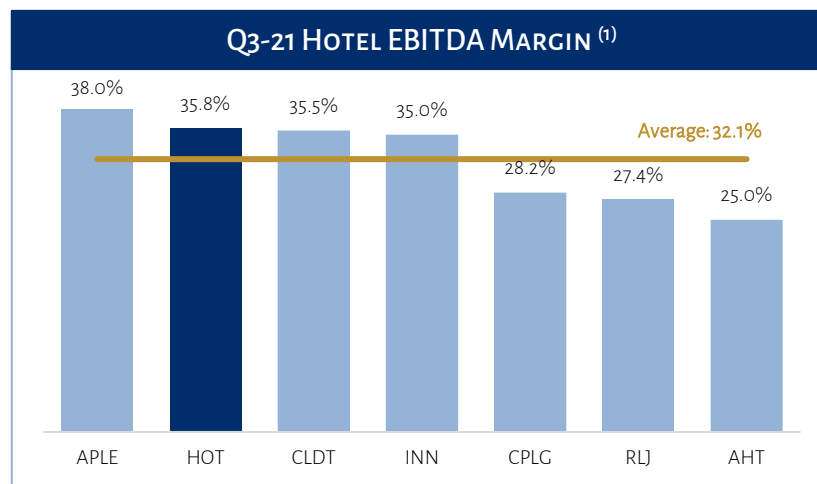
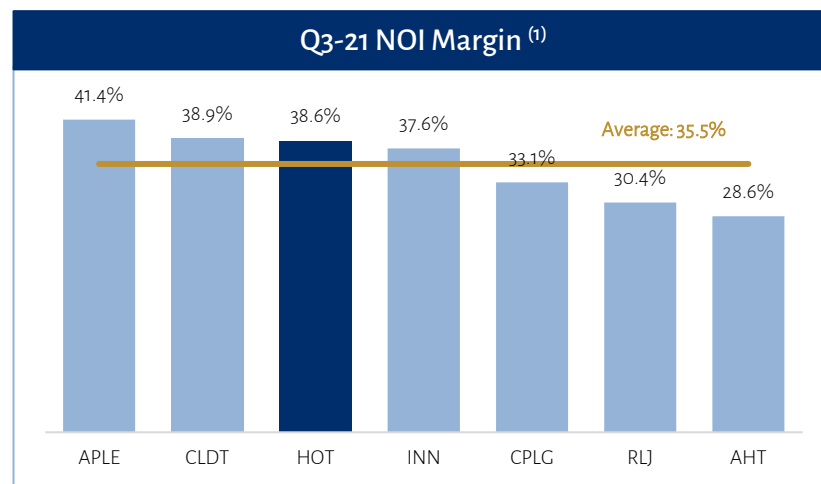
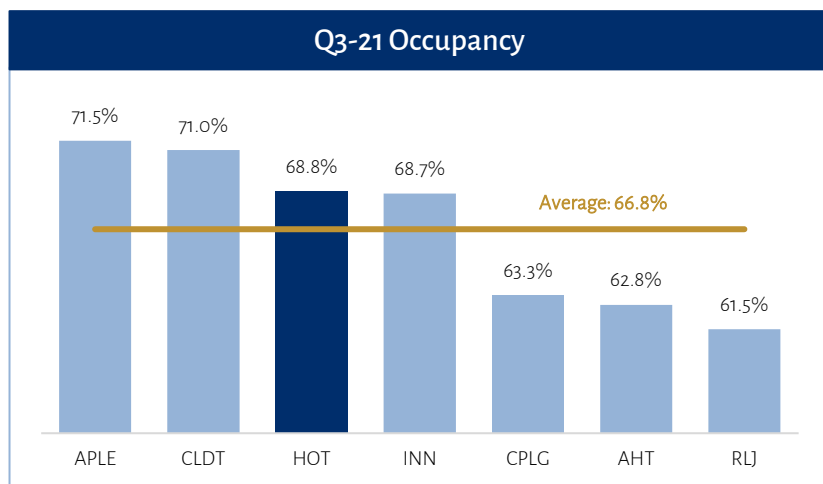
Attractive Basis for Investment in AHIP

AHIP currently trades below its peer set on a forward EV / EBITDA, EV / Key



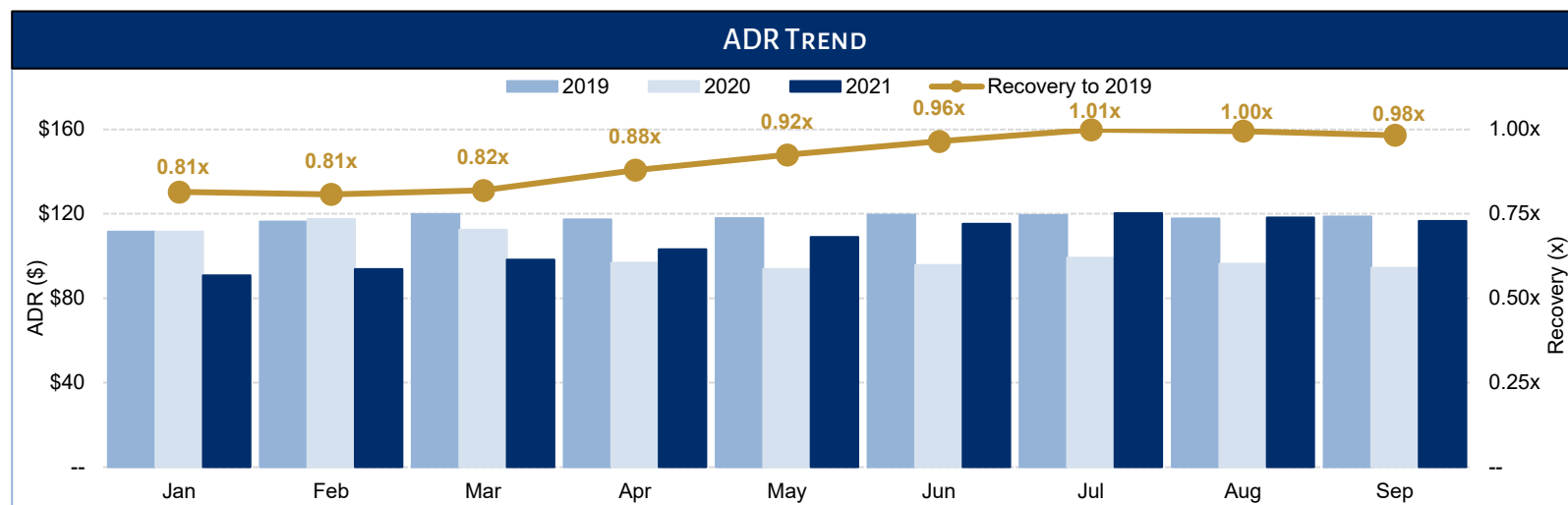
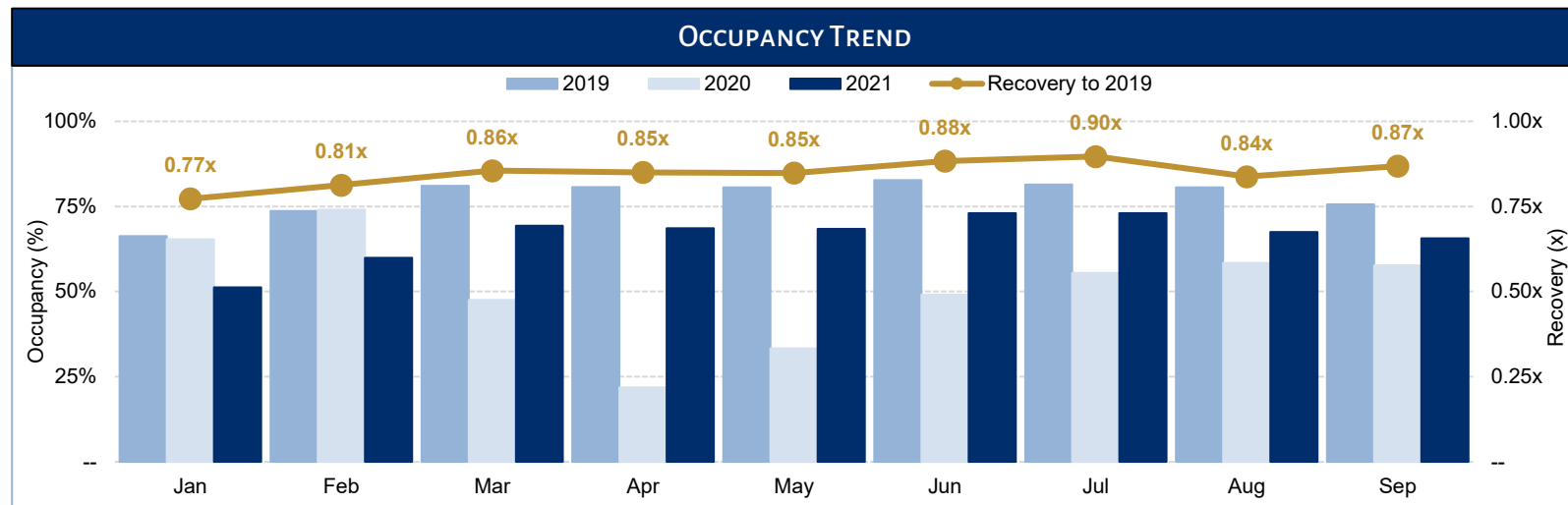
Recent Performance vs. Peers

Recent operational outperformance relative to peers highlights AHIP's high-quality and resilient portfolio



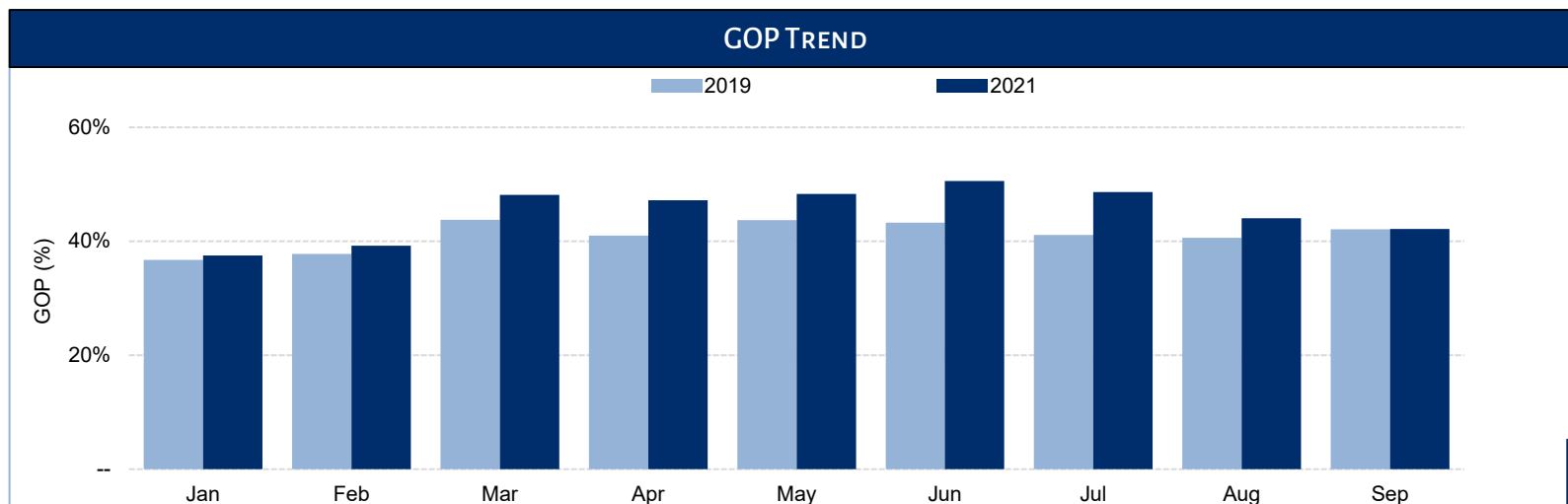
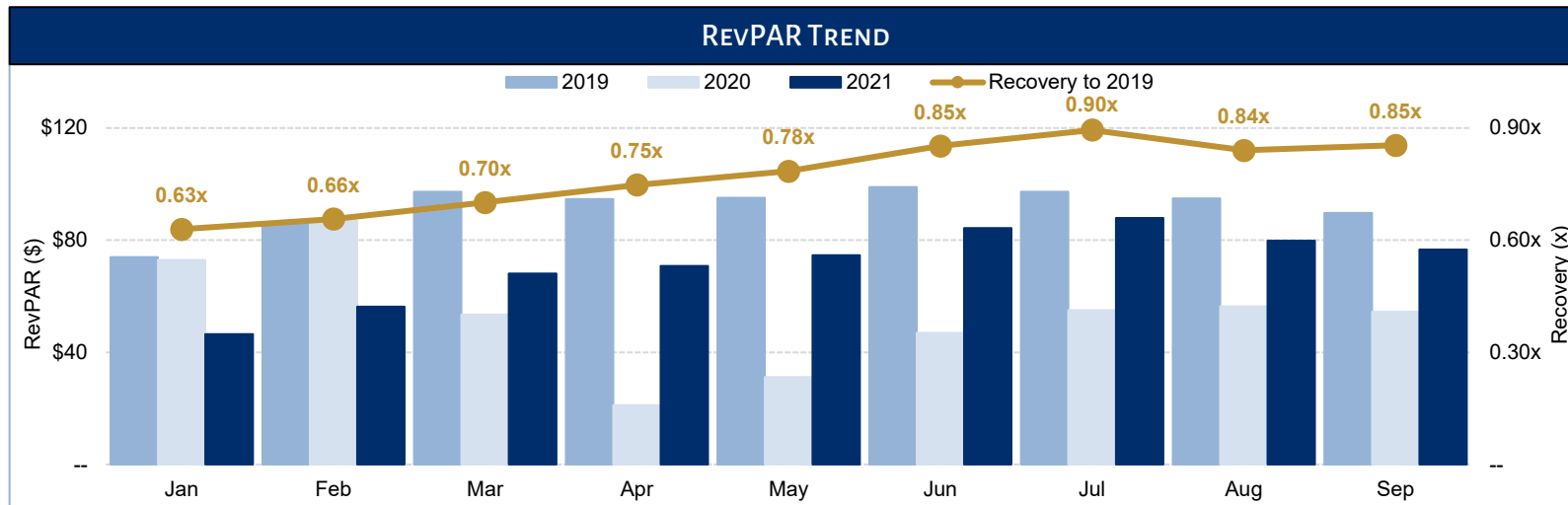
2021 YTD Operating Trend

ADR recovery continues to outpace Occupancy; ADR returned to 2019 levels in Q3



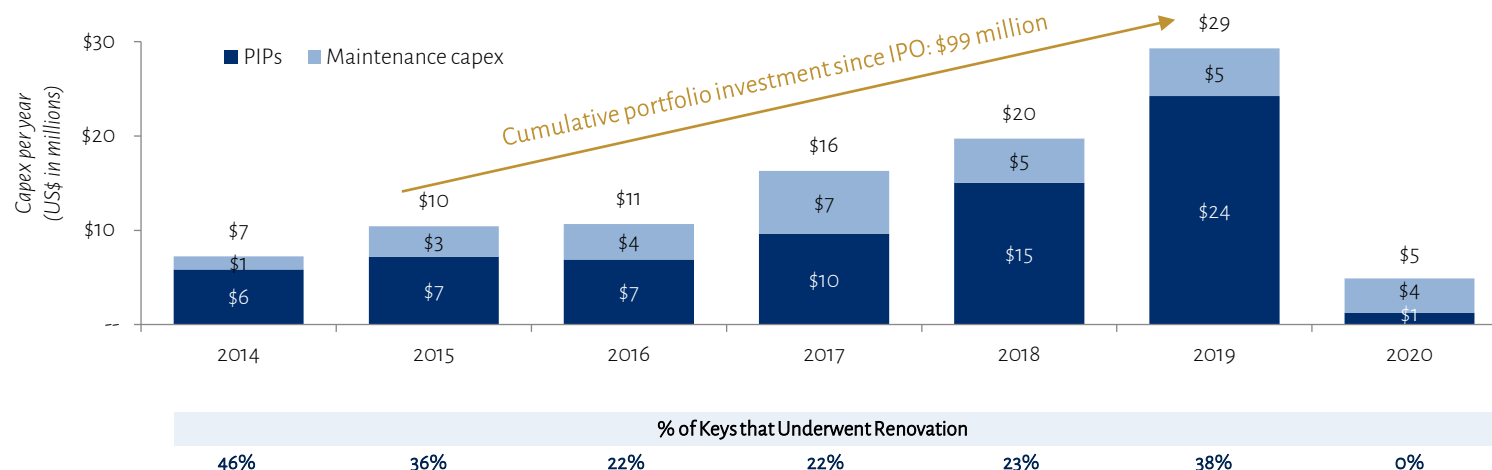
2021 YTD Operating Trend

RevPAR spread to 2019 is narrowing and GOP margins remain above 2019



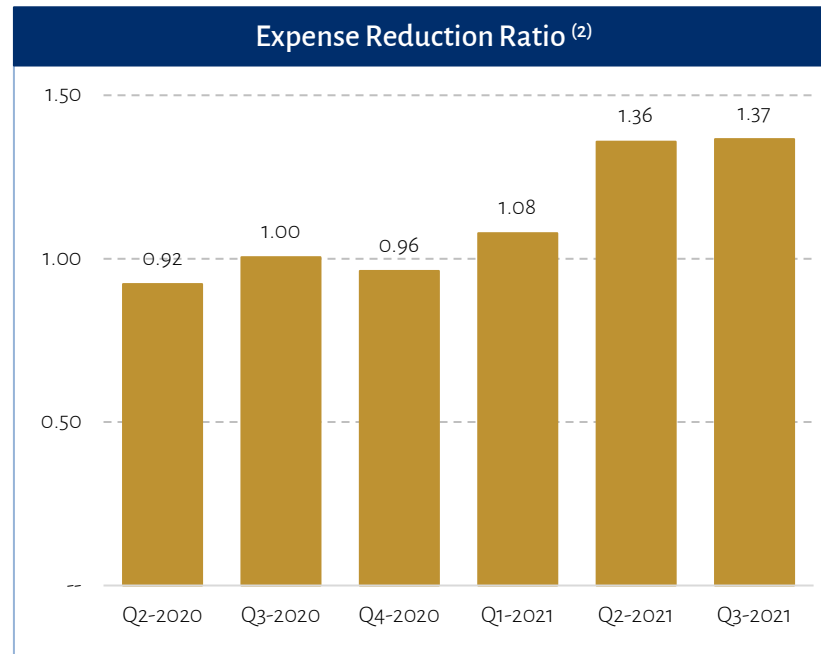
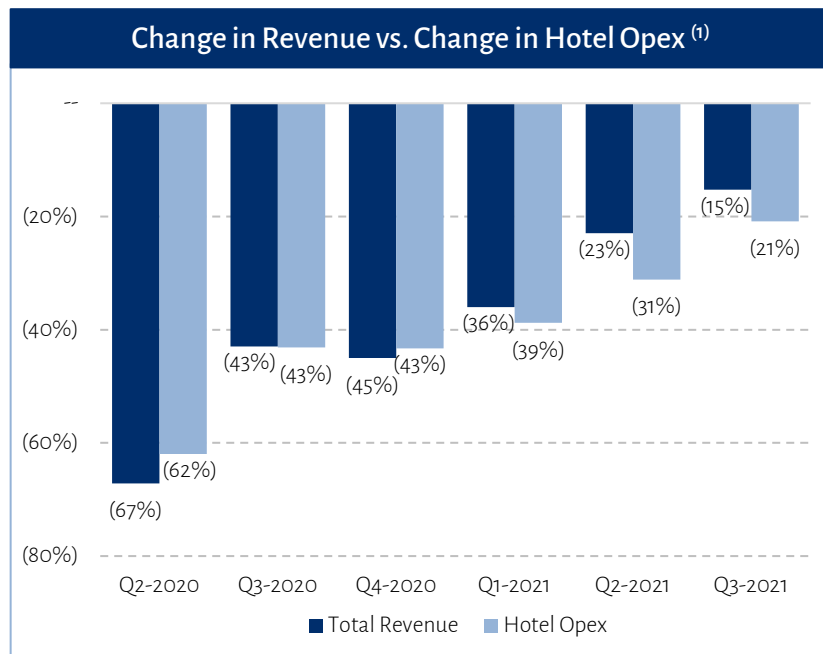
Disciplined Approach to Capex Investment in Hotels

2016 - 2019	2020 - 2021	2022+
AHIP made significant investment in hotels to modernize properties and improve market position	<p>AHIP deferred a number of capital projects to preserve cash during the pandemic</p> <ul style="list-style-type: none"> Brand partners have been supportive on cost reduction, capital preservation during reduced demand period Ongoing Brand negotiations on PIP timelines and scope 	<p>AHIP expects a return to normalized hotel operations including completion of PIPs</p> <ul style="list-style-type: none"> AHIP expects to spend ~\$30mm in total capital in 2022 which will partially be funded by restricted cash and generate returns between 8-12% There is no significant “backlog” of capex that requires catchup in 2022+ In the long-term, AHIP expects to spend \$2,000-\$2,500/key on an annual basis



Efficient Select-Service Business Model Provides Cost Flexibility

- Active asset management and continued focus on cost control measures has mitigated the impact of lower revenue as seen by an increasing expense reduction ratio since the onset of the COVID-19 pandemic



Long-Term Cost Savings



- COVID-19 is expected to permanently modify the hotel industry operating environment
- Relaxed brand standards for housekeeping and complimentary food offerings are expected to remain
- AHIP expects to see ongoing savings from 100-200 bps relative to 2019

	ACTUAL		
	2019	2020	1H 2021
Cost Per Occupied Room			
Complimentary Food & Beverage (including labour)	\$5.00	\$2.60	<i>\$2.20</i>
Housekeeping	\$7.60	\$6.00	<i>\$5.20</i>

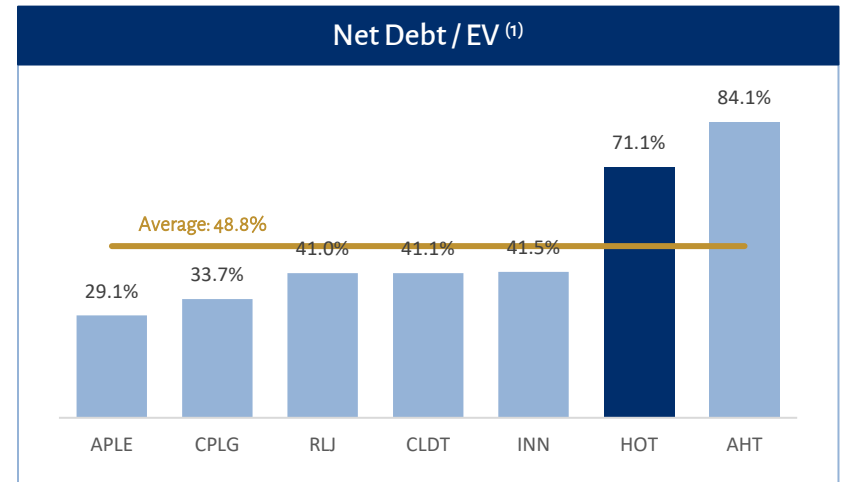
Complimentary Food & Beverage and Housekeeping Per Occupied Room are below 2019 in the first half 2021

Expect some increases in second half of 2021 into 2022

Leverage Overview

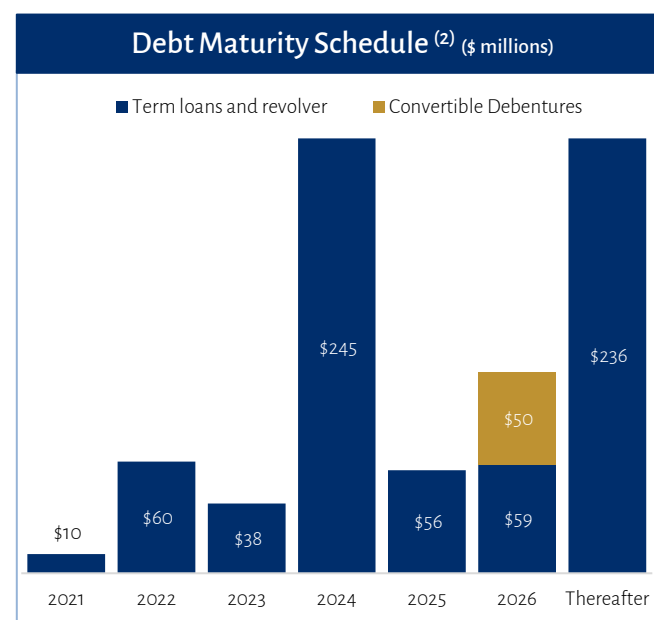
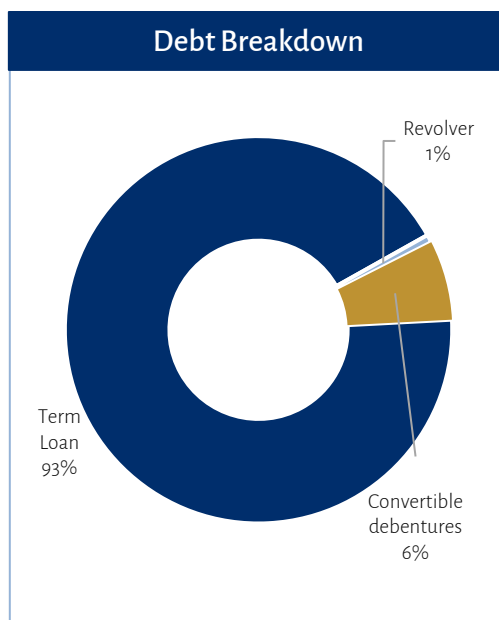
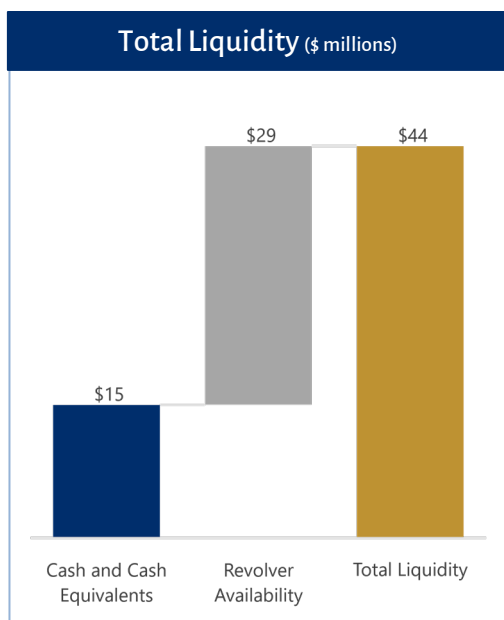
Debt Strategy

- Plan to reduce leverage over time through a combination of strategic factors
 - Improve asset valuation with best in class hotel operations driving hotel NOI⁽¹⁾
 - Maintain a sustainable distribution and FFO payout ratio⁽¹⁾
 - Equity issuances with a joint objective of funding accretive growth and leverage reduction
 - Selective dispositions of non-core assets to enhance liquidity and reduce leverage



Balance Sheet Snapshot

- AHIP has total available liquidity of \$44 million with an additional \$37 million of restricted cash held in various reserves with the loan servicers available for PIP and FFE expenditures
 - Minimum liquidity required during covenant waiver period is \$20 million
- Positive EBITDA⁽¹⁾ in every month since May 2020 demonstrates resiliency of portfolio
- Convertible debentures refinanced in November 2021, new maturity date of December 31, 2026
- CMBS maturities in 2022

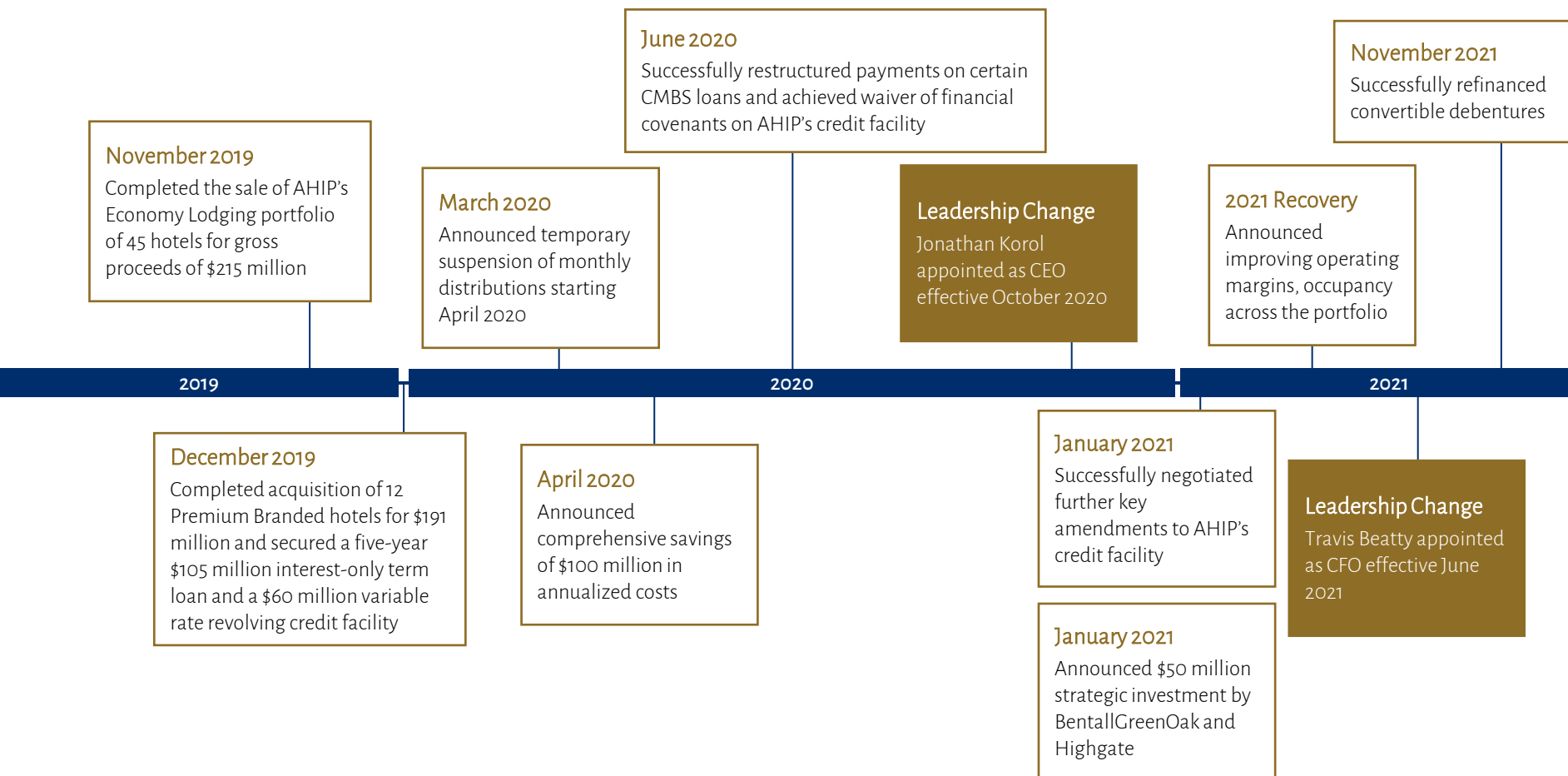


Credit Facility

AHIP successfully negotiated the following amendments to its credit facility in early 2021

Covenant Waivers	<ul style="list-style-type: none">• Waiver of key financial covenants through December 31, 2021 and modified covenants through 2022<ul style="list-style-type: none">• Debt service ratio covenants increasing from 1.35x until June 30, 2022, to 1.40x as at September 30, 2022, 1.45x at December 31, 2022, and 1.60 from 2023 onwards• AHIP expects to achieve financial covenants in 2021 and 2022
Increased Borrowing Base Availability and Liquidity	<ul style="list-style-type: none">• Availability under the Credit Facility fixed at approximately \$159 million through December 31, 2021• Maximum Borrowing Base Leverage Availability at 65% in 2021• Borrowing base expected to be based on book value, not cash flow based metrics, until 2023 which ensures stability of borrowing base
Maturity	<ul style="list-style-type: none">• \$100 million Revolving Credit Facility matures December 2023• \$125 million Term Loan matures December 2024

Recent Corporate Timeline



Strategic Portfolio Transformation – 2019

Highlights

(\$ millions except price per key)

- AHIP acquired 12 Premium Branded hotels representing 1,203 rooms for \$191 million (\$159k/key)
- Strategic transaction upgrading portfolio with premium branded select service hotels
- Increased Extended Stay exposure from 16 to 24 hotels
- Expansion of Brand platform with Marriott, Hilton and IHG
- Completed significant renovations on 5 Embassy Suites assets

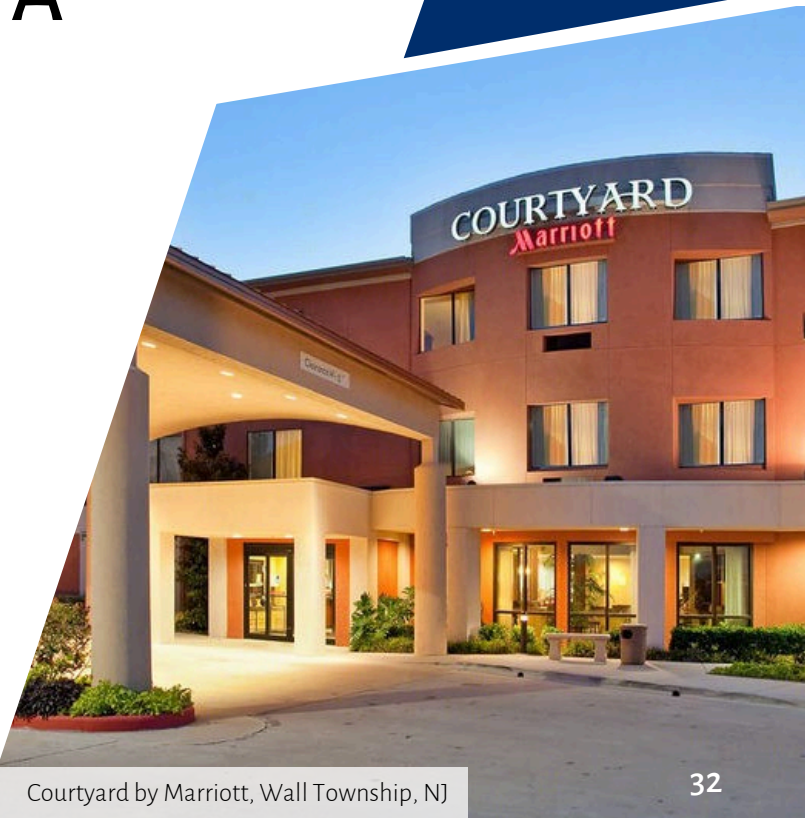
(\$ millions, except RevPAR)	2018 YE	—	Sale of Economy Lodging Portfolio	+	Starwood 12 Acquisition	=	2019 YE
Hotels	112		45		12		78
Keys	11,523		3,839		1,203		8,801
RevPAR	\$73.29		\$42.81		\$96.22		\$89.48
Business Segment	Premium 80%		Economy 100%		Premium 100%		Premium 100%
NOI^(1, 3)	\$114		\$22		\$18		\$107
NOI Margin⁽³⁾	33.6%		32.9%⁽²⁾		42.4%⁽²⁾		34.9%
EV/Purchase Price⁽³⁾	\$1,095		\$216		\$191		\$1,182

Questions? Please contact us at:

- 🌐 www.ahipreit.com
- ✉ info@ahipreit.com
- ☎ (604) 630-3134
- 📍 800-925 West Georgia Street Vancouver, BC V6C 3L2 Canada



Appendix A



Financial Snapshot



ANNUAL RESULTS	2018	2019	2020
Number of Guestrooms	11,523	8,887	8,801
Revenue ('000)	\$338,561	\$335,188	\$174,855
EBITDA ('000) ⁽¹⁾	\$93,839	\$93,742	\$31,857
EBITDA Margin ⁽¹⁾	27.7%	28.0%	18.2%
FFO per diluted unit ⁽¹⁾	\$0.70	\$0.70	(\$0.12)
Debt/Gross Book Value ⁽¹⁾	53.6%	56.3%	58.3%
WA Loan Interest Rate	4.65%	4.41%	4.55%
WA Loan Term	6.4 years	5.5 years	4.5 years

Appendix B

Non-IFRS Measures



Additional information about NON-IFRS MEASURES, including reconciliations of certain of these non-IFRS measures to the closest comparable IFRS measure, are contained in AHIP's MD&A for the financial periods covered by this presentation, copies of which are available on SEDAR at www.sedar.com.

NON-IFRS MEASURES

AHIP has included certain non-IFRS financial measures. Management believes that in addition to conventional measures prepared in accordance with IFRS, investors in the real estate and lodging industries use these non-IFRS financial measures to evaluate AHIP's performance, its ability to generate cash flows and its financial condition. Accordingly, these non-IFRS financial measures are intended to provide additional information and should not be considered in isolation or as a substitute for performance measures prepared in accordance with IFRS. These terms are not recognized under IFRS; as a result, they do not have standardized meanings prescribed by IFRS and may not be comparable to measures used by other issuers in the real estate or lodging industries.

- a) Capitalization Rate: AHIP calculates the Capitalization Rate as NOI (excluding adjustments under IFRIC 21) divided by Enterprise Value.
- b) Debt-to-Gross Book Value: AHIP believes that Debt-to-Gross Book Value is an important supplemental measure of financial condition. Debt-to-Gross Book Value is a compliance measure pursuant to AHIP's Limited Partnership Agreement to limit its financial leverage.

"Debt" means any obligation for borrowed money including the face amount outstanding of revolving credit facilities, term loans, convertible debentures, deferred compensation payable and finance lease liabilities provided that: (i) an obligation will constitute indebtedness only to the extent that it would appear as a liability on the consolidated statements of financial position; (ii) indebtedness excludes accounts payable, accrued liabilities, distributions payable, short term acquisition credit facilities, and other liabilities comprised of deferred income, preferred shares, warrants and deferred lease inducement; and (iii) face amount excludes unamortized deferred financing costs, unamortized mark-to-market adjustments and interest rate swap contracts.

"Debentures" means the aggregate principal amount of \$50 million of 6.00% convertible unsecured subordinated debentures issued on November 26, 2021, at a price of \$1,000 per Debenture and maturing on December 31, 2026.

"Gross Book Value" means, at any time (i) the cost of the Partnership's and its consolidated subsidiaries' property, building and equipment, plus (ii) the book value of the other assets of the Partnership and its consolidated subsidiaries as shown on its then most recent consolidated statements of financial position plus the amount of accumulated amortization shown thereon or in the notes thereto in respect of any such assets that are intangible assets, less (iii) the amount of any receivable reflecting interest rate subsidies on any debt assumed by the Partnership, and less (iv) deferred income tax liabilities arising out of fair value adjustments in respect of indirect acquisitions.

"Debt-to-Gross Book Value" is the ratio of Debt divided by Gross Book Value.

- c) Earnings before interest, taxes, depreciation and amortization ("EBITDA"): AHIP calculates EBITDA as NOI (excluding adjustments under IFRIC 21) less hotel management fees and general administrative expenses, excluding non-recurring transaction related expenses. AHIP calculates "EBITDA Margin" as EBITDA divided by total revenues.
- d) Enterprise Value ("EV"): Enterprise value (EV) is a measure of a company's total value. AHIP calculates EV as the market capitalization of units plus short-term and long-term debt and net cash on the company's balance sheet as of the date noted.
- e) Expense Reduction Ratio: AHIP calculates the Expense Reduction Ratio as change in hotel operating expenses divided by change in total revenue.

- f) Funds from Operations ("FFO"): FFO is not defined under IFRS and should not be considered as an alternative to net income (loss), cash flow from operations, or any other operating or liquidity measure prescribed under IFRS. Instead, FFO has been included to provide readers and investors with additional information to improve their understanding of AHIP's operating results. As FFO is not defined under IFRS, it does not have a standardized meaning and may not be comparable with similar measures presented by other issuers.

FFO is defined as net income (loss) and comprehensive income (loss) calculated in accordance with IFRS excluding: (i) depreciation and amortization; (ii) gains (or losses) from sales of hotel properties and equipment; (iii) deferred income tax expense (recovery); (iv) impairment losses or reversals recognized on land and depreciable real estate properties; (v) business acquisition costs related to the purchase of a property being accounted for as a business combination; (vi) foreign exchange gains (or losses); (vii) fair value adjustments to financial instruments; (viii) adjustments for property taxes accounted for under IFRIC 21 Levies ("IFRIC 21") for the recognition of liabilities for obligations to pay levies and taxes; (ix) non-recurring transaction related expenses, such as expenses related to the disposal of properties, loan defeasance expenses or any share or warrant issuance expenses; and (x) net income attributable to non-controlling interest.

For the purposes of calculating Diluted FFO per Unit, the weighted average number of diluted Units outstanding is calculated assuming the conversion of unvested Restricted Stock Units and the conversion of the convertible debentures outstanding, to the extent that each factor is dilutive. This may differ from the weighted average number of diluted Units outstanding calculated in accordance with IFRS.

- g) Gross Operating Profit ("GOP"): AHIP calculates its Gross Operating Profit ("GOP") as total revenues less hotel operating expenses, energy, and property maintenance.
- h) Hotel EBITDA: AHIP calculates Hotel EBITDA as NOI (excluding adjustments under IFRIC 21) less hotel management fees, excluding non-recurring transaction related expenses. AHIP calculates "Hotel EBITDA Margin" as Hotel EBITDA divided by total revenues.
- i) Net Debt: AHIP calculates its Net Debt as Short and Long Term Debt less Cash and Cash Equivalents.
- j) Net Operating Income ("NOI"): AHIP believes NOI is an important measure of operating performance of real estate properties. NOI is defined as total revenues less hotel operating expenses, energy, property maintenance, property taxes (excluding adjustments under IFRIC 21), insurance and ground lease payments (excluding depreciation and amortization). AHIP calculates "NOI Margin" as NOI divided by total revenues.

OPERATIONAL METRICS

- a) Occupancy Rate: "Occupancy Rate" represents the total number of hotel rooms sold in a given period divided by the total number of rooms available during such period. Occupancy measures the utilization of a hotel's available capacity.
- b) Average Daily Rate ("ADR"): ADR represents the total room revenues divided by total number of rooms sold in a given period. ADR is a measure of the average rate paid for rooms sold.
- c) Revenue Per Available Room ("RevPAR"): RevPAR is the product of occupancy and ADR for the period.
- d) Furniture, Fixtures and Equipment Reserves ("FF&E Reserves"): FF&E Reserves are calculated as four percent of total revenues for the Premium Branded hotels.