



AMERICAN HOTEL
INCOME PROPERTIES

AMERICAN HOTEL INCOME PROPERTIES REIT LP

**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

For the three and nine months ended September 30, 2021
(Expressed in U.S. Dollars)

Dated: November 9, 2021

Courtyard Bismarck, ND

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PART I

BASIS OF PRESENTATION

This Management's Discussion and Analysis of Results of Operations and Financial Condition ("MD&A") for the three and nine months ended September 30, 2021 includes material financial information as of November 9, 2021. This MD&A should be read in conjunction with AHIP's unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2021 and 2020 ("Interim Financial Statements") and audited consolidated financial statements for the years ended December 31, 2020 and 2019 ("Financial Statements"), prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Historical results, including trends which might appear, should not be taken as indicative of future operations or results. Additional information relating to AHIP, including its annual information form ("AIF") for the year ended December 31, 2020, is available on SEDAR at www.sedar.com.

All amounts presented in this MD&A are in United States dollars ("U.S. dollars"), unless otherwise noted.

FORWARD-LOOKING INFORMATION

This MD&A 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 American Hotel Income Properties REIT LP ("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. Some specific forward-looking information and financial outlook in this MD&A include, but are not limited to, statements with respect to: AHIP management's expectation that the seasonal nature of the lodging industry, as well as other factors beyond AHIP's control including overall economic cycles, weather conditions and other unexpected events such as the impacts of the current COVID-19 pandemic, will cause quarterly fluctuations in occupancy rates, room rates, revenues, operating expenses, cash flows, earnings and payout ratios; AHIP management's expectations with respect to how it will pay expenses and service debt if cash flow from operations is insufficient to cover such obligations in a given quarter; the expectation that AHIP's expenses will grow at, or greater than, the general rate of inflation; the possibility that competition could limit the ability of AHIP's hotel manager to raise room rates, particularly during periods of reduced demand, and adversely affect AHIP's occupancy rates and RevPAR (as defined below), and may require AHIP to provide additional amenities or make capital improvements, which may reduce AHIP's profitability; AHIP's expectation that the majority of modifications to brand service standards will remain in effect for the balance of 2021; AHIP's expectation that in 2022, there will be a gradual return to complimentary food and beverage offerings, while housekeeping is forecast to remain below 2019 levels; AHIP management estimates that there will be a permanent 100-200 basis point improvement in margins relative to 2019 due to modified service offerings; AHIP's expectation that it will start two small renovations in late 2021 and has a capital plan for 2022 to return to pre-COVID-19 spending levels, which is expected to include approximately \$20 million in PIPs (defined below) and \$10 million in FF&E

improvements, of which \$15-\$20 million is expected to be funded by restricted cash; in 2022, priority will be given to projects that exhibit a strong return on investment, provide improvements to each property's RPI (as defined below) and fulfill contractual agreements with AHIP's brand partners; AHIP's expectation that AHIP will receive continued cooperation and flexibility from AHIP's brand partners as AHIP begins to execute on its capital programs; COVID-19 cases and variant infections have the potential to reduce leisure and business travel in future periods; AHIP being prepared for periods of further COVID-19 related demand disruption should they arise; AHIP management's intention to bring AHIP's leverage level closer to AHIP's peer group over time and the means by which AHIP intends to achieve that objective; the reinstatement of regular monthly distributions with payment commencing in March 2022 and the annual and monthly rates thereof; the expected timing for the declaration, record date and payment of the first regular monthly distribution; the payment of the deferred March 2020 distribution on December 31, 2021; AHIP's expectation that in the remainder of 2021 EBITDA (as defined below) will improve and exceed required outflows for principal and interest payments and capital expenditures; AHIP's expectations for the remainder of 2021, including that overall travel conditions to remain at similar levels to the third quarter; AHIP's expectation that in 2022 there will be a gradual return of the corporate travel market combined with the continued strength in the leisure market; AHIP anticipating stable or rising occupancy and rates, and AHIP's belief that its portfolio is in a strong position to address periods of further COVID-19 related demand disruption should they arise; AHIP is evaluating certain growth opportunities that would expand the hotel portfolio and geographic footprint; AHIP is also reviewing strategies for divesting assets to recycle proceeds into higher-return generating assets in more attractive markets; higher NOI (as defined below) margins may not persist at current levels as the recovery from COVID-19 continues and previous levels of services are reinstated; the hotel brand approved deferral of all 2020 scheduled capital projects to late 2021 and beyond, AHIP's Credit Facility (as defined below) syndicate providing covenant waivers under the Credit Facility through Q4 2021 and modified covenant waivers to Q4 2022; the requirement to replenish certain restricted cash balances and pay certain deferred amounts under AHIP's CMBS loans during 2021 and 2022; the value of the liability on AHIP's statements of financial position related to the Warrants (defined below) is expected to fluctuate; AHIP's expectation that it will be able to refinance the Debentures and the Eastern Seaboard Loan Pool #4 at prevailing market terms prior to their stated maturity dates; AHIP's expectation that it will be able to continue to satisfy its obligations as they become due notwithstanding its current working capital deficiency; AHIP may utilize its unrestricted cash balance and revolving credit facility from time to time to meet its financial obligations to the extent there are shortfalls in cash flow from operating activities; AHIP's intention to repay maturing debt and its expected means of doing so; the expected maturities and amortization periods on future long term debt; the timing and amount of payments under term loans and revolving credit facility, Debentures (as defined below), finance and operating leases, purchase and other obligations; AHIP's expectation that fixed rate mortgages will be primarily first charge mortgages; AHIP's intention to maintain total indebtedness of approximately 55% of AHIP's Gross Book Value (as defined below) over the long term (with AHIP's expectation being that the ratio will fluctuate from time to time, particularly in the near-term as AHIP accesses additional debt capital to fund operations while occupancies remain reduced due to the impacts of COVID-19); AHIP's ICFR (as defined below) may not prevent or detect all misstatements because of the inherent limitations of any control system; AHIP's stated long-term objectives; AHIP management's intention to continue to operate AHIP in such a manner to remain exempt from the SIFT Measures (as defined below) on a continuous basis in the future; the possibility that the U.S. REIT may be subject to certain state and local income, franchise and property taxes even if it continues to qualify as a real estate investment trust under the Code (as defined below); and the potential risks set forth under "Risks and Uncertainties".

Although AHIP believes that the expectations reflected in the forward-looking information and financial outlook contained in this MD&A are reasonable, AHIP can give no assurance that these expectations will prove to be correct, and since forward-looking information and financial outlook inherently involves risks and uncertainties, undue reliance should not be placed on such forward-looking information or financial outlook. The estimates and assumptions, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth in this MD&A as well as the following: the COVID-19 pandemic will continue to negatively impact (although to a lesser extent than previously as vaccinations increase) the U.S. economy, U.S. hotel industry and AHIP's business, and the extent and duration of such impact; AHIP will continue to have sufficient funds to meet its financial obligations; 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; AHIP's strategies with respect to margin enhancement, completion of capital projects, liquidity and divestiture of non-core assets will be successful; higher NOI margins may not persist at current levels as the recovery from COVID-19 continues and previous levels of services are reinstated; AHIP's Brand partners will agree to extend the adjustment to certain service standards and continue to cooperate with AHIP; occupancy rates will be stable or rise in 2022; AHIP will be successful in decreasing its leverage over time; AHIP will be successful in obtaining any further loan relief required from its CMBS loan servicers; AHIP will not require covenant waivers under its Credit Facility subsequent to Q4 2021 or covenant modifications subsequent to Q4 2022, and if required, such waivers will be provided by its Credit Facility syndicate; AHIP's select-service portfolio will continue, in the near term to outperform full service hotels focused on gateway markets or more reliant on air travel; the economic recovery in the U.S. and within the U.S. hotel industry will continue; the portion of the government-guaranteed loans to be forgiven will be consistent with AHIP's estimates; critical accounting estimates; 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; AHIP's future level of indebtedness and its future growth potential will remain consistent with AHIP's current expectations; 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 therefor; 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; the U.S. REIT will continue to qualify as a real estate investment trust for U.S. federal income tax purposes; the SIFT Measures in the Tax Act (as defined below) will continue to not apply to AHIP; AHIP will retain and continue to attract qualified and knowledgeable personnel as AHIP expands its portfolio and business; 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 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. Forward-looking information and financial outlook are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes.

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 COVID-19 pandemic and related government measures and their impact on the U.S. economy, the hotel industry, and AHIP's business, including, as more particularly described above under "Risks and Uncertainties"; 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 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; 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; AHIP may not achieve its expected performance improvements in 2021 or 2022; forecasts in third party reports with respect to a recovery in the U.S. hotel industry may not be accurate and the recovery of the U.S. hotel industry may take longer than expected; AHIP's brand partners may not agree to extend existing adjustments to services standards, which may negatively impact AHIP's margins; PIP renovations may not commence or complete in accordance with currently expected timing and may suffer from increased material costs; AHIP's restricted cash reserves may not be sufficient to fully fund AHIP's PIP obligations or capital plans; recent recovery trends at AHIP's properties may not continue and may regress; occupancy, corporate, leisure and transient travel patterns may not be consistent with AHIP's expectations; AHIP's strategies with respect to margin enhancement, completion of accretive capital projects, liquidity and divestiture of non-core assets may not be successful; AHIP may not be successful in reducing its leverage; monthly cash distributions are not guaranteed and remain subject to the approval of Board of Directors and may be reduced or suspended at any time at the discretion of the Board (see "Risks and Uncertainties – Distributions"); AHIP may not be able to refinance debt obligations as they become due; AHIP's cost reduction, cash preservation and liquidity strategies may not achieve their stated objectives, and cash savings and liquidity generated may be less than anticipated; AHIP may require additional debt or equity capital in order to replenish any further reserve funds drawn in accordance with the timing required by its CMBS loan servicers and to satisfy AHIP's other contractual obligations, and such funds may not be available to AHIP on reasonable terms, or at all; AHIP may require covenant waivers under its Credit Facility subsequent to Q4 2021 and covenant modifications subsequent to Q4 2022, and if required, such waivers may not be provided by its Credit Facility syndicate on terms acceptable to AHIP, or at all; AHIP may require further relief from its CMBS loan servicers, and if required, such relief may not be provided by such CMBS loan servicers on terms acceptable to AHIP, or at all; the CMBS loan servicers for certain of AHIP's CMBS loans could invoke the cash management provisions of such loans; AHIP's portfolio may not capture anticipated market share in the near term, or at all; the impacts of COVID-19 on AHIP's anticipated revenue levels and the recoverable amount of its hotel properties could lead to impairment charges on hotel properties in future periods; general economic conditions and consumer confidence; AHIP may not satisfy the criteria for forgiveness of certain government-guaranteed loans obtained by AHIP; AHIP may not be successful in negotiating modified terms for its two-single property loans which have been transitioned to special servicers, and the loan servicers may seek to enforce their security under such loans including through foreclosure proceedings (see "Debt Strategy"); 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; ability to integrate new hotels; environmental matters; and changes in legislation. Additional information about risks and uncertainties is contained in this MD&A and in AHIP's AIF dated March 15, 2021 for the year ended December 31, 2020, a copy of which is available on SEDAR at www.sedar.com.

To the extent any forward-looking information in this MD&A constitutes a "financial outlook" within the meaning of applicable securities laws, such information is being provided to investors to assist in their understanding of the financial impact to AHIP of related brand standards, AHIP's planned capital expenditures and estimated amounts of government guaranteed loan that will be forgiven.

The forward-looking information and financial outlook contained in this MD&A is expressly qualified in their entirety by these cautionary statements. All forward-looking information and financial outlook in this MD&A are made as of November 9, 2021. AHIP does not undertake any obligation to update any such forward looking information or financial outlook, resulting from new information, future events or otherwise, except as required by applicable law.

APPROVAL BY THE BOARD OF DIRECTORS

The Board of Directors of AHIP's General Partner, upon recommendation of its Audit Committee, approved the contents of this MD&A on November 9, 2021.

PART II

OVERVIEW OF AHIP

AHIP is a limited partnership formed under the *Limited Partnerships Act* (Ontario) to invest in hotel real estate properties in the United States ("U.S.") and engaged primarily in growing a portfolio of premium branded, select-service hotels in larger secondary markets with diverse and typically stable demand generators. AHIP was established pursuant to the terms of AHIP's Limited Partnership Agreement dated October 12, 2012, which was most recently amended and restated on June 17, 2021 (the "Limited Partnership Agreement"). AHIP's general partner is American Hotel Income Properties REIT (GP) Inc. (the "General Partner"). AHIP's head office and address for service is Suite 800 – 925 West Georgia Street, Vancouver, B.C., Canada V6C 3L2.

The principal business of AHIP is to issue limited partnership units ("Units") and to acquire and hold shares of American Hotel Income Properties REIT Inc. (the "U.S. REIT"). The U.S. REIT was established for the purposes of indirectly acquiring and owning hotel real estate properties in the U.S.

AHIP's long-term objectives are to:

- (i) increase the value of its hotel properties through operating excellence, active asset management and investing in value-added capital expenditures
- (ii) expand its hotel portfolio through selective acquisitions on an accretive basis
- (iii) Increase unitholder value and distributions to unitholders

AHIP's Units trade on the Toronto Stock Exchange ("TSX") under the symbol HOT.UN (Canadian dollar ticker) and HOT.U (U.S. dollar ticker) as well as on the OTCQX International Marketplace in the U.S. under

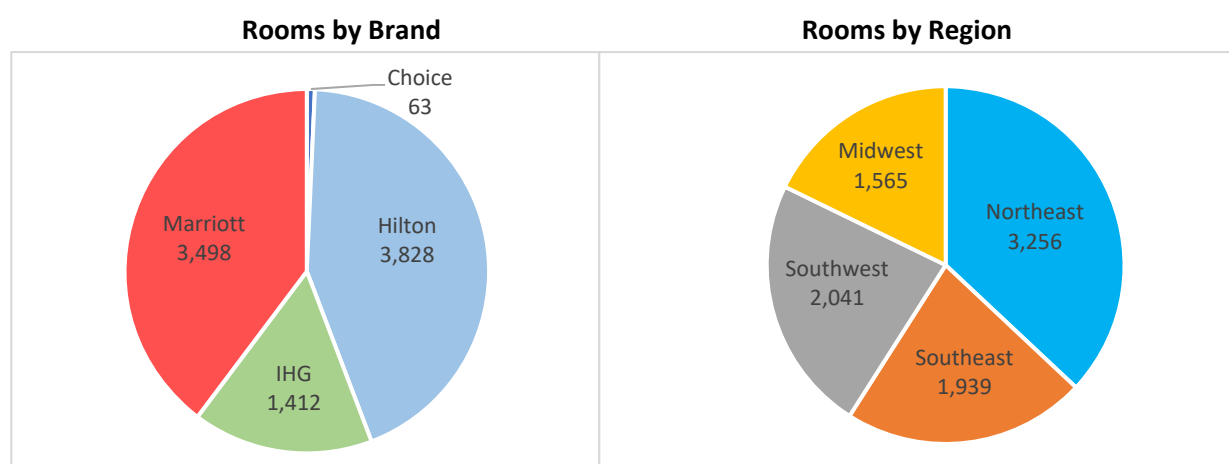
the symbol AHOTF (U.S. dollar ticker). AHIP’s Debentures (defined below) trade on the TSX under the symbol HOT.DB.U (U.S. dollar ticker).

AHIP’s hotel portfolio consists of “Premium Branded hotels”, which are select-service hotel properties that have franchise agreements with international hotel brands, including Marriott International Inc. (“Marriott”), Hilton Worldwide (“Hilton”), InterContinental Hotels Group (“IHG”) and Choice Hotels International Inc. (“Choice”) which provide global distribution channels, targeted brand segmentation, strong loyalty programs, and premier information technology system standards. As of September 30, 2021, AHIP owns 78 Premium Branded hotels with a total of 8,801 guestrooms located in 22 states across the United States. These hotels are geographically located primarily in secondary markets with diverse and typically stable demand generators.

AHIP’s distribution of Premium Branded hotels by chain scale segment is shown below:

Chain Scale Segments	AHIP’s Premium Branded Hotels	Number of Hotels	Number of Rooms	Room Percentage by Segment
Upper Upscale	Embassy Suites	5	1,311	15%
Upscale	Courtyard, Hilton Garden Inn, Homewood Suites, Residence Inn, Springhill Suites, Staybridge Suites	29	3,263	37%
Upper Midscale	Fairfield Inn, Hampton Inn, Holiday Inn, Holiday Inn Express, TownePlace Suites, Home2 Suites	43	4,164	47%
Midscale	Sleep Inn	1	63	1%
TOTAL PREMIUM BRANDED HOTELS		78	8,801	100%

AHIP’s number of rooms by brand and by region are shown below:



Midwest Region includes Illinois, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, North Dakota, and Ohio. **Northeast Region** includes Connecticut, Maryland, New Jersey, New York, Pennsylvania, and Virginia. **Southeast Region** includes Florida, Georgia, North Carolina, and Tennessee. **Southwest Region** includes Arizona, Oklahoma, and Texas.

TAXATION

AHIP is not subject to tax under Part I of the *Income Tax Act* (Canada) (the “Tax Act”). Accordingly, no provision has been made for Canadian income taxes thereunder in respect of the partnership. The Tax Act

also contains rules regarding the taxation of certain types of publicly listed or traded trusts and partnerships and their investors (the “SIFT Measures”). Management believes that AHIP is not a “SIFT partnership” as defined in the Tax Act and therefore not subject to the SIFT Measures. Accordingly, no provision has been made for Canadian income taxes. Management intends to continue to operate AHIP in such a manner to remain exempt from the SIFT Measures on a continuous basis in the future.

AHIP’s indirect Canadian subsidiary, AHIP Management Ltd., is a taxable Canadian corporation subject to Canadian income tax. AHIP’s indirect U.S. subsidiaries, AHIP Cargo Enterprises LLC and AHIP Enterprises LLC, are taxable REIT subsidiaries (“TRS”) of the U.S. REIT that are treated as U.S. corporations subject to U.S. income tax.

The U.S. REIT elected to be taxed as a real estate investment trust (“REIT”) for U.S. federal income tax purposes under the Internal Revenue Code (the “Code”). As a result, the U.S. REIT generally is not subject to U.S. federal income tax on its taxable income to the extent such income is distributed to its stockholders annually. A REIT is subject to numerous organizational and operational requirements including a requirement to make annual dividend distributions equal to a minimum of 90% of its taxable income each year. Even if the U.S. REIT continues to qualify as a REIT under the Code, nonetheless it may be subject to certain state and local income, franchise and property taxes. For the U.S. REIT to qualify as a REIT under the Code, the U.S. REIT cannot operate any of its hotels. Therefore, the U.S. REIT and its qualifying REIT subsidiaries lease the hotels to its TRS lessees who in turn engage a professional, third-party hotel management company to manage its hotels.

THIRD PARTY INFORMATION

This MD&A includes market information, industry data and forecasts obtained from independent industry publications, market research and analyst reports, 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 MD&A nor ascertained the underlying assumptions relied upon by such sources.

INFLATION

AHIP relies on the performance of its hotel portfolio and the ability of its hotel manager to increase revenues to keep pace with inflation. AHIP’s hotel manager can change room rates quickly, but competitive pressures may limit the hotel manager’s ability to raise room rates, particularly during periods of reduced demand. AHIP’s expenses are subject to inflation and are expected to grow at, or greater than, the general rate of inflation.

COMPETITION

The lodging industry is highly competitive. AHIP’s hotels compete with other hotels and alternative accommodations for guests in their respective markets. Competition could adversely affect AHIP’s occupancy, and average daily room rates, and may require AHIP to provide additional amenities or make capital improvements, which may reduce AHIP’s profitability.

SEASONALITY

The lodging industry is seasonal in nature, which can be expected to cause quarterly fluctuations in occupancy rates, room rates, revenues, operating expenses, and cash flows. Historically, occupancies, revenues, and cash flows tend to be higher in the second and third quarters and lower in the first and fourth quarters. Quarterly earnings may also be influenced by factors beyond AHIP's control including overall economic cycles, weather conditions and uncertainties relating to the current COVID-19 pandemic (including government restrictions on travel and changes in corporate travel policies and consumer behaviour with respect to travel). To the extent cash flow from operations is insufficient during any quarter, due to temporary or seasonal fluctuations in revenues, AHIP expects to utilize cash on hand or borrowings under its revolving Credit Facility to pay expenses or service debt.

As a result of the impact of seasonal fluctuations in FFO in any period, management generally considers a rolling four quarter FFO Payout Ratio more relevant than a payout ratio for the purposes of assessing AHIP's distribution paying capacity in any given quarter during periods in which AHIP pays distributions on its Units. Since March 2020, COVID-19 has materially impacted AHIP's hotel operations, quarterly FFO and distribution policy. On March 20, 2020, AHIP announced the temporary suspension of the monthly distribution on its Units. See "Distribution Policy" for more information.

PART III

SUMMARY OF SIGNIFICANT Q3 2021 ACTIVITY

a) Improving Operational Results:

AHIP's operating performance continued to improve in the third quarter of 2021 following the demand reductions precipitated by the outbreak of the COVID-19 pandemic in early 2020. For the quarter, the Portfolio saw a full recovery in ADR relative to 2019 and finished at 87% of 2019 occupancy levels. Achieving 2019 ADR levels was a significant milestone for the Portfolio given that ADR has typically taken longer to recover following prior national demand reductions. Occupancy levels in July narrowed the gap to 2019 percentages before moderating in August and September. This is typical of late summer occupancy; however, this year the effect was amplified by the rise of the Delta variant.

Overall, improvements in both RevPAR and ADR translated into operating margins that exceeded the comparative period in 2019 for the second consecutive quarter. Compared to 2019, NOI margins in Q3 2021 surpassed the comparable period in 2019 by a factor of 1.1x. Improving Q3 demand levels resulted in enhanced pricing power and greater opportunity to revenue manage hotel demand segments. This, coupled with continued focus on cost containment measures and operating efficiencies, translated into higher operating margins.

The following table summarizes Portfolio operating metrics for each month and quarter of 2021 as a multiple of the same period in 2019 ⁽¹⁾:

Metric	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Occupancy (%)	51.2%	59.9%	69.4%	68.6%	68.4%	73.1%	73.1%	67.5%	65.7%
<i>Recovery (vs. 2019)</i>	<i>0.77x</i>	<i>0.81x</i>	<i>0.86x</i>	<i>0.85x</i>	<i>0.85x</i>	<i>0.88x</i>	<i>0.90x</i>	<i>0.84x</i>	<i>0.87x</i>
ADR (US\$)	\$90.81	\$93.87	\$98.22	\$103.16	\$109.06	\$115.33	\$120.34	\$118.20	\$116.68
<i>Recovery (vs. 2019)</i>	<i>0.81x</i>	<i>0.81x</i>	<i>0.82x</i>	<i>0.88x</i>	<i>0.92x</i>	<i>0.96x</i>	<i>1.01x</i>	<i>1.00x</i>	<i>0.98x</i>
RevPAR (US\$)	\$46.52	\$56.24	\$68.13	\$70.79	\$74.60	\$84.28	\$87.93	\$79.78	\$76.63
<i>Recovery (vs. 2019)</i>	<i>0.63x</i>	<i>0.66x</i>	<i>0.70x</i>	<i>0.75x</i>	<i>0.78x</i>	<i>0.85x</i>	<i>0.90x</i>	<i>0.84x</i>	<i>0.85x</i>
NOI Margin (%)	25.2%	28.0%	39.8%	38.8%	40.7%	44.3%	41.7%	36.5%	37.3%
<i>Recovery (vs. 2019)</i>	<i>0.85x</i>	<i>0.90x</i>	<i>0.99x</i>	<i>1.08x</i>	<i>1.08x</i>	<i>1.18x</i>	<i>1.15x</i>	<i>1.05x</i>	<i>1.03x</i>

Metric	Q1-21	Q2-21	Q3-21
Occupancy (%)	60.2%	70.0%	68.8%
<i>Recovery (vs. 2019)</i>	<i>0.82x</i>	<i>0.86x</i>	<i>0.87x</i>
ADR (US\$)	\$94.70	\$109.31	\$118.49
<i>Recovery (vs. 2019)</i>	<i>0.82x</i>	<i>0.92x</i>	<i>1.00x</i>
RevPAR (US\$)	\$56.99	\$76.53	\$81.50
<i>Recovery (vs. 2019)</i>	<i>0.67x</i>	<i>0.80x</i>	<i>0.87x</i>
NOI Margin (%)	32.1%	41.4%	38.6%
<i>Recovery (vs. 2019)</i>	<i>0.93x</i>	<i>1.12x</i>	<i>1.08x</i>

(1) January to September 2019 metrics based on prior ownership's financial information for the 12 Premium Branded hotels acquired in December 2019, and all data excludes hotels sold since 2019.

In addition to improvements in ADR and cost containment measures implemented at the onset of the pandemic, enhanced NOI margins vs 2019 reflect the modification of certain hotel operating standards put in place to address employee and guest safety. The primary modifications are the reduction or elimination of daily housekeeping during guest stays and a reduction in complimentary breakfast and evening reception offerings. Management regularly discusses service standards with our Brand partners and expects that the majority of these modifications will remain in effect for the balance of 2021. Overall, these changes have resulted in hourly and salaried labor remaining below pre-pandemic levels. In 2022, a gradual return to complimentary food and beverage offerings is expected, while housekeeping is forecast to remain below 2019 levels. Management estimates there will be a permanent 100-200 basis point improvement in margins relative to 2019 due to these modified service offerings.

As part of its asset management of the portfolio, AHIP deferred several capital projects in 2020 and 2021 to preserve cash during the height of the pandemic. AHIP has a capital plan for 2022 that represents a

return to pre-Covid-19 spending levels for Property Improvement Plans (“PIPs”). AHIP expects to commence two small renovations in late 2021. Assuming stable or improving financial results, the capital plan for 2022 is expected to include approximately \$20 million in PIPs and \$10 million in FF&E improvements; of which \$15-20 million is expected to be funded by restricted cash. In 2022, priority will be given to projects that exhibit a strong return on investment, provide improvements to each property’s RevPAR Index (“RPI”) and fulfill contractual agreements with AHIP’s brand partners. AHIP and its brand partners are aligned on objectives during periods of lower demand: cost containment, liquidity preservation and maintaining the competitiveness of each property while ensuring the health and safety for hotel guests and employees. We expect continued cooperation and flexibility from our brand partners as we begin to execute on our capital programs.

AHIP’s five Embassy Suites properties, which represent 1,311 rooms or 15% of our portfolio, remained 26% below 2019 RevPar largely driven by an 1,887 basis points decrease in occupancy levels. This is a significant improvement from the second quarter where RevPar was 36% below 2019 levels and 2,130 basis points below 2019 occupancy rates. The Embassy Suites rely in part on business demand from conference and group bookings which have not recovered as fast as other demand segments of the hotel sector. The improvement in the third quarter relative to the second quarter is attributable to some business travel recovery supplemented by leisure-oriented groups: family reunions, youth sports, local events and weddings.

AHIP’s premium branded select-service hotel portfolio continues to achieve strong financial results in a challenging operating environment. The portfolio is located in geographically diverse, secondary markets that are less reliant on air travel and attractive to the domestic leisure traveler. Ongoing reductions in air travel, conferences, and related food and beverage services have a limited impact on AHIP as compared to full-service hotel owners or hotels located in central business districts of metropolitan areas.

Within the AHIP portfolio, extended stay properties, which represent 31% of AHIP’s portfolio, continue to outpace industry demand levels. These properties also contribute to higher overall operating margins given their guest profile. Overall, the select service hotel model utilizes less labor per occupied room and has allowed AHIP to outperform industry averages in operating margins. This has largely mitigated the impact of national challenges in the labor market where low availability and rising costs have impacted a large number of hospitality operators.

b) Continuing Impact from COVID-19 in the Hospitality Sector:

AHIP responded decisively to the COVID-19 pandemic in the first quarter of 2020 by implementing a comprehensive mitigation strategy to reduce costs and to maximize liquidity. The announcement of a vaccine in late 2020 coupled with increasing COVID-19 vaccinations in 2021 have had, and are continuing to have, a positive impact on hospitality demand, largely supported by leisure travelers and recent signs of increasing business travel. Despite these encouraging signs, there remains a significant number of Covid-19 and related variant infections which have the potential to reduce leisure and business travel in future periods.

c) Forgiveness of government-guaranteed loans:

During the third quarter of 2021, AHIP submitted loan forgiveness applications for the government-guaranteed loans, and it expects to complete the remaining applications by early 2022. Based on the approvals received on the loan forgiveness applications submitted to date, AHIP estimates approximately \$14.7 million of the total \$15.1 million will meet the specific criteria for forgiveness. As a result, AHIP has recorded \$14.7 million as other income in the Interim Financial Statements.

LIQUIDITY AND LEVERAGE

In the first quarter of 2021, AHIP completed a number of transactions that improved liquidity and increased financial flexibility. This included a strategic investment by an entity controlled by BentallGreenOak Real Estate Advisors LP (“BentallGreenOak”) and Highgate Capital Investments, LP (“Highgate”). The \$50 million investment (“Investment”) came in the form of newly-created Series C preferred stock (the “Series C Preferred Stock”) of the U.S. REIT and warrants (“Warrants”) exercisable for Units of AHIP, which investment was completed on a private placement basis. Concurrently with the closing of this investment, AHIP amended its corporate credit facility (the “Credit Facility”) with its lending syndicate. These amendments include maintaining credit availability through the end of 2022, extending the waiver period of certain financial covenants through year end 2021 and extending the modifications of certain financial covenants through year end 2022 (see “Debt Strategy” below for further details with respect to the Credit Facility). In the short term, these measures increased available liquidity and reduced leverage.

In the third quarter of 2021, AHIP generated \$26.4 million in FFO. This brings the cumulative FFO to \$37.9 million over the two most recent quarters compared to negative FFO of \$9.0 million for the same period in 2020. The increase in FFO is due to higher NOI from an improvement in operations and two non-recurring items: \$14.7 million of other income from the estimated forgiveness of government-guaranteed loans, offset by a \$1.0 million expense for an inventory adjustment.

With the improved operating results, AHIP’s debt-to-gross book value was 54.0% at September 30, 2021. This has improved by 140 basis points from the second quarter of 2021 and 430 basis points year to date.

Management intends to bring its leverage to a level closer to its peer group over time. This is expected to be achieved through a combination of improving operating results, a sustainable distribution and selective equity issuance in support of growth transactions.

At September 30, 2021, AHIP had \$43.6 million in available liquidity which was comprised of unrestricted cash of \$14.8 million and \$28.8 million available to draw on the revolving Credit Facility. In the remainder of 2021, EBITDA is expected to exceed required outflows for principal and interest payments and capital expenditures.

In early 2020, the regular monthly distribution was temporarily suspended and the payment of the declared distribution with a record date of March 31, 2020 was deferred until economic conditions and the performance of AHIP’s hotels sufficiently improved. AHIP is pleased to announce that its Board of Directors has approved:

- (i) the payment of the deferred March 2020 distribution, with such payment to be made on December 31, 2021, and
- (ii) the adoption of a distribution policy providing for the payment of regular monthly distributions commencing in March 2022 at an annual rate of USD\$0.18 per common unit (monthly rate of USD\$0.015 per unit).

The first regular monthly distribution is currently expected to be declared in mid February 2022, with a record date at the end of February 2022 and payable in March 2022. The declaration and payment of each monthly distribution under AHIP's distribution policy will remain subject to Board approval, and compliance by AHIP with the terms of its Credit Facility and investor rights agreement with the Investor. Distributions are not guaranteed and may be reduced or suspended at any time at the discretion of the Board of Directors should operating conditions or business outlook change. See "Distribution Policy", "Risks and Uncertainties" and "Forward Looking Information" for further details.

OUTLOOK

While the Delta variant increased COVID-19 cases in the third quarter of 2021, demand across the AHIP portfolio was not materially impacted and operating results generally followed seasonal patterns. For the remainder of 2021, AHIP expects overall travel conditions to remain at similar levels to the third quarter. In 2022, AHIP anticipates a gradual return of the corporate travel market combined with the continued strength in the leisure market.

The U.S. economic recovery and impact of COVID-19 has resulted in labor and supply shortages in certain markets. The labor shortages have been due primarily to various local and state health restrictions, family childcare needs, available state and federal support and competition for employees from alternative industries. The supply shortage relates to supply chain disruption impacting operating supplies, some FF&E items and linen. The impact of these shortages to AHIP's operation has resulted in a limited number of out of order rooms and the financial impact to date has been limited. Management is actively working on labor and supply management to mitigate any future operational disruptions.

While AHIP anticipates stable or rising occupancy and rates, AHIP's portfolio has proven resilient and is in a strong position to address periods of further COVID-19 related demand disruption should they arise. Management has reduced discretionary service offerings in hotel operations, temporarily suspended the distribution (although AHIP has announced the forthcoming reinstatement of regular monthly distributions – see "Distribution Policy"), successfully negotiated a covenant waiver and borrowing base improvement to its Credit Facility, and deferred capital expenditures and PIPs where appropriate. AHIP's portfolio has shown an ability to withstand extended periods of low demand, as evidenced by positive Hotel EBITDA in every month since May 2020.

GROWTH

The pandemic and associated disruptions to capital markets have created opportunities for growth in the hospitality sector. AHIP is evaluating growth opportunities that would expand the hotel portfolio and geographic footprint. As a result of the investment made in the first quarter by BentallGreenOak and

Highgate, AHIP is aligned with two well-capitalized strategic partners who support the pursuit of attractive acquisition opportunities.

AHIP is also reviewing strategies for divesting assets to recycle proceeds into higher return assets in more attractive markets.

MARKET ENVIRONMENT

The U.S. lodging industry’s performance is normally correlated to the performance of the U.S. economy as measured by key metrics such as GDP growth, employment levels and corporate profits. The industry has been disproportionately impacted by the COVID-19 pandemic compared to the overall U.S. economy. While the US economy has been growing with declining unemployment, the hospitality sector remains below pre-pandemic demand levels, as measured by RevPAR. The year-over-year improvement in the US hotel industry has been driven by leisure demand, drive-to business, and weekend vacationers. Increasing vaccination rates and high levels of household savings likely contributed to these trends. The recovery has also been supported by project-based extended stay demand in industries such as construction, medical, logistics, and distribution. However, corporate and large group business demand continues to lag the overall recovery. From an operating perspective, relaxed brand standards around housekeeping and breakfast offerings mitigate the impact of lost revenue. Operators are facing challenges from the lack of availability of labor as well as increasing supply chain costs.

According to STR (“STR”), during the third quarter of 2021, U.S. hotel RevPAR increased by 83.8% as compared to Q3 2020 with ADR increasing by 36.2% and occupancy increasing by 34.9%.

The following table summarizes RevPAR recovery to 2019 in AHIP’s portfolio compared to the U.S. hotel industry by chain scale for the three and nine months ended September 30, 2021 (according to STR). AHIP’s portfolio has recovered more quickly than the U.S. hotel industry in the upper upscale, upscale, and midscale segments.

Chain Scale Segments	Representative Hotels in AHIP's Premium Branded Hotel Portfolio	U.S. hotel industry Recovery vs 2019		AHIP's Portfolio Recovery vs 2019 ⁽¹⁾	
		Three Months ended September 30, 2021 RevPAR	Nine Months ended September 30, 2021 RevPAR	Three Months ended September 30, 2021 RevPAR	Nine Months ended September 30, 2021 RevPAR
Upper upscale	Embassy Suites	0.74x	0.56x	0.74x	0.62x
Upscale	Courtyard, Hilton Garden Inn, Homewood Suites, Residence Inn, Springhill Suites, Staybridge Suites	0.86x	0.70x	0.91x	0.84x
Upper midscale	Fairfield Inn, Hampton Inn, Holiday Inn, Holiday Inn Express, TownePlace Suites, Home2 Suites	1.01x	0.86x	0.87x	0.78x
Midscale	Sleep Inn	1.10x	0.97x	1.12x	1.15x

(1) January to September 2019 metrics based on prior ownership's financial information for the 12 Premium Branded hotels acquired in December 2019, and all data excludes hotels sold since 2019.

PART IV

On November 27, 2019, AHIP completed the sale of its Economy Lodging Portfolio. AHIP applied IFRS 5 – Discontinued Operations and classified the Economy Lodging Portfolio as discontinued operations for the year ended December 31, 2019. For the three and nine months ended September 30, 2021, discontinued operations included remaining professional fees and other charges related to the sale of the Economy Lodging portfolio.

For the purposes of discussing AHIP's operating results in this MD&A, management has presented the financial information based on AHIP's continuing operations for the Premium Branded hotels, and has excluded the Economy Lodging Portfolio operations, where applicable and unless otherwise noted.

THIRD QUARTER HIGHLIGHTS AND KEY PERFORMANCE INDICATORS

(US\$000s unless noted and except Units and per Unit amounts)	Three months ended September, 30 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
TOTAL PORTFOLIO INFORMATION				
Number of rooms ⁽¹⁾	8,801	8,801	8,801	8,801
Number of properties ⁽¹⁾	78	78	78	78
Number of restaurants ⁽¹⁾	16	16	16	16
Occupancy rate	68.8%	57.1%	66.4%	51.3%
Average daily room rate	\$ 118.49	\$ 96.53	\$ 108.15	\$ 103.21
Revenue per available room	\$ 81.50	\$ 55.12	\$ 71.76	\$ 52.95
Revenues	\$ 68,411	\$ 46,320	\$ 178,714	\$ 135,449
Net operating income ⁽²⁾	26,432	14,605	67,782	36,772
NOI Margin %	38.6%	31.5%	37.9%	27.1%
Net income (loss) and comprehensive income (loss)	\$ 15,685	\$ (12,070)	\$ 2,241	\$ (45,483)
Diluted income (loss) per Unit	\$ 0.18	\$ (0.15)	\$ 0.03	\$ (0.58)
Hotel EBITDA ⁽²⁾	\$ 24,509	\$ 13,222	\$ 62,660	\$ 32,700
Hotel EBITDA Margin %	35.8%	28.5%	35.1%	24.1%
EBITDA ⁽²⁾	\$ 22,399	\$ 11,067	\$ 54,308	\$ 26,156
EBITDA Margin %	32.7%	23.9%	30.4%	19.3%
FUNDS FROM OPERATIONS (FFO) ⁽³⁾⁽⁸⁾				
Funds from operations	\$ 26,414	\$ 120	\$ 35,893	\$ (4,287)
Diluted FFO per Unit ⁽⁴⁾⁽⁵⁾	\$ 0.32	\$ -	\$ 0.46	\$ (0.06)
FFO Payout Ratio (trailing twelve-month basis) ⁽⁶⁾	nm	404.9%	nm	404.9%
ADJUSTED FUNDS FROM OPERATIONS (AFFO) ⁽³⁾⁽⁸⁾				
Adjusted funds from operations	\$ 26,148	\$ 218	\$ 35,472	\$ (4,846)
Diluted AFFO per Unit ⁽⁴⁾⁽⁵⁾	\$ 0.32	\$ -	\$ 0.44	\$ (0.06)
AFFO Payout Ratio (trailing twelve-month basis) ⁽⁶⁾	nm	549.0%	nm	549.0%
Distributions declared	\$ -	\$ -	\$ -	\$ 11,405
Distributions declared per Unit	\$ -	\$ -	\$ -	\$ 0.146

THIRD QUARTER HIGHLIGHTS AND KEY PERFORMANCE INDICATORS CONTINUED

(US\$000s unless noted and except Units and per Unit amounts)	Three months ended September 30 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
CAPITALIZATION AND LEVERAGE				
Debt-to-Gross Book Value ⁽¹⁾	54.0%	58.2%	54.0%	58.2%
Debt-to-EBITDA (trailing twelve-month basis)	12.5x	17.6x	12.5x	17.6x
Interest Coverage Ratio (trailing twelve-month basis)	1.6x	1.2x	1.6x	1.2x
Weighted average debt face interest rate ⁽¹⁾	4.56%	4.55%	4.56%	4.55%
Weighted average debt term to maturity ⁽⁷⁾	3.8 years	4.8 years	3.8 years	4.8 years
Number of Units outstanding ⁽¹⁾	78,642,581	78,232,926	78,642,581	78,232,926
Diluted weighted average number of Units outstanding ⁽⁴⁾	84,837,019	78,827,204	78,836,608	78,576,761

(1) At period end

(2) Not adjusted for IFRIC 21 property taxes of \$361 and (\$1,122) for the three and nine months ended September 30, 2021, and \$97 and (\$845) for the three and nine months ended September 30, 2020, respectively.

(3) Refers to combined continuing and discontinued operations

(4) For the three months ended September 30, 2021, diluted weighted average number of Units calculated in accordance with IFRS included the 191,144 unvested Restricted Stock Units and 720,962 Units issuable on conversion of the Warrants. For the nine months ended September 30, 2021, diluted weighted average number of Units calculated in accordance with IFRS included the 146,803 unvested Restricted Stock Units and 120,350 Units issuable on conversion of the Warrants

(5) The Debentures were dilutive for FFO and AFFO for the three months ended September 30, 2021. Therefore, Debenture finance costs of \$829 and \$611 were added back to FFO and AFFO, respectively and 5,283,783 Units issuable on conversion of the Debentures were added to the diluted weighted average number of Units outstanding for FFO and AFFO. The Debentures were anti-dilutive for FFO and dilutive for AFFO for the nine months ended September 30, 2021. Therefore, Debenture finance costs of \$1,833 were added back to AFFO and 5,283,783 Units issuable on conversion of the Debentures were added to the diluted weighted average number of Units outstanding for AFFO. The Debentures were not dilutive for FFO and AFFO for the three and nine months ended September 30, 2020.

(6) nm = not meaningful

(7) At period end based on stated maturity date

(8) Included in FFO and AFFO are two non-recurring items: \$14.7 million of other income from the estimated forgiveness of government-guaranteed loans and \$1.0 million expense for an inventory adjustment.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

Three months ended September 30, 2021:

For the three months ended September 30, 2021, revenues increased by \$22.1 million (or 47.7%) to \$68.4 million (2020 – \$46.3 million) compared to the prior year, reflecting the ongoing recovery from significantly lower demand in the prior year due to COVID-19. RevPAR increased 47.9% to \$81.50 (2020 – \$55.12) caused by ADR increases of 22.7% to \$118.49 (2019 – \$96.53) and occupancy increase of 20.5% to 68.8% (2020 – 57.1%).

Net income and comprehensive income for the quarter was \$15.7 million (2020 – loss of \$12.7 million). Along with a strong recovery in leisure travel, the increase over prior year arising from was a result of the recognition of \$14.7 million of other income from the estimated forgiveness of government-guaranteed loans, a decrease in finance costs of \$1.4 million in aggregate resulting from the paydown of \$27.4 million on the revolving credit facility and payment of \$16.1 million of deferred purchase price, a \$0.3 million larger gain on fair value of interest rate swaps and warrants, no impairment charges recorded in the current quarter, partially offset by the \$2.5 million increase in deferred income tax expense.

FFO for the quarter increased to \$26.4 million (2020 – \$0.1 million) as a result of the recognition of \$14.7 million of other income from the estimated forgiveness of government-guaranteed loans and higher NOI due to the improvement of operations. AFFO increased to \$26.1 million (2020 – \$0.2 million) for the same reason. Diluted FFO per Unit for the quarter was \$0.32 (2020 – \$nil) and diluted AFFO per Unit was \$0.32 (2020 – \$nil). The other income of \$14.7 million from the estimated forgiveness of government-guaranteed loans and a \$1.0 million expense for a non-recurring inventory adjustment are non-recurring items but are included in FFO in accordance with the REALPAC White Paper (defined below). Excluding the two non-recurring items, FFO and AFFO for the quarter were \$12.7 million and \$12.4 million, respectively.

Nine months ended September 30, 2021:

For the nine months ended September 30, 2021, revenues increased by \$43.3 million (or 31.9%) to \$178.7 million (2020 – \$135.4 million) compared to the prior year as a result of demand recovery from COVID-19 impacts. RevPAR increased by 35.5% to \$71.76 (2020 – \$52.95) with occupancy increasing by 29.4% to 66.4% (2020 – 51.3%). ADR increased by 4.8% to \$108.15 (2020 – \$103.21), partially offset by two months of higher pre-COVID ADR in January and February 2020.

Net income and comprehensive income was \$2.2 million (2020 – loss of \$45.5 million) as a result of recognizing \$14.7 million of income from estimated forgiveness on the government-guaranteed loans, higher NOI, a \$3.8 million smaller loss on fair value of interest rate swaps and warrants, and no impairment charges, partially offset by \$6.2 million larger deferred tax expense and \$2.9 million higher corporate and administrative costs.

FFO increased to \$35.9 million (2020 – (\$4.3) million) as a result of recognizing \$14.7 million of income from estimated forgiveness on the government-guaranteed loans and higher NOI. AFFO increased to \$35.5 million (2020 – (\$4.8) million) for the same reasons. Diluted FFO per Unit was \$0.46 (2020 – (\$0.06)) and diluted AFFO per Unit was \$0.44 (2020 – (\$0.06)). The other income of \$14.7 million from the estimated forgiveness of government-guaranteed loans and \$1.0 million expense for a non-recurring inventory adjustment are non-recurring items but are included in FFO in accordance with the REALPAC White Paper. Excluding the two non-recurring items, FFO and AFFO for the nine-months ended September 30, 2021 were \$22.2 million and \$21.8 million, respectively.

RESULTS OF OPERATIONS

The following discussion highlights selected financial information for the three and nine months ended September 30, 2021 and 2020. This information should be read in conjunction with AHIP's Interim Financial Statements and related notes.

(US\$000s unless noted and except Units and per Unit amounts)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Revenues	\$ 68,411	\$ 46,320	\$ 178,714	\$ 135,449
Hotel expenses	42,340	31,814	109,810	97,833
Net operating income (including IFRIC 21)	26,071	14,506	68,904	37,616
Depreciation and amortization	10,829	10,849	32,427	32,632
Income from operating activities	15,242	3,657	36,477	4,984
Other income	(14,658)	-	(14,658)	-
Corporate and administrative	4,033	3,536	13,799	10,615
Impairment of hotel assets	-	2,495	-	8,039
Loss (gain) on disposal of property and equipment	(23)	250	1,287	250
Income (loss) from continuing operations before undernoted	25,890	(2,624)	36,049	(13,920)
Finance income	(27)	(73)	(85)	(220)
Change in fair value of swap contracts	(382)	(415)	(1,804)	5,955
Change in fair value of warrants	(298)	-	4,006	-
Finance costs	9,580	10,936	30,368	30,702
Income (loss) from continuing operations before income taxes	17,017	(13,072)	3,564	(50,357)
Current income tax expense (recovery)	68	84	68	(32)
Deferred income tax expense (recovery)	1,259	(1,244)	1,243	(4,982)
Net income (loss) and comprehensive net income (loss) from continuing operations	15,690	(11,912)	2,253	(45,343)
Loss on disposal of discontinued operations	(5)	(158)	(12)	(140)
Net income (loss) and comprehensive income (loss)	15,685	(12,070)	2,241	(45,483)
Net income (loss) attributable to:				
Unitholders	14,663	(12,070)	(481)	(45,483)
Non-controlling interest	1,022	-	2,722	-
	\$ 15,685	\$ (12,070)	\$ 2,241	\$ (45,483)
Basic income (loss) per Unit	\$ 0.20	\$ (0.15)	\$ 0.03	\$ (0.58)
Diluted income (loss) per Unit	\$ 0.18	\$ (0.15)	\$ 0.03	\$ (0.58)

(1) For the three months ended September 30, 2021, diluted weighted average number of Units calculated in accordance with IFRS included the 191,144 unvested Restricted Stock Units and 720,962 Units issuable on conversion of the Warrants. For the nine months ended September 30, 2021, diluted weighted average number of Units calculated in accordance with IFRS included the 146,803 unvested Restricted Stock Units and 120,350 Units issuable on conversion of the Warrants

Total revenue for the three and nine months ended September 30, 2021 increased compared to the same period last year as a result of an improvement in demand in the current period from the impacts of COVID-19 compared to the prior year, driven by leisure customers, drive-to business, and weekend vacationers from increasing vaccination rates and higher levels of household savings. AHIP's recovery continues to

benefit from project-based extended stay demand in industries such as construction, medical, logistics, and distribution.

Hotel expenses consisted of hotel operating expenditures including labor costs, sales and marketing costs, franchise fees, energy, property maintenance, property taxes, insurance, and ground lease expense. Hotel expenses were higher for the three and nine months ended September 30, 2021, compared to the prior year as a result of the higher occupancy, partially offset by cost containment initiatives and relaxed brand standards that were initiated in 2020 and partially remain in place in 2021.

Depreciation and amortization expenses consisted of depreciation charges on property, buildings and equipment, and amortization of intangible assets.

Income tax expense is comprised of current and deferred income taxes. Current income taxes and deferred income taxes are recognized in net earnings, except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. 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.

Corporate and administrative expenses consisted of hotel management fees paid to the external hotel manager and general administrative expenses such as salaries, directors' fees, securities-based compensation and professional fees.

(US\$000s)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Hotel management fees	\$ 1,923	\$ 1,383	\$ 5,122	\$ 4,072
General administrative expenses	2,110	2,153	\$ 8,677	\$ 6,543
Total corporate and administrative expenses	\$ 4,033	\$ 3,536	\$ 13,799	\$ 10,615

The increase in hotel management fees for the three and nine months ended September 30, 2021 correlated with higher revenues. The decrease in general and administrative expenses for the three months ended September 30, 2021 was attributable to a decrease in stock-based compensation and a reduction in professional fees incurred. The increase in general and administrative expenses for the nine months ended September 30, 2021 was primarily attributable to non-recurring compensation-related items arising from senior management changes during the period.

(US\$000s)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Interest expense on term loans and revolving Credit Facility	\$ 8,278	\$ 9,209	\$ 24,695	\$ 25,745
Other financing charges	(18)	518	1,774	1,490
Interest expense on Debentures	611	611	1,833	1,833
Amortization of debt financing costs	499	397	1,443	1,044
Accretion of Debenture liability	115	109	339	320
Amortization of Debenture costs	103	96	302	280
Interest expense on lease liabilities	2	5	10	17
Dividends on Series B preferred shares	4	4	12	12
Amortization of mark-to-market adjustments	(14)	(13)	(40)	(39)
Total finance costs	\$ 9,580	\$ 10,936	\$ 30,368	\$ 30,702

For the three months ended September 30, 2021, total finance costs were lower than the same period in 2020 due to lower interest expense after the \$27.4 million paydown on the revolving Credit Facility since September 30, 2020, a reversal of \$0.1 million accrued interest on the estimated value of the government-guaranteed loans that will be forgiven, and the non-recurrence of \$0.5 million in interest on a deferred purchase price which was fully paid in Q1 2021.

For the nine months ended September 30, 2021, total finance costs were lower than the same period in 2020 due to lower interest expense after the \$27.4 million paydown on the revolving Credit Facility since September 2020 and discontinuation of \$1.1 million of interest on a deferred purchase price which was fully repaid in Q1 2021, partially offset by non-recurring finance costs related to the deferral of certain obligations, which have since been fulfilled in 2021.

HOTELS OPERATING STATEMENTS

(US\$000s unless noted)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Number of rooms ⁽¹⁾	8,801	8,801	8,801	8,801
Number of properties ⁽¹⁾	78	78	78	78
Number of restaurants ⁽¹⁾	16	16	16	16
Occupancy rate	68.8%	57.1%	66.4%	51.3%
Average daily rate	\$ 118.49	\$ 96.53	\$ 108.15	\$ 103.21
Revenue per available room	\$ 81.50	\$ 55.12	\$ 71.76	\$ 52.95
REVENUES				
Rooms	\$ 65,990	\$ 44,915	\$ 172,426	\$ 128,858
Food, beverage and other	2,421	1,405	6,288	6,591
TOTAL REVENUES	68,411	46,320	178,714	135,449
EXPENSES				
Operating expenses	31,774	21,998	81,331	70,231
Energy	3,186	2,867	8,586	7,513
Property maintenance	2,581	2,265	7,087	6,797
Taxes, insurance and ground lease ⁽²⁾	4,438	4,585	13,928	14,136
TOTAL EXPENSES	41,979	31,715	110,932	98,677
NET OPERATING INCOME	\$ 26,432	\$ 14,605	\$ 67,782	\$ 36,772
NOI Margin %	38.6%	31.5%	37.9%	27.1%

(1) At period end.

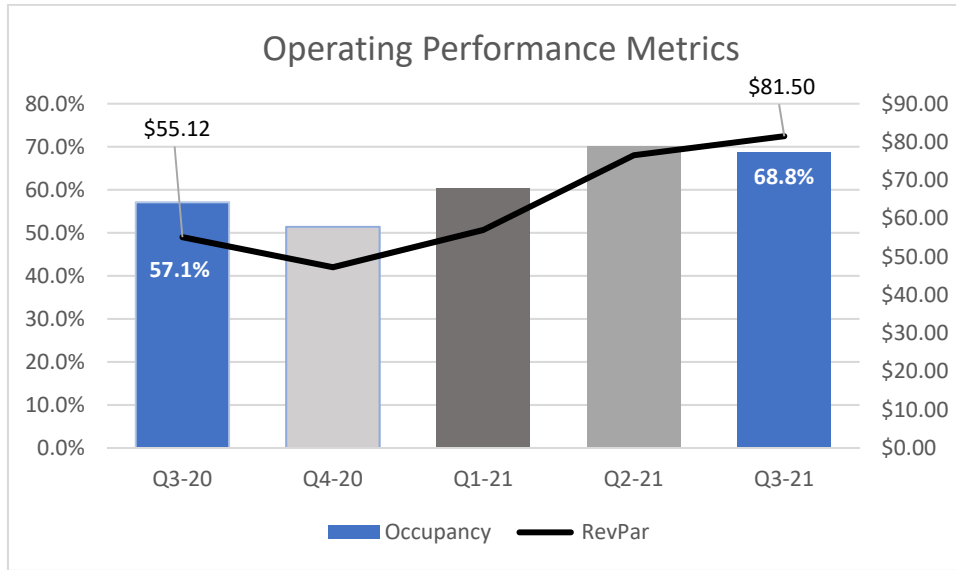
(2) Not adjusted for IFRIC 21 property taxes of \$361 and (\$1,122) for the three and nine months ended September 30, 2021, and \$97 and (\$845) for the three and nine months ended September 30, 2020, respectively.

Three months ended September 30, 2021:

Total revenues for the three months ended September 30, 2021 increased by \$22.1 million (or 47.7%) to \$68.4 million (2020 – \$46.3 million) from the recovery of leisure travelers since the onset of COVID-19. Food, beverage, and other revenue resulted in an increase in revenue of \$1.0 million, as COVID-19 restrictions eased allowing the restaurants at certain AHIP hotels to resume operations. NOI margins were lower in 2020 due to fixed costs that could not be scaled down at the same rate of revenue declines. NOI margins continue to be higher in 2021 than previous levels due to the cost containment initiatives that were keeping costs lower than pre-pandemic level such as reduced house keeping levels, food and beverage offerings, and management salaries. These higher margins may not persist at this level as the recovery from COVID-19 continues and previous levels of services are reinstated.

For the three months ended September 30, 2021, the current quarter RevPAR as a multiple of 2019 indicates that performance has recovered more strongly in certain AHIP properties located in New Jersey, Tennessee and Virginia where RevPAR is 1.01x, 0.95x and 0.95x of 2019 RevPAR, respectively. The recovery is led by demand from leisure customers. RevPAR recovery is less in Oklahoma, Ohio, and Kentucky with

RevPAR multiples of 0.71x, 0.72x, and 0.73x of 2019 RevPAR, respectively, reflecting the decline in demand at the larger Embassy Suites properties in these markets. By hotel class, AHIP’s 24 extended stay properties continue to be its strongest performing segment compared to the select service and Embassy Suites hotels, with recovery of RevPAR at 0.88x of 2019 levels.



Nine months ended September 30, 2021:

For Premium Branded hotels, total revenues for the nine months ended September 30, 2021 increased by \$43.3 million (or 31.9%) to \$178.7 million (2020 – \$135.4 million) caused by improving consumer travel demand. Recovering operations resulted in higher NOI and NOI margins as discussed above.

For the nine months ended September 30, 2021, AHIP’s portfolio realized a total RevPAR increase of 35.5%. RevPAR at AHIP’s 24 extended stay properties was the strongest performing segment with recovery of RevPAR to 0.85x of 2019 RevPAR. Certain AHIP properties located in New Jersey and Tennessee performed better, with RevPAR multiples of 0.97x and 0.94x of 2019 RevPAR, respectively, supported by multiple demand generators and by the improved performance from extended stay properties in those states. RevPAR recovery was less in Ohio, Oklahoma, and Kentucky, with RevPAR multiples of 0.58x, 0.62x, and 0.65x of 2019 RevPAR, respectively, reflecting the lagging demand at the larger Embassy Suites properties. Higher revenues contributed to higher NOI and margin improvement as discussed above.

SAME PROPERTY OPERATING METRICS

A property must be owned and operated for the entire period in both reporting periods for inclusion in same property operating metrics. As such, properties acquired and sold during the comparable reporting period are not included in the same property tables. The table below shows the operating results for the 78 Premium Branded hotels owned since January 1, 2020.

(US\$000s unless noted)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Number of properties	78	78	78	78
Occupancy rate	68.8%	57.2%	66.4%	51.4%
Average daily rate	\$ 118.49	\$ 96.61	\$ 108.15	\$ 103.30
Revenue per available room	\$ 81.50	\$ 55.27	\$ 71.76	\$ 53.05
REVENUES				
Rooms	\$ 65,990	\$ 44,755	\$ 172,426	\$ 127,933
Food, beverage and other	2,421	1,301	6,288	6,470
TOTAL REVENUES	68,411	46,056	178,714	134,403
EXPENSES				
Operating expenses	31,774	21,879	81,321	69,621
Energy	3,186	2,853	8,586	7,453
Property maintenance	2,581	2,245	7,087	6,727
Taxes and insurance ⁽¹⁾	4,438	4,599	13,928	14,009
TOTAL EXPENSES	41,979	31,576	110,922	97,810
NET OPERATING INCOME	\$ 26,432	\$ 14,480	\$ 67,792	\$ 36,593
NOI Margin %	38.6%	31.4%	37.9%	27.2%

(1) Not adjusted for IFRIC 21 property taxes of \$361 and (\$1,122) for the three and nine months ended September 30, 2021, and \$97 and (\$845) for the three and nine months ended September 30, 2020, respectively.

Three months ended September 30, 2021:

For same property hotels, total revenues for the three months ended September 30, 2021 increased by \$22.4 million (or 48.54%) to \$68.4 million (2020 – \$46.1 million) as a result of a recovery in demand from the impacts of COVID-19. Higher revenues relative to fixed costs contributed to higher NOI and margins.

Nine months ended September 30, 2021:

For same property hotels, total revenues for the nine months ended September 30, 2021 increased by \$44.3 million (or 33.0%) to \$178.7 million (2020 – \$134.4 million) as a result of improved operating metrics despite the impacts of COVID-19. Higher revenues contributed to higher NOI and margins.

FUNDS FROM OPERATIONS (“FFO”) AND ADJUSTED FUNDS FROM OPERATIONS (“AFFO”)

Net income (loss) and comprehensive income (loss) reconciled to FFO and AFFO is calculated as follows including results for both continuing and discontinued operations:

(US\$000s unless noted and except Unit and per Unit amounts) ⁽¹⁾	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Net income (loss) and comprehensive income (loss)	\$ 15,685	\$ (12,070)	\$ 2,241	\$ (45,483)
Add/(deduct):				
Net income attributable to non-controlling interest	(1,022)	-	(2,722)	-
Transaction costs related to Warrants	-	-	325	-
Loan defeasance costs	-	-	-	7
Depreciation and amortization	10,829	10,849	32,427	32,632
Impairment of hotel assets	-	2,495	-	8,039
Gain (loss) on property and equipment	(18)	408	1,299	390
IFRIC 21 property taxes	361	97	(1,122)	(845)
Change in fair value of swap contracts	3,624	(415)	2,202	5,955
Change in fair value of Warrants	(4,304)	-	-	-
Deferred income tax expense (recovery)	1,259	(1,244)	1,243	(4,982)
Funds from operations (“FFO”) attributable to Unitholders ⁽⁴⁾	\$ 26,414	\$ 120	\$ 35,893	\$ (4,287)
Add/(deduct):				
Securities-based compensation expense	570	598	967	920
Amortization of finance costs	704	588	2,042	1,605
Actual maintenance capital expenditures	(1,540)	(1,088)	(3,430)	(3,084)
Adjusted Funds from operations (“AFFO”) attributable to Unitholders ⁽⁴⁾	\$ 26,148	\$ 218	\$ 35,472	\$ (4,846)
Diluted weighted average number of Units outstanding ⁽²⁾	79,553,236	78,827,204	78,836,608	78,576,761
Diluted FFO per Unit attributable to Unitholders ⁽³⁾	\$ 0.32	\$ -	\$ 0.46	\$ (0.06)
Diluted AFFO per Unit attributable to Unitholders ⁽³⁾	\$ 0.32	\$ -	\$ 0.44	\$ (0.06)

(1) All figures reflect combined continuing and discontinued operations.

(2) For the three months ended September 30, 2021, diluted weighted average number of Units calculated in accordance with IFRS included the 191,144 unvested Restricted Stock Units and 720,962 Units issuable on conversion of the Warrants. For the nine months ended September 30, 2021, diluted weighted average number of Units calculated in accordance with IFRS included the 146,803 unvested Restricted Stock Units and 120,350 Units issuable on conversion of the Warrants

(3) The Debentures were dilutive for FFO and AFFO for the three months ended September 30, 2021. Therefore, Debenture finance costs of \$829 and \$611 were added back to FFO and AFFO, respectively and 5,283,783 Units issuable on conversion of the Debentures were added to the diluted weighted average number of Units outstanding for FFO and AFFO. The Debentures were anti-dilutive for FFO and dilutive for AFFO for the nine months ended September 30, 2021. Therefore, Debenture finance costs of \$1,833 were added back to AFFO and 5,283,783 Units issuable on conversion of the Debentures were added to the diluted weighted average number of Units outstanding for AFFO. The Debentures were not dilutive for FFO and AFFO for the three and nine months ended September 30, 2020.

(4) Included in FFO and AFFO are two non-recurring items; \$14.7 million of other income from the estimated forgiveness of government-guaranteed loans and \$1.0 million expense for an inventory adjustment.

Three months ended September 30, 2021:

For the three months ended September 30, 2021, FFO was \$26.4 million (2020 – \$0.1 million) and diluted FFO per Unit was \$0.32 (2020 – \$nil) due to recognizing \$14.7 million of income from estimated forgiveness on the government-guaranteed loans and higher operating income and lower finance costs. AFFO for the three months ended September 30, 2021 was \$26.1 million (2020 – \$0.2 million) and diluted AFFO per Unit was \$0.32 (2020 – \$nil) due to recognizing \$14.7 million of income from estimated forgiveness on the government-guaranteed loans and higher operating income, partially offset by higher actual maintenance capital spending. The other income of \$14.7 million from the estimated forgiveness of government-guaranteed loans and \$1.0 million expense for a non-recurring inventory adjustment are non-recurring items but are included in FFO in accordance with the REALPAC White Paper. Excluding the two non-recurring items, FFO and AFFO for the quarter were \$12.7 million and \$12.4 million, respectively.

Nine months ended September 30, 2021:

For the nine months ended September 30, 2021, FFO was \$35.9 million (2020 – (\$4.3) million) and diluted FFO per Unit was \$0.46 (2020 – (\$0.06)) due to recognizing \$14.7 million of income from estimated forgiveness on the government-guaranteed loans and higher operating income partially offset by increased corporate and administrative costs predominantly related to changes in senior management in 2021. The other income of \$14.7 million from the estimated forgiveness of government-guaranteed loans and \$1.0 million expense for a non-recurring inventory adjustment are non-recurring items but are included in FFO in accordance with the REALPAC White Paper.

AFFO for the nine months ended September 30, 2021 was \$35.5 million (2020 – (\$4.8) million) and diluted AFFO per Unit was \$0.44 (2020 – (\$0.06)) due to the reasons stated above. Excluding the two non-recurring items, FFO and AFFO for the nine-months ended September 30, 2021 were \$22.2 million and \$21.8 million, respectively.

ROLLING FOUR QUARTER FFO AND AFFO PAYOUT RATIO

As a result of seasonal fluctuations in FFO in any period, management uses a rolling four quarter FFO Payout Ratio for the purposes of assessing AHIP's distribution capacity. On March 20, 2020, AHIP announced the temporary suspension of monthly distributions on its Units. As a result, no FFO or AFFO Payout ratios have been calculated. See "Distribution Policy" for more information.

RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES TO AFFO

In calculating AFFO, AHIP made certain adjustments to cash flow from operating activities as follows:

(US\$000s unless noted)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Cash flows from continuing operations	\$ 9,648	\$ 607	\$ 7,539	\$ 5,141
Cash flows from discontinued operations	(23)	4	(423)	(110)
Cash flows from operating activities	\$ 9,625	\$ 611	\$ 7,116	\$ 5,031
Add/(deduct):				
Changes in non-cash working capital	3,847	189	19,882	(6,469)
Securities-based compensation	26	27	67	52
IFRIC 21 property taxes	361	97	(1,122)	(845)
Amortization of other liabilities	6	6	19	21
Interest paid	9,040	10,728	28,572	29,428
Interest expense	(8,876)	(10,347)	(28,326)	(29,090)
Adjustments for discontinued operations	13	(5)	423	110
Net income attributable to non-controlling interest	(1,022)	-	(2,722)	-
Loss (gain) on disposal of asset	10	-	10	-
Gain on loan forgiveness	14,658	-	14,658	-
Transaction costs related to Warrants	-	-	325	-
Actual maintenance capital expenditures	(1,540)	(1,088)	(3,430)	(3,084)
AFFO attributable to Unitholders ⁽¹⁾	\$ 26,148	\$ 218	\$ 35,472	\$ (4,846)

(1) Included in AFFO are two non-recurring items; \$14.7 million of other income from the estimated forgiveness of government-guaranteed loans and \$1.0 million expense for an inventory adjustment.

DISTRIBUTIONS DECLARED COMPARED TO CASH FLOWS FROM OPERATING ACTIVITIES

(US\$000s)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Cash flows from continuing operations	\$ 9,648	\$ 607	\$ 7,539	\$ 5,141
Cash flows from discontinued operations	(23)	4	(423)	(110)
Cash flows from operating activities	9,625	611	7,116	5,031
Distributions declared	-	-	-	-
Surplus of cash flows to distributions	\$ 9,625	\$ 611	\$ 7,116	\$ 5,031

For the three and nine months ended September 30, 2021, cash flows from operating activities improved significantly as AHIP's hotels continued to recover from the impacts of COVID-19. There have been no distributions declared since March 2020. See "Distribution Policy".

DISTRIBUTION POLICY

The Board of Directors of the General Partner ("Board of Directors" or the "Board"), in consultation with management, continually evaluates AHIP's distribution policy, with a focus on maximizing unitholder value.

The declaration of distributions is subject to the discretion of the Board of Directors and is evaluated periodically and may be revised.

On March 10, 2020, in response to the impacts of COVID-19, the Board of Directors revised the distribution policy to pay monthly cash distributions of \$0.038 per Unit (or \$0.456 per Unit on an annualized basis), commencing with the distribution payable in April 2020 that had been declared in March 2020 (the “March 2020 Distribution”). AHIP’s Board of Directors subsequently approved the temporary suspension of AHIP’s monthly distribution, beginning in April 2020, and the deferral of the payment of the March 2020 distribution until economic conditions and the performance of AHIP’s hotels sufficiently improve. These decisions were based on the impacts of COVID-19 and related government measures on AHIP’s business and the hotel industry. The unitholders entitled to the March 2020 Distribution are those unitholders of record on March 31, 2020.

AHIP is pleased to announce that its Board of Directors has approved (i) the payment of the deferred March 2020 distribution, with such payment to be made on December 31, 2021, and (ii) the adoption of a distribution policy providing for the payment of regular monthly distributions commencing in March 2022 at an annual rate of USD\$0.18 per common unit (monthly rate of USD\$0.015 per unit). The first regular monthly distribution is currently expected to be declared in mid-February 2022, with a record date at the end of February 2022 and payable in March 2022. The declaration and payment of each monthly distribution under AHIP’s distribution policy will remain subject to Board approval, and compliance by AHIP with the terms of its Credit Facility and investor rights agreement with the Investor. Distributions are not guaranteed and may be reduced or suspended at any time at the discretion of the Board of Directors should operating conditions or outlook change. See “Risks and Uncertainties” and “Forward Looking Information” for further details.

DISTRIBUTION SUMMARY

AHIP did not declare any cash distributions to unitholders of record from April 2020 to September 30, 2021. Due to the impact of the COVID-19 pandemic on AHIP’s operations since Q1 2020, AHIP has not declared any cash distribution to unitholders since April 2020.

Per Unit	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
Annualized distribution ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.146	\$ 0.648
Period-end Cdn\$ TSX Closing Price	\$ 4.28	\$ 4.25	\$ 4.10	\$ 3.12	\$ 2.51	\$ 2.70	\$ 2.00	\$ 7.04
Annualized distribution yield on Closing Price (%) ⁽²⁾	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.4%	12.2%

(1) For Q1 2020 only, amount represents distribution declared during the quarter prior to its temporary suspension.

(2) Converted at the Bank of Canada period end exchange rate.

PART V

SUMMARY OF QUARTERLY RESULTS

(US\$000s except Units and per Unit amounts)									
	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	
TOTAL PORTFOLIO									
Revenues ⁽¹⁾	\$ 68,411	\$ 63,589	\$ 46,714	\$ 39,406	\$ 46,320	\$ 27,274	\$ 61,855	\$ 76,091	
NOI (including IFRIC 21)	26,071	28,403	14,430	8,970	14,506	6,301	16,809	22,604	
Net income (loss) ⁽¹⁾	15,685	526	(13,970)	(20,945)	(12,070)	(20,806)	(12,607)	(14,519)	
FFO ⁽¹⁾⁽³⁾	\$ 26,414	\$ 11,465	\$ (1,986)	\$ (5,220)	\$ 120	\$ (9,088)	\$ 4,674	\$ 10,236	
AFFO ⁽¹⁾⁽³⁾	26,148	10,924	(1,587)	(4,105)	218	(8,658)	3,587	9,236	
Distributions declared	-	-	-	-	-	-	11,405	12,657	
Total assets ⁽¹⁾	\$1,172,109	\$1,175,469	\$1,201,325	\$1,193,906	\$1,220,895	\$1,236,194	\$1,240,888	\$1,246,328	
Total debt ⁽¹⁾	752,831	768,775	785,976	807,681	812,143	817,819	808,930	774,901	
Weighted average number of Units o/s (000s)	78,641	78,571	78,495	78,352	78,185	78,135	78,129	78,124	
AMOUNTS ON PER UNIT BASIS⁽¹⁾									
Diluted net income (loss) per Unit	\$ 0.18	\$ 0.01	\$ (0.18)	\$ (0.27)	\$ (0.15)	\$ (0.26)	\$ (0.16)	\$ (0.19)	
Diluted FFO per Unit	0.32	0.14	(0.03)	(0.07)	0.00	(0.12)	0.06	0.13	
Diluted AFFO per Unit	0.32	0.13	(0.02)	(0.05)	0.00	(0.11)	0.05	0.12	
BREAKDOWN OF CONTINUING AND DISCONTINUED OPERATIONS									
Revenues									
Cont. Operations	\$ 68,411	\$ 63,589	\$ 46,714	\$ 39,406	\$ 46,320	\$ 27,274	\$ 61,855	\$ 65,057	
Disc. Operations	-	-	-	-	-	-	-	11,034	
Total Revenues	68,411	63,589	46,714	39,406	46,320	27,274	61,855	76,091	
Net income (loss) ⁽²⁾									
Cont. Operations	\$ 15,690	\$ 526	\$ (13,963)	\$ (20,423)	\$ (11,912)	\$ (20,839)	\$ (12,592)	\$ (6,084)	
Disc. Operations	(5)	-	(7)	(522)	(158)	33	(15)	(8,435)	
Net income (loss)	\$ 15,685	\$ 526	\$ (13,970)	\$ (20,945)	\$ (12,070)	\$ (20,806)	\$ (12,607)	\$ (14,519)	
Diluted net income (loss) per Unit ⁽²⁾									
Cont. Operations	\$ 0.18	\$ 0.01	\$ (0.18)	\$ (0.26)	\$ (0.15)	\$ (0.26)	\$ (0.16)	\$ (0.08)	
Disc. Operations	-	-	-	(0.01)	-	-	-	(0.11)	
Diluted net income (loss) per Unit	\$ 0.18	\$ 0.01	\$ (0.18)	\$ (0.27)	\$ (0.15)	\$ (0.26)	\$ (0.16)	\$ (0.19)	

(1) Reflects combined continuing and discontinued operations.

(2) Q4 2019 results have been adjusted for a misallocation between continuing and discontinued operations

(3) Included in FFO and AFFO are two non-recurring items; \$14.7 million of other income from the estimated forgiveness of government-guaranteed loans and \$1.0 million expense for an inventory adjustment.

The hotel industry is seasonal in nature. Occupancy rates, revenues and operating results experienced by hotels located in the U.S. are, absent the impacts of COVID-19, generally greater in the second and third quarters of the calendar year than in the first and fourth quarters. These fluctuations may impact earnings, cash flow and payout ratios.

PART VI

LIQUIDITY

The principal liquidity needs of AHIP are for working capital requirements, paying principal and interest on debt, maintenance capital expenditures and contractual obligations. Over the long-term, AHIP intends to repay maturing debt with proceeds from refinancing such debt. In addition, AHIP from time to time will raise new equity through the issuance of Units or other securities from treasury to finance its investment activities.

During 2020, AHIP obtained approval from its loan servicers for all 20 of its CMBS loans for short-term relief, to allow for the temporary funding of debt service payments with restricted cash reserves and/or deferral from the required monthly contributions to the FF&E reserves. The remaining deferred amounts are to be replenished by AHIP with \$0.4 million due in the fourth quarter of 2021 and \$0.2 million due in 2022.

As at September 30, 2021, AHIP's unrestricted cash balance was \$14.8 million (December 31, 2020: \$20.1 million), its restricted cash balance was \$36.6 million (December 31, 2020 - \$26.1 million) and it had available revolver capacity of approximately \$28.8 million (December 31, 2020 - \$15.7 million). In April 2021, AHIP repaid \$16.1 million of deferred purchase price owing as of March 31, 2021, to the vendor in connection with AHIP's acquisition of 12 Premium Branded hotels in December 2019.

Cash flows from operating activities, cash on hand and availability under AHIP's revolving Credit Facility represent AHIP's primary sources of liquidity. AHIP's hotel operations have been impacted by COVID-19 with significantly reduced occupancy, revenues and operating cashflows. AHIP undertook a number of steps to enhance its liquidity following the onset of the COVID-19 pandemic, with certain initiatives ongoing into the third quarter of 2021, as described above under "Summary of Significant Q3 2021 Activity".

As of September 30, 2021, AHIP had a working capital deficiency of \$93.1 million. The working capital deficiency is primarily the result of the outstanding principal amount of the Debentures of \$48.9 million and of the Eastern Seaboard Term Loan Pool #4 of \$55.0 million each being classified as a current liability as at the September 30, 2021 given the maturity dates for such loans, being June 30, 2022 and July 6, 2022, respectively, are now less than 12 months away. AHIP expects to be able to refinance these obligations at prevailing market terms prior to their stated maturity dates. See "Contractual Obligations" and "Debt Strategy" below for further details with respect AHIP's debt maturity profile. In addition, as discussed below under "Debt Strategy" the entirety of one of AHIP's single property, non-recourse loans have been classified as current since December 31, 2020 following AHIP's receipt of a notice of event of default from the special loan servicer. AHIP is engaged in on-going negotiations with the special loan

servicer to modify the terms of such loan. The fair value of the Warrants of \$5.9 million is also classified as current liability but is a non-cash item. Notwithstanding the working capital deficiency, AHIP expects to continue to satisfy its obligations as they become due and as at September 30, 2021 had an unrestricted cash balance of \$14.8 million and available revolver capacity of approximately \$28.8 million, which AHIP may utilize from time to time to meet its financial obligations to the extent there are shortfalls in cash flow from operating activities.

The following table provides an overview of AHIP's change in cash from operating, investing and financing activities for the three and nine months ended September 30, 2021 and 2020:

(US\$000s)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Continuing operations net change in cash:				
Operating activities	\$ 9,648	\$ 607	\$ 7,539	\$ 5,141
Investing activities	(3,487)	\$ 5,910	\$ (14,993)	\$ (653)
Financing activities	(2,404)	(6,708)	2,523	4,700
	\$ 3,757	\$ (191)	\$ (4,931)	\$ 9,188
Discontinued operations net change in cash	(23)	4	(423)	(110)
Change in cash	\$ 3,734	\$ (187)	\$ (5,354)	\$ 9,078

The change in cash was largely due to the following activities:

Three months ended September 30, 2021:

- Net cash generated from operating activities for the three months ended September 30, 2021 increased as a result of higher income from improved operations between the comparative periods;
- Net cash used in investing activities for the three months ended September 30, 2021 reflected the replenishment of restricted cash reserves in 2021 previously used in prior year to fund debt service obligations and the sale of a hotel in the prior year; and
- Net cash used for financing activities for the three months ended September 30, 2021 decreased as a result of the revolver repayment of \$4.3 million in the prior year partially offset by payment of distributions to NCI (as defined below) in the current year.

Nine months ended September 30, 2021:

- Net cash generated from operating activities for the nine months ended September 30, 2021 increased as a result of higher operating income from the relative improvement of operations between comparative periods;
- Net cash used in investing activities for the nine months ended September 30, 2021 reflected the replenishment of restricted cash reserves previously used to fund debt service obligations partially offset by fewer fixed asset additions as a result of a full nine months of reduced spending compared to only four months in 2020;

- Net cash generated from financing activities for the nine months ended September 30, 2021 resulted from the payment of \$16.1 million in deferred purchase price and other aged obligations, repayment of \$25.0 million of the revolving Credit Facility in January 2021 and receipt of more government-guaranteed loans in 2020 than in 2021, partially offset by the issuance of the Series C Preferred Stock and Warrants for \$50.0 million gross proceeds in January 2021; and
- Net cash used in discontinued operations relates to the sale of the Economy Lodging Portfolio in November 2019.

CONTRACTUAL OBLIGATIONS

The following table summarizes the face value of AHIP's contractual obligations over the next five fiscal years and thereafter:

(US\$000s)	TOTAL	2021	2022	2023	2024	2025	Thereafter
Term loans and revolving							
Credit Facility	\$ 703,266	\$ 10,334	\$ 60,365	\$ 37,740	\$ 244,537	\$ 55,662	\$ 294,628
Debentures	48,875	-	48,875	-	-	-	-
Purchase and other obligations	1,303	347	368	242	154	80	112
Other loans	370	-	370	-	-	-	-
Operating and finance leases	4,209	85	423	273	218	200	3,010
Total	\$ 758,023	\$ 10,766	\$ 110,401	\$ 38,255	\$ 244,909	\$ 55,942	\$ 297,750

In addition to the above, AHIP's operating subsidiaries pay management fees to an external hotel manager and franchise fees to various franchisors based on hotel revenues.

CAPITAL EXPENDITURES

When AHIP acquires a Premium Branded hotel property, under the terms of the applicable franchise agreement, an AHIP subsidiary is often required to complete various PIPs within 18 to 24 months of the acquisition date. The PIPs are intended to renovate the hotel property to the franchisor's current standards and optimize operating performance and to ensure that the hotels remain competitive within their respective market segments. AHIP's operating subsidiaries enter into contracts or commitments with various suppliers to provide products and services in compliance with these PIPs. For all properties with a CMBS term loan, partial payments for these items are held in escrow by AHIP's CMBS lenders as restricted cash and funds are disbursed in the ordinary course of business. In addition, on a regular basis, AHIP is required by its CMBS lenders to escrow FF&E Reserves over the term of the respective loans. See "Liquidity" above. During 2020, a number of hotel properties were scheduled to undergo PIP renovations. As a result of the impacts of COVID-19, and with approval from the hotel franchisors, all 2020 capital projects have been deferred to late 2021 and beyond in order to maximize cash balances. Franchisors have also provided temporary waivers of AHIP's obligations to fund ongoing FF&E reserves.

DEBT STRATEGY

AHIP's long-term overall borrowing policy is to obtain secured mortgage financing on primarily a fixed rate interest basis with terms to maturity that allow AHIP to:

- i) Maintain staggered debt maturities that reduce its exposure to interest rate fluctuations and re-financing risk in any particular period; and
- ii) Fix interest rates and extend loan terms when borrowing conditions are favorable.

The fixed rate mortgages are expected to be primarily first charge mortgages. Management intends to maintain a total debt-to-gross book value ratio of approximately 55% over the long-term; however, this ratio is expected to fluctuate from time to time, particularly in the near-term as AHIP accesses additional debt capital to fund operations while occupancies remain reduced due to the impacts of COVID-19. In accordance with AHIP's Limited Partnership Agreement, the maximum debt-to-gross book value ratio is 70% (including the Debentures).

On June 15, 2020, AHIP entered into an amendment to its Credit Facility whereby AHIP obtained a waiver for certain covenants through March 31, 2021 and modified covenants through December 2021, temporarily increased its available revolver capacity by approximately \$11.0 million, and permitted the Credit Facility to be secured by mortgages on the borrowing base properties.

On January 28, 2021, AHIP further amended the Credit Facility. The key amendments to the Credit Facility included: (a) waiver of key financial covenants through December 31, 2021 (unless certain thresholds are achieved prior to such date) and modified covenants through December 31, 2022 with 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; (b) availability under the Credit Facility fixed at approximately \$159 million through December 31, 2021; (c) borrowings not subject to interest rate swap agreements will remain at LIBOR + 3.00% with a minimum LIBOR balance of 0.25%; (d) adjusting the Maximum Borrowing Base Leverage Availability back to 65% of the aggregate Borrowing Base Value of all Borrowing Base Properties (each as defined in the third amendment to the Credit Facility Agreement, a copy of which is available on SEDAR at www.sedar.com), which amount had been temporarily increased to 70% as part of the Second Amendment to the Credit Facility agreement in June 2020; and (e) various amendments to specifically allow for the issuance of the Series C Preferred Stock and the Warrants, the payment of dividends on the Series C Preferred Stock and certain agreed uses for the net proceeds of the Investment, including to pay certain outstanding debts and to partially pay down the outstanding balance on the revolving portion of the Credit Facility (with such amounts being available to be re-drawn by AHIP). Pursuant to the third amendment to the Credit Facility agreement, AHIP is prohibited from making distributions to its unitholders (other than payment of the deferred March 2020 Distribution) until after the covenant waiver period expires, after which the payment of distributions to unitholders will be subject to the satisfaction of certain covenants set forth in the third amendment. AHIP expects such covenants to be satisfied in advance of the recommencement of its monthly distributions in 2022. See "Distribution Policy".

As at September 30, 2021, and as at the date of this MD&A, AHIP is current on all of its loan payments except in respect of one hotel as noted below. AHIP has obtained waivers on certain covenants on 4 of the CMBS term loans effective through November 2021.

On December 4, 2020, AHIP notified its loan servicers on two single-property, non-recourse loans totaling approximately \$18.4 million of an imminent change in circumstances and requested the loans be transferred to the special loan servicer to negotiate modified loan terms. One of the loans is currently under cash management and the lender has used funds from operations to continue making required loan payments. For the second loan, following the notice to the servicer, AHIP did not make the required loan payments commencing on December 4, 2020, and as a result, AHIP received a notice from the special loan servicer of the occurrence of an event of default. The negotiations to modify the terms of both loans are on-going. These loans are non-recourse and do not trigger any cross-default provisions with any other loans. The second loan has been reclassified as a current liability since December 31, 2020.

As at September 30, 2021, AHIP's Debt-to-Gross Book Value was 54.0% (2020 – 58.2%) as follows:

(US\$000s unless noted)	September 30, 2021	September 30, 2020
Debt	752,831	812,143
Gross Book Value	1,395,260	1,396,102
Debt-to-Gross Book Value	54.0%	58.2%

The decrease in the leverage ratio can be attributed to the repayment of \$27.4 million of the revolving credit facility, \$17.5 million deferred purchase price on a prior acquisition, and \$9.7 million in government-guaranteed loans that are expected to be forgiven.

The following table calculates AHIP's Debt to EBITDA and trailing twelve months Interest Coverage Ratio for September 30, 2021 and 2020:

(US\$000s unless noted)	September 30, 2021	September 30, 2020
Debt	\$ 752,831	\$ 812,143
EBITDA (trailing twelve months)	60,009	46,067
Debt-to-EBITDA (times)	12.5x	17.6x
EBITDA (trailing twelve months)	60,009	46,067
Interest expense (trailing twelve months) ⁽¹⁾	\$ 38,609	\$ 38,217
Interest coverage ratio (times)	1.6x	1.2x

(1) Interest expense is the sum of interest expense on revolving credit facility, term loans, Debentures, finance lease liabilities and other liabilities.

The increase in EBITDA, and in turn the Interest Coverage Ratio resulted from a recovery in the seasonally strong spring and summer season in 2021 compared to the COVID-19 impacted performance in spring and summer 2020.

The following table summarizes the interest rates and terms of AHIP's non-current debt financing obligations:

(US\$000s unless noted)	Principal Balance as at September 30, 2021	Interest Rate	Initial Term (years)	Stated Maturity Date
Credit Facility Revolver ⁽¹⁾⁽³⁾	5,000	LIBOR + 3.00%	4	December 3, 2023
Pittsburgh Portfolio Term Loans	35,235	5.02%	10	December 6, 2023
NC/GA Portfolio Assumed Loan #2	6,815	5.28%	10	February 1, 2024
Virginia Portfolio Term Loan	23,248	4.97%	10	April 6, 2024
Dallas Hotel Assumed Term Loan	18,505	5.25%	10	October 11, 2024
Texas Portfolio Term Loan ⁽³⁾	16,000	4.20%	10	November 6, 2024
Oklahoma Portfolio Term Loan ⁽³⁾	25,500	4.20%	10	November 6, 2024
Credit Facility Term Loan ⁽²⁾⁽³⁾	125,000	LIBOR + 3.00%	5	December 3, 2024
NC/FL Portfolio Term Loan ⁽³⁾	26,110	4.27%	10	December 6, 2024
Midwestern Portfolio Term Loan ⁽³⁾	32,000	4.24%	10	July 6, 2025
Florida Portfolio Term Loan ⁽³⁾	19,000	4.21%	10	August 6, 2025
FL/TN Portfolio Term Loan	25,223	4.43%	10	November 6, 2026
Florida 6 Portfolio Term Loan	34,280	4.99%	10	December 6, 2026
Tempe Hotel Term Loan	13,189	5.14%	10	January 6, 2027
Midwestern 3 Portfolio Term Loan	63,450	4.72%	10	February 6, 2027
Eastern Seaboard Term Loan Pool #1 ⁽³⁾	69,600	4.53%	10	July 6, 2027
Eastern Seaboard Term Loan Pool #2 ⁽³⁾	57,700	4.48%	10	July 6, 2027
Eastern Seaboard Term Loan Pool #3 ⁽³⁾	52,400	4.53%	10	July 6, 2027
TOTAL	\$ 648,255			

(1) Variable rate loan of which \$25.0 million has interest rate swap contract that fixes LIBOR at 1.609% until November 30, 2023. Revolver has two six-month extensions at AHIP's option, subject to certain conditions. During the covenant waiver period, the spread has been increased to 3.00%

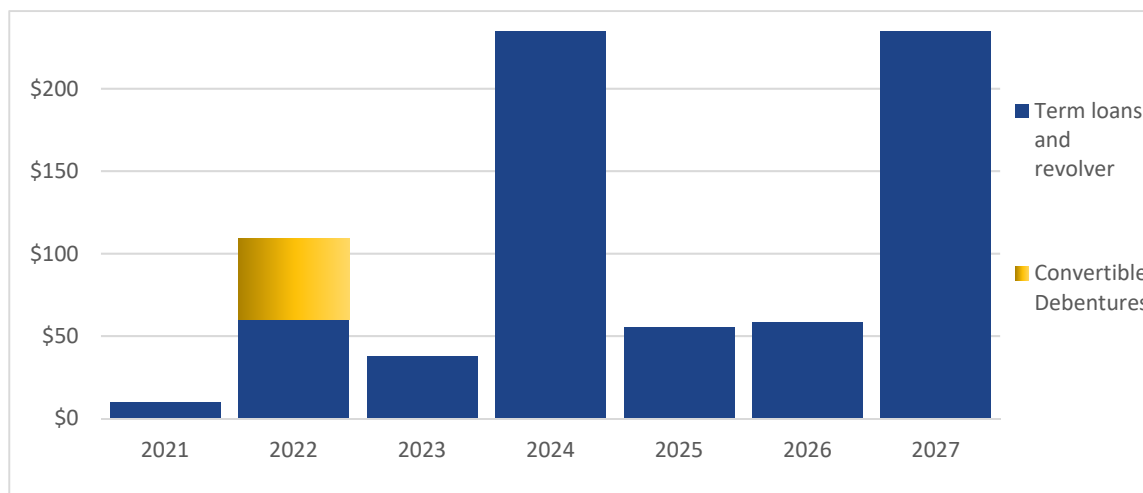
(2) Variable rate loan with interest rate swap contract that fixes LIBOR at 1.415% until November 30, 2023.

(3) Interest only debt obligation as at September 30, 2021

The weighted average interest rate on AHIP's term loans and Debentures as at September 30, 2021 was 4.56% (September 30, 2020 – 4.55% including continuing and discontinued operations) and the weighted average debt term to stated maturity on AHIP's debt was 3.8 years (September 30, 2020 – 4.8 years including continuing and discontinued operations). As at September 30, 2021, all of AHIP's term loans were effectively fixed rate loans. Interest rate swap contracts are in place to fix LIBOR for \$130.0 million of the outstanding principal of the Credit Facility term loan and Credit Facility revolver with fixed LIBOR rates of 1.415% and 1.609%.

As at September 30, 2021, Debentures in the aggregate principal amount of approximately \$48.9 million remained outstanding and were traded on the TSX with a closing price of \$98.75 per Debenture.

DEBT MATURITY (as at September 30, 2021) – \$ millions



CAPITAL RESOURCES

AHIP has not obtained or made use of any additional sources of financing that are not disclosed in its Interim Financial Statements.

PARTNERS' CAPITAL

AHIP is authorized to issue an unlimited number of Units. As at September 30, 2021, there were 191,144 Restricted Stock Units issued and outstanding (September 30, 2020 – 639,076).

There were \$48.9 million principal amount of Debentures outstanding at September 30, 2021. The Debentures, which mature on June 30, 2022, are convertible at the option of the Debenture holder into Units at any time prior to maturity at a conversion price equal to \$9.25 per Unit. 5,283,783 Units are issuable on conversion of the Debentures. AHIP has a redemption option after June 30, 2021, at a price equal to the principal amount of the Debentures plus accrued and unpaid interest to the redemption date.

During the year ended December 31, 2020, AHIP granted a total of 2,300,000 options (the "Options") to the Board of Directors and an officer. Each Option entitles the option holder to purchase a Unit at an exercise price of Canadian \$5.00. The fair value of each Option at grant date was Canadian \$0.06, as determined using the Black-Scholes option pricing model. The remaining contractual life of the Options is 4.8 years. The Options vested immediately and are all outstanding and exercisable, on a cashless exercise basis only, at September 30, 2021.

U.S. REIT issued 50,000 shares of Series C Preferred Stock in January 2021, which are classified as equity and presented as a non-controlling interest in the Interim Financial Statements. The accumulated dividends on the Series C Preferred Stock, whether declared or not, are deducted on the consolidated statements of comprehensive income/(loss) to determine the net income (loss) attributable to the Unitholders. AHIP also issued 19,608,755 Warrants having an exercise price of \$3.20 per Unit. The Warrants are exercisable at any time prior to January 28, 2026 on a cashless exercise basis only. None of the Warrants were exercised as at September 30, 2021.

As at November 9, 2021, there were 78,642,581 Units, 191,144 Restricted Stock Units, 2,300,000 Options and 19,608,755 Warrants issued and outstanding.

PART VII

OFF-BALANCE SHEET ARRANGEMENTS

Other than as disclosed in its Interim Financial Statements, AHIP does not have any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Other than as disclosed in its Interim Financial Statements, AHIP does not have any related party transactions.

PART VIII

SUBSEQUENT EVENTS

There were no subsequent events since the three months ended September 30, 2021.

PART IX

CRITICAL ACCOUNTING ESTIMATES

As described in Note 2 in the Interim Financial Statements, management considers the following as significant areas of estimates and assumptions:

(a) Purchase price allocations:

Acquisitions of hotel properties are accounted for either as a business combination or an asset acquisition. Judgement is involved in determining if the acquiree constitutes a business acquisition or an asset acquisition under IFRS 3 Business Combinations. For business acquisitions, the identifiable assets, liabilities and contingent liabilities acquired are recognized at their fair values at the acquisition date. For asset acquisitions, the acquirer measures the assets acquired based on their cost, which is generally allocated on a relative fair value basis. AHIP obtains third-party valuations to support management's determination of the fair value of hotel properties acquired.

(b) Depreciation and amortization:

Management has estimated the useful lives of property, buildings and equipment in the determination of depreciation. The estimated useful lives of property, buildings and equipment are determined based on various factors including historical data and AHIP's expected use of the assets. Intangible assets are amortized over the average remaining contractual term of the franchise agreements.

(c) Impairment:

IAS 36 Impairment of Assets ("IAS 36") requires management to use judgement in assessing whether there is an impairment of AHIP's assets. In making this judgement, management evaluates, among other factors,

internal and external indicators of impairment, such as changes in technology, market conditions, and economic or legal environment.

IAS 36 also requires management to exercise judgement in determining the recoverable amount of cash generating units (“CGUs”) that are tested for impairment. Judgement is involved in estimating fair value less costs of disposal or value in use of the CGUs, including significant assumptions such as estimated revenue and expense growth rates, discount rates, and terminal rates. The estimates reflect past experience and are consistent with external sources of information.

(d) Financial statement classification of Series C Preferred Stock and Warrants:

Management used judgement in assessing, in accordance IAS 32 Financial Instruments: Presentation, whether the Series C Preferred Stock and Warrants issued should be classified as a liability or an equity instrument. In making this judgement, management evaluated the criteria of whether a financial instrument is an equity instrument rather than a financial liability and determined that the Series C Preferred Stock are an equity instrument and the Warrants are a financial liability.

(e) Valuation of Warrants:

The Warrants are a derivatives instrument liability and measured at fair value. Considerable judgement is used to determine the different assumptions used in the valuation methodology such as the risk-free rate, volatility, dividend yield, and discount or lack of marketability. These inputs reflect past experience and are consistent with external sources of information.

(f) Forgivability of loans:

In accordance with IAS 20, Accounting for Government Grants and Disclosure of Government Assistance, management used judgement to assess whether AHIP had reasonable assurance that the loans met the criteria for forgivability under the relevant legislation. In making this judgement, management evaluated the requirements for forgivability, among other factors and determined that as at September 30, 2021, the majority of the loans met the criteria for forgiveness and estimated the value of the forgiveness amount.

CHANGES IN ACCOUNTING POLICIES

AHIP’s significant accounting policies are described in Note 3 of its Interim Financial Statements. The Interim Financial Statements follow the same accounting policies and methods of application as the Annual Audited Financial statements, except as noted below.

Classification of financial instruments as equity or liability

Financial instruments are considered to be equity instruments when there is no contractual obligation to transfer cash or other financial other assets to the holder of the instrument. Derivative instruments with no contractual obligation to deliver cash or another financial asset and can be settled only by AHIP

exchanging a fixed amount of cash or another financial asset is classified is considered to be an equity instrument, otherwise it is a liability.

Measurement on initial recognition of compound financial instruments

When allocating the initial carrying amount of a compound financial instrument to the underlying financial liability and equity components, AHIP first determines the fair value of the liability component. The amount allocated to the equity component is the residual amount after deducting the fair value of the financial liability component from the fair value of the entire compound financial instrument.

Non-controlling interest

Non-controlling interest (“NCI”) is measured at the proportionate share of the acquiree’s identifiable net assets at the date of acquisition. Changes in AHIP’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The Series C Preferred Stock are classified as equity and are held by NCI. Income attributable to NCI is adjusted for the dividends on the preferred shares, whether or not the dividends have been declared.

AHIP’s NCI relates to Series C Preferred Stock issued by AHIP’s wholly owned subsidiary U.S. REIT, that is classified as equity.

Warrants

Derivative instruments are financial instruments with each of the following three characteristics: (i) its value changes in response to a change in underlying variables such as interest rates (ii) it requires no net initial investment, and (iii) it is settled at a future date. AHIP’s Warrants are derivative instruments which are measured at fair value through profit and loss.

Government grants

AHIP applied IAS 20 Accounting for Government Grants and Disclosure of Government Assistance for the period ended September 30, 2021. AHIP classifies forgivable government loans as a government grant when there is reasonable assurance that they will meet the terms for forgiveness of the loan. If this threshold is not met, AHIP classifies forgivable loans as other liabilities, measured at amortized cost. AHIP recognizes forgivable government loans classified as liabilities in profit or loss during the period in which the loan is forgiven.

The benefit of a government loan at below-market rate of interest is treated as a government grant. The difference between the present value of future cash flows of the loan discounted at the market interest rate and the loan proceeds received is recognized in profit or loss on the same basis that the related interest expense is recognized on the liability. AHIP recognizes deferred grants on a systematic basis over the periods in which AHIP recognizes the related expenses for which the grants were intended to compensate.

INTERNAL CONTROLS

National Instrument 52-109 “Certification of Disclosure in Issuers’ Annual and Interim Filings” (“NI 52-109”) requires the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) to be responsible for establishing and maintaining disclosure controls and procedures (“DC&P”) and internal controls over

financial reporting (“ICFR”), as defined in the instrument. DC&P are designed to provide reasonable assurance that material information required to be disclosed by AHIP in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation. Furthermore, DC&P are designed to ensure that material information required to be disclosed by AHIP in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to AHIP’s management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Interim Financial Statements for external purposes in accordance with IFRS.

AHIP’s ICFR may not prevent or detect all misstatements because of the inherent limitations of any control system. Additionally, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with AHIP’s policies and procedures.

As at September 30, 2021, AHIP's management, under the supervision of its CEO and CFO, has designed the DC&P and ICFR. Management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) in Internal Control – Integrated Framework (2013).

PART X

FOREIGN EXCHANGE MANAGEMENT

All of AHIP’s investments and substantially all its operations are conducted in U.S. dollars. Therefore, AHIP has minimal exposure to fluctuations in currency exchange rates. As at September 30, 2021, AHIP had not entered into any currency swap arrangements.

The following table provides the quarterly Canadian dollar/U.S. dollar exchange rates over the past 12 months:

Period end Exchange Rate	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020
Cdn\$/US\$	\$ 1.2741	\$ 1.2394	\$ 1.2575	\$ 1.2732	\$ 1.3339
US\$/Cdn\$ ⁽¹⁾	\$ 0.7849	\$ 0.8068	\$ 0.7952	\$ 0.7854	\$ 0.7497

(1) Bank of Canada period end exchange rate.

NON-IFRS MEASURES

AHIP has included certain non-IFRS financial measures throughout this MD&A. 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. The non-IFRS financial measures used in this MD&A include: debt-to-gross book value, funds from operations (FFO), adjusted funds from operations (AFFO), diluted FFO per Unit, diluted AFFO per Unit, net operating income (NOI), NOI margin, earnings before interest, taxes, depreciation and amortization (EBITDA), EBITDA margin, Hotel EBITDA, Hotel EBITDA margin, interest coverage ratio, debt-to-EBITDA, same property metrics, FFO payout ratio and AFFO payout ratio.

a) 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 approximately \$48.9 million of 5.00% convertible unsecured subordinated debentures issued on June 9, 2017 at a price of \$1,000 per Debenture and maturing on June 30, 2022.

"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.

b) Funds from Operations ("FFO") and Adjusted Funds from Operations ("AFFO"):

AHIP believes FFO and AFFO are important measures of operating performance of real estate properties. FFO is a supplemental non-IFRS financial measure of operating performance widely used in the Canadian real estate industry. 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. AHIP calculates FFO in accordance with the Real Property Association of Canada ("REALPAC") White Paper on Funds from Operations (the "FFO White Paper") issued in February 2019 except for the adjustments

for non-recurring items, such as other income, inventory loss and transaction costs related to Warrants. Based on the FFO definition currently set forth by REALPAC, these non-recurring items, should be included in FFO. However, AHIP believes that including such non-recurring items do not represent the recurring operating performance of AHIP. FFO has been reconciled to net income (loss) and comprehensive income (loss) in the section “Funds from Operations and Adjusted Funds from Operations”.

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.

Hotel operations require maintenance capital expenditures to maintain the occupancy and revenue streams of the business. AFFO is a widely used non-IFRS measure in the Canadian real estate industry as a recurring economic earnings measure. AFFO is not defined under IFRS and should not be considered as an alternative to cash flow from operations as prescribed under IFRS. As AFFO is not defined under IFRS, the method applied by AHIP to calculate AFFO may differ from methods applied by other issuers and as a result may not be comparable with measures used by other issuers. In calculating AFFO, FFO is subject to certain adjustments including: (i) amortization of deferred finance costs on term loans and convertible debentures; (ii) accretion on the liability portion of convertible debentures; (iii) amortization of mark-to-market adjustments on assumed term loans; (iv) amortization of deferred compensation payable; (v) securities-based compensation expense; and (vi) deducting actual maintenance capital expenditures. Other adjustments may be made to AFFO as determined by the Board of Directors of the General Partner at its discretion. AFFO has been reconciled to cash flow from operations in the section “Reconciliation of Cash Flow from Operating Activities to AFFO”.

For the purposes of calculating Diluted FFO per Unit and Diluted AFFO 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.

c) Net Operating Income (“NOI”) and NOI Margin:

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.

d) Earnings before interest, taxes, depreciation and amortization (“EBITDA”) and EBITDA Margin:

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.

e) Hotel EBITDA and Hotel EBITDA Margin:

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.

f) Interest Coverage Ratio:

AHIP calculates the “Interest Coverage Ratio” as EBITDA for the trailing twelve month period divided by interest expensed for the trailing twelve month period comprised of interest expense on term loans, revolving credit facilities, convertible debentures, other loans and finance lease liability (excluding unamortized deferred financing costs, unamortized mark-to-market adjustments and interest rate swap contracts). The Interest Coverage Ratio is a measure of AHIP’s ability to service the interest requirements of its outstanding debt.

g) Debt-to-EBITDA Ratio:

AHIP calculates the “Debt-to-EBITDA Ratio” as the aggregate amount of debt at face value divided by the trailing twelve months EBITDA. AHIP uses this ratio to measure leverage and determine the approximate time it will take AHIP to repay its debt.

h) Same Property Metrics:

Same property metrics represent operating results for the same properties over comparable reporting periods and is intended to measure the period-over-period performance of the same asset base. A property must be owned for the entire year for inclusion in this metric. These metrics exclude the impact of properties that have been acquired or sold during the comparable reporting periods.

i) FFO Payout Ratio and AFFO Payout Ratio:

AHIP calculates its “FFO Payout Ratio” as distributions declared divided by FFO for the period and “AFFO Payout Ratio” as distributions declared divided by AFFO for the period. As a result of the impact of seasonal fluctuations in FFO or AFFO in any period, management generally considers a rolling four quarter FFO Payout Ratio more relevant for the purposes of assessing AHIP’s distribution paying capacity than a payout ratio in any given quarter.

OPERATIONAL METRICS

Occupancy is a major driver of room revenue as well as food and beverage revenues. Fluctuations in occupancy are accompanied by fluctuations in most categories of variable hotel operating expenses, including housekeeping and other labor costs. ADR (as defined below) also helps to drive room revenue with limited impact on other revenues. Fluctuations in ADR are accompanied by fluctuations in limited categories of hotel operating expenses, such as franchise fees and credit card commissions, since variable hotel operating expenses, such as labor costs, generally do not increase or decrease correspondingly. Thus, increases in RevPAR (as defined below) attributable to increases in occupancy typically reduce

EBITDA and EBITDA margins, while increases in RevPAR attributable to increases in ADR typically result in increases in EBITDA and EBITDA margins.

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.

PART XI

RISKS AND UNCERTAINTIES

Investing in AHIP’s securities involves a high degree of risk. In addition to the other information contained in this AIF, current and prospective investors should carefully consider all of the following risk factors before purchasing Units, Debentures or any other securities of AHIP that may be offered or that are issued and outstanding from time to time. The occurrence of any of the following risks could materially and adversely affect AHIP’s investments, prospects, cash flows, results of operations or financial condition and AHIP’s ability to make cash distributions to Unitholders and interest and principal payments to holders of Debentures. In that event, the value of the Units, the Debentures or any other securities of AHIP that may be offered or that are issued and outstanding from time to time, could decline and investors may lose all or part of their investment. Although AHIP believes that the risk factors described below are the most material risks that AHIP faces, they are not the only ones. Additional risk factors not presently known to AHIP or that AHIP currently believes are immaterial could also materially and adversely affect AHIP’s investments, prospects, cash flows, results of operations or financial condition and AHIP’s ability to make cash distributions to Unitholders and interest and principal payments to holders of Debentures and negatively affect the value of the Units, the Debentures or any other securities of AHIP that may be offered or that are issued and outstanding from time to time.

COVID-19

COVID-19, including recent increases in case numbers and new variants (including the Delta variant), has, and is expected to continue to, negatively impact (although to a lesser extent than previously as vaccinations increase), the U.S. economy, the U.S. hotel industry, the willingness of the general public to travel, the demand for travel, transient and group business, guest traffic and guest reservations, the level of consumer confidence in the safety of travel, AHIP's business, results of operations and financial condition, and may also cause staff and supply shortages, increased labor costs to attract employees due to the perceived risk of exposure to COVID-19, as well as potential for increased workers' compensation claims if hotel employees are exposed to COVID-19 through the workplace, increased operating costs in order to comply with sanitation and other government guidelines and directives, and has resulted in corporate travel restrictions and changes in consumer behaviour with respect to travel, increased government regulation, including legislated travel restrictions, mandated physical distancing, stay-at-home and shelter in place orders and directives, required quarantines, self isolation and other public health orders and directives, postponement and cancellation of events, conferences and meetings, increased work-from-home arrangements and use of video conferencing services in lieu of in-person meetings, closures or reductions in onsite activities at universities and other major demand generators in the markets where AHIP's hotels are located all of which has resulted and may continue to result in reduced travel and demand for lodging services, and may result in, among other things, forced closures of AHIP's hotels or closures due to low occupancy levels as a result of the foregoing. If operations at any of AHIP's hotels are suspended, AHIP cannot give any assurance as to when they will resume operations at a full or reduced level. As a result of COVID-19, AHIP has and may continue to defer planned capital expenditure projects, which may adversely affect the value of AHIP's hotels. Vaccination rates remain low in various regions, and the effectiveness, acceptance and availability of vaccines, the duration of associated immunity and efficacy of the vaccines against emerging variants (including the Delta variant) of COVID-19 all may be less than expected, which may prolong the impacts of COVID-19 on the U.S. economy, lodging industry and AHIP. Government stimulus and support packages and programs, announced or created in respect of the U.S. hotel industry may not be available to AHIP or its subsidiaries, in whole or in part, and investors should not assume such financial support will be available to AHIP or its subsidiaries, and should not assume that any such financial support received will continue or that the criteria for forgiveness of any government-guaranteed loans received by AHIP's subsidiaries will be satisfied. Recent improvement trends experienced by AHIP and its hotel properties may not continue. Previously eased government restrictions on travel and business operations may be, and in certain U.S. states and counties have been, reinstated. In light of the foregoing, AHIP has temporarily suspended its monthly cash distributions (see "Distribution Policy" above and "Distributions" below). All of the foregoing, are adversely impacting AHIP's investments, prospects, cash flows, results of operations and financial condition, which has negatively impacted the market price of the Units and the Debentures and may impact 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 Debentures or otherwise satisfy its financial obligations, and may cause AHIP to be in non-compliance with one or more of the financial covenants under its credit facilities and cause a default thereunder and has, and may continue to negatively impact the value of AHIP's properties and may result in significant non-cash impairment charges on AHIP's properties.

COVID-19 related fluctuations in the stock market may adversely affect the market price of the Units and the Debentures regardless of AHIP's operating performance. The uncertainty has also increased volatility in the capital markets and there can be no assurance that the price of the Units or the Debentures will remain at current levels. In addition, the securities markets have experienced significant price and volume fluctuations from time to time as a result of COVID-19 that may have been unrelated or disproportionate to the operating performance of particular issuers. These broad fluctuations may adversely affect the market price of the Units and the Debentures. COVID-19 and the reactions to it, including the possibility that it may result in a prolonged global recession, may also have the effect of exacerbating the potential impact of the other risks disclosed in this "Risks and Uncertainties" section as well as those set forth in AHIP's AIF.

DISTRIBUTIONS

Monthly cash distributions are not guaranteed and remain subject to the approval of Board of Directors and may be reduced or suspended at any time at the discretion of the Board. The payment of distributions by AHIP to its Unitholders, other than the March 2020 Distribution, is not permitted during the current covenant waiver period under the Credit Facility, and thereafter will remain subject to the satisfaction of certain financial covenants under the Credit Facility. In addition, the investor rights agreement entered into with the Investor in connection with the Investment prohibits the payment of distributions by AHIP in certain circumstances. Accordingly, the announced recommencement of regular monthly distributions remains subject to the expiry of the covenant waiver period and the satisfaction of such covenants under the agreement governing the Credit Facility and compliance with the terms of the investor rights agreement, copies of which agreements are available under AHIP's profile on SEDAR at www.sedar.com. Additional risk factors with respect to distributions are set for in AHIP's AIF.

The Units and Debentures involve a certain degree of risk. Any person currently holding or considering the purchase of Units, Debentures or any other securities of AHIP that may be offered or that are issued and outstanding from time to time, should be aware of these and other factors set forth in AHIP's AIF and should consult with his or her legal, tax and financial advisors prior to making an investment in the Units, Debentures or any other securities of AHIP that may be offered or that are issued and outstanding from time to time. The Units, Debentures and any other securities of AHIP that may be offered or that are issued and outstanding from time to time should only be purchased by persons who can afford to lose all of their investment.

HOTEL PORTFOLIO AS AT SEPTEMBER 30, 2021

Hotel Address	Brand	Location	Number of Rooms	Restaurant	Acquisition Date
TEXAS/ARIZONA					
4650 West Airport Freeway	Embassy Suites	Irving, TX	305	Yes	Jan. 6, 2017
4400 South Rural Road	Embassy Suites	Tempe, AZ	224	Yes	Jan. 6, 2017
8231 Amarillo Blvd. West	Holiday Inn	Amarillo, TX	151	Yes	Oct. 27, 2014
7815 Willow Chase Blvd	Home2 Suites	Houston, TX	108	-	Dec. 3, 2019
5879 South Padre Island Dr.	Hampton Inn & Suites	Corpus Christi, TX	101	-	Dec. 3, 2019
1505 Catalina Drive	Staybridge Suites	Midland, TX	98	-	Dec. 3, 2019
1401 Catalina Drive	Home2 Suites	Midland, TX	93	-	Dec. 3, 2019
2569 Southwest Blvd	Home2 Suites	San Angelo, TX	93	-	Dec. 3, 2019
2545 Southwest Blvd	Residence Inn	San Angelo, TX	92	-	Dec. 3, 2019
1740 Airport Boulevard	Fairfield Inn & Suites	Amarillo, TX	79	-	Oct. 27, 2014
6915 I-40 West	Sleep Inn & Suites	Amarillo, TX	63	-	Oct. 27, 2014
TOTAL TEXAS/ARIZONA		11 PROPERTIES	1,407	3	
FLORIDA/GEORGIA					
3712 SW 38 th Avenue	Courtyard	Ocala, FL	169	Yes	Aug. 6, 2015
3427 Forum Boulevard	Holiday Inn Express	Fort Myers, FL	111	-	Nov. 29, 2016
5730 Gantt Road	Holiday Inn Express	Sarasota, FL	101	-	Nov. 29, 2016
3624 North Falkenburg Rd.	Staybridge Suites	Tampa, FL	100	-	Nov. 29, 2016
4735 Helen Hauser Blvd.	Fairfield Inn & Suites	Titusville, FL	96	-	Nov. 25, 2014
4101 SW 38 th Avenue	Fairfield Inn & Suites	Ocala, FL	96	-	Aug. 6, 2015
561 Chaffee Point Boulevard	Fairfield Inn & Suites	Jacksonville, FL	89	-	Oct. 27, 2016
538 Southwest Corporate Dr.	Fairfield Inn & Suites	Lake City, FL	89	-	Oct. 27, 2016
3610 SW 38 th Avenue	Residence Inn	Ocala, FL	87	-	Aug. 6, 2015
4355 West New Haven Ave	Fairfield Inn & Suites	Melbourne, FL	83	-	Nov. 25, 2014
1319 East King Avenue	Fairfield Inn & Suites	Kingsland, GA	82	-	Jul. 3, 2014
13575 Cypress Glen Lane	Courtyard	Tampa, FL	81	Yes	Nov. 29, 2016
10971 West Colonial Drive	Fairfield Inn & Suites	Orlando/Ocoee, FL	80	-	Nov. 29, 2016
TOTAL FLORIDA/GEORGIA		14 PROPERTIES	1,264	2	
MARYLAND					
5015 Campbell Boulevard	Hilton Garden Inn	Baltimore, MD	155	Yes	June 22, 2017
4980 Mercantile Road	Residence Inn	Baltimore, MD	131	-	June 22, 2017
7035 Arundel Mill Circle	Residence Inn	Hanover, MD	131	-	June 22, 2017
7027 Arundel Mill Circle	Hampton Inn	Hanover, MD	130	-	June 22, 2017
7544 Teague Road	SpringHill Suites	Hanover, MD	128	-	June 22, 2017
8225 Town Center Drive	Hampton Inn	Baltimore, MD	127	-	June 22, 2017
8477 Cordon Way	Fairfield Inn & Suites	Baltimore, MD	116	-	June 22, 2017
7021 Arundel Mill Circle	TownePlace Suites	Hanover, MD	109	-	June 22, 2017
TOTAL MARYLAND		8 PROPERTIES	1,027	1	

HOTEL PORTFOLIO AS AT SEPTEMBER 30, 2021 CONTINUED

Hotel Address	Brand	Location	Number of Rooms	Restaurant	Acquisition Date
PENNSYLVANIA					
555 Trumbull Drive	Hampton Inn	Pittsburgh, PA	132	-	Nov. 21, 2013
8514 University Boulevard	Hampton Inn	Moon Township, PA	127	-	Nov. 21, 2013
210 Executive Drive	Hampton Inn	Cranberry Township, PA	116	-	Nov. 21, 2013
2031 Avenue C	Homewood Suites	Bethlehem, PA	113	-	June 22, 2017
7686 Industrial Boulevard	Homewood Suites	Allentown, PA	108	-	June 22, 2017
1004 Sutherland Drive	Fairfield Inn & Suites	Pittsburgh, PA	103	-	Dec. 3, 2019
1308 Freedom Road	Residence Inn	Cranberry Township, PA	96	-	Nov. 21, 2013
1006 Sutherland Drive	TownePlace Suites	Pittsburgh, PA	93	-	Dec. 3, 2019
TOTAL PENNSYLVANIA		8 PROPERTIES	888	-	
MIDWEST					
185 Radio Drive	Courtyard	Woodbury, MN	120	Yes	Dec. 3, 2019
205 Radio Drive	Residence Inn	Woodbury, MN	116	-	Dec. 3, 2019
550 Trade Center Way	Homewood Suites	Portage, MI	97	-	Dec. 3, 2019
3319 N 14th Street	Courtyard	Bismarck, ND	89	Yes	Dec. 3, 2019
2080 Holliday Drive	Holiday Inn Express	Dubuque, IA	87	-	Jun. 18, 2015
121 Swords Drive	Holiday Inn Express	Mattoon, IL	69	-	Jun. 18, 2015
2501 Holiday Lane	Holiday Inn Express	South Jacksonville, IL	69	-	Jun. 18, 2015
311 S. Johnson Drive	Holiday Inn Express	Nevada, MO	68	-	Jun. 18, 2015
3007 W. 18th Avenue	Holiday Inn Express	Emporia, KS	68	-	Jun. 18, 2015
TOTAL MIDWEST		9 PROPERTIES	783	2	
OHIO/KENTUCKY					
5100 Upper Metro Place	Embassy Suites	Dublin, OH	284	Yes	Jan. 19, 2017
5800 Rockside Woods Blvd.	Embassy Suites	Independence, OH	271	Yes	Jan. 19, 2017
10 East Rivercentre Blvd.	Embassy Suites	Covington, KY	227	Yes	Jan. 19, 2017
TOTAL OHIO/KENTUCKY		3 PROPERTIES	782	3	
NEW JERSEY					
1000 Bishops Gate Boulevard	Residence Inn	Mount Laurel, NJ	144	-	June 22, 2017
3008 English Creek Avenue	Homewood Suites	Egg Harbor Township, NJ	120	-	June 22, 2017
1302 Campus Parkway	Courtyard	Wall Township, NJ	113	Yes	June 22, 2017
2 Commerce Centre Drive	Homewood Suites	Dover, NJ	108	-	June 22, 2017
230 Jumping Brook Road	Residence Inn	Neptune, NJ	105	-	June 22, 2017
3022 Fire Road	Residence Inn	Egg Harbor Township, NJ	101	-	June 22, 2017
TOTAL NEW JERSEY		6 PROPERTIES	691	1	
OKLAHOMA					
4401 SW 15th Street	Holiday Inn	Oklahoma City, OK	147	Yes	Nov. 3, 2014
13800 Quail Springs Pk.	Holiday Inn	Oklahoma City, OK	109	Yes	Nov. 3, 2014
4411 SW 15th Street	Staybridge Suites	Oklahoma City, OK	103	-	Nov. 3, 2014
2814 Williams Avenue	Hampton Inn	Woodward, OK	81	-	Nov. 3, 2014
7840 NW 39 Expressway	Holiday Inn Express	Bethany, OK	69	-	Jun. 18, 2015
3004 South 4th Street	Hampton Inn	Chickasha, OK	63	-	Jun. 18, 2015
2610 S. 4th Street	Holiday Inn Express	Chickasha, OK	62	-	Jun. 18, 2015
TOTAL OKLAHOMA		7 PROPERTIES	634	2	

HOTEL PORTFOLIO AS AT SEPTEMBER 30, 2021 CONTINUED

Hotel Address	Brand	Location	Number of Rooms	Restaurant	Acquisition Date
NORTH CAROLINA					
1137 E. Dixie Drive	Hampton Inn	Asheboro, NC	111	-	Jul. 3, 2014
10024 US Hwy 15/501	Springhill Suites	Pinehurst, NC	107	-	Jul. 11, 2014
1530 Cinema Drive	Courtyard	Statesville, NC	94	Yes	Nov. 25, 2014
920 Executive Way	Fairfield Inn & Suites	Asheboro, NC	87	-	Jul. 3, 2014
1508 Cinema Drive	Hampton Inn	Statesville, NC	80	-	Nov. 25, 2014
TOTAL NORTH CAROLINA		5 PROPERTIES	479	1	
VIRGINIA					
85 University Boulevard	Hampton Inn	Harrisonburg, VA	159	-	Mar. 12, 2014
43 Covenant Drive	Hampton Inn	Harrisonburg, VA	90	-	Mar. 12, 2014
898 Wiggins Road	Hampton Inn	Emporia, VA	85	-	Mar. 12, 2014
150 Arnold Drive	Fairfield Inn & Suites	South Hill, VA	68	-	Mar. 12, 2014
TOTAL VIRGINIA		4 PROPERTIES	402	-	
NEW YORK/CONNECTICUT					
2 Sawgrass Drive	SpringHill Suites	Bellport, NY	128	-	June 22, 2017
291 Old Gate Lane	Hilton Garden Inn	Milford, CT	120	Yes	June 22, 2017
TOTAL NEW YORK/CONNECTICUT		2 PROPERTIES	248	1	
TENNESSEE					
2340 Center Street	Residence Inn	Chattanooga, TN	109	-	Oct. 27, 2016
7010 McCutcheon Road	TownePlace Suites	Chattanooga, TN	87	-	Oct. 27, 2016
TOTAL TENNESSEE		2 PROPERTIES	196	-	
TOTAL PREMIUM BRANDED HOTELS		78 PROPERTIES	8,801	16	