



Host Hotels & Resorts, Inc. Announces the Sale of the San Francisco Airport Marriott and Provides a Summary of the Recently Announced Balance Sheet Transactions

March 28, 2012

BETHESDA, Md., March 28, 2012 /PRNewswire/ -- Host Hotels & Resorts, Inc. (NYSE: HST) today announced that on March 23, 2012, Host Hotels & Resorts, L.P. ("Host LP") closed on the sale of the San Francisco Airport Marriott in Burlingame, CA. The hotel is subject to a long-term management agreement with Marriott International, Inc. Inland American Lodging Group, a wholly owned subsidiary of Inland American Real Estate Trust, Inc., acquired the hotel for a sale price of \$108 million plus FF&E reserve of \$4.7 million for total proceeds to Host LP of \$112.7 million.

(Logo: <http://photos.prnewswire.com/pmh/20060417/HOSTLOGO>)

On March 22, 2012, Host LP issued \$350 million in aggregate principal amount of 5 1/4% senior notes due 2022. The proceeds, together with available cash, will be used to repay the \$113 million principal amount outstanding of the 7.5% mortgage secured by the JW Marriott, Washington D.C. on April 2, 2012 and to redeem \$250 million of the 6 7/8% Series S senior notes due 2014 on April 13, 2012. As a result of the repayment and redemption, Host LP will save over \$7 million in interest expense annually and extend its weighted average debt maturities.

In addition, on March 15, 2012 Host LP notified holders of its outstanding Exchangeable Senior Debentures due 2027 that the holders have an option, pursuant to the terms of the debentures, to require Host LP to purchase all or a portion of such holders' debentures at a price equal to 100% of the aggregate principal amount of the debentures. Host LP expects that the holders will exercise this option and that Host LP will purchase, with available cash, debentures totaling \$388 million on April 16, 2012. In accordance with generally accepted accounting principles, the interest rate for the debentures is 6.5%. Upon completion, these transactions will result in an improvement in our interest and fixed charge coverage ratios and a reduction in our outstanding debt balance to \$5.35 billion. In addition, our cash balance will be in excess of \$550 million.

ABOUT HOST HOTELS & RESORTS

Host Hotels & Resorts, Inc., ("the Company") is an S&P 500 and Fortune 500 company and is the largest lodging real estate investment trust and one of the largest owners of luxury and upper-upscale hotels. The Company currently owns 104 properties in the United States and 16 properties internationally totaling approximately 64,300 rooms. The Company also holds non-controlling interests in a joint venture in Europe that owns 13 hotels with approximately 4,200 rooms, a joint venture in Asia that owns one hotel in Australia with 278 rooms and a joint venture in India that is investing in seven hotels with approximately 1,750 rooms that are in various stages of development in three cities. Guided by a disciplined approach to capital allocation and aggressive asset management, the Company partners with premium brands such as Marriott®, Ritz-Carlton®, Westin®, Sheraton®, W®, St. Regis®, Le Meridien®, The Luxury Collection®, Hyatt®, Fairmont®, Four Seasons®, Hilton®, Swissotel®, ibis®, Pullman®, and Novotel®* in the operation of properties in over 50 major markets worldwide. For additional information, please visit the Company's website at www.hosthotels.com.

Note: This press release contains forward-looking statements within the meaning of federal securities regulations. These forward-looking statements are identified by their use of terms and phrases such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "plan," "predict," "project," "will," "continue" and other similar terms and phrases, including references to assumption and forecasts of future results. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially from those anticipated at the time the forward-looking statements are made. These risks include, but are not limited to: national and local economic and business conditions, including the potential for terrorist attacks, that will affect occupancy rates at our hotels and the demand for hotel products and services; operating risks associated with the hotel business; risks associated with the level of our indebtedness and our ability to meet covenants in our debt agreements; relationships with property managers; our ability to maintain our properties in a first-class manner, including meeting capital expenditure requirements; our ability to compete effectively in areas such as access, location, quality of accommodations and room rate structures; changes in travel patterns, taxes and government regulations which influence or determine wages, prices, construction procedures and costs; our ability to complete acquisitions and dispositions; and our ability to continue to satisfy complex rules in order for us to remain a REIT for federal income tax purposes and other risks and uncertainties associated with our business described in the Company's filings with the SEC. Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this release is as of the date of this release, and the Company undertakes no obligation to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.

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SOURCE Host Hotels & Resorts, Inc.

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