Investor Presentation

AUGUST 2020

Forward-Looking Statements

This investor presentation, and the related discussion, contains forward-looking statements. These include statements about Host Hotels & Resorts' plans, strategies, financial performance, prospects or future events. Forward-looking statements are not guarantees of future performance. They involve known and unknown risks, uncertainties and assumptions and many of the factors that will determine these items are beyond our ability to control or predict. Consequently, our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking or listening for words such as "approximates," "believes," "expects," "anticipates," "intends," "plans," "would," "may" or similar expressions in these slides or in the related discussion. Factors that may cause actual results to differ materially from those contemplated by the forward-looking statements include, but are not limited to, (i) the duration and scope of the COVID-19 pandemic and its short and longer-term impact on the demand for travel, transient and group business, and levels of consumer confidence; actions governments, businesses and individuals take in response to the pandemic, including limiting or banning travel; the impact of the pandemic, and actions taken in response to the pandemic, on global and regional economies, travel, and economic activity, including the duration and magnitude of its impact on unemployment rates, business investment and consumer discretionary spending; the pace of recovery when the COVID-19 pandemic subsides; general economic uncertainty in U.S. markets where we own hotels and a worsening of economic conditions or low levels of economic growth in these markets; the effects of steps we and our hotel managers take to reduce operating costs in response to the COVID-19 pandemic; (ii) other changes in national and local economic and business conditions and other factors such as natural disasters and weather that will affect occupancy rates at our hotels and the demand for hotel products and services (iii) operating risks associated with the hotel business, including the effect of increasing labor cost; (iv) risks associated with our ability to complete acquisitions and dispositions and develop new properties and the risks that acquisitions and new developments may not perform in accordance with our expectations; (v) our ability to maintain our properties in a first-class manner, including meeting capital expenditures requirements, and the effect of renovations, including temporary closures, on our hotel occupancy and financial results; (vii) our ability to compete effectively in areas such as access, location, quality of accommodations and room rate structures; and (viii) those factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2019 and our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020, under the heading "Risk Factors," which are available on our website: www.hosthotels.com. 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 presentation is as of December 31, 2019 and the results presented are for the year ended December 31, 2019 unless otherwise noted, and the Company undertakes no obligation to update any forward-looking statement to conform the statement to actual results or to changes in the Company's expectations.

This presentation is not an offer to sell or a solicitation of an offer to buy any securities of the Company.

Use of Non-GAAP Financial Measures:

This investor presentation, and the related discussion, also contain certain non-GAAP financial measures, which should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with generally accepted accounting principles ("GAAP"). Please refer to the Appendix of this presentation for a reconciliation of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP and definitions and calculation methodologies used for other defined terms used in this presentation.

Trademarks:

The brands and logos used in this presentation are the trademarks of our managers or their affiliates. The trademarked names and their logos are the property of their respective owners and are being used with the express permission of their owners. None of the owners of these trademarks has any responsibility or liability for any information contained in this presentation.

THE RITZ-CARLTON,
MARINA DEL REY
LOS ANGELES, CA

TABLE OF CONTENTS

HOST
HOTELS & RESORTS®

The Opportunity

Not to go back to 2019. Rather, to use this crisis to create a structurally better future for hotel owners. We believe Host is the best positioned lodging REIT to deliver that future and to capitalize on opportunistic investments that may arise due to this period of dislocation.

lodging REITs pre-COVID status quo

Challenged RevPAR Growth

RevPAR grew below inflation in 2019

Challenged Profitability Growth

Costs grew well above inflation in 2019

Challenged External Growth

Asset pricing was too rich to create value

an unprecedented opportunity

Rationalize supply

Potential slowing of new construction and closure of struggling hotels

Redefine the Operating Model

Owners demand lower fixed costs and greater flexibility

Find value-creation opportunities

Gradual recovery => potentially more opportunistic investments

the Host advantage

Potential RevPAR share gains

Newly renovated hotels expected to gain Index share as supply-demand fundamentals improve

Scale => negotiating leverage

Largest owner of Marriott and largest third-party owner of Hyatt hotels

Balance sheet capacity + flexibility

To purchase assets with potential long-term EBITDA growth at attractive valuations

Business Update

1. Key Takeaways
2. Monthly Cash Outflows
3. Liquidity Position
4. Hotel Reopenings
5. Hotel Reopening Considerations
6. 2Q 2020 Performance
7. 2Q 2020 Performance Drivers
8. Occupancy Trends
9. Cleaning Standards Costs
10. Capital Expenditures

1 HOTEL, MIAMI BEACH, FLORIDA

Drive-to Leisure

Key Takeaways

1. Reduced hotel level operating loss by ~50%[1] from April to June 2020.
2. Reopened 19 (of 35) suspended hotels through July 30, 2020.
3. Preserved access to $2.5 billion of total available liquidity at June 30, 2020.
4. Achieved 380 basis points of portfolio-wide avg. occupancy gains from 6.9% in April to 10.7% in June 2020.
5. Achieved ~50% portfolio-wide avg. room rate improvement from $129 in April to $194 in June 2020.
6. Amended $2.5 billion credit agreement to enhance flexibility and preserve liquidity.

1) Net loss under GAAP increased $2 million from April to June 2020. See Reconciliations and Supplemental Information for reconciliations from net loss to hotel level operating loss for April and June 2020.

Monthly Cash Outflows

HOST HOTELS & RESORTS

Hotel-level operating loss decreased from approximately $73 million in April to approximately $37 million in June.

Actual Quarterly and Estimated Monthly Cash Outflows (in US $ millions)

Components of Cash Burn	April (1)	May (1)	June (1)	Continuation of 2Q 2020 Hotel Operational Performance (2)
	Actuals	Actuals	Actuals	Estimated
Hotel-level Operating Loss	$73	$53	$37	$100 - $110 / month
Interest payments		$46		
ROI Capex, Renewal & Replacement Capex & Corporate & Other Expenses		$190		
Total		**$399** (2Q 2020)		

Assuming hotel operational performance remains at 2Q 2020 levels, we would expect approximately $100 to $110 million of **total** monthly cash outflows

Sufficient liquidity

$2.5bn (incl. FF&E reserves and revolver capacity) in total available liquidity as of June 30, 2020. If hotel performance remains at the average of second quarter 2020 levels, we have ample liquidity until mid-2022 even with capex near 2020 levels, subject to continued covenant waivers for our credit agreement.

Reduced hotel level expenses

Reduced portfolio-wide hotel operating costs by 72% in the second quarter compared to the prior year implying that average hotel-level operating loss for the portfolio and per key was approximately $54 million and $1,160, respectively, which is broadly in line with our full-service Luxury/Upper Upscale peers and reflective of the relatively larger footprint of our assets.

Capex is a choice

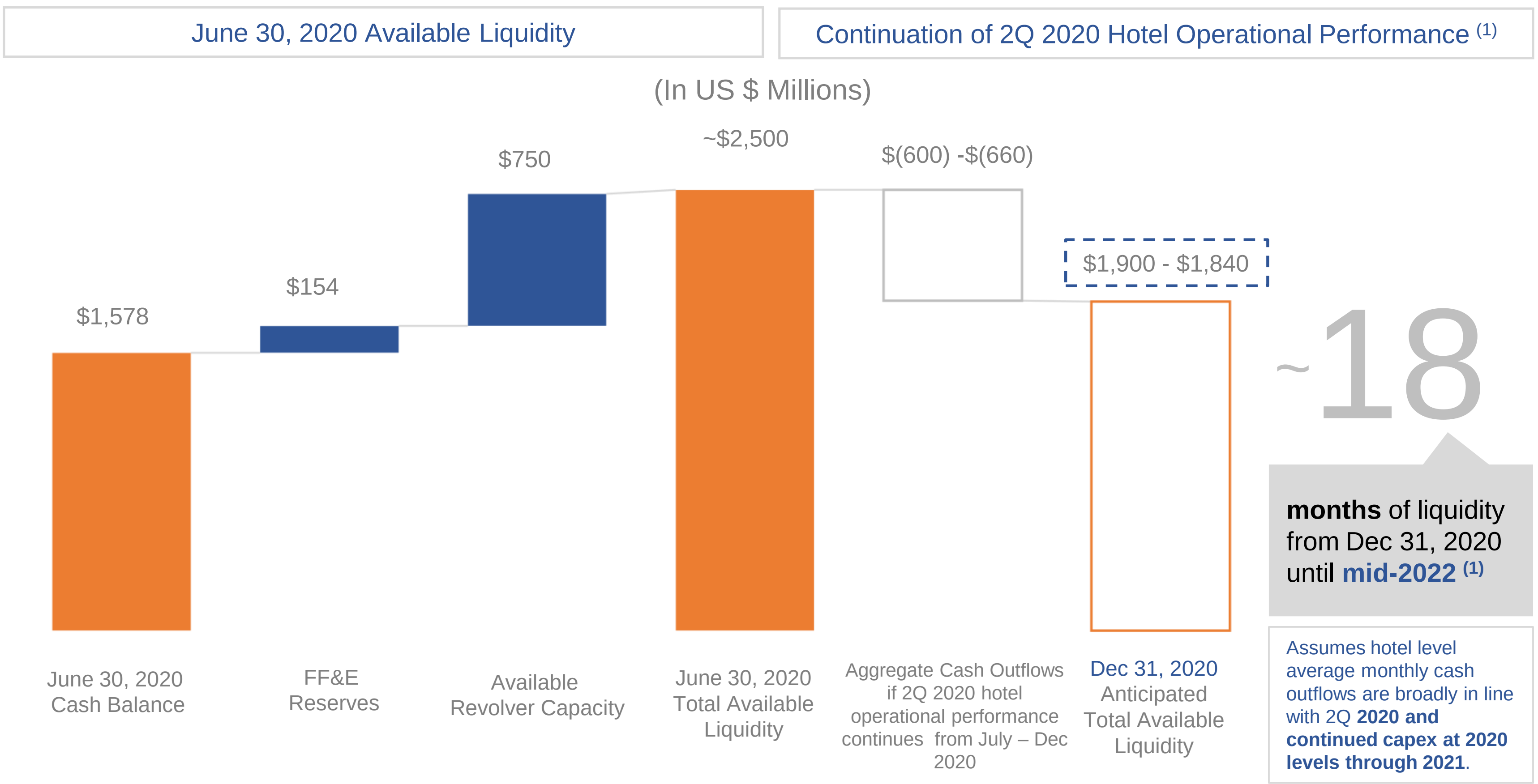
Choosing to allocate $325 to $345 million of ROI capital to complete value-enhancing projects during a time of minimal revenue disruption, while benefiting from an expected $20M operating profit guarantee for the Marriott Transformational Capital Program spend. Capex was concentrated in the second quarter and is expected to decrease in the second half of the year

1) Hotel-level operating loss and cash burn are non-GAAP financial measures within the meaning of the rules of the Securities and Exchange Commission ("SEC"). GAAP net loss was $120 million, $114 million, and $122 million for the months of April, May and June, respectively. GAAP net cash used in operating activities was $172 million for the quarter ended June 30, 2020. See appendix on why the Company believes these supplemental measures are useful, reconciliations to the most directly comparable GAAP measure, and the limitations on the use of these supplemental measures

2) Assumes hotel level average monthly cash outflows are broadly in line with second quarter 2020 and the only investing and financing activities assumed in this scenario are the capital expenditures. This analysis is illustrative only and based on a single quarter of operations and assumes significant expense reductions remain in place. GAAP net cash used in operating activities under this scenario is estimated to be $75 million at the midpoint. See appendix for reconciliation of GAAP net cash used in operating activities to cash burn.

Liquidity Position

Ability to withstand prolonged business disruption even assuming a continuation of 2Q 2020 hotel operational performance and capex near 2020 levels.



1) Assumes hotel level average monthly cash outflows are broadly in line with second quarter 2020 and the only investing and financing activities assumed in this scenario are the capital expenditures. This analysis is illustrative only and based on a single quarter of operations, assumes significant expense reductions remain in place and is subject to continued covenant waivers for our credit agreement.

Hotel Reopenings Update

May 6th	May 30th	Jun 29th	Jul 30th	Aug 31st(1)
45 Open Hotels **57%** of Room Count	47 Open Hotels **58%** of Room Count	51 Open Hotels **63%** of Room Count	64 Open Hotels **78%** of Room Count	70 Open Hotels **~90%** of Room Count

May 30th

46. Hyatt Regency Coconut Point
47. The Ritz Carlton Naples

Jun 29th

48. 1 Hotel South Beach
49. Grand Hyatt Atlanta in Buckhead
50. Miami Marriott Biscayne Bay
51. The Phoenician

Jul 30th

52. Gaithersburg Marriott Washingtonian Center
53. JW Marriott Atlanta Buckhead
54. New Orleans Marriott
55. San Ramon Marriott
56. The Logan Philadelphia
57. The Ritz-Carlton Golf Resort Naples
58. The Westin South Coast Plaza, Costa Mesa
59. The Westin Waltham Boston
60. SF Marriott Fisherman's Wharf
61. W Seattle
62. Westin Georgetown, Washington DC
63. Chicago Marriott Suites Downers Grove
64. Orlando World Center Marriott

While we continue to make steady progress on hotel reopenings, we will not hesitate to suspend / re-suspend hotels where performance trends deteriorate.

1) Hotels expected to open by August 31, 2020, are subject to change based on lodging demand, State/local regulations and ordinances and discussions with our hotel operators.

Hotel Reopening Considerations

Below are some factors we consider when reopening a hotel where operations have been suspended.

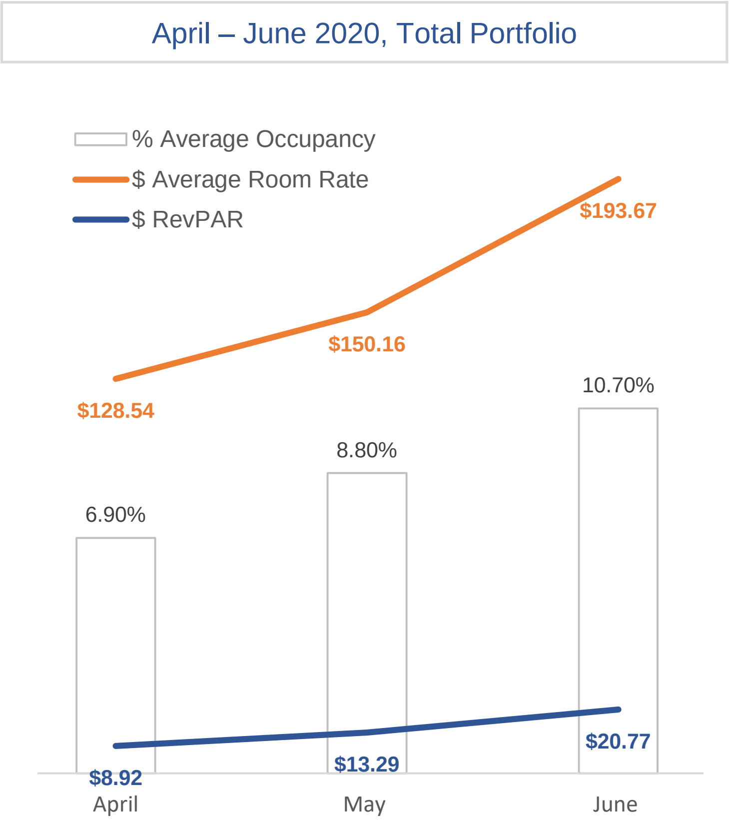
All hotel reopenings follow a phased and gradual approach with regards to the opening of rooms, facilities and amenities.

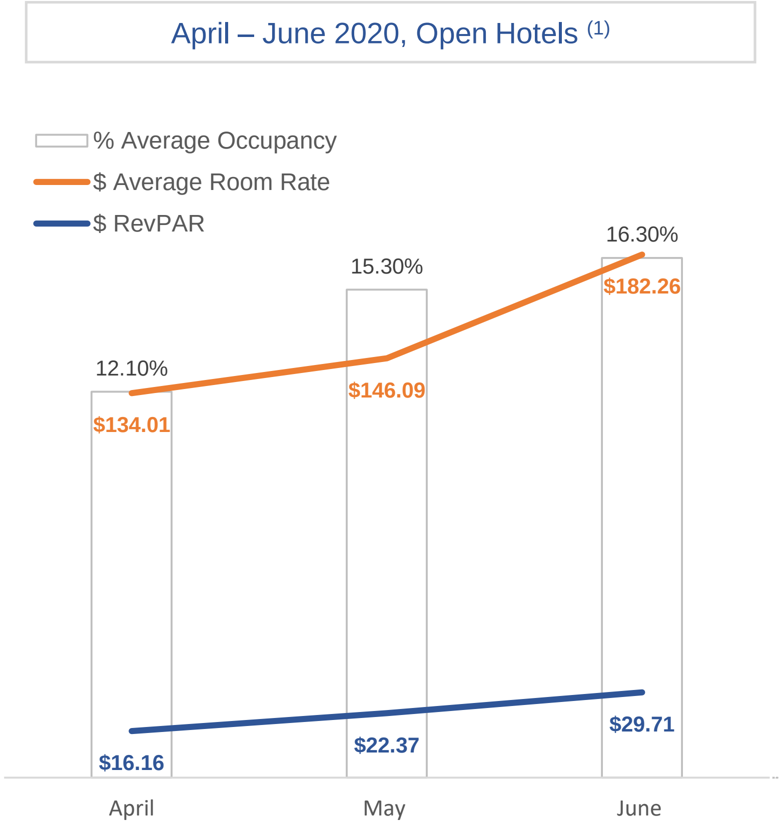
Criteria to reopen	➢ At minimum, we would need to project a sustainable **state of breakeven** on an incremental cost versus revenue basis, following the reopening of a hotel.
Occupancy trends	➢ When a property is expected to sustain **~10 - 15% occupancy levels**, we would expect to lose marginally less EBITDA being open than closed and it makes sense to reopen.
Market reopening	➢ Demand is also contingent upon state and local jurisdictions' reopening policies and the speed with which they move through their phases of reopening. ➢ Reopening of **convention centers**, **restaurants**, **entertainment venues** and other **demand-inducing infrastructure** in urban markets remains critical for lodging demand.
Airlift capacity	➢ Finally, demand will also depend on airlift capacity for fly-to markets.

2Q 2020 Performance

HOST HOTELS & RESORTS®

Significantly improved occupancy, average room rate and RevPAR from April-lows through the end of June.



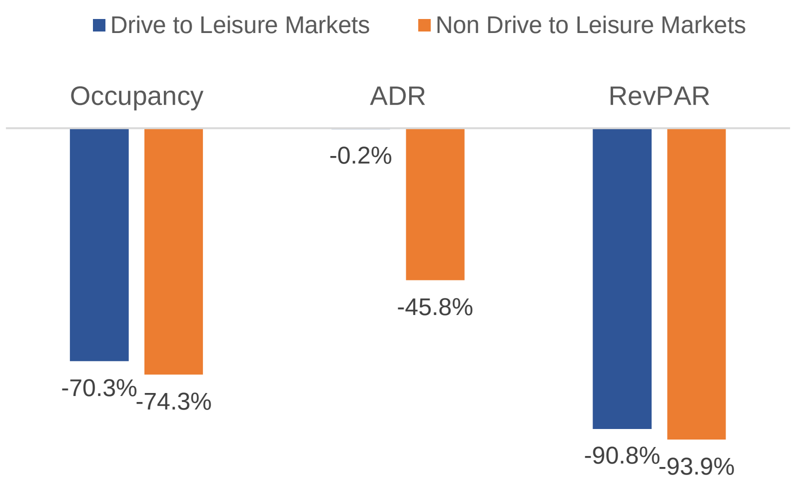


1) Represents the hotels that were accepting reservations during the entirety of the month. Excludes the 35, 35, and 33 hotels with suspended operations in the months of April, May, and June, respectively.

2Q 2020 Performance Drivers

While our five key drive to leisure markets led performance in 2Q 2020, we also observed an uptick in group and business transient related business.

2Q 2020 Year Over Year Comparison



April vs. June Group & Business Travel Room Nights

Type	April	June
Group (1)	1,700	12,855
Business Transient	4,850	12,450
Govt. Transient	1,650	6,450

- Five key drive to leisure markets - Florida, San Diego, Phoenix, San Antonio and Orange County – outperformed the rest of the portfolio on occupancy, ADR and RevPAR.

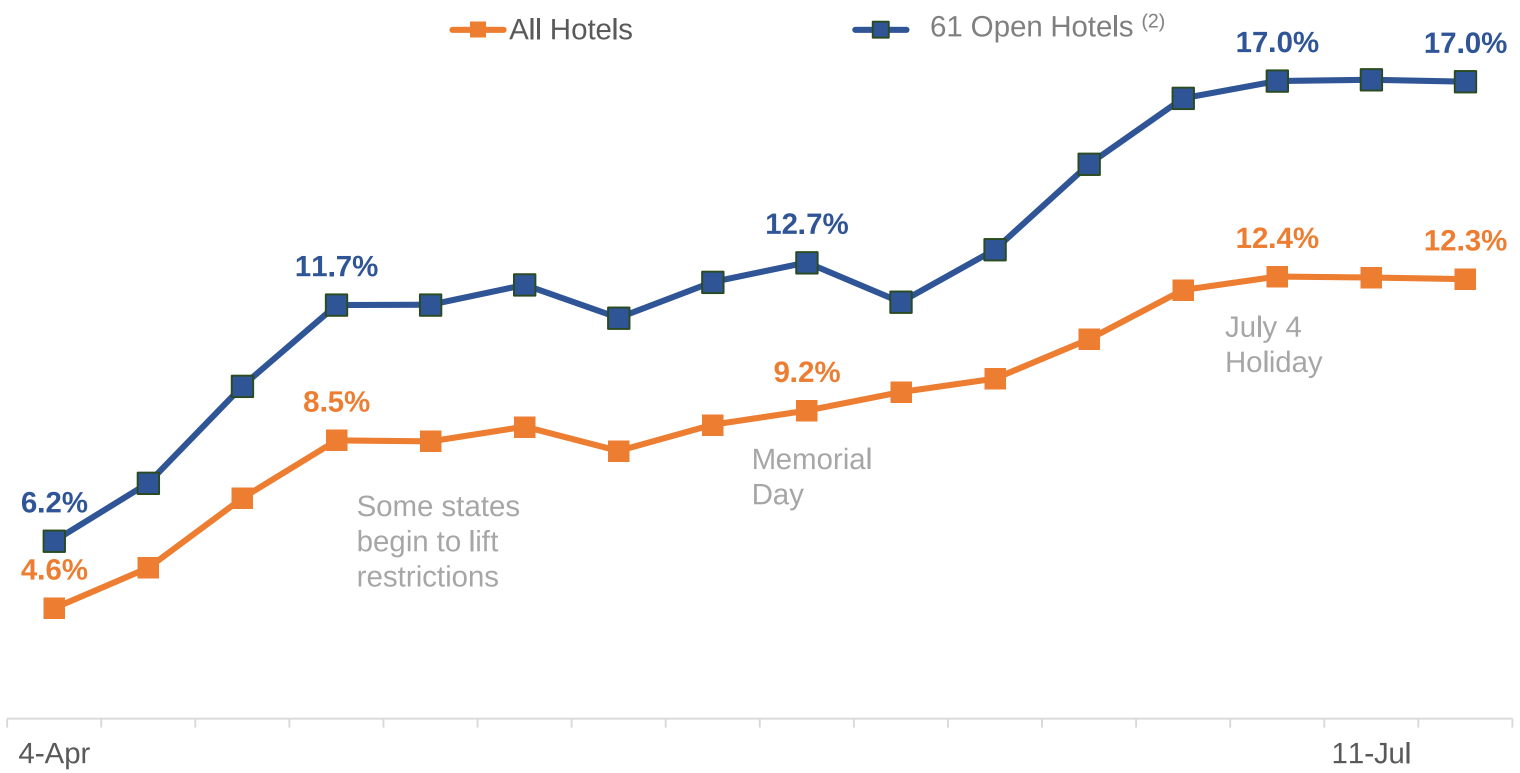
- Business Transient demand primarily driven by defense contractors. Began to see consulting-related business travel in July.

1) Group room night numbers exclude New York, which benefited from COVID-19 related emergency services group business. Host Hotels & Resorts Enterprise Analytics, Revenue Management, July 2020

Recent Occupancy Trends

Occupancy rose steadily from April through July 4th weekend. With the rise in infection rates, however, we have seen occupancy trends flatten in recent weeks.

Weekly Occupancy Data April 4th – July 18th, 2020 (1)



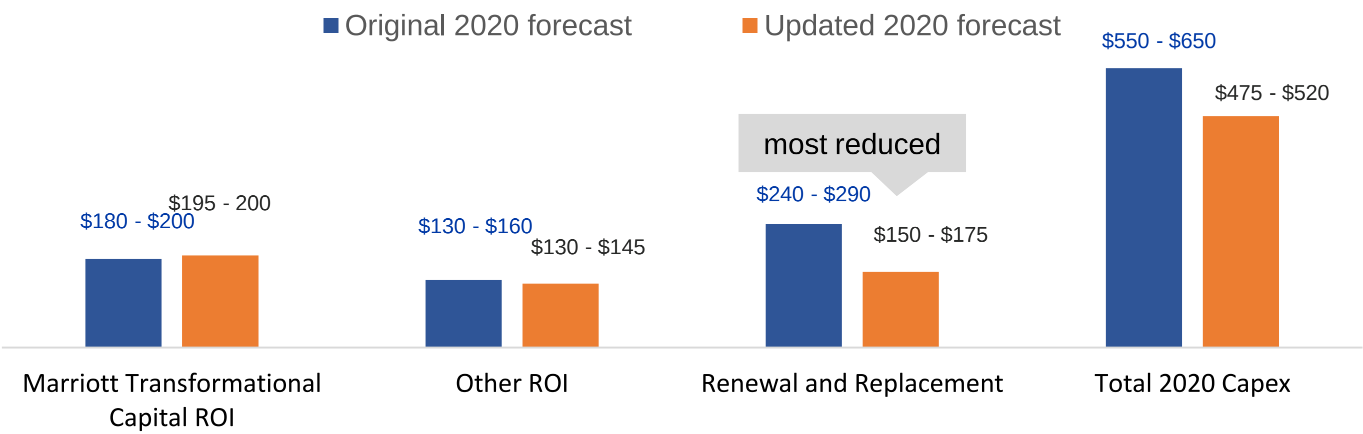
1) Source: STR, Inc. a CoStar company. Host Hotels & Resorts Enterprise Analytics, Revenue Management, July 2020
2) Does not include Chicago Marriott Suites Downers Grove, The Westin Georgetown, Washington, D.C. and Orlando World Center Marriott that opened after July 18th

2020 Capital Expenditures Plan

We reduced capex by ~$100 million from our Feb 2020 forecast. Through 2Q 2020, we completed almost 60% of the total capital expenditure projects planned for the year.

Change in FY 2020 Capex Plans Post COVID-19 outbreak

US Dollars in Millions



Remaining 2H 2020 Capex

	1H 2020	Remaining in 2H 2020	
	Actuals	Low-end	High-end
ROI – Marriott transformational Capital program	$118	$77	$82
ROI – All other ROI projects	$88	$42	$57
Total ROI project spend	$206	$119	$139
Renewals and Replacements	$94	$56	$81
Total Capital Expenditures	**$300**	**$175**	**$220**

Covenant Waivers

1. Key Terms
2. New Liquidity Covenant
3. Acquisitions
4. Dispositions
5. Interest Expense
6. Restrictions
7. Balance Sheet
8. Opportunity for Future Growth

THE RITZ-CARLTON, NAPLES, FLORIDA

Drive-to Leisure

Terms Enhance Flexibility & Preserve Liquidity

Flexibility

Acquire

Up to $1.5 billion

Encumbered or unencumbered hotels with existing liquidity.
(total min liquidity required = $500 million)

Up to $7.5 billion

M&A capacity for equity financed transactions.
(total min liquidity required = $300 million)

Raise

Debt Capital & Sell Assets

Refinance or issue additional debt.
(subject to indenture and credit agreement mandatory repayment for amounts exceeding $350 million)
Ability to sell assets.

Equity Capital

Ability to issue equity for general corporate purposes or acquisitions without any requirement to repay debt.

Invest

Up to $500 million

In ROI capital expenditures during the Covenant Waiver Period.

Additional capacity to complete capital expenditures incurred in connection with emergency repairs, life safety repairs or ordinary course maintenance repairs.

No security interest / collateral provided on 100% unsecured portfolio (80 consolidated hotels)

Liquidity

Waive

Credit Facility Covenants

Obtained waiver of existing quarterly-tested financial covenants beginning July 1, 2020 through the second quarter of 2021.Testing resuming for the third quarter of 2021.

Option to terminate the Covenant Relief Period early.

Modify

EBITDA calculation

Annualized using most recent calendar quarter(s) following the Covenant Relief Period.

Leverage covenant

Modified to ease compliance in the three quarters after the Covenant Relief Period.

Maintain

At least $300 million

Minimum available liquidity either in excess cash or undrawn Revolver during the waiver period.

Maturity dates

Unchanged. Jan ’24 for Revolver and 1st term loan, with options to extend to Jan ’25, which is when 2nd term loan matures.

New Liquidity Covenant Eases Compliance

HOST HOTELS & RESORTS

Obtained a modification of the quarterly-tested leverage covenant and EBITDA calculation to ease compliance in 3Q ’21, 4Q ’21 and 1Q ’22.

Credit Facility Financial Performance Tests[1]		Permitted				As of 06.30.2020[3]
		8.25x	8.00x	7.75x	7.25x	
Leverage Ratio	Maximum	3Q ’21	4Q ’21	1Q ’22	Beyond	**4.6x**
Unsecured Interest Coverage Ratio[2]	Minimum	1.75x				**4.4x**
Consolidated Fixed Charge Coverage Ratio	Minimum	1.25x				**2.7x**

EBITDA calculation

EBITDA calculation following the Waiver Period to be annualized based on the most recently available calendar quarter(s).

Notes:

1. If the Company breaches the above performance tests, it would trigger a default and the obligation to repay the term loans as well as any Revolver borrowings. As disclosed in the Company’s SEC filings, a default under the credit facility could also trigger an acceleration of amounts due under the senior notes. Following the waiver period, EBITDA calculation is annualized based on the most recently available calendar quarter(s).
2. If the leverage ratio is greater than 7.0x then the unsecured interest coverage ratio becomes 1.50x.
3. Host’s ratios are calculated using Host’s credit facility definitions. Leverage, Interest coverage and fixed charge coverage ratio using GAAP metrics for June 30, 2020 are 48.3x, 0.4x and 0.4x, respectively. See appendix for calculation, methodologies and reconciliations.

Achieved Acquisition Flexibility

Preserved flexibility to make acquisitions using our existing liquidity as well as potentially tapping equity capacity with no requirement to first repay debt.

Acquisition Capacity With Existing Liquidity	Minimum Liquidity Requirement [1]
$1.5 billion	$500 million
$1.0 billion	$400 million
$750 million	$300 million

Acquisition Capacity Using Equity	Minimum Liquidity Requirement
$7.5 billion	$300 million

No requirement to repay debt with proceeds

Management's thoughts on sources of investment capital:

> "*We believe Host's relative balance sheet strength makes the Company one of the few lodging REITs that **is less likely to need to raise equity to de-lever its balance sheet**. If and when the right acquisition opportunity presents itself, we will evaluate **all** potential sources of capital, **including existing cash, JVs and asset sales**, to determine **the optimal** combination that provides the lowest capital costs and the highest accretion, while maintaining our balance sheet strength and creating the greatest long-term value for all our stakeholders*."

- Jim Risoleo, President and Chief Executive Officer

1) In the event a hotel is acquired that is generating negative cash flow, the minimum liquidity provision will be increased by the three worst cash burn months of the target in the last twelve months, with maximum liquidity capped at $500 million

Achieved Disposition Flexibility

$750 million

Of net sale proceeds may be used for reinvestment in new unencumbered properties through the 1031 exchange process.

Following the above acquisition exception, net sale proceeds from dispositions and debt issuances (except refinancings) to be applied using the following schedule during the Covenant Relief Period:

1ST

$350 million

For Host

2ND

$350 million

To repay revolver

ADDITIONAL

> Amount

To repay Revolver and the two term loans on a pro rata basis

Increase in Interest Expense

Rate Increase	**40-basis points** increase in the credit ratings-based interest rate grid during the Covenant Relief Period.
LIBOR Floor	**15-basis points** for the life of the credit facility.
Total Interest Expense	Expected to increase by **$0.8 million** per month.

Host is the **only investment-grade** lodging REIT(1)

New Interest Rate Grid (in basis points)

Rating	Revolver	Term Loans	Facility Fee
BBB (Baa2)	130	140	20
BBB-/Baa3	150	165	25
<BBB-/Baa3	185	205	30

A one-notch downgrade would not result in the Company losing its investment grade standing

S&P and Moody's are the only ratings that impact Host's investment grade status under the senior indenture.

1) A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time. Credit ratings are subject to change depending on financial and other factors.

Key Restrictions

1. Dividend and distribution payments

During the Covenant Relief Period, we are allowed a $0.01 dividend per share quarterly distribution (including a catch-up provision in respect of any quarter in which a lower amount was paid) to common stockholders (and similar distributions to common OP unitholders) or higher to the extent necessary to maintain REIT status or to avoid payment of income or excise taxes.

2. Share repurchases

No share buybacks during Covenant Waiver Period and after existing Covenant Waiver Period, unless Leverage Ratio is <= 7.25x.

3. Mandatory Payments

During the Covenant Waiver Period, net cash proceeds from debt issuances and dispositions (but not equity issuances) to be applied based on the following schedule (subject to exceptions to enter into 1031 exchange on asset sales and other exceptions as agreed):

- The first $350 million to the Borrower
- The second $350 million to pay down the Revolver
- Additional amounts in excess of $700 million applied to repay on a pro-rata basis the Revolver and two term loans

4. Other Limitations

On the incurrence of additional indebtedness, asset sales, investments and discretionary capital expenditures (in each case subject to various exceptions).

Key Balance Sheet Strengths

HOST HOTELS & RESORTS®

Our strong credit profile and investment grade balance sheet provides flexibility and optionality.

Total Available Liquidity

Liquidity	Date	Includes $1.5 billion revolver capacity & FF&E reserves
$2.50 billion	Jun 30, 2020	Most recent cash position (includes $154 million of FF&E Reserves)
$1.80 to $1.90 billion	Dec 31, 2020	Expected ending cash position if 2Q 2020 hotel operational performance continues[2]

Sufficient liquidity to withstand second quarter scenario[2] until mid-2022.

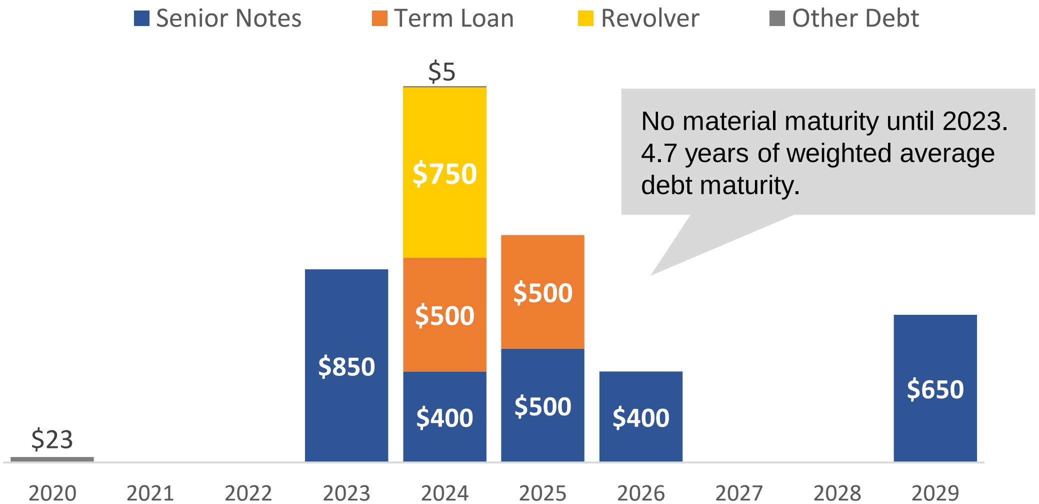
Investment Grade Rated[1]

Agency	Rating	Outlook
Moody's	Baa2	Negative
S&P	BBB-	CreditWatch Negative
Fitch	BBB-	Stable

Only Investment Grade rated lodging REIT.

Well-laddered Maturities

At June 30, 2020 US $ in millions



Unencumbered

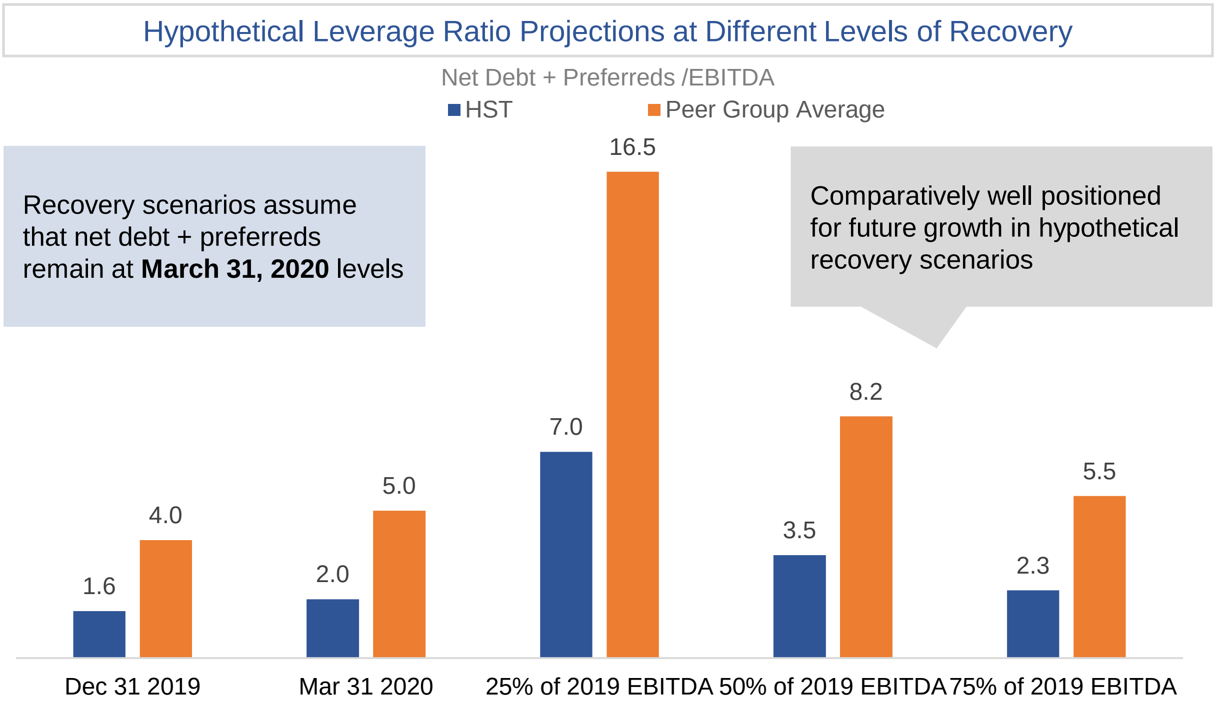
100%

Fully unencumbered consolidated portfolio

1) A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time. Credit ratings are subject to change depending on financial and other factors
2) Assumes hotel level average monthly cash outflows are broadly in line with second quarter 2020 and the only investing and financing activities assumed in this scenario are the capital expenditures. This analysis is illustrative only and based on a single quarter of operations and assumes significant expense reductions remain in place, and is subject to continued covenant waivers for our credit agreement.

Opportunity for Future Growth

Having entered the crisis with the lowest leverage[1] in the Company's history and among the lowest leverage of lodging REITs, we expect to have comparatively greater balance sheet capacity and flexibility through the impending recovery. [2]



1) Host leverage ratio is calculated using Host's credit facility definition. Leverage ratio using GAAP metrics as of December 31, 2019 and March 31, 2020 are 4.1x and 7.2x, respectively. Leverage ratio using GAAP metrics at 25%, 50% and 75% recoveries are 22.7x, 11.4x, and 7.6x, respectively. See appendix for calculations, methodology and reconciliation.

2) Lodging REIT companies in the peer group average are based on the next seven largest lodging REITs by market capitalization (excluding APL and SVC, which have a high portfolio concentration of limited service hotels which are not comparable to Host's portfolio). The peer group average includes **PEB, PK, RHP, RLJ, SHO, XHR and DRH**. The analysis uses Net Debt + preferreds as reported on March 31, 2020 and bases each scenario on each REITs EBITDAre. Companies may calculate ratio components differently and this presentation does not account for differences between Host's leverage ratio, as calculated under its credit facility, and peer leverage calculations. See appendix for calculations.

HOST
HOTELS & RESORTS®

US Lodging Insights

1. Lodging Demand is Resilient
2. RevPAR Forecast
3. ADR Analysis
4. Supply Forecast

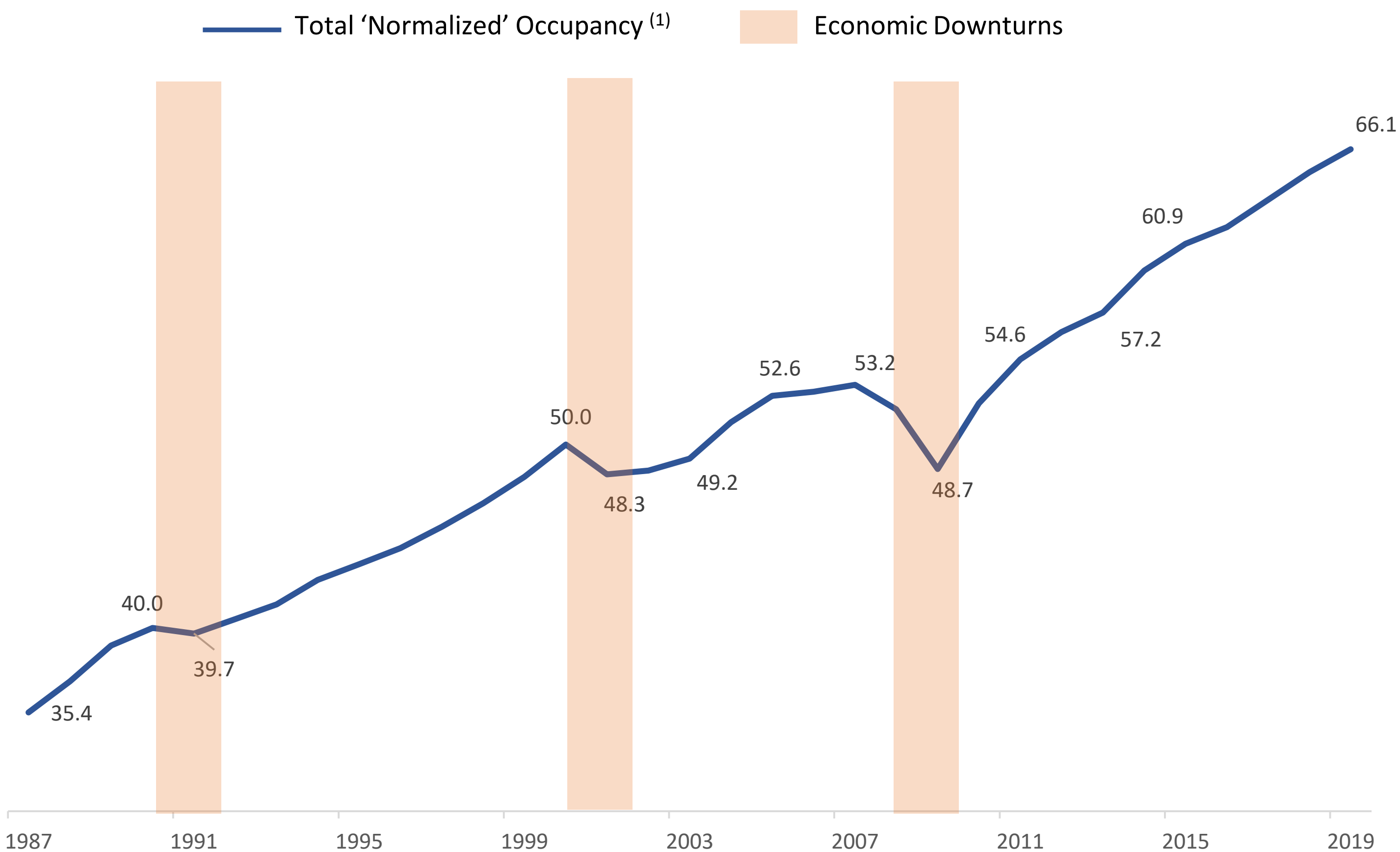
THE DON CESAR, ST. PETE BEACH, FLORIDA

Drive-to Leisure

Lodging Demand is Resilient

US Occupancy has trended higher, achieving higher peaks after recent downturns, despite fears of air travel after 9/11 and major recent advances in conferencing technology.

Total Rooms Sold as a Percentage of Available Rooms in 2019 (1)

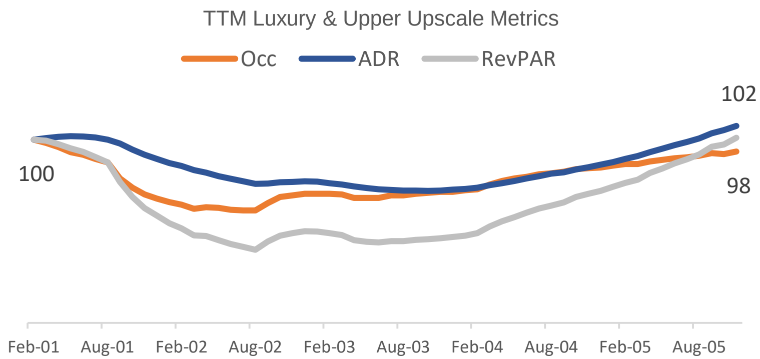


1) Source: STR, Inc. a CoStar company, Host Hotels & Resorts Enterprise Analytics, Revenue Management, June 2020. Total normalized occupancy is calculated by dividing total rooms sold each year by 2019 available rooms

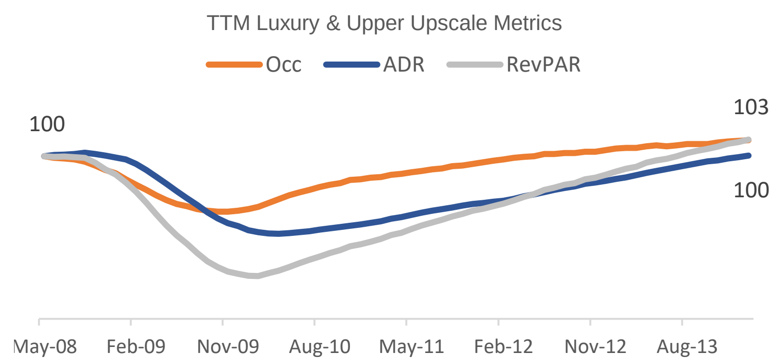
Luxury/Upper Upscale ADR Trajectory

Downturns are different. The extent of ADR vs. Occ declines were different in the last two.

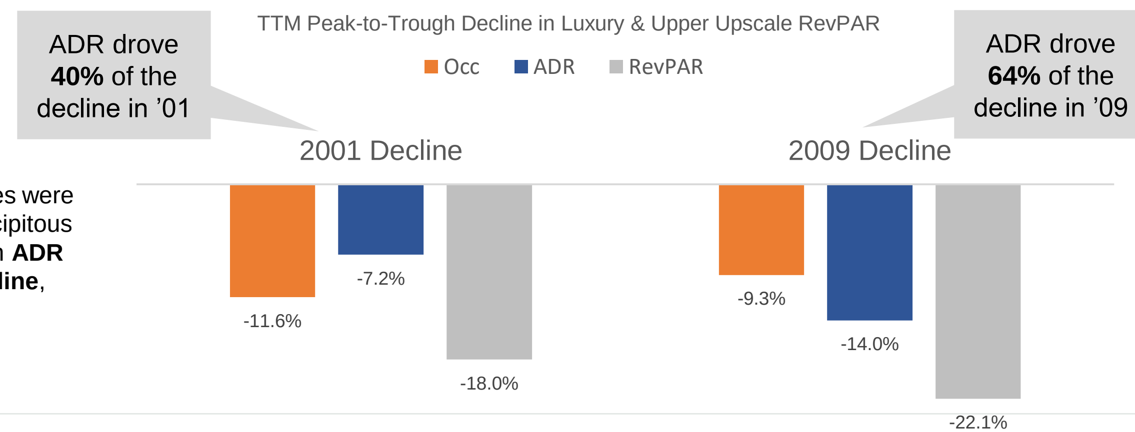
2001 Downturn Primarily Driven by **Occupancy** (1)



2009 Downturn Primarily Driven by **ADR**(1)



2001 vs. 2009(1)



April-June 2020 declines were primarily caused by precipitous drops in occupancy, with **ADR driving 40% of the decline**, similar to 2001.

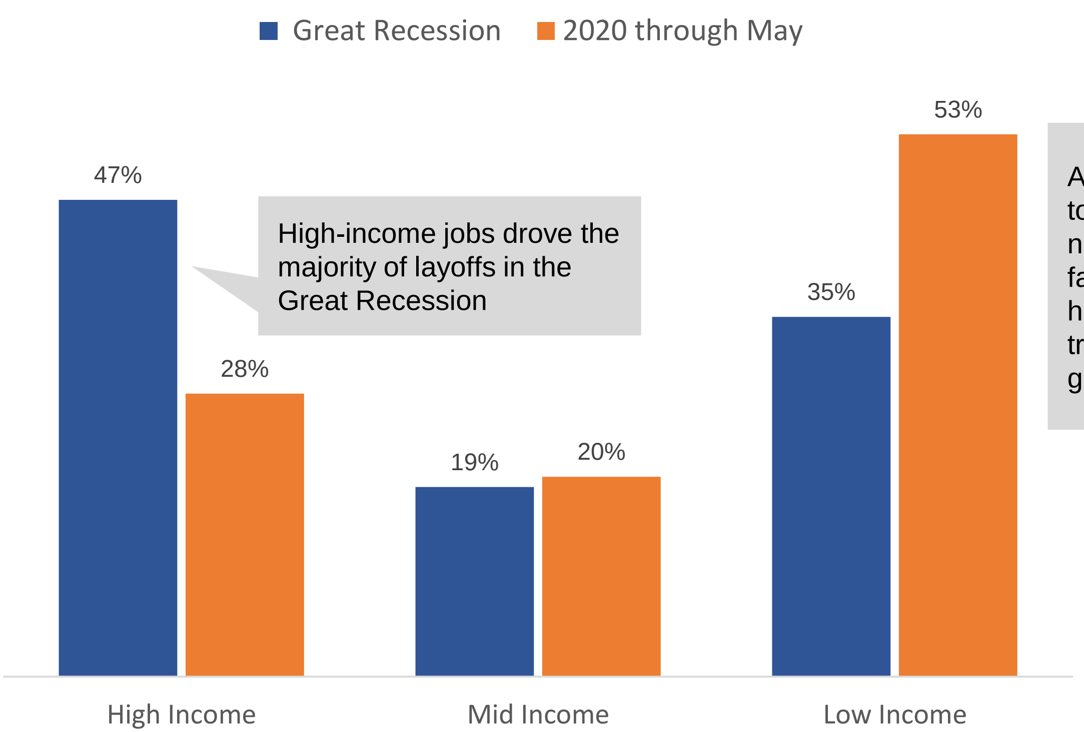
The 2009 RevPAR recovery took more than **10% longer** than 2001 at 62 months and the ADR recovery took ~**30% longer** at 69 months.

1) Source: STR, Inc. a CoStar company, Host Hotels & Resorts Enterprise Analytics, Strategic Insight; June 2020

Luxury/Upper Upscale ADR Trajectory (cont'd)

The fact that job losses have been primarily concentrated in lower-income sectors may support ADR recovery for the luxury & upper upscale segment.

Share of Job Losses by Income Category [(1)]



As leisure demand is likely to drive the recovery in the near-term, however, this factor may be offset until higher-rated business transient demand gains greater traction.

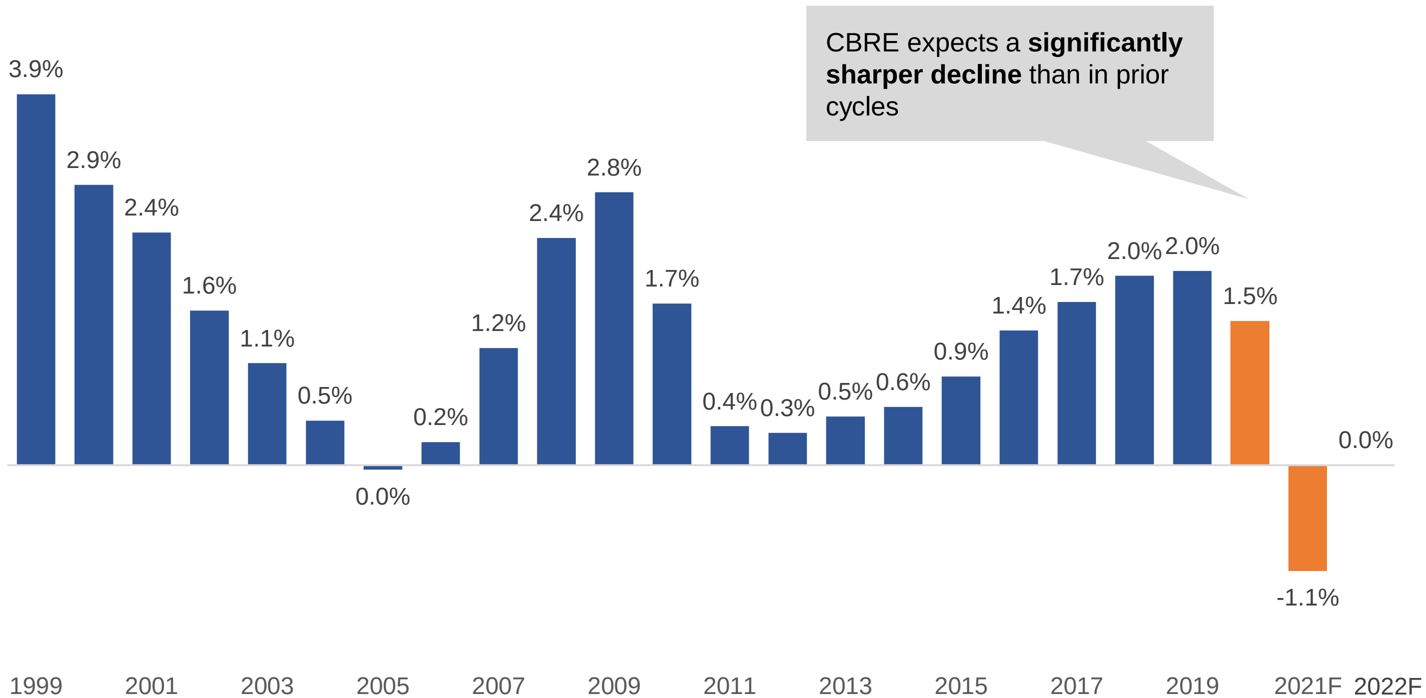
1) Source: U.S. Bureau of Labor Statistics (BLS), Host Hotels & Resorts Enterprise Analytics, Strategic Insight; July 2020

Supply Forecast

HOST HOTELS & RESORTS

CBRE expects the greatest deceleration in net supply growth on record.

US Net Supply Growth 1999 – 2022(F) [1]

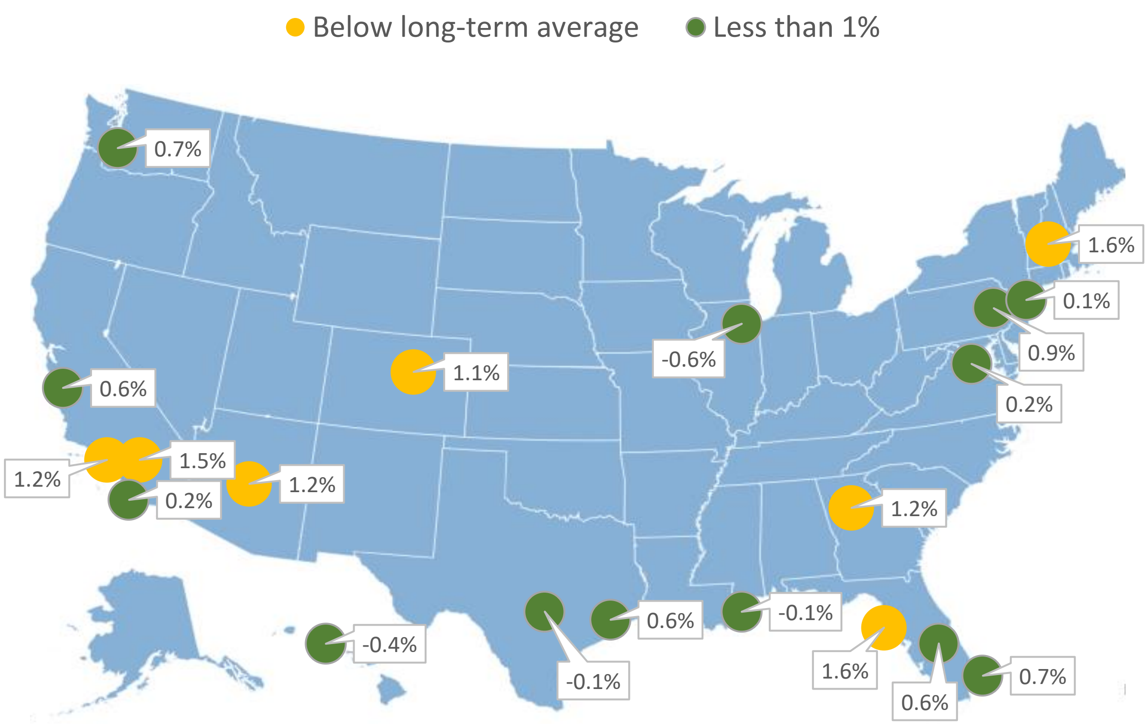


(1) Historical data from STR, Inc. a CoStar company. Forecast from CBRE Hotels Research

Supply forecast (cont'd)

All of Host's top 20 markets (by 2019 rooms revenue) are projecting below the historical US industry average in 2020 – 2022, according to CBRE.

CBRE Total Supply Forecast Average Growth 2020 – 2022 [1]



Market [1]	Supply 2020 - 2022
Boston	1.6%
Tampa	1.6%
Anaheim	1.5%
Atlanta	1.2%
Los Angeles	1.2%
Phoenix	1.2%
Denver	1.1%
Philadelphia	0.9%
Seattle	0.7%
Miami	0.7%
Orlando	0.6%
Houston	0.6%
San Francisco	0.6%
San Diego	0.2%
Washington DC	0.2%
New York	0.1%
New Orleans	-0.1%
San Antonio	-0.1%
Oahu	-0.4%
Chicago	-0.6%

1) CBRE Hotels Research

HOST
HOTELS & RESORTS®

Revenue Growth Outlook

1. Portfolio Strengths
2. Leisure Outlook
3. Group Outlook
4. Business Transient Outlook
5. Investment-led Additional Growth:
    - Marriott Transformational Capital Program
    - Development & Redevelopment Projects

CORONADO ISLAND MARRIOTT RESORT & SPA, SAN DIEGO, CALIFORNIA

Drive-to Leisure

Key Portfolio Strengths

Diversified

BY DEMAND

	TRANSIENT	GROUP	CONTRACT
% of 2019 Room Revenues:	60%	35%	5%
Business Transient	60%		
Leisure Transient	40%		
Association group		30%	
Corporate group		47%	
SMERF[1]		23%	

BY GEOGRAPHY

Prime locations in **22 of the top hotel markets** in the U.S. with excellent geographic diversification. **No MSA represents more than 11% of 2019 total EBITDA.**[2]

Large

80 Consolidated Hotels

46.7k Rooms

- ✓ Largest US owner of Marriott hotels
- ✓ Largest US owner of Hyatt hotels
- ✓ Largest Lodging REIT in the world

High-quality

97% Luxury/ Upper Upscale room count

COMPARABLE HOTELS[3]

$233 2019 AVG. ROOM RATE

$184 2019 REVPAR

$292 2019 TOTAL REVPAR

Branded

98% Brand Affiliated room count

- ✓ 75% Marriott
- ✓ 17% Hyatt
- ✓ 6% Other

Marriott's Commitment to Cleanliness

Hyatt's Global Biorisk Advisory Council accreditation

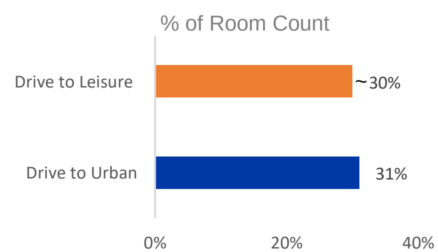
Loyalty redemptions

Revenue management model /distribution platform

Drivable

Drive to leisure: Florida, San Diego, Phoenix, San Antonio, Orange County

Drive to urban: Boston, Chicago, Seattle, Metro DC, NYC



Domestic and Direct

90%

- ✓ 10% International
- ✓ 10% OTA's

Of 2019 room revenues came through direct bookings on our operators' platforms.90% of room revenues came from domestic US demand

1) Group business predominately related to social, military, education, religious, fraternal and youth and amateur sports teams
2) 10% of net income. See appendix for reconciliation of 2019 Hotel EBITDA to Hotel net income
3) See appendix for definition of what we consider to be our comparable hotels

Leisure Outlook

As expected, leisure demand has been the first to show green shoots and is expected to continue to grow.

Key Leisure Portfolio Attributes

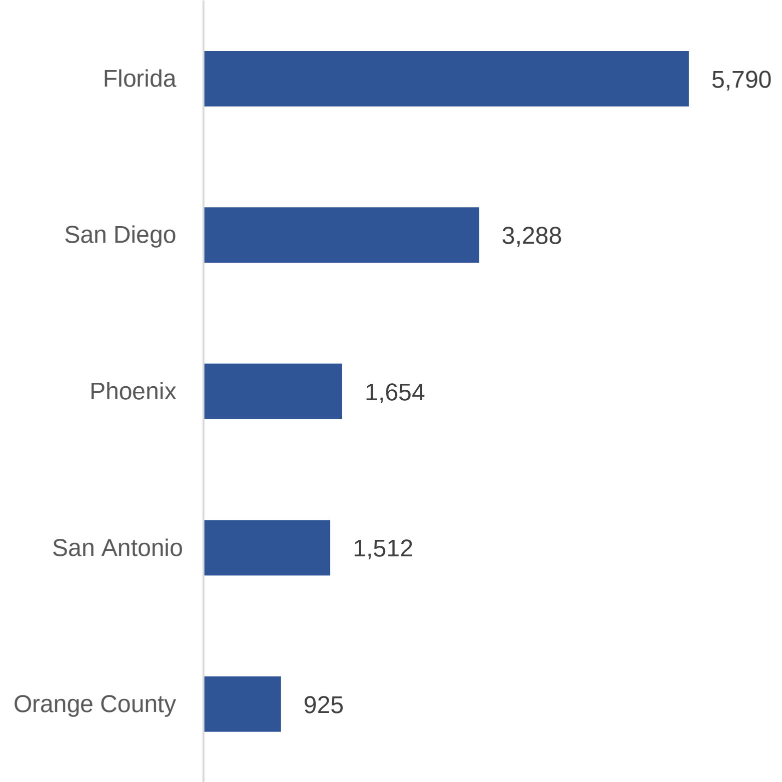
98% Of our portfolio is brand affiliated with best-in-class brands that are actively marketing their new cleaning standards and have strong loyalty programs with Bonvoy at ~142 million members.

~30% Of our rooms are in the following strong drive to leisure markets Florida, San Diego, Phoenix, San Antonio and Orange County.

70% Of the above drive to leisure portfolio will be fully refreshed within 12 months and well-positioned to make and retain RevPAR index share gains.

24% Of our 2019 room revenues were derived from leisure customers as our manager’s revenue management models drove the optimal mix for the demand that we experienced last year. We believe that most of our properties can and do attract leisure demand.

~30% of Rooms In Strong Drive-To Leisure Demand Markets



Group Outlook

HOST
HOTELS & RESORTS®

While a vaccine or effective therapeutic will likely be key for Group business to make a meaningful recovery, our large property sizes support social distancing, leaving our hotels well positioned to capture nascent demand.

35% OF 2019 ROOM REVENUES CAME FROM GROUP CUSTOMERS

~60% OF TOTAL GROUP REVENUES ARE ROOM REVENUES

~35% OF TOTAL GROUP REVENUES ARE F&B REVENUES

~5% OF TOTAL GROUP REVENUES ARE OTHER REVENUES

~30% OF 2019 GROUP ROOM REVENUES WERE FROM ASSOCIATIONS

~47% OF 2019 GROUP ROOM REVENUES WERE FROM CORPORATES

~23% OF 2019 GROUP ROOM REVENUES WERE FROM SMERF[1]

May 25, ’20, 277-Room Night Group at The Ritz-Carlton, Naples

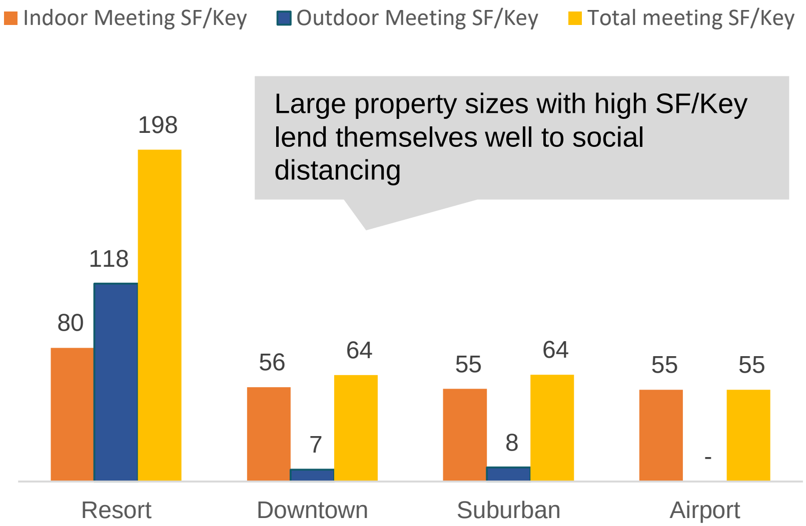
SOCIAL

BALLROOM SET UP WITH AV FOR 175 PEOPLE

DISTANCING

BREAKOUT SET UP FOR 45 PEOPLE PER ROOM

Meeting SF/Key By Property Type



1) Group business predominately related to social, military, education, religious, fraternal and youth and amateur sports teams

Business Transient Outlook

36%

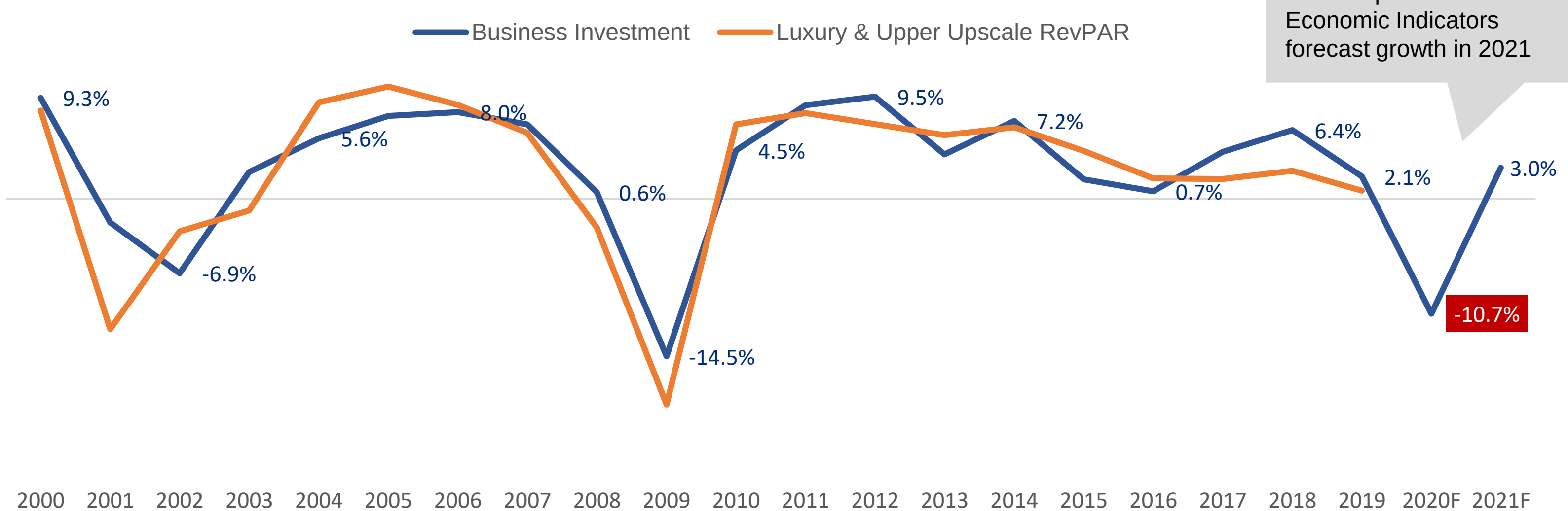
Of 2019 room revenues came from Business Transient

60%

Approximately 60% of Business Transient customers at our Marriott hotels are Bonvoy Elite members

- Business Transient is typically our highest rated customer
- RevPAR Growth correlated with Non-Residential Fixed Investment
- Decelerated due to Trade Wars and Policy Uncertainty pre COVID-19
- Blue Chip Consensus expects bottom in 2020 rebound in 2021

RevPAR Growth Correlation to Business Investment [1]



1) Moody's Analytics, Blue Chip Consensus Economic Indicators, STR, Inc. a CoStar company. Note that Non-residential fixed investment is abbreviated as business investment

Additional Investment-Led Growth

Having newly renovated and repositioned hotels will be a differentiator that we expect will help us gain RevPAR index share and outperform the industry when demand recovers.

Marriott Transformational Capital Program

1H Spend $118M	$77 - $82M Remaining

San Antonio Marriott Rivercenter Completed

Minneapolis Marriott City Center Completed

JW Marriott Atlanta Buckhead
Forecast Completion in Q4 2020

The Ritz-Carlton, Amelia Island
Forecast Completion by Q1 2021

New York Marriott Marquis & Orlando World Center Marriott
Forecast Completion in 2021

- The Marriott Transformational Capital Program's objective is to achieve RevPAR Index share gains in the 3 to 5 point range
- Operating profit guarantee provides heightened benefit in low RevPAR environment
- Enhanced owner's priority reduces IMF paid to Marriott

- New standalone construction and existing hotel expansion on excess land is expected to generate additional revenues

Other ROI Projects / Development

1H Spend $88M	$42 - $57M Remaining

AC by Marriott, Scottsdale
165 Keys
Substantially Complete

Andaz Maui at Wailea
19 Luxury Villas
Forecast Completion by Q2 2021

Orlando World Center
60,000 SF breakout mtg space
Forecast Completion by Q2 2022

Profitability Growth Strategy

1. Breakeven Occupancy
2. Operational Measures
3. Project-based measures:
   - Utility Reductions
   - Operational Efficiency Projects

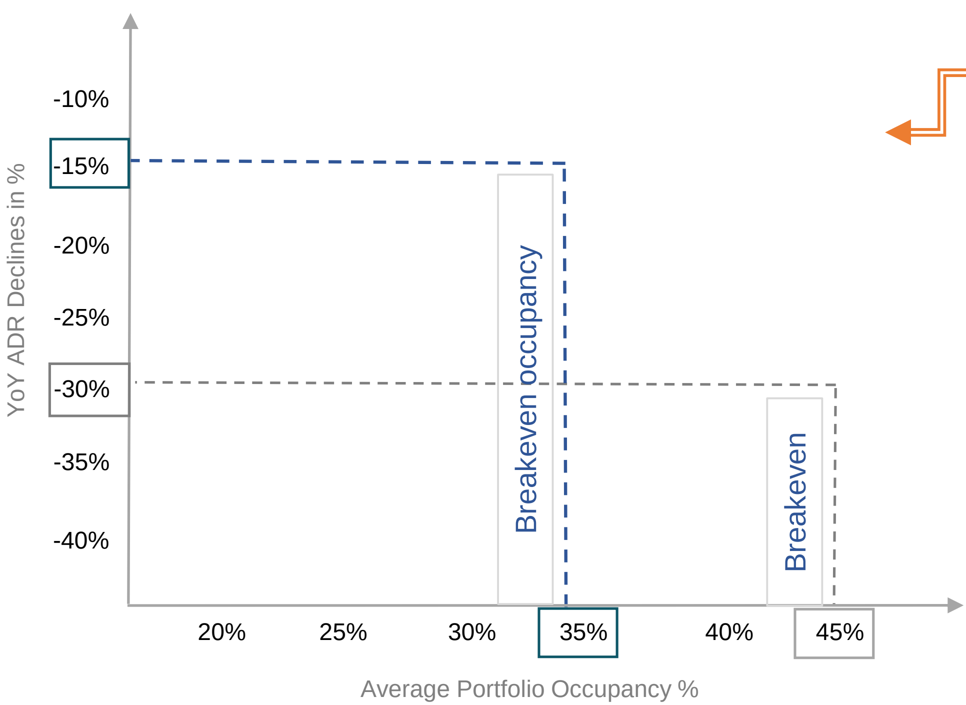
THE PHOENICIAN, A LUXURY COLLECTION RESORT, SCOTTSDALE, ARIZONA

Drive-to Leisure

Breakeven Occupancy

Assuming ADRs declined 15% to 30% on a year-over-year basis, we would expect to achieve hotel EBITDA breakeven at 35% to 45% portfolio occupancy.(1)

Hotel EBITDA Level Breakeven at YoY ADR decline Assumptions



A Non-Linear Path to Profitability

Once breakeven occupancy is achieved, we expect operating expenses to initially ramp commensurate with booking volumes. We would therefore expect to remain at breakeven within a range of occupancy, before inflecting upward into profitability.

Breakeven Occupancy at YOY ADR Decline Levels

Level	ADR ▼ 15%	ADR ▼ 30%
Hotel EBITDA	**35%**(2)	**45%**(2)

Assuming the **inclusion of corporate level expenses for interest and corporate G&A** of approximately $20 million per month, on average, we would need to achieve occupancy levels of approximately **45% and 60%** at the same level of ADR decline

1) This analysis based on a single month of operations (April 2020) in the current environment and assumes significant expense reductions remain in place. The break even analysis is illustrative only. Actual results are expected to vary, which variations may be material.

2) Based on breakeven EBITDA, net loss before income taxes would be $76 million. See Reconciliations and Supplemental Information for reconciliations.

Operating Measures

HOST HOTELS & RESORTS®

We have reduced portfolio-wide hotel operating costs by approximately 72% in 2Q 2020. We are working with our operators to reduce operating expenses across three broad categories with the goal of strengthening our operating model for the long term.

1 Above Property Hotel Expenses

25% Above-property hotel expenses are ~25% of 'Other Departmental & Support Expenses'

40% Of above-property level costs are fixed (HR, IT, regional sales etc.) while 60% are variable

66% Up to 2/3rds of fixed portion of above-property costs were reduced in April 2020

2 Brand Standards

▲300 Each of our brands had over 300 brand standards in place pre COVID-19

Working w/t operators to re-evaluate standards based on changing customer preferences

Goal => long term cost savings without negatively impacting customer experience

3 Customer preferences

Post COVID-19, customer preferences are changing

For health & safety reasons there is need for greater technology adoption

80% of our hotels have mobile key active/available for use

36(1) BASIS POINTS

STRONG TRACK RECORD OF MARGIN IMPROVEMENT

Since 2016, our comparable Hotel EBITDA margin growth has averaged 36 basis points per year, despite sub-inflationary levels of RevPAR growth.

1) The 2016-2019 average GAAP margin year-over-year change was 70 basis points. See Reconciliations and Supplemental Information for reconciliations.

Operating Measures (cont'd)

We have analyzed and quantified the impact of potential long-term cost savings on our operating model.

Measures	Assumptions	Potential Impact
Multiple measures as listed on the prior slide and including:	Contingent upon several factors, including:	May have a potentially meaningful impact on margins:
➢ Reducing the fixed component of above-property charges ➢ Adopting productivity enhancing technology such as mobile key ➢ Driving efficiencies through the cross utilization of management functions	➢ Success in reaching agreement with our operators on implementing these measures ➢ Gradual achievement of cost savings over multiple years ➢ Realization of savings potential when revenues recover to proforma 2019 levels	➢ Potential to reduce annual hotel level expenses by ~$100 - $150 million based on proforma 2019 revenues ➢ Represents ~3 – 4% of proforma 2019 hotel-level expenses

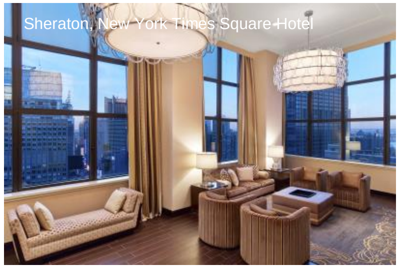
Project-Based Measures

We remain committed to utility reduction projects, which have resulted in cost savings and strong cash on cash returns(1). A few current and historical examples below:

Cogeneration

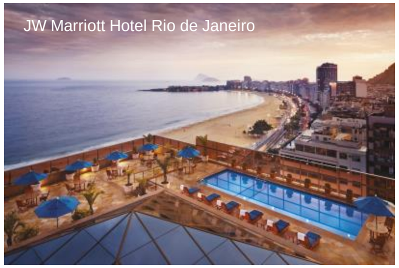
Expected Stabilized year	2023
Expected stabilized cash on cash return	11.2%

Steam to gas



Stabilized year	2015
Stabilized cash on cash return	22.6%

Efficiency equip



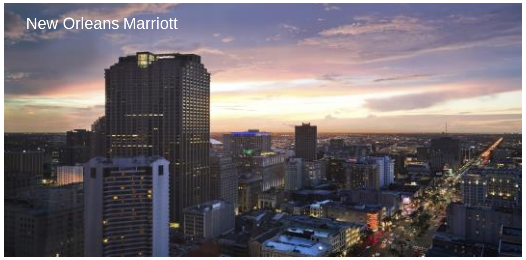
Stabilized year	2018
Stabilized cash on cash return	22.1%

LED lighting

Stabilized year	2018
Stabilized cash on cash return	69.6%

We also undertake operational efficiency projects as exemplified below:

Marketplace conversion



Stabilized year	2019
Stabilized cash on cash return	37.4%

F&B repositioning

Stabilized year	2018
Stabilized cash on cash return	12.5%

Best use of space

Stabilized year	2019
Stabilized cash on cash return	18.8%

1) Cash on cash returns are calculated as the incremental increase in cash flow from operations as a result of the project divided by the investment net of rebates. The aggregate increase in cash flows associated with the projects on this page is $5.1M and the total investment net of rebates is $33.0M resulting in a blended cash on cash return of 15.5%.

Acquisitions & Capital Allocation Track Record

1. Investment Criteria and Underwriting
2. IBM Watson
3. Track Record

1 HOTEL MIAMI BEACH, FLORIDA

Drive-to Leisure

Investment Criteria and Underwriting

On a long-term basis, we believe our investment criteria remain relevant in a post COVID world. We have a track record of acquiring high Total RevPAR / Free Cash Flow generating assets, with low capex as a % of revenues and the following key attributes:

diversity of demand

Multiple demand drivers to optimize revenue management

EBITDA growth potential

Ability to further grow EBITDA with Host's data-driven asset management / enterprise analytics

markets with high-barriers to entry

Strong long-term supply-demand fundamentals

We evaluate price per key, EBITDA multiples, replacement cost, EBITDA growth potential and capex needs with the ultimate goal of acquiring at discounted valuations with solid potential upside.

IBM Watson

Over the last two years, we have developed a proprietary predictive analytics model to forecast RevPAR growth by market in conjunction with IBM, who provided deep statistical and programming expertise as well as tremendous processing power.

Why?

Because markets matter

- Market choice has a significant Impact on potential returns.

Average RevPAR CAGR 2014 – 2019

10 Best Performing Markets	4.6%
10 Worst Performing Markets	0.1%

What?

Our proprietary predictive analytics model, built in collaboration with IBM:

- Mines over **1 million** discrete structured data points.
- Leverages natural language processing (NLP) insights from over **3 million** news articles:
    - ✓ we view the **NLP insights as leading indicators**, which are even more valuable in today's environment as the unprecedented nature of the current crisis creates challenges for traditional structured data models

How?

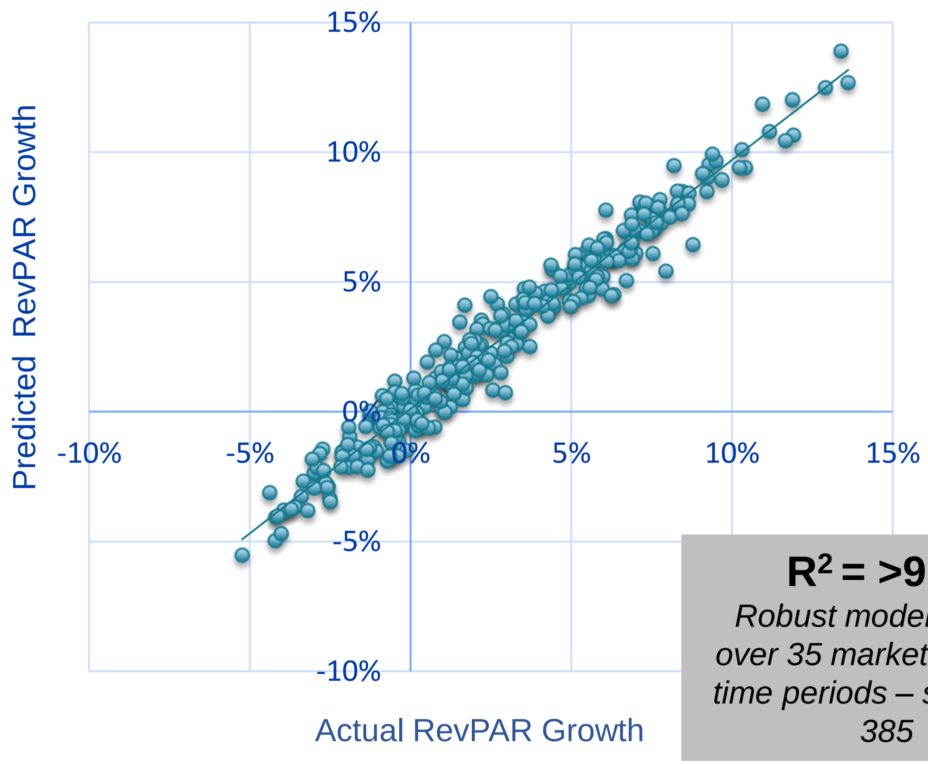
It's used to help inform our capital allocation decisions:

- We use Watson to help inform our capital allocation decisions – including acquisitions, dispositions and renovations.
- It's an unique model that provides Host with a competitive advantage.

IBM Watson (cont'd)

We've succeeded in creating a more robust model that has greater accuracy – a valuable tool that we expect will provide Host with a competitive advantage on capital allocation.

Host Proprietary Model[1]



R^2 = >90%

Robust model trained over 35 markets over 11 time periods – sample of 385

1) Host Hotels & Resorts Enterprise Analytics, Strategic Insight Research; June 2020

Four Year Track Record

Our acquisitions and dispositions over the past four years have delivered a stronger portfolio.

Host's Current Portfolio

80	$192	$306
Hotels	Proforma 2019 RevPAR (1)	Proforma 2019 Total RevPAR (1)

	2016	2017	2018	2019	Over Period
Acquisitions (in millions)	-	$433	$1,000	$610	$2,043
Dispositions (in millions)	$497	$489	$1,975(2)	$1,282	$4,243
Hotels owned as of Dec 31	96	94	93	80	CAGR 2016-2019
Proforma RevPAR(1)	$174.11	$180.65	$185.71	$192.35	3.4%
Proforma Total RevPAR(1)	$269.57	$278.15	$288.32	$306.46	4.4%

1) Represents RevPAR and Total RevPAR for all hotels owned as of December 31 for the respective year. Acquisitions are presented on a proforma basis to include results for the full year, including periods prior to Host's ownership
2) Disposition amount includes the sale of the New York Marriott Marquis retail, theater and signage commercial condominium units and our portion of the asset value of the European Joint Venture. These sales are not included in RevPAR or Total RevPAR calculations.

Recent Transactions Track Record

We upgraded portfolio by selling lower RevPAR assets / acquiring higher RevPAR assets at attractive valuations.

2018 – 2019	Dispositions[1]	Acquisitions
Gross proceeds/value	$3.3BN	**$1.6BN**
Blended TTM cap rate	5.3% [2]	**6.1% [3] (2019 cap rate)**
EBITDA multiple	15x [2]	**14.3x [3] (2019 EBITDA multiple)**
RevPAR	$171	**$346 (2019 RevPAR)**
Total RevPAR	$236	**$551 (2019 Total RevPAR)**
EBITDA per key	$21K[2]	**$61k (2019 EBITDA per key) [3]**
Expected average maintenance capex as a % of revenues[4]	8.7%	**4.7%**

2018 – 2019 Acquisitions

1 Hotel South Beach Miami

Andaz Maui at Wailea Resort

Grand Hyatt San Francisco

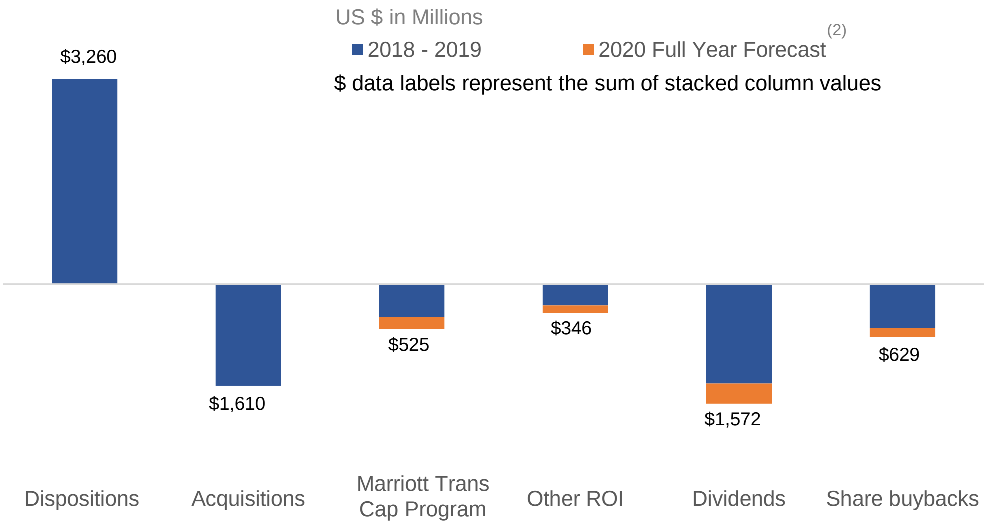
Hyatt Regency Coconut Point Resort & Spa

1. All disposition metrics are calculated on a TTM basis from the disposition date. Most of the dispositions were subject to a Property Improvement Plan (PIP) imposed by the brand and the cost of implementing these PIPs to the buyers is not reflected above.
2. TTM blended cap rate using GAAP metrics is 3.3%, TTM net income per key is $10k and TTM net income multiple is 30x. See Reconciliations and Supplemental Information for reconciliations.
3. 2019 cap rate using GAAP metrics is 3.8%, 2019 net income per key is $33k and 2019 net income multiple is 26x. See Reconciliations and Supplemental Information for reconciliations.
4. Calculated for both Dispositions and Acquisitions based on Host's internal estimates of the ratio of future required capital for renewals, renovations, and replacements to revenue over 10-year period, on a weighted average basis.

Recent Capital Allocation Track Record

We capitalized on market conditions toward the end of the last cycle to upgrade the quality of our portfolio while maximizing balance sheet capacity and liquidity.

Prudent Capital Allocation Track Record 2018 – 2020 Through June 1st



Key Balance Sheet Metrics [1]	Dec 31, '19	Jun 30, '20	Jun 30, '20
Leverage Ratio	1.6x	4.6x	**$1.75 billion** of cash (including FF&E reserves)
Interest Coverage Ratio	9.9x	4.1x	
Fixed Charge Coverage Ratio	6.7x	2.7x	
Cash on hand	$ 1.6 billion	$ 1.6 billion	

Strongest portfolio in Host's history

Sold **$3.3 billion** of low total RevPAR and high capex assets. Acquired **$1.6 billion** of significantly higher-quality assets. Expected to invest **~$871 million** in ROI projects '18 – '20

Strongest balance sheet in Host's history

Ended 2019 with **1.6x leverage ratio** [1] and **~$1.6 billion** of unrestricted cash

Strong historical stockholder returns[2]

Returned **$2.2 billion** to shareholders through dividends and share buybacks from 2018 to date

1) Host's leverage and fixed charge ratios are calculated using Host's credit facility definitions and the interest coverage ratio is in accordance with senior notes indenture. Leverage, Interest coverage and fixed charge coverage ratios using GAAP metrics for December 31, 2019 are 4.1x , 4.2x, and 4.2x, respectively and for June 30, 2020 are 48.3x, 0.4x and 0.4x, respectively. See Reconciliations and Supplemental Information for calculation, methodologies and reconciliations.
2) The Company has suspended its dividend and share repurchases. See Slide 21 for restrictions placed on future dividends and repurchases under the credit agreement waiver

Value Proposition

1. Replacement cost analysis

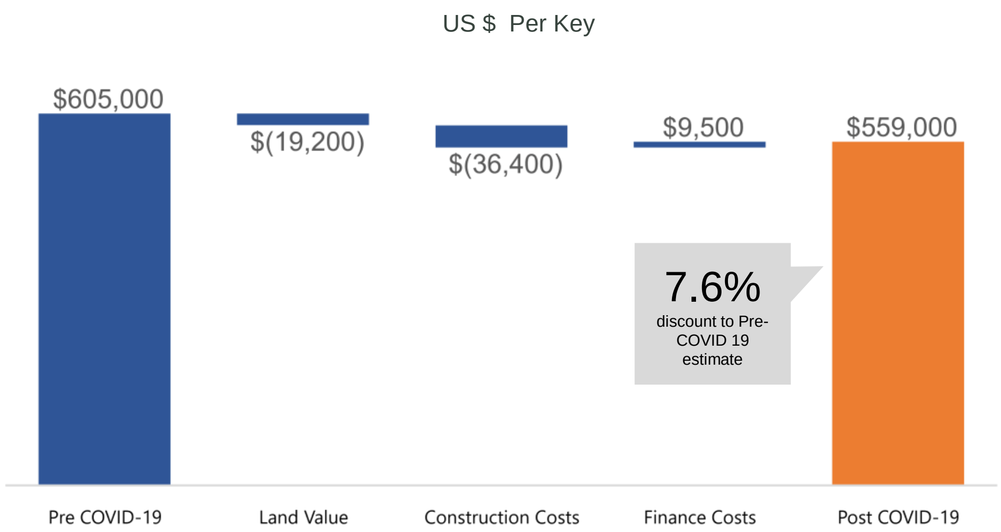
THE RITZ-CARLTON, AMELIA ISLAND, JACKSONVILLE, FLORIDA

Drive-to Leisure

Replacement Cost Analysis

At a stock price of $11, our implied price per key is at an approximately 60% discount to our post COVID-19 estimated replacement cost(1) of $559,000(2).

Replacement Cost Per Key Estimate Post-COVID-19 (1)



Price Per Key Implied at stock price of $11.00

Stock Price	$11.00
Shares Outstanding	712.7 million[3]
Equity Market Cap	$7,840 million
Net Debt as of 06/30	$3,109 million
Enterprise Value	$10,949 million
Rooms	46.7 thousand
Implied Price Per Key	$234 thousand

1) The replacement cost estimates are based on Host internal analysis and recent construction market pricing for to-be-built projects extrapolated to our full 80 property portfolio. Estimated land values are based on market data and recent comparable sales where applicable. This estimate is not intended to be an estimate for the fair market value of the portfolio
2) Post Covid-19 construction discounts are based on Host's recent construction bids and the land discount assumes the opportunity cost associated with land banking for 3 years prior to development
3) The number of common shares outstanding includes assumption of conversion of OP units.

HOST
HOTELS & RESORTS®

Renovation-led ROI

1. Marriott Transformational Capital Program
2. Coronado Island Marriott
3. New York Marriott Downtown
4. San Francisco Marriott Marquis
5. Santa Clara Marriott
6. San Antonio Rivercenter Marriott

CORONADO ISLAND MARRIOTT RESORT & SPA,
SAN DIEGO, CALIFORNIA

Drive-to Leisure

Marriott Transformational Capital Program

	2018	2019	2020 (F)	2021 to 2022 (F)
Operating Profit Guarantees (1) (2)	$5M	$23M	$20M	$22 to $26M (3)
Capital Investment (2)	$103M	$225M	$195 to $200M	$240 to $280M(3)

13% of spend complete

Completions

Work-in-progress

42% of spend complete

Completions

1. Coronado Island Marriott Resort & Spa
2. New York Marriott Downtown
3. San Francisco Marriott Marquis
4. Santa Clara Marriott

~70% of spend complete

Expected Completions

5. San Antonio Rivercenter Marriott
6. Minneapolis Marriott City Center
7. JW Marriott Atlanta Buckhead

100% of spend complete

Expected Completions

2021 expected completions

8. The Ritz Carton Amelia Island
9. New York Marriott Marquis
10. Houston Marriott Medical Center
11. Orlando World Center Marriott
12. Newport Beach Marriott Hotel & Spa
13. Marriott Marquis San Diego Marina
14. Marina Del Ray Marriott
15. Boston Marriott Copley Place
16. JW Marriott Houston
17. Washington Marriott at Metro Center

1) Operating profit guarantee amounts are net of incentive management fees
2) 2020 and beyond capital investment and operating profit guarantees are forecasts and actual results may vary
3) 2021 – 2022 operating profit guarantees and capital investment amounts are aggregate sums that the Company expects spent or received over the 2021 to 2022 time period

Marriott Transformational Capital Program (cont'd)

We have maintained our forecast spend of $195 to 200 million on the Marriott Transformational Capital Program in FY 2020 for the following strategic reasons.

Operating Profit Guarantee

We benefit from an expected $20 million of operating profit guarantees in 2020 without experiencing commensurate revenue disruption given the current unprecedented low RevPAR environment

RevPAR Index Gains

Newly renovated hotels expected to achieve RevPAR Index share gains as competition cuts back on renovations due to liquidity constraints

Additionally, we expect our hotels to maintain these RevPAR Index share gains when competitors disrupt their operations to renovate assets later this cycle

Decreasing Construction Costs

Construction bids are coming in below budget, and we are seeing cost declines of 10% or more, which provides us the opportunity to buyout projects at lower prices

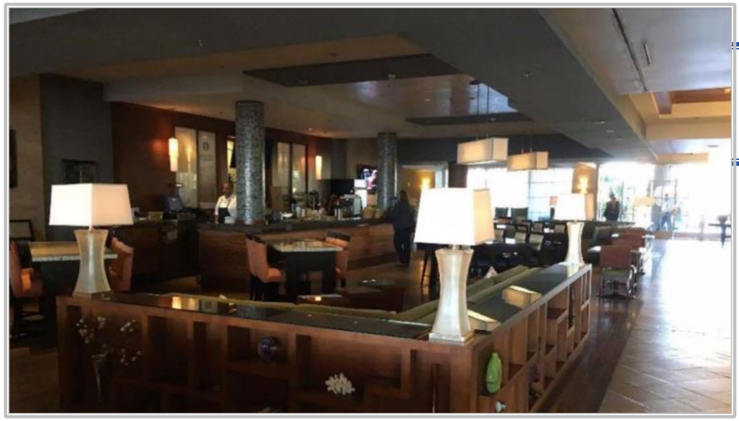
Enhanced Owner's Priority Returns

As the performance of these properties return, we will receive enhanced owners' priority on this investment, which will reduce the incentive management fees we pay Marriott.

Marriott Transformational Capital Program

Coronado Island Marriott Resort & Spa, San Diego

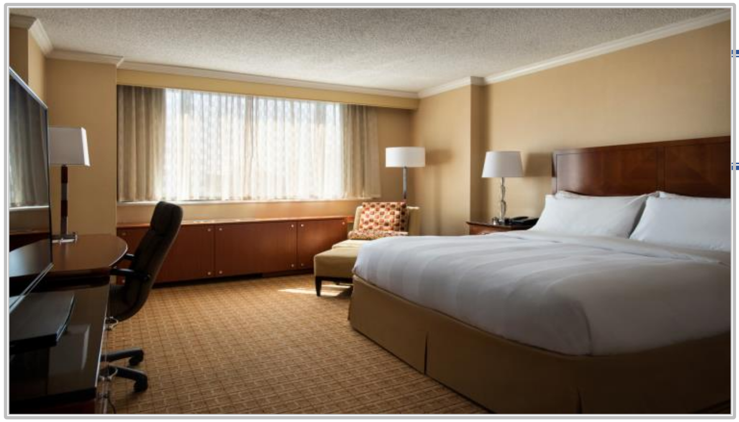
Drive-to Leisure



Before
Lobby bar

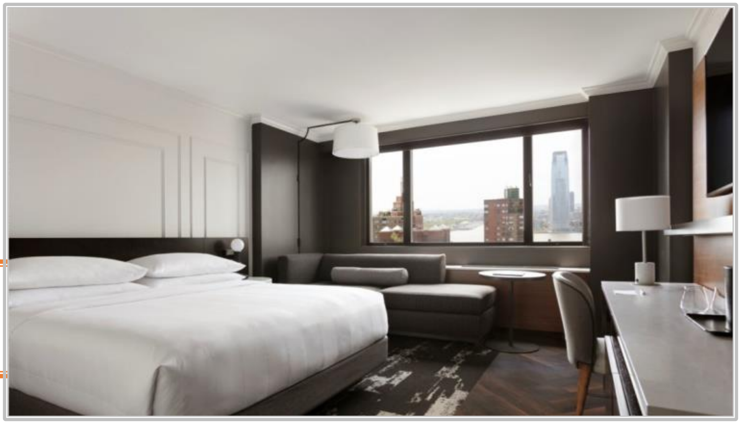
After
Lobby bar

New York Marriott Downtown, New York



Before
Guest room

After
Guest room



Marriott Transformational Capital Program

HOST HOTELS & RESORTS

San Francisco Marriott Marquis, San Francisco

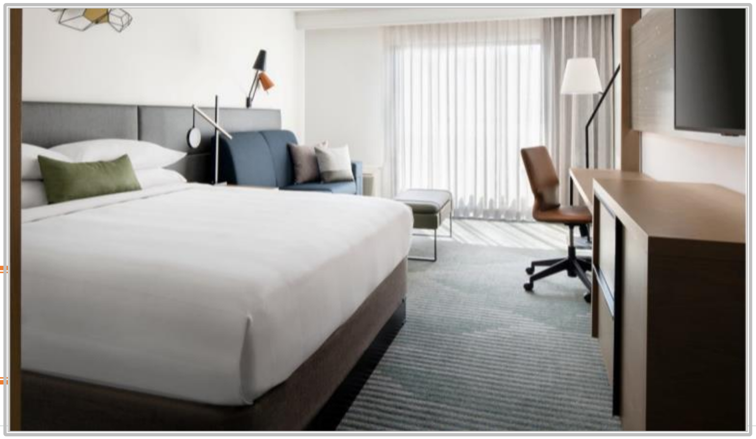
Before
Lobby

After
Lobby

Santa Clara Marriott, Santa Clara

Before
Guest room

After
Guest room



Marriott Transformational Capital Program

San Antonio Rivercenter Marriott, San Antonio

Drive-to Leisure

Before
Marketplace

After
Marketplace

San Antonio Rivercenter Marriott, San Antonio

Before
Guest room

After
Guest room

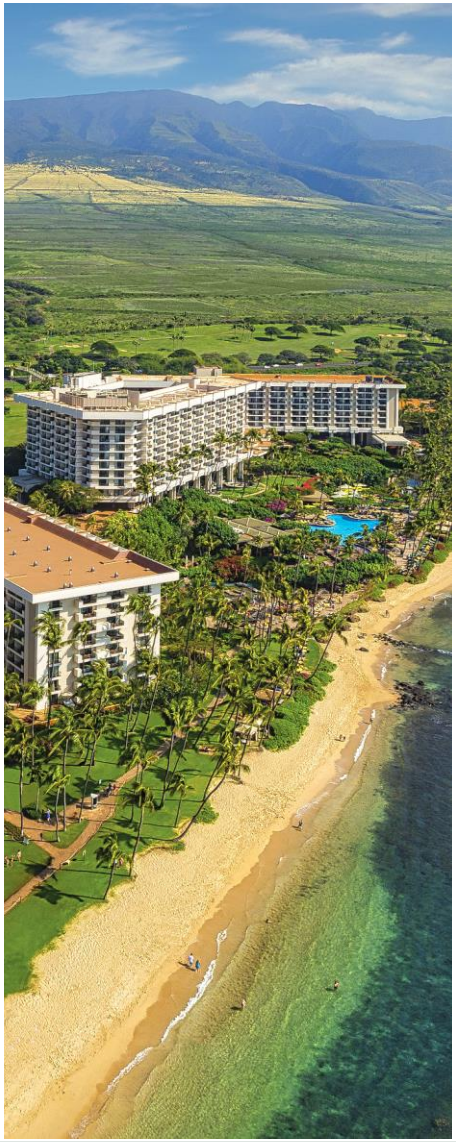
HOST
HOTELS & RESORTS®

Corporate Responsibility

1 HOTEL, MIAMI BEACH, FLORIDA

Drive-to Leisure

Corporate Responsibility



Jim Risoleo, Host's CEO has joined the ***CEO Action for Diversity and Inclusion initiative*** *and has personally pledged to continue to advance diversity and inclusion within our workplace.*

$145M	$30M	$25M	200+	160+
Engineering Projects with Sustainability Attributes 2015-18[1]	Energy & Water Saving ROI Projects 2015-18[1]	Expected annual savings from combined investments 2015-18[1]	Charities supported 2019	Employee-selected community investments supported

We're committed to enhancing the value and profitability of our owned hotels through sustainable business practices. Our strategic framework follows three themes to inform the integration of sustainability into the business and guide engagement with our CR stakeholders.

Responsible Investment	Environmental Stewardship	Corporate Citizenship
Evaluate opportunities and climate change risks, invest in proven sustainability practices and enhance asset value while improving environmental performance.	Set environmental targets, monitor the performance of our responsible investments and measure our progress toward improving the environmental footprint of our properties.	Strengthen our local communities through financial support, community engagement and volunteer service.

New 2025 Environmental Targets

	GHG	Energy	Renewable Energy	Water	Waste
2018 Progress	35%	15%	0.3%	22%	75%
2025 Targets	55% Reduction Per Square Foot[2]	25% Reduction Per Square Foot[2]	30% Of Total Electricity Use[2]	25% Reduction Per Occupied Room[2]	75% Major reno projects with waste diversion

2019 Accomplishments & Recognition

DJSI World & North America Listed

GRESB: #1 Hotels

Nareit: Lodging / Resorts Sector Winner

CDP: A List

SASB: Leadership recognition

Science Based Targets

LEED: Eight LEED Properties

Green Leaders: 96% U.S. Hotel Participation in at least one green building certification[3]

1) Adjusted for sales through October 2019.
2) Against 2008 baseline year.
3) Calculated based on room count

Management & Board

1. Management
2. Board of Directors
3. Investor Relations Contacts & Resources

THE DON CESAR, ST. PETE'S BEACH, FLORIDA

Drive-to Leisure

Experienced Management Team

JAMES F. RISOLEO
PRESIDENT & CEO

EXPERIENCE: **41 YEARS**
HOST TENURE: **24 YEARS**

BRIAN G. MACNAMARA
SVP, PRINCIPAL FINANCIAL OFFICER & CORPORATE CONTROLLER

EXPERIENCE: **30 YEARS**
HOST TENURE: **24 YEARS**

NATHAN S. TYRRELL
EVP & CIO

EXPERIENCE: **25 YEARS**
HOST TENURE: **15 YEARS**

JULIE P. ASLAKSEN
EVP & GENERAL COUNSEL

EXPERIENCE: **20 YEARS**
Joined Host in November 2019

JOANNE G. HAMILTON
EVP, HUMAN RESOURCES & CORPORATE RESPONSIBILITY

EXPERIENCE: **36 YEARS**
HOST TENURE: **10 YEARS**

MICHAEL E. LENTZ
EVP, DEVELOPMENT, DESIGN & CONSTRUCTION

EXPERIENCE: **32 YEARS**
HOST TENURE: **4 YEARS**

SOURAV GHOSH
EVP, STRATEGY & ENTERPRISE ANALYTICS

EXPERIENCE: **26 YEARS**
HOST TENURE: **11 YEARS**

JEFFREY S. CLARK
SVP, TAX

EXPERIENCE: **37 YEARS**
HOST TENURE: **15 YEARS**

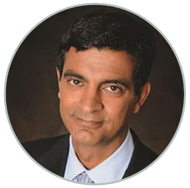
CHRISTOPHER G. OSTAPOVICZ
SVP, ASSET MANAGEMENT

EXPERIENCE: **32 YEARS**
HOST TENURE: **13 YEARS**

Board of Directors & Corporate Governance

RICHARD E. MARRIOTT
CHAIRMAN OF THE BOARD

JAMES F. RISOLEO
PRESIDENT & CEO



SANDEEP L. MATHRANI
CEO of WeWork, former CEO of Brookfield Properties Retail Group and Vice Chairman of Brookfield Properties.

SHEILA C. BAIR
Former Chair of the FDIC. Member of the board of directors for Bunge Limited and Fannie Mae

MARY L. BAGLIVO
Former chair and chief executive officer of the Americas for Saatchi & Saatchi Worldwide. Member of the board of directors of PVH Corp and Ruth's Hospitality Group

WALTER C. RAKOWICH
Former CEO of Prologis. Member of the board of directors for Iron Mountain and Ventas

JOHN B. MORSE, JR.
Former CFO of The Washington Post Company. Chairman of the board for AES Corporation

MARY HOGAN PREUSSE
Former managing director and co-head of Americas Real Estate at APG Asset Management. Member of the board of directors for Digital Realty, Kimco Realty and VEREIT

GORDON H. SMITH
Former United States Senator & current CEO of the National Association of Broadcasters. Chairman of the board of Smith Frozen Foods

A. WILLIAM STEIN
CEO and Director of Digital Realty Trust, Inc.

Top 20% of Green Street Advisors Ranking on Corporate Governance

- Diverse Board with an effective mix of skills, experience and perspectives
- Strong independent oversight – 8 out of 10 directors independent, with Chairman of the Board separate from CEO, independent Lead Director and six Audit Committee members are "financial experts"
- Adopted proxy access rights
- Stockholder power to amend Bylaws
- Allowed Company's stockholder rights plan to expire
- Opted out of the Maryland Control Share Acquisition Act
- Opted out of the provisions of the Maryland Unsolicited Takeover Act that permit the Board to classify itself without a stockholder vote

Investor Relations Contacts & Resources

Investor Relations Contact

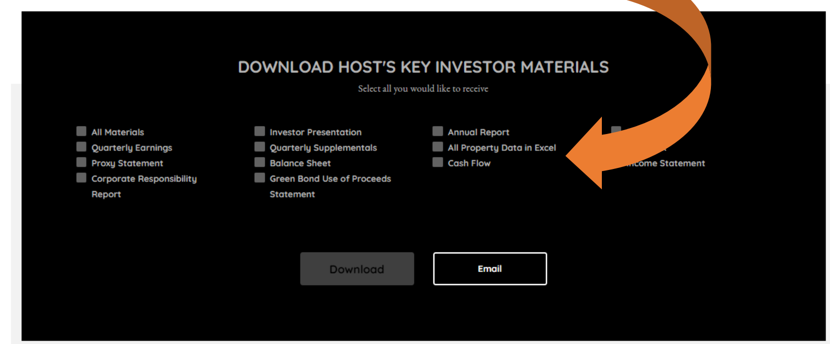
Tejal Engman
Vice President, Investor Relations
(240) 744-5116
tejal.engman@hosthotels.com
ir@hosthotels.com

Registrar and Transfer Agent

Computershare
P.O. Box 505000
Louisville, KY 40233
(781) 575-4320
Toll-free: (866) 367-6351

Website: https://ir.hosthotels.com/investor-overview

Download All Host Property Data in Excel from our Website:



RECONCILIATIONS & SUPPLEMENTAL INFORMATION

HOST
HOTELS & RESORTS®

SAN FRANCISCO, MARRIOTT MARQUIS, SAN FRANCISCO, CALIFORNIA

APPENDIX

PAGE NO.

APPENDIX TABLE OF CONTENTS

Key Terms and Statistics

DEFINED TERMS

CAGR – Compound Annual Growth Rate. The mean annual growth rate of an investment over a specified period of time longer than one year

Cash-on-cash return – The cash return for the first year of operations from a respective Investment. It is calculated as the incremental increase in cash flow from operations as a result of the project, including any cost savings, divided by the Investment.

Cap Rate – Capitalization Rate, calculated as Net Operating Income (NOI) divided by sales price. The corresponding metric using GAAP measures is net income divided by sales price.

EBITDA Multiple – Sales price divided by EBITDA. The corresponding metric using GAAP measures is sales price divided by net income.

Investment – Our investment of cash, land or other property.

MTCP – Marriott Transformational Capital Program.

Replacement Cost – The cost to develop a new hotel in the same lodging segment based on current estimated costs.

RevPAR Index – RevPAR Index measures a hotel's fair market share of their competitive set's revenue per available room within a given market by dividing the property's RevPAR by the average RevPAR of the competitive set. If a hotel is capturing its fair market share, the index will be 100; if capturing less than its fair market share, a hotel's index will be less than 100; and if capturing more than its fair market share, a hotel's index will be greater than 100. For each property, the market competitive set is based on the set agreed to with the manager and is included within the respective property's management agreement. The competitive set can be used for various purposes, including for determining the hotel general manager's compensation as well as owner's performance based termination rights under the hotel management agreement. Therefore, it represents an arm's length negotiated set of hotels which the parties agree represent the hotel's most direct competition. However, it does not necessarily represent all the hotels against which the hotel competes and may exclude hotels in other segments (e.g., select service hotels) even though those hotels may compete with the hotel for certain customers.

RevPAR – The product of the average daily room rate charged and the average daily occupancy achieved.

ROI – Return on Investment. ROI projects are designed to improve the positioning of our hotels within their markets and competitive set.

SMERF – group business predominately related to social, military, education, religious, fraternal and youth and amateur sports teams.

Total RevPAR – A summary measure of hotel results calculated by dividing the sum of room, food and beverage and other ancillary service revenue by room nights available to guests for the period. It includes ancillary revenues not included within RevPAR.

TTM – Trailing twelve months

NON-GAAP FINANCIAL MEASURES

Included in this presentation are certain “non-GAAP financial measures,” which are measures of our historical or future financial performance that are not calculated and presented in accordance with GAAP, within the meaning of applicable SEC rules. They are as follows: (i) EBITDA, (ii) EBITDA*re* and Adjusted EBITDA*re* (iii) Net Operating Income (NOI), (iv) Comparable Hotel Property Level Operating Results, including Comparable Hotel EBITDA margin, (v) Hotel-level operating loss and (vi) Cash burn. Additionally, we have presented leverage, fixed charge and interest coverage ratios, which are used to determine compliance with financial covenants under our credit facility and senior notes indenture that are not calculated and presented in accordance with GAAP. The following discussion defines these measures and presents why we believe they are useful supplemental measures of our performance.

EBITDA and NOI

Earnings before Interest Expense, Income Taxes, Depreciation and Amortization (“EBITDA”) is a commonly used measure of performance in many industries. Management believes EBITDA provides useful information to investors regarding our results of operations because it helps us and our investors evaluate the ongoing operating performance of our properties after removing the impact of the Company’s capital structure (primarily interest expense) and its asset base (primarily depreciation and amortization). Management also believes the use of EBITDA facilitates comparisons between us and other lodging REITs, hotel owners who are not REITs and other capital-intensive companies. Management uses EBITDA to evaluate property-level results and as one measure in determining the value of acquisitions and dispositions and, like FFO and Adjusted FFO per diluted share, is widely used by management in the annual budget process and for our compensation programs. Management also uses NOI when calculating Cap Rates to evaluate acquisitions and dispositions. For a specific hotel, NOI is calculated as the hotel or entity level EBITDA less an estimate for the annual contractual reserve requirements for renewal and replacement expenditures. Management believes using Cap Rates allows for a consistent valuation method in comparing the purchase or sale value of properties.

EBITDAre and Adjusted EBITDAre

We present EBITDA*re* in accordance with NAREIT guidelines, as defined in its September 2017 white paper “Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate,” to provide an additional performance measure to facilitate the evaluation and comparison of the Company’s results with other REITs. NAREIT defines EBITDA*re* as net income (calculated in accordance with GAAP) excluding interest expense, income tax, depreciation and amortization, gains or losses on disposition of depreciated property (including gains or losses on change of control), impairment write-downs of depreciated property and of investments in unconsolidated affiliates caused by a decrease in value of depreciated property in the affiliate, and adjustments to reflect the entity’s pro rata share of EBITDA*re* of unconsolidated affiliates.

We make additional adjustments to EBITDA*re* when evaluating our performance because we believe that the exclusion of certain additional items described below provides useful supplemental information to investors regarding our ongoing operating performance. We believe that the presentation of Adjusted EBITDA*re*, when combined with the primary GAAP presentation of net income, is beneficial to an investor’s understanding of our operating performance. Adjusted EBITDA*re* also is similar to the measure used to calculate certain credit ratios for our credit facility and senior notes. We adjust EBITDA*re* for the following items, which may occur in any period, and refer to this measure as Adjusted EBITDA*re*:

- Property Insurance Gains – We exclude the effect of property insurance gains reflected in our consolidated statements of operations because we believe that including them in Adjusted EBITDA*re* is not consistent with reflecting the ongoing performance of our assets. In addition, property insurance gains could be less important to investors given that the depreciated asset book value written off in connection with the calculation of the property insurance gain often does not reflect the market value of real estate assets.
- Acquisition Costs – Under GAAP, costs associated with completed property acquisitions that are considered business combinations are expensed in the year incurred. We exclude the effect of these costs because we believe they are not reflective of the ongoing performance of the Company.

- Litigation Gains and Losses – We exclude the effect of gains or losses associated with litigation recorded under GAAP that we consider outside the ordinary course of business. We believe that including these items is not consistent with our ongoing operating performance.

In unusual circumstances, we also may adjust EBITDA*re* for gains or losses that management believes are not representative of the Company's current operating performance.

COVID-19 Non-GAAP Reporting Measures

Hotel-level Operating Loss. We present hotel-level operating loss because management believes this metric is helpful to investors to evaluate the monthly operating performance of our properties during the COVID-19 pandemic. We further adjust All Owned Hotel Pro Forma EBITDA to reflect the benefits for furloughed employees in the month that they are provided to the employees of our properties, replacing the related GAAP expense accrual. While furlough costs may arise in various situations, the furlough costs incurred during the COVID-19 pandemic are unusually large and not reflective of how wages and benefits are generally accrued and paid, therefore management adjusts All Owned Hotel Pro Forma EBITDA to include the furlough costs based on the timing that they are provided to the employees to better reflect monthly costs and evaluate the hotel performance. We accrue for the anticipated furlough costs when our hotel managers have committed to the continuation of these benefits regardless of the timing of the benefits. For example, in March 2020 we accrued $35 million for April and May benefits for furloughed employees at our Marriott- and Hyatt-managed hotels. In June 2020, we accrued $32 million for the July, August and September benefits for our Marriott-managed hotels. As a result, our GAAP operating results reflect the timing of the commitment rather than the actual month of the benefits. While the net impact of the accrual is not significant in the evaluation of our hotel operations on a quarterly basis, we adjust for the timing of the accrual on a monthly basis to include the expense in the month that the furlough benefits are provided in order to evaluate the month-to-month changes in operating results at our properties exclusive of the timing of the accrual. Hotel-level operating loss is not intended to be, and should not be used as, a substitute for GAAP net income (loss). Because of the elimination of corporate-level costs and expenses, gains or losses on disposition and depreciation and amortization expense, the hotel-level monthly operating results we present do not represent our total operating results and should not be used to evaluate our performance as a whole. Management compensates for these limitations by separately considering the impact of these excluded items to the extent they are material to operating decisions or assessments of our operating performance. Our consolidated statements of operations include such amounts, all of which should be considered by investors when evaluating our performance.

Cash Burn. We present cash burn because management believes this metric is helpful to investors to evaluate the company's ability to continue to fund operations during periods where hotels have suspended operations or are operating at very low levels of occupancy due to the COVID-19 pandemic. The Company defines cash burn as net cash from operating activities adjusted for (i) capital expenditures, (ii) changes in short term assets and liabilities and (iii) contributions to equity investments, as further described below. Cash burn is not intended to be, and should not be used as a substitute for GAAP cash flow as it does not reflect the issuance or repurchase of equity, dividends, issuance or repayment of debt, or other investing activities such as the purchase or sale of properties. Adjustments include:

- Capital Expenditures – Capital expenditures are included in the overall cash burn as they represent a significant on-going cash outflow of the Company. While management continually evaluates its capital expenditure program to appropriately balance improving and renewing its hotel portfolio with its overall cash needs; management continues to anticipate capital expenditures to be a significant cash outflow.
- Changes in short term assets and liabilities – The Company eliminates changes in short-term assets and liabilities, including due from managers, other assets and other liabilities, that primarily represent timing of cash inflows and outflows. As a result, cash burn includes income and expenses in better alignment with how these items are reflected on the statement of operations. These generally represent receipts and payments that will be settled within the year and do not reflect the cash savings or liquidity needs of the Company on an on-going basis.

- Contributions to equity investments – The Company includes contributions to equity investments that have been necessary due to the depressed operations for these investments during the COVID-19 pandemic. These are included as investing activities on the statements of cash flows.

Credit Facility – Leverage and Consolidated Fixed Charge Coverage Ratios

Host's credit facility contains certain financial covenants, including allowable leverage and fixed charge ratios, which are determined using earnings before interest expense, income taxes, depreciation and amortization ("EBITDA") as calculated under the terms of our credit facility ("Adjusted Credit Facility EBITDA"). The leverage ratio is defined as net debt plus preferred equity to Adjusted Credit Facility EBITDA. The fixed charge coverage ratio is defined as Adjusted Credit Facility EBITDA divided by fixed charges, which include interest expense, required debt amortization payments, cash taxes and preferred stock payments. These calculations are based on pro forma results for the prior four fiscal quarters, giving effect to transactions such as acquisitions, dispositions and financings as if they occurred at the beginning of the period.

Additionally, total debt used in the calculation of our leverage ratio is based on a "net debt" concept, under which cash and cash equivalents in excess of $100 million are deducted from our total debt balance. Management believes these financial ratios provide useful information to investors regarding our compliance with the covenants in our credit facility and our ability to access the capital markets, in particular debt financing.

Senior Notes Indenture – EBITDA-to-interest Coverage Ratio

Host's senior notes indentures contains certain financial covenants, including EBITDA-to-interest coverage ratio. The EBITDA-to-interest coverage ratio is defined as EBITDA as calculated under our senior notes indenture ("Adjusted Senior Notes EBITDA") to interest expense as defined by our senior note indentures. This covenant is presented based on the financial covenants of our senior notes issued after we attained an investment grade rating, however the calculations before and after attaining investment grade status are essentially equivalent with no material differences between the two.

Under the terms of the senior notes indentures, interest expense excludes items such as the gains and losses on the extinguishment of debt, deferred financing charges related to the senior notes or the credit facility, amortization of debt premiums or discounts that were recorded at issuance of a loan to establish its fair value and non-cash interest expense, all of which are included in interest expense on our consolidated statement of operations. As with the credit facility covenants, management believes this financial ratio provides useful information to investors regarding our compliance with the covenants in our senior notes indentures and our ability to access the capital markets, in particular debt financing.

Limitations on Credit Facility and Senior Notes Credit Ratios

These metrics are useful in evaluating the Company's compliance with the covenants contained in its credit facility and senior notes indentures. However, because of the various adjustments taken to the ratio components as a result of negotiations with the Company's lenders and noteholders they should not be considered as an alternative to the same ratios determined in accordance with GAAP. For instance, interest expense as calculated under the credit facility and senior notes indenture excludes the items noted above such as deferred financing charges and amortization of debt premiums or discounts, all of which are included in interest expense on our consolidated statement of operations. Management compensates for these limitations by separately considering the impact of these excluded items to the extent they are material to operating decisions or assessments of performance. In addition, because the credit facility and indenture ratio components are also based on pro forma results for the prior four fiscal quarters, giving effect to transactions such as acquisitions, dispositions and financings as if they occurred at the beginning of the period, they are not reflective of actual performance over the same period calculated in accordance with GAAP.

Key Terms and Statistics

Limitations on the Use of Non-GAAP Financial Measures

We calculate NAREIT FFO per diluted share in accordance with standards established by NAREIT, which may not be comparable to measures calculated by other companies who do not use the NAREIT definition of FFO or do not calculate FFO per diluted share in accordance with NAREIT guidance. In addition, although FFO per diluted share is a useful measure when comparing our results to other REITs, it may not be helpful to investors when comparing us to non-REITs. We also calculate Adjusted FFO per diluted share, which is not in accordance with NAREIT guidance and may not be comparable to measures calculated by other REITs. EBITDA, NOI, EBITDA*re* and Adjusted EBITDA*re*, as presented, may also not be comparable to measures calculated by other companies. This information should not be considered as an alternative to net income, operating profit, cash from operations or any other operating performance measure calculated in accordance with GAAP. Cash expenditures for various long-term assets (such as renewal and replacement capital expenditures, with the exception of NOI), interest expense (for EBITDA, NOI, EBITDA*re* and Adjusted EBITDA*re* purposes only) and other items have been and will be made and are not reflected in the EBITDA, EBITDA*re*, Adjusted EBITDA*re*, NAREIT FFO per diluted share and Adjusted FFO per diluted share presentations. Management compensates for these limitations by separately considering the impact of these excluded items to the extent they are material to operating decisions or assessments of our operating performance. Our consolidated statement of operations and cash flows include interest expense, capital expenditures, and other excluded items, all of which should be considered when evaluating our performance, as well as the usefulness of our non-GAAP financial measures. Additionally, NAREIT FFO per diluted share, Adjusted FFO per diluted share, EBITDA, NOI, EBITDA*re* and Adjusted EBITDA*re* should not be considered as a measure of our liquidity or indicative of funds available to fund our cash needs, including our ability to make cash distributions. In addition, NAREIT FFO per diluted share and Adjusted FFO per diluted share do not measure, and should not be used as a measure of, amounts that accrue directly to stockholders' benefit.

Similarly, EBITDAre, Adjusted EBITDAre, NAREIT FFO and Adjusted FFO per diluted share include adjustments for the pro rata share of our equity investments and NAREIT FFO and Adjusted FFO per diluted share include adjustments for the pro rata share of noncontrolling partners in consolidated partnerships. Our equity investments consist of interests ranging from 11% to 67% in seven domestic and international partnerships that own a total of 10 properties and a vacation ownership development. Due to the voting rights of the outside owners, we do not control and, therefore, do not consolidate these entities. The non-controlling partners in consolidated partnerships primarily consist of the approximate 1% interest in Host LP held by outside partners and a 15% interest held by outside partners in a partnership owning one hotel for which we do control the entity and, therefore, consolidate its operations. These pro rata results for NAREIT FFO and Adjusted FFO per diluted share, EBITDAre and Adjusted EBITDAre were calculated as set forth in the definitions above. Readers should be cautioned that the pro rata results presented in these measures for consolidated partnerships (for NAREIT FFO and Adjusted FFO per diluted share) and equity investments may not accurately depict the legal and economic implications of our investments in these entities.

Comparable Hotel Property Level Operating Results

We present certain operating results for our hotels, such as hotel revenues, expenses, EBITDA (and the related margin) on a comparable hotel, or "same store," basis as supplemental information for investors. See "Comparable Hotel Operating Statistics" below for a description of how we determine our comparable hotels. Our comparable hotel results present operating results for hotels owned during the entirety of the periods being compared without giving effect to any acquisitions or dispositions, significant property damage or large scale capital improvements incurred during these periods. We present comparable hotel EBITDA to help us and our investors evaluate the ongoing operating performance of our comparable properties after removing the impact of the Company's capital structure (primarily interest expense), and its asset base (primarily depreciation and amortization). Corporate-level costs and expenses are also removed to arrive at property-level results. We believe these property-level results provide investors with supplemental information into the ongoing operating performance of our comparable hotels. Comparable hotel results are presented both by region and for the Company's comparable properties in the aggregate. We eliminate depreciation and amortization because, even though depreciation and amortization are property-level expenses, these non-cash expenses, which are based on historical cost accounting for real estate assets, implicitly assume that the value of real estate assets diminishes predictably over time. As noted earlier, because real estate values have historically risen or fallen with market conditions, many real estate industry investors have considered presentation of historical cost accounting for operating results to be insufficient by themselves.

As a result of the elimination of corporate-level costs and expenses, gains or losses on dispositions and depreciation and amortization, the comparable hotel operating results we present do not represent our total revenues, expenses, operating profit or net income and should not be used to evaluate our performance as a whole. Management compensates for these limitations by separately considering the impact of these excluded items to the extent they are material to operating decisions or assessments of our operating performance. Our consolidated statements of operations include such amounts, all of which should be considered by investors when evaluating our performance.

We present these hotel operating results on a comparable hotel basis because we believe that doing so provides investors and management with useful information for evaluating the period-to-period performance of our hotels and facilitates comparisons with other hotel REITs and hotel owners. In particular, these measures assist management and investors in distinguishing whether increases or decreases in revenues and/or expenses are due to growth or decline of operations at comparable hotels (which represent the vast majority of our portfolio) or from other factors, such as the effect of acquisitions or dispositions. While management believes that presentation of comparable hotel results is a “same store” supplemental measure that provides useful information in evaluating our ongoing performance, this measure is not used to allocate resources or to assess the operating performance of each of these hotels, as these decisions are based on data for individual hotels and are not based on comparable hotel results. For these reasons, we believe that comparable hotel operating results, when combined with the presentation of GAAP operating profit, revenues and expenses, provide useful information to investors and management.

Lodging Peer Group

Our investor presentation includes comparisons to other Lodging REITs for leverage. Management believes that these companies are representative of the broader lodging industry and, therefore, are useful to investors in evaluating our leverage. However, as leverage is calculated using non-GAAP measures, the calculation of this metric for the companies may vary and may not be comparable to how Host calculates this metric. Because each company may make different adjustments, the comparison is only an approximation and the presentation may not account for these differences. These companies may calculate EBITDA and other ratio components differently in the determination of their reported leverage ratios; however, we believe this methodology is generally consistent with leverage ratios commonly used by research analysts in the lodging industry. The leverage ratio (net debt plus preferred equity/EBITDA) for the Lodging a REITs presented herein is based on information reported by these companies.

The information presented for the Lodging REITs should not be considered as an alternative to any other measure calculated in accordance with GAAP. The information was obtained from publicly available information, including the companies’ filings with the SEC.

Lodging REITs – Lodging REIT companies in our comparison set are based on the next seven largest lodging REITs by market capitalization (excluding Apple Hospitality REIT, Inc. and Service Properties Trust, both of which are REITs with a high portfolio concentration of limited service hotels which are not comparable to Host’s portfolio) and include:

- DRH Diamondrock Hospitality Co.
- PEB Pebblebrook Hotel Trust
- PK Park Hotels & Resorts Inc.
- RHP Ryman Hospitality Properties, Inc.
- RLJ RLJ Lodging Trust
- SHO Sunstone Hotel Investors, Inc.
- XHR Xenia Hotels & Resorts, Inc.

Comparable Hotel Operating Statistics

To facilitate a quarter-to-quarter comparison of our operations, we present certain operating statistics (i.e., Total RevPAR, RevPAR, average daily rate and average occupancy) and operating results (revenues, expenses, hotel EBITDA and associated margins) for the periods included in this report on a comparable hotel basis in order to enable our investors to better evaluate our operating performance.

Because these statistics and operating results relate only to our hotel properties, they exclude results for our non-hotel properties and other real estate investments. We define our comparable hotels as properties:

(i) that are owned or leased by us and the operations of which are included in our consolidated results for the entirety of the reporting periods being compared; and

(ii) that have not sustained substantial property damage or business interruption, or undergone large-scale capital projects (as further defined below) during the reporting periods being compared.

The hotel business is capital-intensive and renovations are a regular part of the business. Generally, hotels under renovation remain comparable hotels. A large scale capital project that would cause a hotel to be excluded from our comparable hotel set is an extensive renovation of several core aspects of the hotel, such as rooms, meeting space, lobby, bars, restaurants and other public spaces. Both quantitative and qualitative factors are taken into consideration in determining if the renovation would cause a hotel to be removed from the comparable hotel set, including unusual or exceptional circumstances such as: a reduction or increase in room count, rebranding, a significant alteration of the business operations, or the closing of the hotel during the renovation.

Historically, we have not included an acquired hotel in our comparable hotel set until the operating results for that hotel have been included in our consolidated results for one full calendar year. For example, we acquired the 1 Hotel South Beach in February 2019 and therefore it is not included in our comparable hotels for 2019. We are, however, making a change to this policy going forward.

Hotels that we sell are excluded from the comparable hotel set once the transaction has closed. Similarly, hotels are excluded from our comparable hotel set from the date that they sustain substantial property damage or business interruption or commence a large-scale capital project. In each case, these hotels are returned to the comparable hotel set when the operations of the hotel have been included in our consolidated results for one full calendar year after completion of the repair of the property damage or cessation of the business interruption, or the completion of large-scale capital projects, as applicable.

Accordingly, comparable hotel sets will vary from year-to-year. For the specific hotels considered comparable for 2019, see the reconciliation from net income to comparable hotel EBITDA.

Items that may Affect Forecast Results, Projections and Other Estimates

Certain items included in this investor presentation such as forecast EBITDA for acquired hotels, expected incremental EBITDA from capital expenditure projects, including redevelopment and repositioning of hotels, meeting space and restaurants and estimated internal rate of return (IRR) require the company to make assumptions about the future performance of our hotels that may affect forecast results. In determining these forecasts, we evaluate a number of operating performance metrics, including occupancy, room rate, mix of group and transient customers, as well as market specific estimates of demand drivers. Additionally, based on like hotels in our portfolio, we have estimated costs such as utilities, marketing, general overhead costs, and management fees. For certain of our projects, where we have closed or substantially disrupted current year operations, or where we have changed operators, historical operating data is not predictive of future results and there can be no assurances that we will achieve these forecasts due to potential delays in the renovations, less than expected demand or a slower than expected ramp-up in operations.

See slide 2 in this presentation for additional risks and uncertainties that may affect forecast results.

Reconciliation of Hotel EBITDA to Hotel Net Income by Location

The following table presents the reconciliation of hotel EBITDA by location to net income (in millions):

	Year ended December 31, 2019							
Location [(1)]	Hotel Net Income[(2)]	Dispositions	Adjusted Hotel Net Income[(2)]	Plus: Depreciation	Plus: Interest Expense[(2)]	Less: Income tax[(2)]	Equals: Hotel EBITDA	Percent of Total EBITDA
Maui/Oahu	$ 89.2	$ —	$ 89.2	$ 44.6	$ —	$ —	$ 133.8	9%
Florida Gulf Coast	69.3	—	69.3	34.7	—	—	104.0	7%
New York	39.1	2.9	42.0	50.4	—	—	92.4	6%
Jacksonville	25.0	—	25.0	9.1	—	—	34.1	2%
San Francisco/San Jose	95.2	—	95.2	66.3	—	—	161.5	11%
Washington, D.C. (CBD)	60.9	—	60.9	39.3	—	—	100.2	7%
Seattle	14.2	—	14.2	16.1	—	—	30.3	2%
Los Angeles	21.4	—	21.4	20.0	—	—	41.4	3%
Boston	57.0	(12.0)	45.0	27.9	—	—	72.9	5%
San Diego	81.4	(4.5)	76.9	68.8	—	—	145.7	9%
Philadelphia	15.3	—	15.3	12.8	—	—	28.1	2%
Chicago	18.2	(1.4)	16.8	22.6	—	—	39.4	3%
Phoenix	49.8	(8.0)	41.8	49.5	—	—	91.3	6%
Atlanta	34.0	(3.0)	31.0	19.8	—	—	50.8	3%
Orange County	20.7	(5.1)	15.6	9.7	—	—	25.3	2%
Denver	14.0	—	14.0	16.1	—	—	30.1	2%
New Orleans	26.3	—	26.3	10.6	—	—	36.9	2%
Northern Virginia	22.4	(4.4)	18.0	13.8	—	—	31.8	2%
San Antonio	16.5	—	16.5	11.1	—	—	27.6	2%
Houston	13.4	—	13.4	19.6	—	—	33.0	2%
Orlando	48.3	—	48.3	23.1	—	—	71.4	5%
Miami	37.2	—	37.2	20.7	—	—	57.9	4%
Other	43.0	(7.4)	35.6	17.0	—	—	52.6	3%
International	14.7	—	14.7	10.0	—	—	24.7	1%
Total	$ 926.5	$ (42.9)	$ 883.6	$ 633.6	$ —	$ —	$ 1,517.2	100%
Operations for sold hotels	—		42.9	21.8	—	—	64.7	
Gain on sale of property and corporate level income/ expense	5.5		5.5	6.5	222.4	29.5	263.9	
Total	$ 932.0		$ 932.0	$ 661.9	$ 222.4	$ 29.5	$ 1,845.8	

(1) These markets represent our consolidated hotels as of December 31, 2019.
(2) Certain items from our statement of operations are not allocated to individual regions, including interest on our senior notes, the majority of corporate and other expenses, the results of our office buildings, gains on property insurance settlements, and the benefit (provision) for income taxes. These items are included in gain on sale of property and corporate level income/expense. Interest on mortgage debt is allocated to the respective regions.

Capitalization and Total Enterprise Value
(in millions, except stock price)

		As of June 30, 2020
Shares/Units		
Common shares outstanding		705.2
Common shares outstanding assuming conversion of OP Units (1)		712.7
Preferred OP Units outstanding		.01
Security pricing		
Common stock price (2)	$	11.00
Capitalization		
Market value of common equity (3)	$	7,840
Consolidated debt		4,543
Less: Cash		(1,578)
Consolidated total capitalization		10,805
Plus: Share of debt in unconsolidated investments		144
Total enterprise value	$	10,949

(1) Each OP Unit is redeemable for cash or, at our option, for 1.021494 common shares of Host Inc. At June 30, 2020, there were 7.3 million common OP Units held by non-controlling interests.
(2) Share price assumes a stock price of $11.00.
(3) Market value of common equity is calculated as the number of common shares outstanding including assumption of conversion of OP units multiplied the closing share price on that day.

Comparable Hotel EBITDA

The following reconciles net income to our comparable hotel EBITDA for our comparable hotels (in millions, except hotel statistics):

	Year ended December 31, 2019	Year ended December 31, 2018
Number of hotels	72	72
Number of rooms	41,279	41,279
Operating profit margin (1)	14.6 %	9.6 %
Comparable hotel EBITDA margin (1)	29.0 %	29.05 %
Net income	$ 932	$ 1,151
Depreciation and amortization	676	944
Interest expense	222	176
Provision for income taxes	30	150
Gain on sale of property and corporate level income/expense	(278)	(843)
Non-comparable hotel results, net (2)	(307)	(312)
Comparable hotel EBITDA	$ 1,275	$ 1,266

	Year ended December 31, 2019				Year ended December 31, 2018			
		Adjustments				Adjustments		
	GAAP Results	Non-comparable hotel results, net (2)	Depreciation and corporate level items	Comparable Hotel Results	GAAP Results	Non-comparable hotel results, net (2)	Depreciation and corporate level items	Comparable Hotel Results
Revenues								
Room	$ 3,431	$ (666)	$ —	$ 2,765	$ 3,547	$ (763)	$ —	$ 2,784
Food and beverage	1,647	(304)	—	1,343	1,616	(295)	—	1,321
Other	391	(102)	—	289	361	(110)	—	251
Total revenues	5,469	(1,072)	—	4,397	5,524	(1,168)	—	4,356
Expenses								
Room	873	(172)	—	701	918	(213)	—	705
Food and beverage	1,120	(223)	—	897	1,103	(224)	—	879
Other	1,899	(375)	—	1,524	1,932	(426)	—	1,506
Depreciation and amortization	676	—	(676)	—	944	—	(944)	—
Corporate and other expenses	107	—	(107)	—	104	—	(104)	—
Gain on insurance and business interruption settlements	(5)	5	—	—	(7)	7	—	—
Total expenses	4,670	(765)	(783)	3,122	4,994	(856)	(1,048)	3,090
Operating Profit - Comparable Hotel EBITDA	$ 799	$ (307)	$ 783	$ 1,275	$ 530	$ (312)	$ 1,048	$ 1,266

____

Comparable Hotel EBITDA

(1) Operating profit margins per GAAP are calculated by dividing the applicable operating profit by the related revenue amount. Comparable hotel EBITDA margins are calculated using amounts presented in the above tables.

(2) Non-comparable hotel results, net, includes the following items: (i) the results of operations of our non-comparable hotels and sold hotels, which operations are included in our consolidated statements of operations as continuing operations, (ii) gains on insurance settlements and business interruption proceeds and (iii) the results of our leased office spaces and other non-hotel income.

*Comparable hotels as of December 31, 201*9 - Of the 80 hotels that we owned on December 31, 2019, 72 have been classified as comparable hotels. The operating results of the following hotels that we owned as of December 31, 2019 are excluded from comparable hotel results for these periods:

- Andaz Maui at Wailea Resort (acquired in March 2018);
- Grand Hyatt San Francisco (acquired in March 2018);
- Hyatt Regency Coconut Point Resort and Spa (acquired in March 2018);
- 1 Hotel South Beach (acquired in February 2019);
- The Ritz-Carlton, Naples, removed in the second quarter of 2018 (business disruption due to extensive renovations, including restoration of the façade that required closure of the hotel for over two months, coordinated with renovation and expansion of restaurant areas and renovation to the spa and ballrooms);
- San Francisco Marriott Marquis, removed in the third quarter of 2018 (business disruption due to renovations of guestrooms, ballrooms, meeting space, and extensive renovations of the main lobby);
- San Antonio Marriott Rivercenter, removed in the second quarter of 2019 (business disruption due to renovations of guestrooms, conversion of public areas into meeting space, and an extensive repositioning of the lobby area); and
- Minneapolis Marriott City Center, removed in the fourth quarter of 2019 (business disruption due to renovations of guestrooms, ballroom, meeting space, and redesign of the lobby).

The operating results of 18 hotels disposed of in 2019 and 2018 are not included in comparable hotel results for the periods presented herein.

Comparable Hotel EBITDA

The following reconciles net income to our comparable hotel EBITDA for our comparable hotels (in millions, except hotel statistics):

	Year ended December 31, 2018	Year ended December 31, 2017
Number of hotels	85	85
Number of rooms	47,455	47,455
Operating profit margin (1)	9.6%	12.5%
Comparable hotel EBITDA margin (1)	28.8%	28.2%
Net income	$ 1,151	$ 571
Depreciation and amortization	944	751
Interest expense	176	167
Provision for income taxes	150	80
Gain on sale of property and corporate level income/expense	(843)	(44)
Non-comparable hotel results, net (2)	(222)	(229)
Comparable hotel EBITDA	$ 1,356	$ 1,296

	Year ended December 31, 2018				Year ended December 31, 2017			
		Adjustments				Adjustments		
	GAAP Results	Non-comparable hotel results, net(2)	Depreciation and corporate level items	Comparable Hotel Results	GAAP Results	Non-comparable hotel results, net(2)	Depreciation and corporate level items	Comparable Hotel Results
Revenues								
Room	$ 3,547	$ (467)	$ —	$ 3,080	$ 3,490	$ (468)	$ —	$ 3,022
Food and beverage	1,616	(248)	—	1,368	1,561	(226)	—	1,335
Other	361	(95)	—	266	336	(90)	—	246
Total revenues	5,524	(810)	—	4,714	5,387	(784)	—	4,603
Expenses								
Room	918	(130)	—	788	899	(129)	—	770
Food and beverage	1,103	(185)	—	918	1,071	(169)	—	902
Other	1,932	(280)	—	1,652	1,906	(271)	—	1,635
Depreciation and amortization	944	—	(944)	—	751	—	(751)	—
Corporate and other expenses	104	—	(104)	—	98	—	(98)	—
Gain on insurance and business interruption settlements	(7)	7	—	—	(14)	14	—	—
Total expenses	4,994	(588)	(1,048)	3,358	4,711	(555)	(849)	3,307
Operating Profit - Comparable Hotel EBITDA	$ 530	$ (222)	$ 1,048	$ 1,356	$ 676	$ (229)	$ 849	$ 1,296

(1) Operating profit margins per GAAP are calculated by dividing the applicable operating profit by the related revenue amount. Comparable hotel EBITDA margins are calculated using amounts presented in the above tables.

(2) Non-comparable hotel results, net, includes the following items: (i) the results of operations of our non-comparable hotels and sold hotels, which operations are included in our consolidated statements of operations as continuing operations, (ii) gains on insurance settlements and business interruption proceeds and (iii) the results of our leased office spaces and other non-hotel income.

Comparable hotels as of December 31, 2018 – Of the 93 hotels that we owned on December 31, 2018, 85 have been classified as comparable hotels. The operating results of the following hotels that we owned as of December 31, 2018 are excluded from comparable hotel results for these periods:

- The Phoenician (acquired in June 2015 and, beginning in second quarter 2016 and into 2017, business disruption due to extensive renovations, including all guestrooms and suites, a redesign of the lobby and public areas, renovation of pools, recreation areas and a restaurant and a re-configured spa and fitness center);
- The Don CeSar and Beach House Suites complex (acquired in February 2017);
- W Hollywood (acquired in March 2017).
- Andaz Maui at Wailea Resort (acquired in March 2018);
- Grand Hyatt San Francisco (acquired in March 2018);
- Hyatt Regency Coconut Point Resort & Spa (acquired in March 2018);
- The Ritz-Carlton, Naples, removed in second quarter of 2018 (business disruption due to extensive renovations, including restoration of the façade that required closure of the hotel for over two months, coordinated with renovation and expansion of restaurant areas and renovation to the spa and ballrooms); and
- San Francisco Marriott Marquis, removed in third quarter of 2018 (business disruption due to renovations of guestrooms, ballrooms, meeting space, and extensive renovations of the main lobby).

The operating results of 8 hotels disposed of in 2018 and 2017 are not included in comparable hotel results for the periods presented herein.

Comparable Hotel EBITDA

The following reconciles net income to our comparable hotel EBITDA for our comparable hotels (in millions, except hotel statistics):

	Year ended December 31, 2017	Year ended December 31, 2016
Number of hotels	87	87
Number of rooms	48,357	48,357
Operating profit margin (1)	12.5%	12.6%
Comparable hotel EBITDA margin (1)	27.85%	27.75%
Net income	$ 571	$ 771
Depreciation and amortization	751	724
Interest expense	167	154
Provision for income taxes	80	40
Gain on sale of property and corporate level income/expense	(44)	(175)
Non-comparable hotel results, net (2)	(177)	(180)
Comparable hotel EBITDA	$ 1,348	$ 1,334

	Year ended December 31, 2017				Year ended December 31, 2016			
		Adjustments				Adjustments		
	GAAP Results	Non-comparable hotel results, net(2)	Depreciation and corporate level items	Comparable Hotel Results	GAAP Results	Non-comparable hotel results, net(2)	Depreciation and corporate level items	Comparable Hotel Results
Revenues								
Room	$ 3,490	$ (310)	$ —	$ 3,180	$ 3,492	$ (348)	$ —	$ 3,144
Food and beverage	1,561	(178)	—	1,383	1,599	(204)	—	1,395
Other	336	(59)	—	277	339	(70)	—	269
Total revenues	5,387	(547)	—	4,840	5,430	(622)	—	4,808
Expenses								
Room	899	(77)	—	822	893	(88)	—	805
Food and beverage	1,071	(119)	—	952	1,114	(144)	—	970
Other	1,906	(188)	—	1,718	1,924	(225)	—	1,699
Depreciation and amortization	751	—	(751)	—	724	—	(724)	—
Corporate and other expenses	98	—	(98)	—	106	—	(106)	—
Gain on insurance and business interruption settlements	(14)	14	—	—	(15)	15	—	—
Total expenses	4,711	(370)	(849)	3,492	4,746	(442)	(830)	3,474
Operating Profit - Comparable Hotel EBITDA	$ 676	$ (177)	$ 849	$ 1,348	$ 684	$ (180)	$ 830	$ 1,334

____

Comparable Hotel EBITDA

(1) Operating profit margins per GAAP are calculated by dividing the applicable operating profit by the related revenue amount. Comparable hotel EBITDA margins are calculated using amounts presented in the above tables.
(2) Non-comparable hotel results, net, includes the following items: (i) the results of operations of our non-comparable hotels and sold hotels, which operations are included in our consolidated statements of operations as continuing operations, (ii) gains on insurance settlements and business interruption proceeds and (iii) the results of our leased office spaces and other non-hotel income.

Comparable hotels as of December 31, 2017 – Of the 94 hotels that we owned on December 31, 2017, 87 have been classified as comparable hotels. The operating results of the following hotels that we owned as of December 31, 2017 are excluded from comparable hotel results for these periods:

- The Denver Marriott Tech Center, removed in the first quarter of 2016 (business disruption due to extensive renovations, including conversion of 64 rooms to 41 suites, conversion of the concierge lounge into three meeting rooms, and the repositioning of the public space and food and beverage areas);
- The Hyatt Regency San Francisco Airport, removed in the first quarter of 2016 (business disruption due to extensive renovations, including all guestrooms and bathrooms, meeting space, the repositioning of the atrium into a new restaurant and lounge, and conversion of the existing restaurant to additional meeting space);
- Marriott Marquis San Diego Marina, removed in the first quarter of 2015 (business interruption due to the demolition of the existing conference center and construction of the new exhibit hall);
- The Phoenician (acquired in June 2015 and, beginning in second quarter 2016, business disruption due to extensive renovations, including all guestrooms and suites, a redesign of the lobby and public areas, renovation of pools, recreation areas and a restaurant and a re-configured spa and fitness center);
- Axiom Hotel (acquired as the Powell Hotel in January 2014, then closed during 2015 for extensive renovations and reopened in January 2016);
- The Don CeSar and Beach House Suites complex (acquired February 2017); and
- W Hollywood (acquired March 2017).

The operating results of 14 hotels disposed of in 2017 and 2016 are not included in comparable hotel results for the periods presented herein.

Comparable Hotel EBITDA

The following reconciles net income to our comparable hotel EBITDA for our comparable hotels (in millions, except hotel statistics):

	Year ended December 31, 2016	Year ended December 31, 2015
Number of hotels	88	88
Number of rooms	49,376	49,376
Operating profit margin (1)	12.6%	11.8%
Comparable hotel EBITDA margin (1)	27.8%	27.0%
Net income	$ 771	$ 565
Depreciation and amortization	724	708
Interest expense	154	227
Provision (benefit) for income taxes	40	9
Gain on sale of property and corporate level income/expense	(175)	(76)
Non-comparable hotel results, net (2)	(150)	(144)
Comparable hotel EBITDA	$ 1,364	$ 1,289

	Year ended December 31, 2016				Year ended December 31, 2015			
		Adjustments				Adjustments		
	GAAP Results	Non-comparable hotel results, net (2)	Depreciation and corporate level items	Comparable Hotel Results	GAAP Results	Non-comparable hotel results, net (2)	Depreciation and corporate level items	Comparable Hotel Results
Revenues								
Room	$ 3,492	$ (298)	$ —	$ 3,194	$ 3,465	$ (360)	$ —	$ 3,105
Food and beverage	1,599	(169)	—	1,430	1,568	(162)	—	1,406
Other	339	(55)	—	284	317	(52)	—	265
Total revenues	5,430	(522)	—	4,908	5,350	(574)	—	4,776
Expenses								
Room	893	(76)	—	817	902	(96)	—	806
Food and beverage	1,114	(121)	—	993	1,110	(121)	—	989
Other	1,924	(190)	—	1,734	1,907	(215)	—	1,692
Depreciation and amortization	724	—	(724)	—	708	—	(708)	—
Corporate and other expenses	106	—	(106)	—	94	—	(94)	—
Gain on insurance and business interruption settlements	(15)	15	—	—	(2)	2	—	—
Total expenses	4,746	(372)	(830)	3,544	4,719	(430)	(802)	3,487
Operating Profit - Comparable Hotel EBITDA	$ 684	$ (150)	$ 830	$ 1,364	$ 631	$ (144)	$ 207	$ 1,289

Comparable Hotel EBITDA

(1) Operating profit margins per GAAP are calculated by dividing the applicable operating profit by the related revenue amount. Comparable hotel EBITDA margins are calculated using amounts presented in the above tables.
(2) Non-comparable hotel results, net, includes the following items: (i) the results of operations of our non-comparable hotels and sold hotels, which operations are included in our consolidated statements of operations as continuing operations, (ii) gains on insurance settlements and business interruption proceeds and (iii) the results of our leased office spaces and other non-hotel income.

Comparable hotels as of December 31, 2016 – Of the 96 hotels that we owned on December 31, 2016, 88 have been classified as comparable hotels. The operating results of the following hotels that we owned as of December 31, 2016 are excluded from comparable hotel results for these periods:

- The Denver Marriott Tech Center, removed in the first quarter of 2016 (business disruption due to extensive renovations, including conversion of 64 rooms to 41 suites, conversion of the concierge lounge into three meeting rooms, and the repositioning of the public space and food and beverage areas);
- The Hyatt Regency San Francisco Airport, removed in the first quarter of 2016 (business disruption due to extensive renovations, including all guestrooms and bathrooms, meeting space, the repositioning of the atrium into a new restaurant and lounge, and conversion of the existing restaurant to additional meeting space);
- The Camby Hotel (previously The Ritz-Carlton, Phoenix), removed in the third quarter of 2015 (business interruption due to rebranding, including closure of the hotel in July 2015 for extensive renovation work);
- The Logan (previously the Four Seasons Philadelphia), removed in the first quarter of 2015 (business interruption due to rebranding, including closure of the hotel in order to expedite renovation efforts);
- Houston Airport Marriott at George Bush Intercontinental, removed in the first quarter of 2015 (business interruption due to complete repositioning of the hotel, including guest room renovations and the closure of two restaurants to create a new food and beverage outlet and lobby experience);
- Marriott Marquis San Diego Marina, removed in the first quarter of 2015 (business interruption due to the demolition of the existing conference center and construction of the new exhibit hall);
- The Phoenician (acquired in June 2015 and, beginning in second quarter 2016, business disruption due to extensive renovations, including all guestrooms and suites, a redesign of the lobby and public areas, renovation of pools, recreation areas and a restaurant and a re-configured spa and fitness center); and
- Axiom Hotel (acquired as the Powell Hotel in January 2014, then closed during 2015 for extensive renovations and reopened in January 2016);

The operating results of 18 hotels disposed of in 2016 and 2015 are not included in comparable hotel results for the periods presented herein.

The following table summarizes the annual basis point change in operating profit margin and comparable hotel EBITDA margin for the following years:

	2019	2018	2017	2016	Average
Change in operating profit margin	500	(290)	(10)	80	**70**
Change in comparable hotel EBITDA margin	(5)	60	10	80	**36**

Reconciliation of GAAP Leverage Ratio to Credit Facility Leverage Ratio

The following tables present the calculation of Host's leverage ratio using GAAP measures and as used in the financial covenants of the credit facility (in millions, except ratios):

	GAAP Leverage Ratio		
	June 30, 2020	March 31, 2020	December 31, 2019
Debt	$ 4,543	$ 5,295	$ 3,794
Net income - trailing twelve months	94	740	932
GAAP Leverage Ratio	**48.3x**	**7.2x**	**4.1x**

	Leverage Ratio per Credit Facility		
	Trailing twelve months		
	June 30, 2020	March 31, 2020	December 31, 2019
Net debt (1)	$ 3,065	$ 2,599	$ 2,321
Adjusted Credit Facility EBITDA (2)	671	1,276	1,490
Leverage Ratio	**4.6x**	**2.0x**	**1.6x**

(1) The following presents the reconciliation of debt to net debt per our credit facility definition (in millions):

	June 30, 2020	March 31, 2020	December 31, 2019
Debt	$ 4,543	$ 5,295	$ 3,794
Less: Unrestricted cash over $100 million	(1,478)	(2,696)	(1,473)
Net debt per credit facility definition	**$ 3,065**	**$ 2,599**	**$ 2,321**

Reconciliation of GAAP Leverage Ratio to Credit Facility Leverage Ratio

(2) The following presents the reconciliation of net income (loss) to EBITDA, EBITDA*re*, Adjusted EBITDA*re* and EBITDA per our credit facility definition in determining leverage ratio (in millions):

	Trailing twelve months		
	June 30, 2020	**March 31, 2020**	**December 31, 2019**
Net income	$ 94	$ 740	$ 932
Interest expense	213	216	222
Depreciation and amortization	658	656	662
Income taxes	(71)	(9)	30
EBITDA	**894**	**1,603**	**1,846**
Gain on dispositions	(275)	(331)	(334)
Non-cash impairment expense	14	14	14
Equity in earnings of affiliates	16	(13)	(14)
Pro rata EBITDA*re* of equity investments	(4)	23	26
EBITDA*re*	**645**	**1,296**	**1,538**
Gain on property insurance settlement	(4)	(4)	(4)
Adjusted EBITDA*re*	**641**	**1,292**	**1,534**
Pro forma EBITDA - Acquisitions	-	-	9
Pro forma EBITDA - Dispositions	(15)	(41)	(64)
Restricted stock expense and other non-cash items	39	38	28
enNon-cash partnership adjustments	6	(13)	(17)
Adjusted Credit Facility EBITDA	**$ 671**	**$ 1,276**	**$ 1,490**

The following tables present the calculation of Host's leverage ratio for the recovery scenarios using GAAP measures and as used in the financial covenants of the credit facility (in millions, except ratios):

	Hypothetical Leverage Ratio Projections	
Scenario	Year ended December 31, 2019 Adjusted Credit Facility EBITDA	Year ended December 31, 2019 Net income
25% Recovery	$ 373	$ 233
50% Recovery	745	466
75% Recovery	1,118	699
March 31, 2020 - Net debt/GAAP debt	$ 2,599	$ 5,295
25% Leverage Ratio	**7.0x**	**22.7x**
50% Leverage Ratio	**3.5x**	**11.4x**
75% Leverage Ratio	**2.3x**	**7.6x**

Leverage Ratios of Lodging REITs Peer Groups

The following tables present the weighted average leverage ratio of Lodging REITs peer group (in millions, except ratios):

Lodging REIT Peers

	Year ended December 31, 2019 EBITDA*re*[1]	March 31, 2020 Net Debt[2]	Trailing twelve months March 31, 2020 EBITDA*re*[1]	March 31, 2020 Net Debt[2]	Year ended December 31, 2019 EBITDA*re*[1]	December 31, 2019 Net Debt[2]
Diamondrock Hospitality Co. (DRH)	371	1,024	335	1,024	371	968
Park Hotels & Resorts, Inc. (PK)	786	3,566	570	3,566	786	3,525
Pebblebrook Hotel Trust (PEB)	461	2,491	391	2,491	461	2,709
RLJ Lodging Trust (RLJ)	447	1,804	378	1,804	447	1,680
Ryman (RHP)	480	2,290	441	2,290	480	2,198
Sunstone Hotel Investors Inc. (SHO)	326	612	272	612	326	344
Xenia Hotels & Resorts (XHR)	291	1,236	238	1,236	291	1,182
Total	**3,164**	**13,023**	**2,626**	**13,023**	**3,164**	**12,606**

Weighted Average Leverage of Lodging REIT peers, assuming March 31, 2020 Net Debt Levels.

Estimated Leverage at 25% of 2019 EBITDA*re*	**16.5x**				
Estimated Leverage at 50% of 2019 EBITDA*re*	**8.2x**				
Estimated Leverage at 75% of 2019 EBITDA*re*	**5.5x**				
		At March 31, 2020	**5.0x**	At December 31, 2019	**4.0x**

(1) EBITDA*re* was sourced via the respective company's SEC filings if available. If no EBITDA*re* was given, the, Adjusted EBITDA per the company's financial statement was utilized.
(2) Net debt used in peer leverage calculation was sourced via the respective company's SEC filings and is calculated as Total Debt plus Preferred Equity less Cash and Cash Equivalents.

Reconciliation of GAAP Interest Coverage Ratio to EBITDA to Interest Coverage Ratio

Interest Coverage Ratio

The following tables present the calculation of our interest coverage ratio using GAAP measures and as used in the financial covenants of the senior notes indenture and financial covenants of the credit facility (in millions, except ratios):

	GAAP Interest Coverage Ratio	
	Trailing twelve months	
	June 30, 2020	December 31, 2019
Net income	$ 94	$ 932
Interest expense	213	222
GAAP Interest Coverage Ratio	**0.4x**	**4.2x**

	EBITDA to Interest Coverage Ratio	
	Trailing twelve months	
	June 30, 2020	December 31, 2019
Adjusted Credit Facility EBITDA (1)	$ 671	$ 1,490
Non-controlling interest adjustment	1	1
Adjusted Senior Notes EBITDA	**$ 672**	**$ 1,491**
Reverse: non-controlling interest adjustment	(1)	
Corporate overhead	58	
Interest income	(23)	
Unencumbered Consolidated EBITDA per credit facility definition	**$ 706**	
Adjusted Credit Facility interest expense (2)	162	151
EBITDA to Interest Coverage Ratio (under Senior Notes)	**4.1x**	**9.9x**
Unsecured Interest Coverage Ratio (under Credit Facility)	**4.4x**	

(1) See Reconciliation of GAAP Leverage Ratio to Credit Facility Leverage Ratio for the calculation of Adjusted Credit Facility EBITDA and reconciliation to net income.

(2) The following presents the reconciliation of GAAP interest expense to interest expense per our credit facility and senior notes indenture definition (in millions):

	Trailing twelve months	
	June 30, 2020	December 31, 2019
GAAP Interest expense	$ 213	$ 222
Debt extinguishment costs	(57)	(56)
Deferred financing cost amortization	(4)	(5)
Capitalized interest	6	4
Pro forma interest adjustments	4	(14)
Adjusted Credit Facility interest expense	**$ 162**	**$ 151**

Reconciliation of GAAP Interest Coverage Ratio to Credit Facility Fixed Charge Coverage Ratio

Fixed Charge Coverage Ratio

The following tables present the calculation of our GAAP interest coverage ratio and our fixed charge coverage ratio used in the financial covenants of the credit facility (in millions, except ratios):

	GAAP Interest Coverage Ratio	
	Trailing twelve months	
	June 30, 2020	December 31, 2019
Net income	$ 94	$ 932
Interest expense	213	222
GAAP Interest Coverage Ratio	**0.4x**	**4.2x**

	Credit Facility Fixed Charge Coverage Ratio	
	Trailing twelve months	
	June 30, 2020	December 31, 2019
Credit Facility Fixed Charge Coverage Ratio EBITDA (1)	$ 487	$ 1,228
Fixed Charges (2)	179	183
Credit Facility Fixed Charge Coverage Ratio	**2.7x**	**6.7x**

(1) The following reconciles Adjusted Credit Facility EBITDA to Credit Facility Fixed Charge Coverage Ratio EBITDA. See Reconciliation of GAAP Leverage Ratio to Credit Facility Leverage Ratio for calculation and reconciliation of Adjusted Credit Facility EBITDA (in millions):

	Trailing twelve months	
	June 30, 2020	December 31, 2019
Adjusted Credit Facility EBITDA	$ 671	$ 1,490
Less: 5% of Hotel Property Gross Revenue	(184)	(262)
Credit Facility Fixed Charge Coverage Ratio EBITDA	**$ 487**	**$ 1,228**

(2) The following table calculates the fixed charges per our credit facility definition. See Reconciliation of GAAP Interest Coverage Ratio to EBITDA to Interest Coverage Ratio for reconciliation of GAAP interest expense to adjusted interest expense per our credit facility definition (in millions):

	Trailing twelve months	
	June 30, 2020	December 31, 2019
Adjusted Credit Facility interest expense	$ 162	$ 151
Cash taxes on ordinary income	17	32
Fixed Charges	**$ 179**	**$ 183**

Reconciliation of Net Loss Before Income Taxes to Breakeven Hotel EBITDA

The following reconciles net loss before income taxes to hotel EBITDA for a hypothetical breakeven month of hotel EBITDA (in millions):

	Single Month Breakeven Hotel EBITDA
Net loss before income taxes (1)	$ (76)
Depreciation and amortization	55
Interest expense	13
Corporate level income/expense	8
Hotel EBITDA	$ -

(1) We are unable to estimate income taxes at this time.

Reconciliation of Net Loss to Hotel-level Operating Loss

The following table reconciles the second quarter 2020 net loss to hotel-level operating loss (in millions):

	April	May	June	Quarter ended June 30, 2020
Net loss	$ (120)	$ (114)	$ (122)	$ (356)
Depreciation and amortization	54	56	58	168
Interest expense	14	13	13	40
Benefit for income taxes	(8)	(16)	(22)	(46)
Gain on sale of property and corporate level income/expense	7	11	16	34
All Owned Hotel Pro Forma EBITDA	(53)	(50)	(57)	(160)
Benefits for furloughed employees adjustment	(20)	(3)	20	(3)
Hotel-level operating loss	$ (73)	$ (53)	$ (37)	$ (163)

Reconciliation of GAAP Net Cash Used in Operating Activities to Cash Burn

The following table provides a reconciliation of our second quarter net cash used in operating activities per our statements of cash flows to cash burn (in millions):

	Quarter ended June 30, 2020
GAAP net cash used in operating activities	$ (172)
Capital expenditures	(169)
Contributions to equity investments	(1)
Timing adjustments	
Change in due from managers	(31)
Change in other assets	(17)
Change in other liabilities	(9)
Cash burn	$ (399)

In a scenario in which hotel operational performance remains at the average of second quarter 2020 levels, the following table provides a reconciliation of monthly net cash used in operating activities to cash burn (in millions):

	Monthly average remainder of 2020	
	Low	High
GAAP net cash used in operating activities	$ (76)	$ (73)
Capital expenditures	(38)	(31)
Timing adjustments		
Changes in other assets/other liabilities	4	4
Cash burn	$ (110)	$ (100)

Acquisitions & Dispositions Metrics

(in millions, except hotel statistics)

Year ended December 31, 2019

Hotel	Location	No. of Rooms	Average Room Rate	Average Occupancy Percentage	RevPAR	Total Revenues	Total Revenues per Available Room	Hotel Net Income (Loss)	Hotel EBITDA
Andaz Maui at Wailea Resort	Maui/Oahu	301	600.56	87.5%	525.47	91.2	829.82	16.7	25.9
Grand Hyatt San Francisco	San Francisco/San Jose	668	323.37	87.5%	283.01	88.4	362.64	10.0	22.3
Hyatt Regency Coconut Point Resort & Spa	Florida Gulf Coast	454	235.61	71.8%	169.16	59.9	361.77	9.7	16.8
1 Hotel South Beach	Miami	433	615.15	79.5%	488.90	143.1	820.25	25.3	48.7
Combined 2018-2019 Acquisitions		1,856	$ 423.27	81.7%	$ 345.98	$ 382.6	$ 551.42	$ 61.7	$ 113.7

Year ended December 31, 2019

Hotel	Location	No. of Rooms	Hotel Net Income (Loss)	Plus: Depreciation	Plus: Interest Expense	Plus: Income Tax	Plus: Pro Forma Adjustments	Equals: Hotel EBITDA	Renewal & Replacement funding	Net Operating Income[2]
Andaz Maui at Wailea Resort	Maui/Oahu	301	16.7	9.2	-	-	-	25.9	(3.6)	22.3
Grand Hyatt San Francisco	San Francisco/San Jose	668	10.0	12.3	-	-	-	22.3	(3.5)	18.8
Hyatt Regency Coconut Point Resort & Spa	Florida Gulf Coast	454	9.7	7.1	-	-	-	16.8	(2.4)	14.4
1 Hotel South Beach	Miami	433	25.3	15.1	-	-	8.3	48.7	(5.4)	43.3
Combined 2018-2019 Acquisitions		1,856	$ 61.7	$ 43.7	$ -	$ -	$ 8.3	$ 113.7	$ (14.9)	$ 98.8

Trailing Twelve Months from Disposition Date

Hotel	No. of Rooms	Average Room Rate	Average Occupancy Percentage	RevPAR	Total Revenues	Total Revenues per Available Room	Hotel Net Income (Loss)	Hotel EBITDA
Total Hotel Dispositions	12,111	$ 216.61	79.1%	$ 171.26	$ 793.2	$ 236.39	$ 94.0	$ 192.1

Trailing Twelve Months from Disposition Date

Hotel	Location	No. of Rooms	Hotel Net Income (Loss)	Plus: Depreciation	Plus: Interest Expense	Plus: Income Tax	Equals: Hotel EBITDA	Renewal & Replacement funding	Net Operating Income[2]
Total Hotel Dispositions		12,111	$ 94.0	$ 85.4	$ 10.4	$ 2.3	$ 192.1	$ (37.8)	$ 154.3
New York Marriott Marquis Retail	New York	N/A	14.5	5.0	-	-	19.5	-	19.5
Total Dispositions[3]		12,111	$ 108.5	$ 90.4	$ 10.4	$ 2.3	$ 211.6	$ (37.8)	$ 173.8

____

(1) Certain items from our statement of operations are not allocated to individual properties, included interest on our senior notes, corporate and other expenses, and the benefit (provision) for income taxes. These items are reflected in gain on sale of property and corporate level income/expense.

(2) Cap rate is calculated as Net Operating Income divided by the sales price. Cap rate using GAAP measures is calculated as net income divided by sales price.

(3) Total Dispositions include the sale of 18 hotels since January 1, 2018, the European Joint Venture and the New York Marriott Marquis retail, theater and signage commercial condominium units for a combined sales price of $3.257 billion. European Joint Venture balances included in this total represent our approximate 33% previous ownership interest, except for the number of rooms of 4,335, which represents the total room count of the European Joint Venture properties. Total disposition amounts for RevPAR, Total RevPAR, EBITDA per key and net income per key are calculated based on approximately 33% of the total room count, or 1,417 rooms.

(4) Operating results, excluding net income, for the 1 Hotel South Beach acquired in February 2019 are included on a pro forma basis, which includes operating results assuming the hotel was owned as of January 1, 2019 and based on actual results obtained from the manager for periods prior to our ownership. For this hotel, since the operations include periods prior to our ownership, the results may not necessarily correspond to our actual results.