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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported) April 3, 2001

HOST MARRIOTT, L.P.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

0-25087
(Commission File Number)

52-2095412
(I.R.S. Employer Identification Number)

10400 Fernwood Road, Bethesda, Maryland 20817
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code (301) 380-9000
(Former Name or Former Address, if changed since last report.)

ITEM 5. OTHER EVENTS

Effective January 1, 2001, we completed a transaction with Crestline Capital Corporation ("Crestline") for the termination of the Crestline leases through the purchase of the entities, or "Crestline Lessee Entities", owning the leasehold interests with respect to 116 of our full-service hotels for \$207 million in cash, including approximately \$6 million of legal fees and transfer taxes. The transaction was consummated by our wholly-owned subsidiary that will elect to be treated as a taxable REIT subsidiary, or "TRS," for income tax purposes. In connection therewith, we recorded a non-recurring, pre-tax loss of \$207 million during the fourth quarter of 2000, net of an \$82 million tax benefit which we have recorded as a deferred tax asset, because for income tax purposes, the acquisition is recorded as an asset that will be amortized over the remaining term of the leases. In addition, the existing working capital of the respective hotels, valued at \$90 million as of December 31, 2000, including the existing obligations under the working capital note, was transferred from Crestline to the TRS. Crestline remains the lessee of one of our full-service properties.

The TRS will pay rent to us, and will be obligated to the managers for the fees and costs reimbursements under the management agreements. On a consolidated basis, our results of operations beginning in 2001 will reflect the revenues and expenses generated by these hotels rather than rental income. As a result, our 2001 results will not be comparable to the historical reported amounts for 2000 and 1999. In order to provide a clearer understanding and comparability of our results of operations we have presented unaudited pro forma statements of operations by quarter and year-to-date for the two fiscal years ended December 31, 2000 (see Item 7(b)), adjusted to reflect the acquisition of the Crestline Lessee Entities as if it occurred on January 1, 1999.

The transaction is permitted as a result of the passage of the REIT Modernization Act, enacted in December 1999, which amended the tax laws to permit REITs, effective January 1, 2001, (i) to lease hotels to a subsidiary that qualifies as a TRS, and (ii) to own all of the voting stock of such TRS.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(b) Pro forma financial information. (see pg.3)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto authorized.

Host Marriott, LP

By: its general partner

HOST MARRIOTT CORPORATION

By: /s/ Donald D. Olinger

Donald D. Olinger
Senior Vice President and
Corporate Controller

Date: April 3, 2001

Item 7(b). Pro Forma Consolidated Statements of Operations of Host Marriott L.P.

Because of the significant changes to our corporate structure as a result of the transaction with Crestline for the termination of the Crestline leases through the purchase of the entities, or "Crestline Lessee Entities" during January 2001, management believes that a discussion of our pro forma results of operations is meaningful and relevant to an investor's understanding of our present and future operations. The pro forma results of operations set forth below are based on the unaudited condensed consolidated statements of operations for the twelve weeks ended March 24, 2000 and March 26, 1999, June 16, 2000 and June 18, 1999, and September 8, 2000 and September 10, 1999, and the sixteen weeks ended December 31, 2000 and 1999, and the audited consolidated statements of operations for the years ended December 31, 2000 and 1999, and are only adjusted to reflect the January 2001 acquisition of the Crestline Lessee Entities for \$207 million in cash as if the transaction occurred at the beginning of 1999. The following pro forma results do not include adjustments for any transactions other than the Crestline lease repurchase and are not presented in accordance with Article 11 of SEC Regulation S-X.

As a result of the Crestline acquisition, effective January 1, 2001, we leased 116 of our full-service hotels to our TRS, and therefore, our consolidated operations with respect to those hotels will represent property-level revenues and expenses rather than rental income from third-party lessees. In addition, the net income applicable to the TRS will be subject to federal and state income taxes.

The non-recurring pre-tax loss of \$207 million net of a tax benefit of \$82 million that was recorded in our historical results of operations for the fourth quarter of 2000 is excluded from the pro forma results of operations for 2000. In addition, the pro forma statements of operations reflecting the lease repurchase also include the following adjustments:

- . record hotel-level revenues and expenses and reduce historical rental income with respect to the 116 properties;
- . reduce historical interest income for amounts related to the working capital note with Crestline;
- . reduce historical equity in earnings of affiliates for interest earned at our non-controlled subsidiary on the related FF&E loans with Crestline;
- . record interest expense related to the additional borrowings from the 9 1/4% Series F senior notes to fund the \$207 million cash payment;
- . record the minority interest effect related to the outside ownership in the operating partnership; and
- . record the tax provision attributable to the income of the TRS at an effective rate of 39.5%.

The unaudited pro forma financial information does not purport to represent what our results of operations or financial condition would actually have been if the transaction had in fact occurred at the beginning of 1999, or to project our results of operations or financial condition for any future period. The unaudited pro forma financial information is based upon available information and upon assumptions and estimates that we believe are reasonable under the circumstances. The following unaudited pro forma financial information should be read in conjunction with our audited financial statements contained in our annual report on Form 10-K for the fiscal year ended December 31, 2000 and our unaudited quarterly financial statements contained in our quarterly reports on Form 10-Q for each quarter within the two fiscal years ended December 31, 2000.

UNAUDITED PRO FORMA STATEMENTS OF OPERATIONS

	Twelve Weeks Ended March 24, 2000		
	----- Historical -----	Lease Repurchase -----	Pro Forma -----
	(in millions, except per unit amounts)		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 512	\$ 512
Food and beverage.....	-	250	250
Other.....	-	64	64
	-----	-----	-----
Total hotel property-level revenues.....	-	826	826
Rental income(1).....	173	(136)	37
Net gains on property transactions.....	1	-	1
Equity in earnings of affiliates and other.....	2	(6)	(4)
	-----	-----	-----
Total revenues.....	176	684	860
	-----	-----	-----
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....	74	-	74
Hotel property-level costs and expenses			
Rooms.....	-	121	121
Food and beverage.....	-	183	183
Other.....	-	30	30
Management fees.....	-	51	51
Other property-level costs and expenses.....	59	170	229
	-----	-----	-----
Total operating costs and expenses.....	133	555	688
	-----	-----	-----
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....	43	129	172
Minority interest.....	(5)	-	(5)
Corporate expenses.....	(10)	-	(10)
Interest expense.....	(104)	(5)	(109)
Interest income.....	9	(1)	8
Other.....	(6)	-	(6)
	-----	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES.....	(73)	123	50
Provision for income taxes.....	(1)	(51)	(52)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS.....	(74)	72	(2)
Less: Distributions on preferred limited partner interests....	(5)	-	(5)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....	\$ (79)	\$ 72	\$ (7)
	=====	=====	=====
Basic earnings (loss) per unit before extraordinary items available to common unitholders.....	\$ (.28)	\$.26	\$ (.02)
	=====	=====	=====

	Twelve Weeks Ended March 26, 1999		
	----- Historical -----	Lease Repurchase -----	Pro Forma -----
	(in millions, except per unit amounts)		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 494	\$ 494
Food and beverage.....	-	239	239
Other.....	-	54	54
	-----	-----	-----

Total hotel property-level revenues.....	-	787	787
Rental income(1).....	171	(131)	40
Net gains on property transactions.....	12	-	12
Equity in earnings of affiliates and other.....	1	(4)	(3)
	-----	-----	-----
Total revenues.....	184	652	836
	-----	-----	-----
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....	68	-	68
Hotel property-level costs and expenses			
Rooms.....	-	113	113
Food and beverage.....	-	174	174
Other.....	-	30	30
Management fees.....	-	49	49
Other property-level costs and expenses.....	58	162	220
	-----	-----	-----
Total operating costs and expenses.....	126	528	654
	-----	-----	-----
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....			
	58	124	182
Minority interest.....	(4)	-	(4)
Corporate expenses.....	(7)	-	(7)
Interest expense.....	(108)	(5)	(113)
Interest income.....	8	(1)	7
Other.....	(2)	-	(2)
	-----	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES.....	(55)	118	63
Provision for income taxes.....	(1)	(49)	(50)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS.....	(56)	69	13
Less: Distributions on preferred limited partner interests....	-	-	-
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....	\$ (56)	\$ 69	\$ 13
	=====	=====	=====
Basic earnings (loss) per unit before extraordinary items available to common unitholders.....	\$ (.19)	\$.23	\$.04
	=====	=====	=====

UNAUDITED PRO FORMA STATEMENTS OF OPERATIONS

Twelve Weeks Ended
June 16, 2000

Historical Lease Pro Forma

(in millions, except per unit amounts)

	Historical	Lease Repurchase	Pro Forma
	-----	-----	-----
	(in millions, except per unit amounts)		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 605	\$ 605
Food and beverage.....	-	308	308
Other.....	-	73	73
	-----	-----	-----
Total hotel property-level revenues.....	-	986	986
Rental income(1).....	183	(150)	33
Net gains on property transactions.....	2	-	2
Equity in earnings of affiliates and other.....	6	(6)	-
	-----	-----	-----
Total revenues.....	191	830	1,021
	-----	-----	-----
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....	75	-	75
Hotel property-level costs and expenses			
Rooms.....	-	138	138
Food and beverage.....	-	218	218
Other.....	-	36	36
Management fees.....	-	62	62
Other property-level costs and expenses.....	63	193	256
	-----	-----	-----
Total operating costs and expenses.....	138	647	785
	-----	-----	-----
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....	53	183	236
Minority interest.....	(5)	-	(5)
Corporate expenses.....	(10)	-	(10)
Interest expense.....	(104)	(5)	(109)
Interest income.....	8	(1)	7
Other.....	(6)	-	(6)
	-----	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES.....	(64)	177	113
Provision for income taxes.....	(2)	(72)	(74)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS.....	(66)	105	39
Less: Distributions on preferred limited partner interests....	(5)	-	(5)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....	\$ (71)	\$ 105	\$ 34
	=====	=====	=====
Basic earnings (loss) per unit before extraordinary items available to common unitholders.....	\$ (.25)	\$.37	\$.12
	=====	=====	=====

Twelve Weeks Ended
June 18, 1999

Historical Lease Pro Forma

(in millions, except per unit amounts)

	Historical	Lease Repurchase	Pro Forma
	-----	-----	-----
	(in millions, except per unit amounts)		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 559	\$ 559
Food and beverage.....	-	277	277
Other.....	-	65	65
	-----	-----	-----
Total hotel property-level revenues.....	-	901	901
Rental income(1).....	187	(146)	41

Net gains on property transactions.....	4	-	4
Equity in earnings of affiliates and other.....	4	(5)	(1)
	-----	-----	-----
Total revenues.....	195	750	945
	-----	-----	-----
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....	67	-	67
Hotel property-level costs and expenses			
Rooms.....	-	128	128
Food and beverage.....	-	197	197
Other.....	-	33	33
Management fees.....	-	52	52
Other property-level costs and expenses.....	62	181	243
	-----	-----	-----
Total operating costs and expenses.....	129	591	720
	-----	-----	-----
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....			
	66	159	225
Minority interest.....	(7)	-	(7)
Corporate expenses.....	(8)	-	(8)
Interest expense.....	(109)	(5)	(114)
Interest income.....	8	(1)	7
Other.....	(4)	-	(4)
	-----	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES.....	(54)	153	99
Provision for income taxes.....	(1)	(62)	(63)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS.....	(55)	91	36
Less: Distributions on preferred limited partner interests....	-	-	-
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....	\$ (55)	\$ 91	\$ 36
	=====	=====	=====
Basic earnings (loss) per unit before extraordinary items available to common unitholders.....	\$ (.19)	\$.31	\$.12
	=====	=====	=====

UNAUDITED PRO FORMA STATEMENTS OF OPERATIONS

	Twelve Weeks Ended September 8, 2000		
	----- Historical -----	Lease Repurchase -----	Pro Forma -----
	(in millions, except per unit amounts)		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 554	\$ 554
Food and beverage.....	-	239	239
Other.....	-	61	61
	-----	-----	-----
Total hotel property-level revenues.....	-	854	854
Rental income(1).....	224	(194)	30
Net gains on property transactions.....	1	-	1
Equity in earnings of affiliates and other.....	5	(6)	(1)
	-----	-----	-----
Total revenues.....	230	654	884
	-----	-----	-----
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....			
	75	-	75
Hotel property-level costs and expenses			
Rooms.....	-	137	137
Food and beverage.....	-	193	193
Other.....	-	31	31
Management fees.....	-	47	47
Other property-level costs and expenses.....	66	191	257
	-----	-----	-----
Total operating costs and expenses.....	141	599	740
	-----	-----	-----
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....			
	89	55	144
Minority interest.....	(1)	-	(1)
Corporate expenses.....	(7)	-	(7)
Interest expense.....	(107)	(5)	(112)
Interest income.....	9	(1)	8
Other.....	-	-	-
	-----	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES.....	(17)	49	32
Provision for income taxes.....	(4)	(21)	(25)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS.....	(21)	28	7
Less: Distributions on preferred limited partner interests....	(5)	-	(5)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....	\$ (26)	\$ 28	\$ 2
	=====	=====	=====
Basic earnings (loss) per unit before extraordinary items available to common unitholders.....	\$ (.09)	\$.10	\$.01
	=====	=====	=====

	Twelve Weeks Ended September 10, 1999		
	----- Historical -----	Lease Repurchase -----	Pro Forma -----
	(in millions, except per unit amounts)		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 502	\$ 502
Food and beverage.....	-	223	223
Other.....	-	58	58
	-----	-----	-----
Total hotel property-level revenues.....	-	783	783
Rental income(1).....	188	(162)	26
Net gains on property transactions.....	-	-	-
Equity in earnings of affiliates and other.....	5	(6)	(1)

Total revenues.....	193	615	808
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....	68	-	68
Hotel property-level costs and expenses			
Rooms.....	-	130	130
Food and beverage.....	-	178	178
Other.....	-	26	26
Management fees.....	-	42	42
Other property-level costs and expenses.....	62	178	240
Total operating costs and expenses.....	130	554	684
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....			
Minority interest.....	63	61	124
Corporate expenses.....	(2)	-	(2)
Interest expense.....	(5)	-	(5)
Interest income.....	(108)	(5)	(113)
Other.....	10	(1)	9
	(1)	-	(1)
INCOME (LOSS) BEFORE INCOME TAXES.....			
Provision for income taxes.....	(43)	55	12
	(1)	(24)	(25)
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS.....			
Less: Distributions on preferred limited partner interests....	(44)	31	(13)
	(1)	-	(1)
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....			
	\$ (45)	\$ 31	\$ (14)
Basic earnings (loss) per unit before extraordinary items available to common unitholders.....			
	\$ (.15)	\$.10	\$ (.05)

UNAUDITED PRO FORMA STATEMENTS OF OPERATIONS

Sixteen Weeks Ended
December 31, 2000

	----- Lease -----		
	Historical	Repurchase	Pro Forma
	----- (in millions, except per unit amounts) -----		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 770	\$ 770
Food and beverage.....	-	420	420
Other.....	-	90	90
	-----	-----	-----
Total hotel property-level revenues.....	-	1,280	1,280
Rental income(1).....	810	(732)	78
Net gains on property transactions.....	2	-	2
Equity in earnings of affiliates and other.....	24	(9)	15
	-----	-----	-----
Total revenues.....	836	539	1,375
	-----	-----	-----
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....			
	107	-	107
Hotel property-level costs and expenses			
Rooms.....	-	182	182
Food and beverage.....	-	300	300
Other.....	-	43	43
Management fees.....	-	76	76
Other property-level costs and expenses.....	84	259	343
	-----	-----	-----
Total operating costs and expenses.....	191	860	1,051
	-----	-----	-----
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....			
	645	(321)	324
Minority interest.....	(16)	-	(16)
Corporate expenses.....	(15)	-	(15)
Lease repurchase expense.....	(207)	207	-
Interest expense.....	(151)	(1)	(152)
Interest income.....	14	(1)	13
Other.....	(11)	-	(11)
	-----	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES.....	259	(116)	143
Benefit for income taxes.....	105	45	150
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS.....	364	(71)	293
Less: Distributions on preferred limited partner interests....	(5)	-	(5)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....	\$ 359	\$ (71)	\$ 288
	=====	=====	=====
Basic earnings (loss) per unit before extraordinary items available to common unitholders.....	\$ 1.26	\$ (.25)	\$ 1.01
	=====	=====	=====

Sixteen Weeks Ended
December 31, 1999

	----- Lease -----		
	Historical	Repurchase	Pro Forma
	----- (in millions, except per unit amounts) -----		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 712	\$ 712
Food and beverage.....	-	390	390
Other.....	-	86	86
	-----	-----	-----

Total hotel property-level revenues.....	-	1,188	1,188
Rental income(1).....	749	(668)	81
Net gains on property transactions.....	12	-	12
Equity in earnings of affiliates and other.....	4	(8)	(4)
	-----	-----	-----
Total revenues.....	765	512	1,277
	-----	-----	-----
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....	90	-	90
Hotel property-level costs and expenses			
Rooms.....	-	171	171
Food and beverage.....	-	283	283
Other.....	-	40	40
Management fees.....	-	66	66
Other property-level costs and expenses.....	82	245	327
	-----	-----	-----
Total operating costs and expenses.....	172	805	977
	-----	-----	-----
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....			
	593	(293)	300
Minority interest.....	(8)	-	(8)
Corporate expenses.....	(14)	-	(14)
Loss on litigation settlement.....	(40)	-	(40)
Interest expense.....	(144)	(5)	(149)
Interest income.....	13	(1)	12
Other.....	(8)	-	(8)
	-----	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES.....	392	(299)	93
Benefit for income taxes.....	19	116	135
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS.....	411	(183)	228
Less: Distributions on preferred limited partner interests....	(5)	-	(5)
	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....	\$ 406	\$ (183)	\$223
	=====	=====	=====
Basic earnings (loss) per unit before extraordinary items available to common unitholders.....	\$ 1.40	\$ (.63)	\$.77
	=====	=====	=====

UNAUDITED PRO FORMA STATEMENTS OF OPERATIONS

Fiscal Year Ended
December 31, 2000

	Historical	Lease Repurchase	Pro Forma

	(in millions, except per unit amounts)		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 2,441	\$ 2,441
Food and beverage.....	-	1,217	1,217
Other.....	-	288	288
	-----	-----	-----
Total hotel property-level revenues.....	-	3,946	3,946
Rental income(1).....	1,390	(1,212)	178
Net gains on property transactions.....	6	-	6
Equity in earnings of affiliates and other.....	37	(27)	10
	-----	-----	-----
Total revenues.....	1,433	2,707	4,140
	-----	-----	-----
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....			
	331	-	331
Hotel property-level costs and expenses			
Rooms.....	-	578	578
Food and beverage.....	-	894	894
Other.....	-	140	140
Management fees.....	-	236	236
Other property-level costs and expenses.....	272	813	1,085
	-----	-----	-----
Total operating costs and expenses.....	603	2,661	3,264
	-----	-----	-----
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....			
	830	46	876
Minority interest.....	(27)	-	(27)
Corporate expenses.....	(42)	-	(42)
Lease repurchase expense.....	(207)	207	-
Interest expense.....	(466)	(16)	(482)
Interest income.....	40	(4)	36
Other.....	(23)	-	(23)
	-----	-----	-----
INCOME BEFORE INCOME TAXES.....	105	233	338
Benefit (provision) for income taxes.....	98	(99)	(1)
	-----	-----	-----
INCOME BEFORE EXTRAORDINARY ITEMS.....	203	134	337
Less: Distributions on preferred limited partner interests....	(20)	-	(20)
	-----	-----	-----
INCOME BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....	\$ 183	\$ 134	\$ 317
	=====	=====	=====
Basic earnings per unit before extraordinary items available to common unitholders.....	\$.64	\$.48	\$ 1.12
	=====	=====	=====

Fiscal Year Ended
December 31, 1999

	Historical	Lease Repurchase	Pro Forma

	(in millions, except per unit amounts)		
REVENUE			
Hotel property-level revenues			
Rooms.....	\$ -	\$ 2,267	\$ 2,267
Food and beverage.....	-	1,129	1,129
Other.....	-	263	263
	-----	-----	-----

Total hotel property-level revenues.....	-	3,659	3,659
Rental income(1).....	1,295	(1,107)	188
Net gains on property transactions.....	28	-	28
Equity in earnings of affiliates and other.....	14	(23)	(9)
	-----	-----	-----
Total revenues.....	1,337	2,529	3,866
	-----	-----	-----
OPERATING COSTS AND EXPENSES			
Depreciation and amortization.....	293	-	293
Hotel property-level costs and expenses			
Rooms.....	-	542	542
Food and beverage.....	-	832	832
Other.....	-	129	129
Management fees.....	-	209	209
Other property-level costs and expenses.....	264	766	1,030
	-----	-----	-----
Total operating costs and expenses.....	557	2,478	3,035
	-----	-----	-----
OPERATING PROFIT BEFORE MINORITY INTEREST, CORPORATE EXPENSES, INTEREST, AND OTHER.....			
	780	51	831
Minority interest.....	(21)	-	(21)
Corporate expenses.....	(34)	-	(34)
Loss on litigation settlement.....	(40)	-	(40)
Interest expense.....	(469)	(20)	(489)
Interest income.....	39	(4)	35
Other.....	(15)	-	(15)
	-----	-----	-----
INCOME BEFORE INCOME TAXES.....	240	27	267
Benefit (provision) for income taxes.....	16	(19)	(3)
	-----	-----	-----
INCOME BEFORE EXTRAORDINARY ITEMS.....	256	8	264
Less: Distributions on preferred limited partner interests....	(6)	-	(6)
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INCOME BEFORE EXTRAORDINARY ITEMS AVAILABLE TO COMMON UNITHOLDERS.....	\$ 250	\$ 8	\$ 258
	=====	=====	=====
Basic earnings per unit before extraordinary items available to common unitholders.....	\$.86	\$.02	\$.88
	=====	=====	=====

(1) In December 1999, the Company retroactively changed its method of accounting for contingent rental revenues to conform to the Securities and Exchange Commission's Staff Accounting Bulletin (SAB) No. 101. As a result, contingent rental revenue is deferred on the balance sheet until certain revenue thresholds are realized. SAB No. 101 has no impact on full-year 2000 and 1999 revenues, net income, or earnings per share because all rental revenues considered contingent under SAB No. 101 were earned as of December 31, 2000 and 1999. The change in accounting principle has no effect prior to 1999 because percentage rent relates to rental income on our leases, which began in 1999.