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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

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**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest reported): **October 21, 2003**

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**Host Marriott Corporation**

(Exact name of registrant as specified in its chapter)

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**Maryland**  
(State or other jurisdiction of  
incorporation)

**001-05664**  
(Commission File Number)

**53-0085950**  
(IRS Employer  
Identification No.)

**6903 Rockledge Drive, Suite 1500**  
**Bethesda, Maryland 20817**  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(240) 744-1000**

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Item 5. Other events

On October 21, 2003, Host Marriott Corporation (the "Company") entered into an Underwriting Agreement with Citigroup Global Markets Inc. in connection with the public offering of 23.5 million shares of its common stock at a price of \$10.75 per share pursuant to a Prospectus Supplement to the Prospectus filed as part of the Company's universal shelf registration on Form S-3 dated January 9, 2002. A copy of the Underwriting Agreement is attached as an Exhibit to this Current Report on Form 8-K.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(c) Exhibits.

- 1.1 Underwriting Agreement dated October 21, 2003 by and between Host Marriott Corporation and Citigroup Global Markets Inc.
- 5.1 Opinion of Venable, Baetjer and Howard, LLP
- 8.1 Opinion of Hogan & Hartson L.L.P.

## 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 duly authorized this 24<sup>th</sup> day of October 2003.

HOST MARRIOTT CORPORATION

By: /s/ LARRY K. HARVEY

Name: Larry K. Harvey

Title: Senior Vice President and  
Corporate Controller

<b>Exhibit No.</b>	<b>Description</b>
1.1	Underwriting Agreement dated October 21, 2003 by and between Host Marriott Corporation and Citigroup Global Markets Inc.
5.1	Opinion of Venable, Baetjer and Howard, LLP
8.1	Opinion of Hogan & Hartson L.L.P.

## HOST MARRIOTT CORPORATION

## Common Stock

Underwriting Agreement

October 21, 2003

Citigroup Global Markets Inc.  
388 Greenwich Street  
New York, New York 10013

Ladies and Gentlemen:

Host Marriott Corporation, a Maryland corporation (the "Company"), proposes, subject to the terms and conditions stated herein, to issue and sell to Citigroup Global Markets Inc. (the "Underwriter") an aggregate of 23,500,000 shares (the "Shares") of Common Stock, \$0.01 par value ("Stock"), of the Company.

1. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) A registration statement on Form S-3 (File No. 333-61722) (the "Initial Registration Statement") in respect of the Shares has been filed with the Securities and Exchange Commission (the "Commission"); the Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to you, and, excluding exhibits thereto but including all documents incorporated by reference in the prospectus contained therein, to you, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a "Rule 462(b) Registration Statement"), filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the "Act"), which became effective upon filing, no other document with respect to the Initial Registration Statement or any document incorporated by reference therein has heretofore been filed with the Commission; and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (any preliminary prospectus included in the Initial Registration Statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act is hereinafter called a "Preliminary Prospectus," the various parts of the Initial Registration Statement and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and including (i) the information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under

the Act in accordance with Section 5(a) hereof and deemed by virtue of Rule 430A under the Act to be part of the Initial Registration Statement at the time it was declared effective and (ii) the documents incorporated by reference in the prospectus contained in the Initial Registration Statement at the time such part of the Initial Registration Statement became effective, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, are hereinafter collectively called the "Registration Statement"; and such final prospectus, in the form first filed pursuant to Rule 424(b) under the Act, is hereinafter called the "Prospectus"; and any reference herein to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Act, as of the date of such Preliminary Prospectus or Prospectus, as the case may be; and any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated by reference in such Preliminary Prospectus or Prospectus, as the case may be; and any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Initial Registration Statement that is incorporated by reference in the Registration Statement.

(b) No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by the Underwriter expressly for use therein.

(c) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and

regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by the Underwriter expressly for use therein.

(d) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to the Registration Statement and any amendment thereto, and as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by the Underwriter expressly for use therein.

(e) Each of the Company and its consolidated subsidiaries has been duly organized, is validly existing as a corporation (in the case of the Company), limited liability company or limited partnership in good standing under the laws of its respective jurisdiction of organization and has the requisite power and authority to carry on its business as it is currently being conducted, and to own, lease and operate its properties; and, as applicable, has the requisite power and authority to authorize the offering of the Shares, to execute, deliver and perform this Agreement and to issue, sell and deliver the Shares; and each of the Company and its consolidated subsidiaries is duly qualified and is in good standing as a foreign corporation (or other entity) authorized to do business in each jurisdiction where the operation, ownership or leasing of property or the conduct of its business requires such qualification, except where the failure to be so qualified would not, singly or in the aggregate, have a material adverse effect on the properties, business, results of operations, condition (financial or otherwise), business affairs or prospects of the Company and its consolidated subsidiaries taken as a whole (a "Material Adverse Effect").

(f) All of the issued and outstanding shares of capital stock of the Company have been duly and validly authorized and issued. All of issued and outstanding shares of capital stock of, or other ownership interests in, each consolidated subsidiary of the Company have been duly and validly authorized and issued, and all of the shares of capital stock of, or other ownership interests in, each such subsidiary other than the subsidiaries set forth on Schedule I (which subsidiaries are so owned in the amounts listed thereon) is owned, directly or through subsidiaries, by Host Marriott, L.P. ("Host LP"). All such shares of capital stock owned by Host LP through its subsidiaries are fully paid and nonassessable, and are owned free and clear of any security interest,

mortgage, pledge, claim, lien or encumbrance (each, a "Lien"), except for security interests in shares of certain subsidiaries of the Company pursuant to the Pledge and Security Agreement (the "Pledge and Security Agreement") relating to Host LP's 9 1/2% Senior Secured Notes due 2005, 9% Senior Notes due 2007, 8 7/8% Senior Notes due 2007, 7 7/8% Series A Senior Notes due 2005, 7 7/8% Series B Senior Notes due 2008, 8.45% Series C Senior Notes due 2008; 8 3/8% Series E Senior Notes due 2006, 9 1/4% Series G Senior Notes due 2007 and 9 1/2% Series I Senior Notes due 2007 (collectively, the "Senior Notes"), borrowings under the Amended and Restated Credit Agreement, dated as of June 6, 2002 as amended on May 14, 2003, among Host LP and certain subsidiaries, the banks party thereto from time to time, and Bankers Trust Company, as administrative agent (the "Credit Facility"). The unissued Shares to be issued and sold by the Company to the Underwriter hereunder have been duly and validly authorized and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable and will conform to the description of the Stock contained in the Prospectus. Except as may be described in the Prospectus, there are no outstanding subscriptions, rights, warrants, options, calls, convertible securities, commitments of sale or Liens (other than Liens pursuant to the Pledge and Security Agreement) related to or entitling any person to purchase or otherwise to acquire any shares of the capital stock of, or other ownership interest in, any subsidiary of the Company owned directly or indirectly by the Company.

(g) The Company has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and conform to the description of the Stock contained in the Prospectus; and all of the issued shares of capital stock of each consolidated subsidiary of the Company owned directly or indirectly by the Company have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of any Lien, other than Liens pursuant to the Pledge and Security Agreement.

(h) Neither the Company nor any of its consolidated subsidiaries has received from any governmental authority notice of any condemnation of or zoning change affecting their respective properties or any part thereof or of any violation of any municipal, state or federal law, rule or regulation concerning its properties or any part thereof which has not heretofore been cured or which would have a Material Adverse Effect, or which could reasonably be expected to have a Material Adverse Effect, and neither the Company nor any of its consolidated subsidiaries knows of any such condemnation or zoning change which is threatened on any of their properties or any such violation, which could reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its consolidated subsidiaries is in violation of its respective charter or bylaws or other similar organizational instrument or in default in the performance of any bond, debenture, note or any other evidence of indebtedness or any indenture, mortgage, deed of trust or other contract, lease or other instrument to

which any of the Company or any of its consolidated subsidiaries is a party or by which any of them is bound, or to which any of the property or assets of the Company or any of its consolidated subsidiaries is subject, except for such violations or defaults which would neither have a Material Adverse Effect nor reasonably be expected materially and adversely to affect the consummation of this Agreement or the transactions contemplated hereby.

(i) This Agreement has been duly authorized and validly executed and delivered by the Company.

(j) The execution and delivery of this Agreement by the Company, the issuance and sale of the Shares, the performance of this Agreement and the transactions contemplated hereby and thereby will not (i) conflict with or result in a breach or violation of any of the respective charter or bylaws or other similar organizational instrument of the Company or any of its consolidated subsidiaries or any of the terms or provisions thereof, (ii) result in the suspension, termination or revocation of any Authorization (as defined below) of the Company or any of its consolidated subsidiaries or other impairment of the rights of the holder of any such Authorization, except for suspensions, terminations or revocations or other impairments which would not have a Material Adverse Effect, (iii) constitute a default or cause an acceleration of any obligation under or result in the imposition or creation of (or the obligation to create or impose) a Lien with respect to, any bond, note, debenture or other evidence of indebtedness or any indenture, mortgage, deed of trust or other agreement or instrument to which the Company or any of its consolidated subsidiaries is a party or by which it or any of them is bound, or to which any properties of the Company or any of its consolidated subsidiaries is or may be subject or (iv) contravene any order of any court or governmental agency or body having jurisdiction over the Company or any of its consolidated subsidiaries or any of their properties, or violate or conflict with any statute, rule or regulation or administrative or court decree applicable to the Company or any of its consolidated subsidiaries, or any of their respective properties except in the case of clauses (ii), (iii) or (iv) above, for such conflicts or violations which would neither have a Material Adverse Effect nor reasonably be expected materially and adversely to affect the consummation of this Agreement or the transactions contemplated hereby.

(k) Except as may be described in the Prospectus, there is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, pending against or affecting the Company or any of its consolidated subsidiaries, or their respective properties, which is required to be disclosed in the Prospectus and are not so described, or which would result, singly or in the aggregate, in a Material Adverse Effect or which could reasonably be expected to materially and adversely affect the consummation of this Agreement or the transactions contemplated hereby, and to the best of the Company's knowledge, no such proceedings are contemplated or threatened. No contract or document of a character required to be described in the Prospectus in order to prevent the Prospectus as of its date from containing any



untrue statement of a material fact or omitting to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, is not so described.

(l) To the best knowledge of the Company (A) no action has been taken and no statute, rule or regulation or order has been enacted, adopted or issued by any governmental agency or body which prevents the issuance of the Shares or prevents or suspends the use of the Prospectus hereof and (B) no injunction, restraining order or order of any nature by a Federal or state court of competent jurisdiction has been issued with respect to the Company or any of its consolidated subsidiaries which would prevent or suspend the issuance or sale of the Shares or the use of the Prospectus. Every request of any securities authority or agency of any jurisdiction for additional information (to be included in the Prospectus) has been complied with in all material respects.

(m) Except as would not, singly or in the aggregate, have a Material Adverse Effect, neither the Company nor any of its consolidated subsidiaries is in violation of any environmental, safety or similar law or regulation applicable to its business relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), lacks any permits, licenses or other approvals required of them under applicable Environmental Laws or is violating any terms and conditions of any such permit, license or approval.

(n) The Company is not aware of any existing or imminent labor disturbance by the employees of any of its principal suppliers, manufacturers or contractors, or of Marriott International or its consolidated subsidiaries) which would have a Material Adverse Effect.

(o) Except with respect to the Hotel Trades Council and Hotel Association Pension Fund and the Host International, Inc. Cleveland Retirement Benefit Plan, neither the Company nor any of its consolidated subsidiaries has sponsored, maintained or contributed to, directly or indirectly, within the last five years, any employee benefit plan subject to Title IV of ERISA, including without limitation "multiemployer plans" (as defined in Section 4001(a)(3) of ERISA).

(p) Neither the Company nor any of its consolidated subsidiaries has violated any provisions of the Foreign Corrupt Practices Act or the rules and regulations promulgated thereunder, except for such violations which, singly or in the aggregate, would not have a Material Adverse Effect.

(q) Each of the Company and its consolidated subsidiaries have good and marketable and insurable title, free and clear of all Liens, to all property and assets described in the Prospectus as being owned by it, except for Liens described in the Prospectus (including, without limitation, all Liens relating to mortgages reflected on the historical or pro forma financial statements or described in the notes thereto included in the Prospectus) and Liens imposed

pursuant to the Pledge and Security Agreement or by the indentures relating to the Senior Notes and the Credit Facility or Liens that would not have a Material Adverse Effect and (ii) all liens, charges, encumbrances, claims or restrictions on or affecting the properties and assets of the Company or its consolidated subsidiaries that are required to be disclosed in the Prospectus are disclosed.

(r) Except as disclosed in the Prospectus (excluding any supplement or amendment after the date hereof), subsequent to the date of the Prospectus and up to the Closing Date, neither the Company nor any of its consolidated subsidiaries has incurred any liabilities or obligations, direct or contingent, which are material to the Company and its consolidated subsidiaries taken as a whole, nor entered into any material transaction not in the ordinary course of business and there has not been, singly or in the aggregate, any material adverse change, or any development which would involve a material adverse change, in the properties, business, results of operations, condition (financial or otherwise), business affairs or prospects of the Company and its consolidated subsidiaries taken as a whole (a “Material Adverse Change”).

(s) No consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Shares or the consummation by the Company of the transactions contemplated by this Agreement, except the registration under the Act of the Shares and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriter.

(t) Neither the Company nor any of its respective affiliates is presently doing business with the government of Cuba or with any person or affiliate located in Cuba.

(u) (i) The Company and its consolidated subsidiaries have all certificates, consents, exemptions, orders, permits, licenses, authorizations or other approvals (each, an “Authorization”) of and from, and has made all declarations and filings with, all Federal, state, local and other governmental authorities, all self-regulatory organizations and all courts and other tribunals, necessary or required to own, lease, license and use its properties and assets and to conduct its business in the manner described in the Prospectus and all such Authorizations are in full force and effect, except to the extent that the failure to obtain or file or cause to remain in effect would not, singly or in the aggregate, have a Material Adverse Effect, (ii) the Company and its consolidated subsidiaries are in compliance in all material respects with the terms and conditions of all such Authorizations and with the rules and regulations of the regulatory authorities and governing bodies having jurisdiction with respect thereto and (iii) neither the Company nor its consolidated subsidiaries has received any notice of proceedings relating to the revocation or modification of any Authorization, which singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect.

(v) The Stock conforms in all material respects to the description thereof set forth under the caption “Description of Host REIT Capital Stock” contained in the Registration Statement.

(w) The statements in the Prospectus under the caption “Underwriting,” insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair;

(x) To the Company’s knowledge, KPMG LLP, who have certified certain financial statements of the Company and its consolidated subsidiaries, are independent public accountants as required by the Act and the rules and regulations of the Commission thereunder.

(y) Neither the Company nor any of its consolidated subsidiaries is, and, after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Prospectus, will be, an “investment company” or a company “controlled” by an investment company within the meaning of the Investment Company Act of 1940, as amended.

(z) Each certificate signed by any officer of the Company and delivered to the Underwriter or counsel for the Underwriter pursuant to Section 7 shall be deemed to be a representation and warranty by the Company to the Underwriter as to the matters covered thereby.

(aa) The Company and each of its consolidated subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management’s general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with accounting principles generally accepted in the United States, or GAAP, and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management’s general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(bb) Neither the Company nor any of its consolidated subsidiaries is in violation of any statute, law, ordinance, governmental rule or regulation or any judgment, decree, rule or order of any court or governmental agency or authority applicable to the Company or its consolidated subsidiaries or any of their respective properties or assets or any applicable zoning laws, ordinances and regulations, except such violations as would not, singly or in the aggregate, have a Material Adverse Effect.

(cc) The leases under which the Company or its consolidated subsidiaries holds or uses real property or other material assets as a lessee (“Leases”) are in full force and effect; and each of the Company and its consolidated subsidiaries has complied with its obligations under the Leases and

its franchise agreements other than any non-compliance which, individually or in the aggregate would not result in a Material Adverse Effect; and neither the Company nor any of its consolidated subsidiaries knows of any default by any other party to the Leases and its franchise agreements which, alone or together with other such defaults, would have a Material Adverse Effect.

(dd) Since January 1, 1999, the Company has operated, and currently intends to continue to operate, in a manner so as to be qualified and to be subject to tax as a REIT under section 856 et seq of the Internal Revenue Code of 1986, as amended, on and after January 1, 1999.

(ee) All material Tax returns required to be filed by the Company and each of its material consolidated subsidiaries have been filed and to the Company's knowledge all such returns are true, complete, and correct in all material respects. To the Company's knowledge, all material Taxes that are due from the Company and each of its material consolidated subsidiaries have been paid other than those (i) currently payable without penalty or interest or (ii) those that have been or would be contested in good faith and by appropriate proceedings and for which, in the case of both clauses (i) and (ii), adequate reserves have been established on the books and records of the Company and its consolidated subsidiaries in accordance with GAAP. For purposes of this Agreement, the term "Tax" and "Taxes" shall mean all Federal, state, local and foreign income taxes, and other assessments of a similar nature (whether imposed directly or through withholding), including any interest, additions to tax, or penalties applicable thereto.

2. Subject to the terms and conditions herein set forth, (a) the Company agrees to issue and sell to the Underwriter, and the Underwriter agrees to purchase 23,500,000 Shares from the Company, at a purchase price per share of \$10.66.

3. Upon the authorization by you of the release of the Shares, the Underwriter proposes to offer the Shares for sale upon the terms and conditions set forth in the Prospectus.

4. (a) The Shares to be purchased by the Underwriter hereunder, in definitive form, and in such authorized denominations and registered in such names as Citigroup Capital Markets Inc. may request upon at least forty-eight hours' prior notice to the Company shall be delivered by or on behalf of the Company to Citigroup Capital Markets Inc., through the facilities of the Depository Trust Company ("DTC"), for the account of the Underwriter, against payment by or on behalf of the Underwriter of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company to Citigroup Capital Markets Inc. at least forty-eight hours in advance. The Company will cause the certificates representing the Shares to be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery (as defined below) with respect thereto at the office of DTC or its designated custodian (the "Designated Office"). The time and date of such delivery and payment shall be

9:30 a.m., New York City time, on October 24, 2003 or such other time and date as Citigroup Capital Markets Inc. and the Company may agree upon in writing. Such time and date are herein called the "Time of Delivery".

(b) The documents to be delivered at the Time of Delivery by or on behalf of the parties hereto pursuant to Section 7 hereof, including the cross receipt for the Shares and any additional documents requested by the Underwriter pursuant to Section 7(k) hereof, will be delivered at the offices of Latham & Watkins, 555 11<sup>th</sup> Street, N.W., Washington D.C. 2004 (the "Closing Location"), and the Shares will be delivered at the Designated Office, all at the Time of Delivery. A meeting will be held at the Closing Location at 10:00 a.m., New York City time, on the New York Business Day next preceding the Time of Delivery, at which meeting the final drafts of the documents to be delivered pursuant to the preceding sentence will be available for review by the parties hereto. For the purposes of this Section 4, "New York Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York are generally authorized or obligated by law or executive order to close.

5. The Company agrees with each of the Underwriter:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Act; to make only those amendments or supplements to the Registration Statement or Prospectus prior to the Time of Delivery which shall be required by law or requested by the Commission; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed and to furnish you with copies thereof; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus is required in connection with the offering or sale of the Shares; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or prospectus, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or prospectus or suspending any such qualification, promptly to use its reasonable best efforts to obtain the withdrawal of such order;

(b) Promptly from time to time to take such action as you may reasonably request to qualify the Shares for offering and sale under the securities laws of such jurisdictions as you may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Shares, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(c) Prior to 10:00 A.M., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, to furnish the Underwriter with written and electronic copies of the Prospectus in New York City in such quantities as you may reasonably request, and, if the delivery of a prospectus is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Shares and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act or the Exchange Act, to notify you and upon your request to file such document and to prepare and furnish without charge to the Underwriter and to any dealer in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance, and in case the Underwriter is required to deliver a prospectus in connection with sales of any of the Shares at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of the Underwriter, to prepare and deliver to you as many written and electronic copies as you may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its consolidated subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations thereunder (including, at the option of the Company, Rule 158); it being understood that such delivery requirements shall be deemed met by the Company's reporting requirement pursuant to the Exchange Act and Rules and Regulations, to the extent set forth in Rule 158 of the Rules and Regulations under the Securities Act;

(e) During the period beginning from the date hereof and continuing to and including the date 90 days after the date of the Prospectus, not to offer, sell, contract to sell or otherwise dispose of, except as provided hereunder, any securities of the Company that are substantially similar to the Shares, including but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive, Stock or any such substantially similar securities (other than pursuant to employee stock option plans existing on, or upon the conversion or exchange of convertible or exchangeable securities outstanding as of, the date of this Agreement), without your prior written consent; *provided, however*, the Company may issue up to 32,000,000 shares of Stock (on an as-converted basis) to a seller in connection with an asset acquisition, provided, that each such seller executes an agreement stating that its is receiving and holding such securities subject to the remaining term of the restrictions contained in this Section 5(e);

(f) To obtain as soon as reasonably practical, executed copies of an agreement from each member of the Company's board or directors, substantially to the effect set forth in Subsection 5(e) hereof in form and substance satisfactory to you;

(g) To furnish to its shareholders as soon as practicable after the end of each fiscal year an annual report (including a balance sheet and statements of income, shareholders' equity and cash flows of the Company and its consolidated subsidiaries certified by independent public accountants) and, as soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the effective date of the Registration Statement), to make available to its shareholders consolidated summary financial information of the Company and its consolidated subsidiaries for such quarter in reasonable detail;

(h) During a period of five years from the effective date of the Registration Statement, to furnish to you copies upon request of all reports or other communications (financial or other) furnished to shareholders, and to deliver to you upon request as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Company is listed;

(i) To use the net proceeds received by it from the sale of the Shares pursuant to this Agreement in the manner specified in the Prospectus under the caption "Use of Proceeds";

(j) To use its best efforts to list, subject to notice of issuance, the Shares on the New York Stock Exchange (the "Exchange"); and

(k) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this

Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act.

6. The Company covenants and agrees with the Underwriter that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Shares under the Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriter and dealers; (ii) the cost of printing or producing any Agreement among Underwriter, this Agreement, the Blue Sky Memorandum, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Shares; (iii) all expenses in connection with the qualification of the Shares for offering and sale under state securities laws as provided in Section 5(b) hereof, including the fees and disbursements of counsel for the Underwriter in connection with such qualification and in connection with the Blue Sky survey; (iv) all fees and expenses in connection with listing the Shares on the Exchange; (v) the cost of preparing stock certificates; (vi) the cost and charges of any transfer agent or registrar; and (vii) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, and Sections 8 and 10 hereof, the Underwriter will pay all of its own costs and expenses, including the fees of its counsel, stock transfer taxes on resale of any of the Shares by it, and any advertising expenses connected with any offers it may make.

7. The obligations of the Underwriter hereunder, as to the Shares to be delivered at the Time of Delivery, shall be subject, in your discretion, to the condition that all representations and warranties and other statements of the Company herein are, at and as of the Time of Delivery, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; if the Company has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of this Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to your reasonable satisfaction;



(b) Skadden, Arps, Slate, Meagher & Flom LLP, special counsel for the Underwriter, shall have furnished to you such written opinion or opinions, dated the Time of Delivery, in form and substance reasonably acceptable to you, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Latham & Watkins LLP, special counsel for the Company, shall have furnished to you their written opinion, dated the Time of Delivery, in form and substance satisfactory to you, to the effect that:

(i) The execution and delivery of this Agreement and the issuance and sale of the Shares by the Company to you pursuant to the Agreement at the Time of Delivery do not require any consents, approvals or authorization to be obtained by the Company or any or any registrations, declarations or filings to be made by the Company, in each case, under any federal or New York statute, rule or regulation applicable to the Company that have not been obtained or made;

(ii) The Company is not an “investment company”, as such term is defined in the Investment Company Act; and

(iii) The Registration Statement, as of the date it was declared effective, and the Prospectus, as of its date, complied as to form in all material respects with the requirement for registration statements on Form S-3 of the Act, and the rules and regulations of the Commission thereunder (other than Regulation S-T or the financial statements, schedules, or other financial and statistical data included in, incorporated by reference in, or omitted from, the Registration Statement or the Prospectus and the documents incorporated by reference therein, as to which such counsel need express no opinion).

(iv) The execution and delivery of this Agreement and issue and sale of the Shares by the Company to you pursuant to this Agreement on the Time of Delivery do not violate any New York statute, rule or regulation applicable to the Company.

(d) Venable, LLP, counsel for the Company, shall have furnished to you their written opinion, dated the Time of Delivery, in form and substance satisfactory to you, to the effect that:

(i) (I) based solely on certificates of public officials, the Company is a Maryland corporation, and is validly existing and in good standing under the laws of Maryland and (II) the Company has the requisite power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus;

(ii) This Agreement has been duly authorized, executed and delivered by the Company;

(iii) The issue and sale of the Shares by the Company and the compliance by the Company with all of the provisions of this Agreement and the consummation of the transactions herein contemplated will not (i) conflict with or result in a breach or violation of any of the respective charter or bylaws or other similar organizational instrument of the Company, or (ii) violate or conflict with any Maryland statute, rule or regulation applicable to the Company or any of its consolidated subsidiaries, or any of their respective properties; and

(iv) The Stock conforms in all material respects to the description thereof set forth under the caption "Description of Host REIT Capital Stock" contained in the Registration Statement.

(e) Hogan & Hartson, LLP, special tax counsel to the Company, shall have furnished to you their written opinion, dated the Time of Delivery, in form and substance satisfactory to you, to the effect that:

(i) The Company was organized and has operated in conformity with the requirements for qualification and taxation as a real estate investment trust ("REIT") under the Code, effective for its taxable years ended December 31, 1999, December 31, 2000, December 31, 2001 and December 31, 2002, and the Company's current organization and intended method of operation will enable it to continue to meet the requirements for qualification and taxation as a REIT under the Code for taxable year 2003 and thereafter;

(ii) The discussion in the Form 8-K filed with the Securities and Exchange Commission on August 11, 2003 and captioned "Material Federal Income Tax Considerations," which discussion is incorporated by reference into the Prospectus, to the extent that it describes provisions of federal income tax law, is correct in all material respects.

(f) Elizabeth A. Abdo, Executive Vice President and General Counsel for the Company, shall have furnished to you their written opinion, dated the Time of Delivery, in form and substance satisfactory to you, to the effect that:

(i) Each significant subsidiary (as defined in Rule 1-02(w) of Regulation S-X) of the Company has been duly organized and is validly existing as a limited liability company or limited partnership in good standing under the laws of its jurisdiction of organization;

and all of the issued equity interests of each such subsidiary have been duly and validly authorized and issued, are fully paid and non-assessable, and (except for the OP Units) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims (such counsel being entitled to rely in respect of the opinion in this clause upon opinions of local counsel and in respect to matters of fact upon certificates of officers of the Company or its consolidated subsidiaries, provided that such counsel shall state that they believe that both you and they are justified in relying upon such opinions and certificates);

(ii) The Company and its consolidated subsidiaries have good and marketable and insurable title to all real property owned by them, in each case free and clear of all liens, encumbrances and defects except such as are described in the Prospectus or such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company and its consolidated subsidiaries; and any real property and buildings held under lease by the Company and its consolidated subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company and its consolidated subsidiaries (in giving the opinion in this clause, such counsel may state that no examination of record titles for the purpose of such opinion has been made, and that they are relying upon a general review of the titles of the Company and its consolidated subsidiaries, upon opinions of local counsel and abstracts, reports and policies of title companies rendered or issued at or subsequent to the time of acquisition of such property by the Company or its consolidated subsidiaries, upon opinions of counsel to the lessors of such property and, in respect to matters of fact, upon certificates of officers of the Company or its consolidated subsidiaries, provided that such counsel shall state that they believe that both you and they are justified in relying upon such opinions, abstracts, reports, policies and certificates);

(iii) To the best of such counsel's knowledge, there is no legal or governmental proceeding, pending or threatened or against the Company or any of its consolidated subsidiaries, or their respective properties, which is required to be disclosed in the Prospectus and are not so described;

(iv) The issue and sale of the Shares by the Company and the compliance by the Company with all of the provisions of this Agreement and the consummation of the transactions herein contemplated will not (i) conflict with or result in a breach or

violation of any of the respective charter or bylaws or other similar organizational instrument of any of the Company's subsidiaries, (ii) to such counsel's knowledge, result in the suspension, termination or revocation of any material Authorization (as defined below) of the Company or any of its consolidated subsidiaries or, (iii) constitute a default or cause an acceleration of any obligation under or result in the imposition or creation of (or the obligation to create or impose) a Lien with respect to, any bond, note, debenture or other evidence of indebtedness or any indenture, mortgage, deed of trust or other agreement or instrument to which the Company or any of its consolidated subsidiaries is a party or by which it or any of them is bound, or to which any properties of the Company or any of its consolidated subsidiaries is or may be subject or (iv) contravene any order of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties;

(v) Neither the Company nor any of its consolidated subsidiaries is in violation of its Articles of Incorporation or By-laws, or similar organizational documents, or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound; and

(vi) The documents incorporated by reference to the Prospectus and any further amendment or supplement thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules therein and other financial and statistical data, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder.

(g) In addition, each of Latham & Watkins and Elizabeth A. Abdoo shall also confirm, in a separate letter, that subject to customary qualifications as to such counsel's participation, review and reliance, no facts came to such counsel's attention that caused such counsel to believe that the Registration Statement, at the time it became effective, together with the documents incorporated by reference therein as of that date, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus, as of its date, as of the date of the Prospectus Supplement or as of the Time of Delivery, together with the documents incorporated by reference

therein as of each such date, contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, it being understood that such counsel will express no belief with respect to the financial statements, schedules or other financial data included or incorporated by reference in, or omitted from the Registration Statement or the Prospectus or the documents incorporated therein by reference.

(h) On the date of the Prospectus at a time prior to the execution of this Agreement, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at the Time of Delivery, KPMG LLP shall have furnished to you a letter in the form set forth in Annex I hereto;

(i) Neither the Company nor any of its consolidated subsidiaries shall have sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus, and (ii) since the respective dates as of which information is given in the Prospectus there shall not have been any change in the capital stock or long-term debt of the Company or any of its consolidated subsidiaries or any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, shareholders' investment or results of operations of the Company and its consolidated subsidiaries, otherwise than as set forth or contemplated in the Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in the judgment of the Underwriter so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at the Time of Delivery on the terms and in the manner contemplated in the Prospectus;

(j) On or after the date hereof (i) no downgrading shall have occurred in the rating accorded the Company's debt securities by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act; *provided, that*, such securities may be downgraded to B1 by Moody's Investors Service or B Standard & Poor's Ratings Services without creating a termination right under this Section 7(j), and (ii) other than the review for possible downgrade by Moody's Investors Service announced on August 06, 2003, no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities;

(k) On or after the date hereof there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the Exchange; (iii) a general moratorium on commercial

banking activities declared by either Federal or New York State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in the judgment of the Underwriter makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at the Time of Delivery on the terms and in the manner contemplated in the Prospectus;

(l) The Shares to be sold at the Time of Delivery shall have been duly listed, subject to notice of issuance, on the Exchange;

(m) The Company has obtained and delivered to the Underwriter executed copies of an agreement from each of the Company's executive officers, substantially to the effect set forth in Subsection 5(e) hereof in form and substance satisfactory to you; and

(n) The Company shall have furnished or caused to be furnished to you at the Time of Delivery certificates of officers of the Company satisfactory to you as to the accuracy of the representations and warranties of the Company herein at and as of the Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to the Time of Delivery, as to the matters set forth in subsections (a) and (h) of this Section and as to such other matters as you may reasonably request.

8. (a) The Company will indemnify and hold harmless the Underwriter against any losses, claims, damages or liabilities, joint or several, to which the Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement or the Prospectus, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Underwriter for any legal or other expenses reasonably incurred by the Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; *provided, however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, the Registration Statement or the Prospectus or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by the Underwriter expressly for use therein.

(b) The Underwriter will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement or the Prospectus, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, the Registration Statement or the Prospectus or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by the Underwriter expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriter on the other from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriter on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriter on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriter, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Underwriter on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriter agree that it would not be just and equitable if contributions pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriter was treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), the Underwriter shall not be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which the Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.



(b) The obligations of the Company under this Section 8 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls the Underwriter within the meaning of the Act; and the obligations of the Underwriter under this Section 8 shall be in addition to any liability which the respective Underwriter may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Act.

9. The respective indemnities, agreements, representations, warranties and other statements of the Company and the Underwriter, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of the Underwriter or any controlling person of the Underwriter, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Shares.

10. If for any reason, any Shares are not delivered by or on behalf of the Company as provided herein, the Company will reimburse you for all out-of-pocket expenses approved in writing by you, including fees and disbursements of counsel, reasonably incurred by you in making preparations for the purchase, sale and delivery of the Shares not so delivered, but the Company shall then be under no further liability to the Underwriter except as provided in Sections 6 and 8 hereof.

11. All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriter shall be delivered or sent by mail, telex or facsimile transmission to Citigroup Capital Markets Inc., and if to the Company shall be delivered or sent by mail to the address of the Company set forth in the Registration Statement, Attention: Secretary. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

12. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriter, the Company and, to the extent provided in Sections 8 and 9 hereof, the officers and directors of the Company and each person who controls the Company or the Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Shares from the Underwriter shall be deemed a successor or assign by reason merely of such purchase.

13. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

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**14. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.**

15. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

16. The Company is authorized, subject to applicable law, to disclose any and all aspects of this potential transaction that are necessary to support any U.S. federal income tax benefits expected to be claimed with respect to such transaction, and all materials of any kind (including tax opinions and other tax analyses) related to those benefits, without the Underwriter imposing any limitation of any kind.

17. If the foregoing is in accordance with your understanding, please sign and return to us six counterparts hereof, and upon the acceptance hereof by you, this letter and such acceptance hereof shall constitute a binding agreement between the Underwriter and the Company.

Very truly yours,  
Host Marriott Corporation

By: \_\_\_\_\_  
Name:  
Title:

Accepted as of the date hereof:  
Citigroup Global Markets Inc.

By: \_\_\_\_\_  
Name:  
Title:

**Subsidiaries Not Wholly Owned  
by  
HOST MARRIOTT, L.P.**

Name of Non-Wholly Owned Subsidiary	Percentage Owned By Host Marriott, L.P. (Indirectly or Directly)
HMC Park Ridge II LLC	99%
HMC Park Ridge LP	99.99%
HMC RTZ Loan Limited Partnership	99.99%
Atlanta II Limited Partnership	99.99%
Ivy Street Hotel Limited Partnership	99.992%
Ivy Street MPF LLC	99.992%
HMC Burlingame II LLC	99%
Host DSM Limited Partnership	99.99%
HMC East Side LLC	99%
CHLP Finance LP	95%
HMA-GP LLC	98.992%
HMA Realty Limited Partnership	99.982%
HTKG Development Associates Limited Partnership	99.99%
HMC Burlingame Hotel LLC	99.99%
Mutual Benefit Chicago Suite Hotel Partners, L.P.	99.99%
HMC DSM LLC	99.99%
DS Hotel LLC	99.99%
East Side Hotel Associates, L.P.	99.99%
Pacific Gateway, Ltd.	90.19%
Host Hanover Limited Partnership	99.99%
IHP Holdings Partnership, L.P.	97.5231%
Philadelphia Market Street HMC Hotel Limited Partnership	86.75%
HMC Hotel Properties Limited Partnership	99.99%
Lauderdale Beach Association	50.495%
HMC MHP II LLC	99%
HMC Hotel Properties II Limited Partnership	99.99%
Santa Clara Host Hotel Limited Partnership	99.985%
Times Square HMC Hotel, L.P.	99.99939%
HMC Times Square Hotel LLC	99.99939%
Philadelphia Airport Hotel Limited Partnership	89%
Hopewell Associates, L.P.	99.99%
Timewell Group, Ltd.	99.99%
Timeport, L.P.	99.99%
HMC Times Square Partner LLC	99%
HMC Partnership Properties LLC	99%

## FORM OF COMFORT LETTER

October 21, 2003

The Board of Directors  
Host Marriott Corporation  
6903 Rockledge Drive, Suite 1500  
Bethesda, MD 20817

Citigroup Global Markets, Inc.  
Goldman, Sachs & Co.  
c/o Citigroup Global Markets, Inc.  
388 Greenwich Street  
New York, NY 10013

Dear Sirs:

We have audited the consolidated balance sheets of Host Marriott Corporation (the Company) and subsidiaries as of December 31, 2002 and 2001, and the consolidated statements of operations, shareholders' equity and comprehensive income and cash flows for each of the years in the three-year period ended December 31, 2002, and the related financial statement schedule, all of which are included in the Company's annual report on Form 10-K for the year ended December 31, 2002, and incorporated by reference in the registration statement (no. 333-61722) on Form S-3 filed by the Company under the Securities Act of 1933 (the Act); our report with respect thereto (which contains an explanatory paragraph that indicates that the Company adopted Statement of Financial Accounting Standards No. 144 "Accounting for the Impairment or Disposal of Long Lived Assets," on January 1, 2002, as discussed in note 1 to the consolidated financial statements of the Company) is also incorporated by reference in that registration statement. The registration statement, as amended on October 21, 2003, is herein referred to as the "Registration Statement." Also, we have reviewed the Company's unaudited condensed consolidated financial statements as of September 12, 2003, June 20, 2003, March 28, 2003, September 6, 2002, June 14, 2002 and March 22, 2002 and for the thirteen-week periods ended March 28, 2003 and March 22, 2002, the thirteen-week and twenty six-week periods ended June 20, 2003 and June 14, 2002 and the thirteen-week and thirty nine-week periods ended September 12, 2003 and September 6, 2002.

In connection with the Registration Statement:

1. We are independent certified public accountants with respect to the Company within the meaning of the Act and the applicable rules and regulations thereunder adopted by the Securities and Exchange Commission (SEC).
2. In our opinion, the consolidated financial statements and financial statement schedule audited by us and incorporated by reference in the Registration

Statement comply as to form in all material respects with the applicable accounting requirements of the Act and the Securities Exchange Act of 1934 and the related rules and regulations adopted by the SEC.

3. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31, 2002; although we have conducted an audit for the year ended December 31, 2002, the purpose (and therefore the scope) of the audit was to enable us to express our opinion on the consolidated financial statements as of December 31, 2002, and for the year then ended, but not on the consolidated financial statements for any interim period within that year. Therefore, we are unable to and do not express any opinion on the unaudited condensed consolidated balance sheets as of March 28, 2003, June 20, 2003 or September 12, 2003, and the unaudited condensed consolidated statements of operations and cash flows for the thirteen-week periods ended March 28, 2003 and March 22, 2002, the thirteen-week and twenty six-week periods ended June 20, 2003 and June 14, 2002 and the thirteen-week and thirty nine-week periods ended September 12, 2003 and September 6, 2002, included in the Company's quarterly report on Form 10-Q for the quarters ended March 28, 2003, June 20, 2003 and September 12, 2003, incorporated by reference in the Registration Statement, or on the financial position, results of operations, or cash flows as of any date or for any period subsequent to December 31, 2002.
4. For purposes of this letter, we have read the 2003 minutes of the meetings of the shareholders, the board of directors, and compensation and audit committees of the Board of Directors of the Company and its subsidiaries as set forth in the minute books at October 20, 2003, officials of the Company having advised us that the minutes of all such meetings through that date were set forth therein; we have carried out other procedures to October 20, 2003, as follows (our work did not extend to October 21, 2003):
  - a. With respect to the periods ended September 12, 2003, September 6, 2002, June 20, 2003, June 14, 2002, March 28, 2003 and March 22, 2002, we have:
    - (i) Performed the procedures specified by the American Institute of Certified Public Accountants for a review of interim financial information as described in SAS No. 100, *Interim Financial Information*, on the unaudited condensed consolidated financial statements for these periods, described in 3, included in the Company's quarterly reports on Form 10-Q for the quarters ended March 28, 2003, June 20, 2003, and September 12, 2003 incorporated by reference in the Registration Statement.
    - (ii) Inquired of certain officials of the Company who have responsibility for financial and accounting matters whether the unaudited condensed consolidated financial statements of the Company comply as to form in all material respects with the applicable accounting requirements of the Securities Exchange Act of 1934 as it applies to Form 10-Q and the related rules and regulations adopted by the SEC.

The foregoing procedures do not constitute an audit conducted in accordance with auditing standards generally accepted in the United States of America. Also, they would not necessarily reveal matters of significance with respect to the comments in the following paragraph.

Accordingly, we make no representations about the sufficiency of the foregoing procedures for your purposes.

5. Nothing came to our attention as a result of the foregoing procedures, however, that caused us to believe that:
  - a. (i) Any material modifications should be made to the unaudited condensed consolidated financial statements described in 3, incorporated by reference in the Registration Statement, for them to be in conformity with accounting principles generally accepted in the United States of America.
  - (ii) The unaudited condensed consolidated financial statements described in 3 do not comply as to form in all material respects with the applicable accounting requirements of the Securities Exchange Act of 1934 as it applies to Form 10-Q and the related rules and regulations adopted by the SEC.
6. Company officials have advised us that no consolidated financial statements of the Company as of any date or for any period subsequent to September 12, 2003, are available; accordingly, the procedures carried out by us with respect to changes in financial statement items after September 12, 2003, have, of necessity, been even more limited than those with respect to the periods referred to in 4. We have inquired of certain officials of the Company who have responsibility for financial and accounting matters whether (a) at October 20, 2003, there was any changes in capital stock, decrease in total assets or shareholders' equity or any increase in long-term debt of the Company as compared with amounts shown on the September 12, 2003, unaudited condensed consolidated balance sheet incorporated by reference in the Registration Statement or (b) for the period from September 13, 2003 to October 20, 2003, there was any decrease, as compared with the corresponding period in the preceding year, in total revenues, income from continuing operations or net income of the Company. On the basis of these inquiries and our reading of the minutes as described in 4, nothing came to our attention that caused us to believe that there was any such change, increase or decrease, except in all instances for changes, increases or decreases that the Registration Statement discloses have occurred or may occur except as follows: total revenues, income from continuing operations and consolidated net income decreased due to the fact that the Company owns fewer hotels in 2003 than during the corresponding period in 2002.
7. For purposes of this letter, we have also read the items identified by you on the attached pages of Forms 10-Q and Form 10-K, incorporated by reference in the Registration Statement and have performed the following procedures, which were applied as indicated with respect to the symbols explained below:
  - Compared the amount to the Company's audited consolidated financial statements and notes for the period indicated and noted agreement.
  - Compared the amount to the Company's unaudited condensed consolidated financial statements for the period indicated and noted agreement.

Compared the amount to a schedule or report prepared by the Company which has been derived directly from the Company's accounting records and subjected to the internal control policies and procedures of the accounting system and noted agreement. The amount was recalculated for mathematical accuracy, where applicable.

Recalculated the percentage, ratio or amount and verified arithmetical accuracy from information in the aforementioned audited consolidated financial statements and notes thereto, unaudited condensed consolidated financial statements and notes thereto, and/or schedule or report prepared by the Company, and noted agreement. Where applicable, we make no comment as to the appropriateness of the Company's definition of EBITDA, Funds From Operations (FFO), REVPAR, ADR and comparable hotel-level results.

Compared the amount to a schedule or report prepared by the Company, recalculated for mathematical accuracy, where applicable, and noted agreement. However, we make no comment as to the appropriateness of the Company's methodology in calculating weighted average rates nor as to its determination of the expected maturity dates or amounts.

We compared the information included under the heading "Selected Financial Data" with the requirements of item 301 of Regulation S-K. We also inquired of certain officials of the Company who have responsibility for financial and accounting matters whether this information conforms in all material respects with the disclosure requirements of item 301 of Regulation S-K. Nothing came to our attention as a result of the foregoing procedures that caused us to believe that this information does not conform in all material respects with the disclosure requirements of item 301 of Regulation S-K.

Footed

It should be understood that our procedures with respect to the information contained in Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) included in the Registration Statement were limited to applying the procedures stated above and therefore we make no representations regarding the accuracy of the discussions contained therein, whether any facts have been omitted, or regarding the adequacy of the disclosures in MD&A, other than with respect to the results of the procedures performed as described in the symbols above. However, we make no comment as to the appropriateness or completeness of the Company's determination of the Regulation S-K requirements for quantitative and qualitative disclosures about market risks or with respect to the reasonableness of the assumptions underlying the disclosures in item 7a of the Form 10-K and Item 3 of the Forms 10-Q, "Quantitative and Qualitative Disclosures About Market Risk". Additionally, we make no comment as to the appropriateness or completeness of the Company's classification of its market risk-sensitive instruments into market risk categories as disclosed therein.

8. For the purpose of performing the procedures indicated in 7, in those instances in which one or both of the compared amounts were rounded to



some degree, and the amounts were in agreement except that they were not rounded to the same degree, we have nevertheless stated that we found the compared amounts to be in agreement. With respect to the marked items referred to in 7, we make no comment as to the appropriateness of the Company's determination to select these items to appear under the captions so presented and we make no comment as to the determination as to their completeness or appropriateness for purposes of the Registration Statement.

9. Our audit of the consolidated financial statements for the periods referred to in the introductory paragraph of this letter comprised audit tests and procedures deemed necessary for the purpose of expressing an opinion on such financial statements taken as a whole. For none of the periods referred to therein, or any other period, did we perform audit tests for the purpose of expressing an opinion on individual balances of accounts or summaries of selected transactions such as those enumerated above, and, accordingly, we express no opinion thereon.
10. It should be understood that we make no representations regarding questions of legal interpretation or regarding the sufficiency for your purposes of the procedures enumerated in 7; also, such procedures would not necessarily reveal any material misstatement of the amounts or percentages referred to above. Further, we have addressed ourselves solely to the foregoing data as set forth in the Registration Statement and make no representations regarding the adequacy of disclosure or regarding whether any material facts have been omitted.
11. This letter is solely for the information of the addressees and to assist the underwriters in conducting and documenting their investigation of the affairs of the Company in connection with the offering of the securities covered by the Registration Statement, and it is not to be used, circulated, quoted, or otherwise referred to within or without the underwriting group for any other purpose, including but not limited to the registration, purchase, or sale of securities, nor is it to be filed with or referred to in whole or in part in the Registration Statement or any other document, except that reference may be made to it in the underwriting agreement or in any list of closing documents pertaining to the offering of the securities covered by the Registration Statement.

Very truly yours,

## [LETTERHEAD OF VENABLE LLP]

October 22, 2003

Host Marriott Corporation  
6903 Rockledge Drive, Suite 1500  
Bethesda, Maryland 20817

Re: Host Marriott Corporation

Ladies and Gentlemen:

We have served as Maryland counsel to Host Marriott Corporation, a Maryland corporation (the "Company"), in connection with certain matters of Maryland law arising out of the registration of 23,500,000 shares (the "Shares"), together with 23,500,000 Purchase Share Rights (as defined below), of the Common Stock, par value \$.01 per share, of the Company (the "Common Stock") to be issued and sold in an underwritten public offering covered by a Registration Statement on Form S-3 (Registration No. 333-61722), and all amendments thereto (collectively, the "Registration Statement"), filed by the Company with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "1933 Act"). As used herein, "Purchase Share Rights" means the rights to purchase one one-thousandth of a share of the Series A Junior Participating Preferred Stock, par value \$.01 per share, of the Company, issued as a dividend to the holders of Common Stock, the terms of which are set forth in a Rights Agreement, dated as of November 23, 1998 (the "Rights Agreement"), as amended, between the Company (formerly known as HMC Merger Corporation) and The Bank of New York, as Rights Agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Registration Statement.

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (hereinafter collectively referred to as the "Documents"):

1. The Registration Statement, including the related form of Prospectus included therein, dated January 9, 2002 (the "Base Prospectus"), and the Prospectus Supplement, dated October 22, 2003 (the "Prospectus Supplement" and, together with the Base Prospectus, the "Prospectus"), in the form in which they were or will be transmitted to the Commission under the 1933 Act;

2. The charter of the Company (the "Charter"), certified as of a recent date by the State Department of Assessments and Taxation of Maryland (the "SDAT");

3. The Bylaws of the Company, certified as of a recent date by an officer of the Company;

4. Resolutions (the "Resolutions") adopted by the Board of Directors of the Company, or the Pricing Committee of the Board of Directors (the "Pricing Committee"), relating to, among other matters, (i) the filing of the Registration Statement and the Prospectus Supplement, (ii) the registration, sale and issuance of the Shares, (iii) the appointment of the Pricing Committee and the delegation to such committee of the power to determine the number and price of the Shares and certain other matters in connection with the registration, sale and issuance of the Shares and (iv) the execution, delivery and performance of the Rights Agreement and the authorization of the distribution of the Purchase Share Rights, certified as of a recent date by an officer of the Company;

5. The Rights Agreement, as amended, certified as of the date hereof by an officer of the Company;

6. A certificate of the SDAT as to the good standing of the Company, dated as of a recent date;

7. A certificate executed by an officer of the Company, dated as of the date hereof; and

8. Such other documents and matters as we have deemed necessary or appropriate to express the opinion set forth below, subject to the assumptions, limitations and qualifications stated herein.

In expressing the opinion set forth below, we have assumed the following:

1. Each individual executing any of the Documents, whether on behalf of such individual or another person, is legally competent to do so.

2. Each individual executing any of the Documents on behalf of a party (other than the Company) is duly authorized to do so.

3. Each of the parties (other than the Company) executing any of the Documents has duly and validly executed and delivered each of the Documents to which such party is a signatory, and such party's obligations set forth therein are legal, valid and binding and are enforceable in accordance with all stated terms.

4. All Documents submitted to us as originals are authentic. The form and content of all Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such Documents as executed and delivered. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all such Documents are genuine. All public records reviewed or relied upon by us or on our behalf are true and complete. All representations, warranties, statements and information contained in the Documents are true and complete. There has been no oral or written modification of or amendment to any of the Documents and there has been no waiver of any provision of any of the Documents, by action or omission of the parties or otherwise.

5. Upon the issuance of any of the Shares, the total number of shares of Common Stock issued and outstanding will not exceed the total number of shares of Common Stock that the Company is then authorized to issue under the Charter.

6. The Shares have not been and will not be issued or transferred in violation of any restrictions or limitations contained in the Charter.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that:

1. The Company is a corporation duly incorporated and existing under and by virtue of the laws of the State of Maryland and is in good standing with the SDAT.

2. The Shares have been duly authorized and, when and to the extent issued and delivered against payment therefor pursuant to the Resolutions, the Charter and the Registration Statement, the Shares will be validly issued, fully paid and nonassessable.

3. The Purchase Share Rights have been duly authorized and, when issued in accordance with the Resolutions, the Charter and the Rights Agreement, will be validly issued.

The foregoing opinion is limited to the substantive laws of the State of Maryland and we do not express any opinion herein concerning any other law. We express no opinion as to the applicability or effect of any federal or state tax or securities laws, including the securities laws of the State of Maryland, or as to federal or state laws regarding fraudulent transfers. To the extent that any matter as to which our opinion is expressed herein would be governed by any jurisdiction other than the State of Maryland, we do not express any opinion on such matter. The opinion expressed herein is subject to the effect of judicial decisions which may permit the introduction of parol evidence to modify the terms or the interpretation of agreements.

The opinion expressed herein is limited to the matters specifically set forth herein and no other opinion shall be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might change the opinion expressed herein after the date hereof.

This opinion is being furnished to you for submission to the Commission as an exhibit to the Registration Statement and, accordingly, may not be relied upon by, quoted in any manner to, or delivered to any other person or entity without, in each instance, our prior written consent.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of the name of our firm therein. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the 1933 Act.

Very truly yours,

[GRAPHIC]

October 22, 2003

Host Marriott Corporation  
6903 Rockledge Drive  
Suite 1500  
Bethesda, Maryland 20817

Ladies and Gentlemen:

This firm has acted as special tax counsel to Host Marriott Corporation, a Maryland corporation (“Host REIT”), in connection with issuance and sale of 23,500,000 shares of Host REIT’s common stock, par value \$.01 per share (the “Shares”), as more fully described in Host REIT’s prospectus supplement dated October 21, 2003 (the “Prospectus Supplement”), to Host REIT’s prospectus dated January 9, 2002 (the “Prospectus”) (the “Offering”). The Shares have been registered pursuant to a registration statement on Form S-3 (File No. 333-61722) previously filed with the Securities and Exchange Commission (the “Registration Statement”). You have asked us to provide to you this opinion for use in connection with an amendment to the Registration Statement that will be filed in connection with the Offering. Capitalized terms used herein, unless otherwise defined in the body of this letter, shall have the meanings set forth in Appendix A.

#### **Bases for Opinion**

The opinion set forth in this letter is based on relevant current provisions of the Internal Revenue Code of 1986, as amended (the “Code”), Treasury Regulations thereunder (including proposed and temporary Treasury Regulations), and interpretations of the foregoing as expressed in court decisions, applicable legislative history, and the administrative rulings and practices of the Internal Revenue Service (the “IRS”), including its practices and policies in issuing private letter rulings, which are not binding on the IRS except with respect to a taxpayer that receives such a ruling, all as of the date hereof. These provisions and interpretations are subject to change by the IRS, Congress and the courts (as applicable), which may or may not be retroactive in effect, that might result in material modifications of our opinion. Our opinion does not foreclose the possibility of a contrary determination by the IRS or a court of competent jurisdiction, or of a contrary position taken by the IRS or the Treasury Department in regulations or rulings issued in the future. In this regard, an opinion of counsel with respect to an

issue represents counsel's best professional judgment with respect to the outcome on the merits with respect to such issue, if such issue were to be litigated, but an opinion is not binding on the IRS or the courts, and is not a guarantee that the IRS will not assert a contrary position with respect to such issue or that a court will not sustain such a position asserted by the IRS.

In rendering the following opinion, we have examined such statutes, regulations, records, agreements, certificates and other documents as we have considered necessary or appropriate as a basis for the opinion, including, but not limited to, the following:

(1) the Prospectus and the Prospectus Supplement;

(2) the discussion under the caption "Material Federal Income Tax Considerations" contained in Exhibit 99.1 to the Current Report on Form 8-K of Host Marriott Corporation, which is dated August 11, 2003 and was filed on August 11, 2003 (the "Tax Disclosure");

(3) the Acquisition and Exchange Agreement;

(4) the Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership, dated as of December 30, 1998, as amended through the date hereof;

(5) the Articles of Amendment and Restatement of Articles of Incorporation of Host REIT, filed with the State Department of Assessments and Taxation of Maryland on December 29, 1998 (the "Articles of Incorporation"), and the Bylaws of Host REIT, as amended;

(6) the Articles of Incorporation of Crestline, dated November 9, 1998, and the Bylaws of Crestline, and the Agreement and Consent, dated as of March 27, 2002, by and among Host REIT and Crestline, Barcelo Gestion Hotelera, S.L., a Spanish limited liability company ("Barcelo"), and Cowboy Acquisition Corporation, a Maryland corporation and wholly owned subsidiary of Barcelo ("Merger Sub") (the "Agreement and Consent"), and the Amendment to Agreement and Consent, dated as of April 26, 2002, by and among Host REIT, Crestline, Barcelo, Barcelo Corporacion Empresarial, S.A., a Spanish corporation ("Barcelo Empresarial"), and Merger Sub (the "Amendment to Agreement and Consent");

(7) the operating agreement of HMT Lessee, dated November 10, 2000;

(8) the partnership agreement of each partnership and the operating agreement of each limited liability company other than HMT Lessee in which either Host REIT or the Operating Partnership has a direct or indirect interest;

(9) all real estate leases on the Hotels, pursuant to which the Operating Partnership or a Partnership Subsidiary, as lessor or sub-lessor, leases a hotel to a lessee or sub-lessee, respectively, the majority of which leases were entered into with entities that were indirect subsidiaries of Crestline prior to the Lease Acquisition (as further defined in Appendix A, the "Lessees") (and including, without limitation, the leases acquired in connection with the IHP Lease Acquisition), the amendments to certain of the Leases, which were entered into in connection with the Lease Acquisition, and the agreements between and among the Partnership Subsidiaries owning certain Hotels and the respective TRS Lessees of such Hotels relating to the extension of the terms of the expiring Leases on those Hotels (collectively, the "Leases," which term includes, without limitation, the Harbor Beach Lease);

(10) the Certificate of Incorporation, dated December 3, 1998, and the Bylaws, dated December 14, 1998, of Fernwood, and the Amended and Restated Certificate of Incorporation, dated December 3, 1998, and the Bylaws, dated December 14, 1998, of Rockledge;

(11) the Declaration of Trust for the Host Marriott Statutory Employee/Charitable Trust, a Delaware business trust (the "Host Employee/Charitable Trust"), dated December 30, 1998, and the Declaration of Trust for the Host Marriott Employees' Trust, a common law trust formed under Maryland law, dated December 30, 1998;

(12) Amendment No. 6 to the Distribution Agreement;

(13) the Asset Management Agreement between the Operating Partnership and Crestline, dated as of December 31, 1998, which agreement terminated immediately prior to January 1, 2001 in connection with the Lease Acquisition;

(14) the General Expense Sharing and Cost Reimbursement Agreement between the Operating Partnership and HMT Lessee;



(15) with respect to each class or series of preferred stock of Host REIT, the Articles Supplementary to the Articles of Amendment and Restatement of Articles of Incorporation of Host REIT establishing and fixing the rights and preferences of such class or series of preferred stock; and

(16) such other documents as we deemed necessary or appropriate.

The opinion set forth in this letter also is premised on certain written factual representations of Host REIT and the Operating Partnership regarding the organization, ownership and operations (including the income, assets, businesses, liabilities, properties and accumulated undistributed earnings and profits) of Host REIT, the Operating Partnership, the Partnership Subsidiaries, the Non-Controlled Subsidiaries, the Taxable REIT Subsidiaries, the Host Employee/Charitable Trust, Crestline and the Lessees contained in a letter to us dated October 22, 2003 (the "Representation Letter").

For purposes of rendering our opinion, although we have knowledge as to certain of the facts set forth in the above-referenced documents, we have not made an independent investigation or audit of the facts set forth in such documents, including the Prospectus Supplement, the Prospectus and the Representation Letter. We consequently have relied upon the representations in the Representation Letter, the Prospectus and the Prospectus Supplement and assumed that the information presented in such documents or otherwise furnished to us is accurate and complete in all material respects. We are not aware, however, of any material facts or circumstances contrary to, or inconsistent with, the representations we have relied upon as described herein, or other assumptions set forth herein.

In this regard, we have assumed with your consent the following:

(i) that (A) all of the representations and statements set forth in the documents that we reviewed, including the Prospectus, the Prospectus Supplement and the Representation Letter (collectively, the "Reviewed Documents"), are true, correct, and complete, (B) any representation or statement made as a belief or made "to the knowledge of" or similarly qualified is correct and accurate, and that such representation or statement will continue to be correct and accurate, without such qualification, (C) each of the Reviewed Documents that constitutes an agreement is valid and binding in accordance with its terms, and (D) all of the obligations imposed by or described in the Reviewed Documents, including, without limitation,

the obligations imposed under the Articles of Incorporation, have been and will continue to be performed or satisfied in accordance with their terms; provided that, notwithstanding any of the foregoing, we are not making any assumption as to the accuracy or completeness with respect to statements in the Tax Disclosure describing provisions of federal income tax law, which statements are covered by our opinion set forth below;

(ii) the genuineness of all signatures, the proper execution of all documents, the authenticity of all documents submitted to us as originals, the conformity to originals of documents submitted to us as copies, and the authenticity of the originals from which any copies were made;

(iii) that any documents as to which we have reviewed only a form were or will be duly executed without material changes from the form reviewed by us;

(iv) that Crestline (A) is a duly incorporated and validly existing Maryland corporation; (B) has been, is and will continue to be, operated in accordance with the laws of the State of Maryland, its organizational documents, and statements made in the Prospectus (including the SEC filings incorporated therein by reference) and the Representation Letter; and (C) was formed, has operated and will continue to operate with a profit motive; and

(v) without limiting any other assumption described herein, that the representations of Crestline and the representations and covenants of Barcelo Empresarial and Merger Sub set forth in the Agreement and Consent and the Amendment to Agreement and Consent were true and correct on the date such representations were made, are true and correct on the date hereof and will remain true and correct.

Any material variation or difference in the facts from those set forth in the documents that we have reviewed and upon which we have relied (including, in particular, the Prospectus, the Prospectus Supplement, and the Representation Letter) may adversely affect the conclusions stated herein.

**Opinion**

Based upon, subject to, and limited by the assumptions and qualifications set forth herein (including those set forth below), we are of the opinion that:

- (i) Host REIT was organized and has operated in conformity with the requirements for qualification and taxation as a real estate investment trust ("REIT") under the Code, effective for its taxable years ended December 31, 1999, December 31, 2000, December 31, 2001, and December 31, 2002, and Host REIT's current organization and intended method of operation will enable it to continue to meet the requirements for qualification and taxation as a REIT under the Code for taxable year 2003 and thereafter;
- (ii) The discussion in the Tax Disclosure, which discussion is incorporated by reference into the Prospectus Supplement, to the extent that it describes provisions of federal income tax law, is correct in all material respects.

\* \* \* \* \*

Host REIT's ability to qualify as a REIT depends in particular upon whether each of the Leases is respected as a lease for federal income tax purposes. If one or more Leases are not respected as leases for federal income tax purposes, Host REIT may fail to qualify as a REIT. The determination of whether the Leases are leases for federal income tax purposes is highly dependent on specific facts and circumstances. In addition, for the rents payable under a Lease to qualify as "rents from real property" under the Code, the rental provisions of the Leases and the other terms thereof must conform with normal business practice and not be used as a means to base the rent paid on the income or profits of the lessees. In delivering the opinion set forth above that Host REIT's organization and method of operation (as described in the Representation Letter) have enabled Host REIT to meet the requirements for qualification and taxation as a REIT for its taxable years ended December 31, 1999, December 31, 2000, December 31, 2001 and December 31, 2002, and that Host REIT's current organization and intended method of operation will enable Host REIT to meet such requirements for the current taxable year and subsequent taxable years, we expressly rely upon, among other things, Host REIT's representations as to various factual matters with respect to the Leases, including representations as to the commercial reasonableness of the economic and other terms of the Leases at the times the Leases were originally entered into and subsequently renewed or extended (and taking into account for this purpose changes to the economic and other terms of the Leases pursuant to subsequent amendments), the intent and economic expectations of the parties to the Leases, the allocation of various economic risks between the parties to the Leases, taking into account all surrounding facts and circumstances, the conformity of the rental provisions and other terms of the Leases with normal business practice, the conduct of the parties to the Leases, and the conclusion that, except in connection with the

Harbor Beach Lease and any other leases that Host REIT acknowledges will not qualify as producing “rent from real property” under the Code, such terms are not being, and will not be, used as a means to base the rent paid on the income or profits of the lessees. We express no opinion as to any of the economic terms of the Leases, the commercial reasonableness thereof, or whether the actual economic relationships created thereby are such that the Leases will be respected for federal income tax purposes or whether the rental and other terms of the Leases conform with normal business practice (and are not being used as a means to base the rent paid on the income or profits of the Lessees).

Host REIT’s ability to qualify as a REIT for its taxable year ended December 31, 1999 also depends upon Host REIT not having had as of December 31, 1999, any “earnings and profits” accumulated in any prior taxable year of Host REIT or any of its predecessors or subsidiaries (which would be based on the consolidated earnings and profits of Host REIT (including each of its predecessors) accumulated from 1929, the first year that a predecessor of Host REIT was a “C” corporation, through and including 1998). The calculation of “earnings and profits” depends upon a number of factual and legal interpretations related to the activities and operations of Host REIT’s predecessors and their corporate affiliates during their entire corporate existence and is subject to review and challenge by the IRS. Host REIT has represented to us for purposes of our opinion that Host REIT distributed by the close of its taxable year ending December 31, 1999 any “earnings and profits” accumulated in any prior taxable year of Host REIT or any of its predecessors or subsidiaries. There can be no assurance, however, that the IRS will not examine the tax returns of Host REIT’s predecessors and their affiliates for all years prior to 1999 and propose adjustments to increase their taxable income, which could result in Host REIT being considered to have had undistributed “earnings and profits” at the close of its taxable year ending December 31, 1999, in which event Host REIT would not qualify as a REIT for such year. We express no opinion as to Host REIT’s current and accumulated “earnings and profits” or whether Host REIT will be considered to have had undistributed “earnings and profits” at the close of 1999.

Host REIT’s qualification and taxation as a REIT depend upon Host REIT’s ability to meet on an ongoing basis (through actual annual operating results, distribution levels, diversity of share ownership and otherwise) the various qualification tests imposed under the Code, which are described (or incorporated by reference) in the Prospectus. We have relied upon representations of Host REIT and the Operating Partnership with respect to these matters (including those set

forth in the Prospectus, the Prospectus Supplement, and the Representation Letter) and will not review Host REIT's compliance with these requirements on a continuing basis. Accordingly, no assurance can be given that the actual results of Host REIT's operations, the sources of its income, the nature of its assets, the level of its distributions to shareholders and the diversity of its share ownership for any given taxable year will satisfy the requirements under the Code for qualification and taxation as a REIT.

This opinion letter addresses only the specific federal income tax matters set forth above and does not address any other federal, state, local or foreign tax issues. This opinion letter has been prepared solely for your use in connection with the filing of an amendment to the Registration Statement in connection with the Offering, and should not be quoted in whole or in part or otherwise be referred to, nor be filed with or furnished to any governmental agency (other than the IRS or any state, local or foreign taxing authority) or other person or entity, without the prior written consent of this firm. We assume no obligation by reason of this opinion letter to advise you of any changes in our opinions subsequent to the delivery of this opinion letter but agree to do so from time to time upon specific request from you for an update or confirmation.

We consent to your filing this opinion as an exhibit to the Registration Statement. In giving this consent, we do not thereby admit that we are an "expert" within the meaning of the Securities Act of 1933, as amended.

Very truly yours,

HOGAN & HARTSON L.L.P.

## Appendix A

### **Definitions**

**“Acquisition and Exchange Agreement”** means that certain Acquisition and Exchange Agreement, dated as of November 13, 2000, among HMT Lessee, the Operating Partnership, Crestline and the other parties named therein, as amended from time to time.

**“Crestline”** means, for periods prior to June 7, 2002, Crestline Capital Corporation, a Maryland corporation, and, for periods beginning on and after June 7, 2002, Barcelo Crestline Corporation, a Maryland corporation.

**“Crestline Lessees”** means those indirect subsidiaries of Crestline that leased Hotels pursuant to certain of the Leases prior to the Lease Acquisition.

**“Distribution Agreement”** means the Distribution Agreement between Host REIT (f/k/a as “Marriott Corporation”) and Marriott International, Inc., dated as of September 15, 1993, as amended.

**“Fernwood”** means Fernwood Hotel Assets, Inc., a Delaware corporation.

**“Harbor Beach Lease”** means the lease of the Marriott Harbor Beach Resort from Lauderdale Beach Association to Marriott Hotel Services, Inc.

**“HMT Lessee”** means HMT Lessee LLC, a Delaware limited liability company that elected, effective January 1, 2001, to be treated as a corporation and a TRS for federal income tax purposes.

**“Hotel”** means each hotel in which the Operating Partnership has a direct or indirect interest.

**“IHP Lease Acquisition”** means the acquisition by HMT Lessee in June of 2001 of the leasehold interests with respect to three (3) full-service Hotels that were leased to IHP Lessee LLC.

**“Lease Acquisition”** means the acquisition by HMT Lessee, pursuant to the Acquisition and Exchange Agreement, of the leasehold interests with respect to 117 full-service Hotels that were leased to the Crestline Lessees.

**“Lessee”** means, with regard to Host REIT’s taxable years ended prior to January 1, 2001, any one of the Crestline Lessees or IHP Lessee LLC, and with regard to Host REIT’s taxable periods beginning on or after January 1, 2001, any one of the TRS Lessees, IHP Lessee LLC prior to the IHP Lease Acquisition, the

Crestline Lessees owning leasehold interests (as lessee or sub-lessee) that were not acquired by HMT Lessee pursuant to the Lease Acquisition, and any other lessee to which the Operating Partnership, directly or through another Partnership Subsidiary, leases one or more Hotels in the future.

**“Noncontrolled Subsidiaries”** means, with regard to Host REIT’s taxable years ended prior to January 1, 2001, Fernwood and Rockledge.

**“Partnership Subsidiary”** means the Operating Partnership and any partnership, limited liability company, or other entity treated as a partnership for federal income tax purposes or disregarded as a separate entity for federal income tax purposes in which either Host REIT or the Operating Partnership owns (or owned on or after January 1, 1999) an interest, either directly or through one or more other partnerships, limited liability companies or other entities treated as a partnership for federal income tax purposes or disregarded as a separate entity for federal income tax purposes (whether or not Host REIT or the Operating Partnership has a controlling interest in, or otherwise has the ability to control or direct the operation of, such entity). Notwithstanding the foregoing, the term “Partnership Subsidiary” shall not in any way be deemed to include the Non-Controlled Subsidiaries or subsidiaries thereof or the Taxable REIT Subsidiaries or subsidiaries thereof.

**“Rockledge”** means Rockledge Hotel Properties, Inc., a Delaware corporation.

**“Taxable REIT Subsidiary”** means, with regard to Host REIT’s taxable years commencing after December 31, 2000, any of HMT Lessee, Fernwood, Rockledge or any other TRS of Host REIT.

**“TRS”** means a “taxable REIT subsidiary,” as described in Section 856(l) of the Code. Any entity taxable as a corporation in which a TRS of Host REIT owns (x) securities possessing more than 35% of the total voting power of the outstanding securities of such entity or (y) securities having a value of more than 35% of the total value of the outstanding securities of such entity shall also be treated as a TRS of Host REIT whether or not a separate election is made with respect to such other entity.

**“TRS Lessee”** means any of (i) HMT Lessee, (ii) the direct or indirect subsidiaries of HMT Lessee that hold the leasehold interests that were acquired by HMT Lessee from Crestline pursuant to the Acquisition and Exchange Agreement or in connection with the IHP Lease Acquisition, and (iii) any future lessee of a Hotel that is a TRS.