UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended September 30, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

Commission File Number: 001-14625 (Host Hotels & Resorts, Inc.)
0-25087 (Host Hotels & Resorts, L.P.)

HOST HOTELS & RESORTS, INC.
HOST HOTELS & RESORTS, L.P.

(Exact name of registrant as specified in its charter)

Maryland (Host Hotels & Resorts, Inc.) **Delaware (Host Hotels & Resorts, L.P.)** (State or Other Jurisdiction of Incorporation or Organization)	**53-0085950** **52-2095412** (I.R.S. Employer Identification No.)
6903 Rockledge Drive, Suite 1500 **Bethesda, Maryland** (Address of Principal Executive Offices)	**20817** (Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

	Title of each class	Trading Symbol	Name of Each Exchange on Which Registered
Host Hotels & Resorts, Inc.	Common Stock, $.01 par value	HST	New York Stock Exchange
Host Hotels & Resorts, L.P.	None	None	None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Host Hotels & Resorts, Inc.	Yes	No ☐
Host Hotels & Resorts, L.P.	Yes	No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Host Hotels & Resorts, Inc.	Yes	No ☐
Host Hotels & Resorts, L.P.	Yes	No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Host Hotels & Resorts, Inc.

Large accelerated filer	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
Emerging growth company ☐	

Host Hotels & Resorts, L.P.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer	Smaller reporting company ☐
Emerging growth company ☐	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Host Hotels & Resorts, Inc.	Yes ☐	No
Host Hotels & Resorts, L.P.	Yes ☐	No

As of November 5, 2019, there were 717,178,100 shares of Host Hotels & Resorts, Inc.'s common stock, $.01 par value per share, outstanding.

EXPLANATORY NOTE

This report combines the quarterly reports on Form 10-Q of Host Hotels & Resorts, Inc. and Host Hotels & Resorts, L.P. Unless stated otherwise or the context requires otherwise, references to “Host Inc.” mean Host Hotels & Resorts, Inc., a Maryland corporation, and references to “Host L.P.” mean Host Hotels & Resorts, L.P., a Delaware limited partnership, and its consolidated subsidiaries, in cases where it is important to distinguish between Host Inc. and Host L.P. We use the terms “we” or “our” or “the company” to refer to Host Inc. and Host L.P. together, unless the context indicates otherwise.

Host Inc. operates as a self-managed and self-administered real estate investment trust (“REIT”). Host Inc. owns properties and conducts operations through Host L.P., of which Host Inc. is the sole general partner and of which it holds approximately 99% of the partnership interests (“OP units”). The remaining OP units are owned by various unaffiliated limited partners. As the sole general partner of Host L.P., Host Inc. has the exclusive and complete responsibility for Host L.P.’s day-to-day management and control. Management operates Host Inc. and Host L.P. as one enterprise. The management of Host Inc. consists of the same persons who direct the management of Host L.P. As general partner with control of Host L.P., Host Inc. consolidates Host L.P. for financial reporting purposes, and Host Inc. does not have significant assets other than its investment in Host L.P. Therefore, the assets and liabilities of Host Inc. and Host L.P. are substantially the same on their respective condensed consolidated financial statements and the disclosures of Host Inc. and Host L.P. also are substantially similar. For these reasons, we believe that the combination into a single report of the quarterly reports on Form 10-Q of Host Inc. and Host L.P. results in benefits to management and investors.

The substantive difference between Host Inc.’s and Host L.P.’s filings is the fact that Host Inc. is a REIT with public stock, while Host L.P. is a partnership with no publicly traded equity. In the condensed consolidated financial statements, this difference primarily is reflected in the equity (or partners’ capital for Host L.P.) section of the consolidated balance sheets and in the consolidated statements of equity (or partners’ capital for Host L.P.). Apart from the different equity treatment, the condensed consolidated financial statements of Host Inc. and Host L.P. are nearly identical.

This combined Form 10-Q for Host Inc. and Host L.P. includes, for each entity, separate interim financial statements (but combined footnotes), separate reports on disclosure controls and procedures and internal control over financial reporting and separate CEO/CFO certifications. In addition, with respect to any other financial and non-financial disclosure items required by Form 10-Q, any material differences between Host Inc. and Host L.P. are discussed separately herein. For a more detailed discussion of the substantive differences between Host Inc. and Host L.P. and why we believe the combined filing results in benefits to investors, see the discussion in the combined Annual Report on Form 10-K for the year ended December 31, 2018 under the heading “Explanatory Note.”

HOST HOTELS & RESORTS, INC. AND HOST HOTELS & RESORTS, L.P.

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HOST HOTELS & RESORTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
September 30, 2019 and December 31, 2018
(in millions, except share and per share amounts)

	September 30, 2019 (unaudited)	December 31, 2018
ASSETS		
Property and equipment, net	$ 9,688	$ 9,760
Right-of-use assets	549	—
Assets held for sale	349	281
Due from managers	104	71
Advances to and investments in affiliates	59	48
Furniture, fixtures and equipment replacement fund	184	213
Other	169	175
Cash and cash equivalents	2,030	1,542
Total assets	$ 13,132	$ 12,090
LIABILITIES, NON-CONTROLLING INTERESTS AND EQUITY		
Debt		
Senior notes	$ 3,425	$ 2,782
Credit facility, including term loans of $997 and $998, respectively	989	1,049
Other debt	28	6
Total debt	4,442	3,837
Lease liabilities	558	—
Accounts payable and accrued expenses	277	293
Liabilities held for sale	38	—
Other	179	266
Total liabilities	5,494	4,396
Redeemable non-controlling interests - Host Hotels & Resorts, L.P.	133	128
Host Hotels & Resorts, Inc. stockholders' equity:		
Common stock, par value $.01, 1,050 million shares authorized, 718.5 million shares and 740.4 million shares issued and outstanding, respectively	7	7
Additional paid-in capital	7,762	8,156
Accumulated other comprehensive loss	(62)	(59)
Deficit	(208)	(610)
Total equity of Host Hotels & Resorts, Inc. stockholders	7,499	7,494
Non-redeemable non-controlling interests—other consolidated partnerships	6	72
Total equity	7,505	7,566
Total liabilities, non-controlling interests and equity	$ 13,132	$ 12,090

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Quarter and Year-to-date ended September 30, 2019 and 2018
(unaudited, in millions, except per share amounts)

	Quarter ended September 30,		Year-to-date ended September 30,	
	2019	**2018**	**2019**	**2018**
REVENUES				
Rooms	$ 830	$ 874	$ 2,618	$ 2,691
Food and beverage	341	337	1,223	1,199
Other	91	88	294	273
Total revenues	1,262	1,299	4,135	4,163
EXPENSES				
Rooms	221	234	664	696
Food and beverage	260	254	835	822
Other departmental and support expenses	320	321	981	972
Management fees	52	56	177	183
Other property-level expenses	85	90	268	287
Depreciation and amortization	165	412	501	779
Corporate and other expenses	26	24	80	82
Gain on insurance and business interruption settlements	(4)	—	(4)	—
Total operating costs and expenses	1,125	1,391	3,502	3,821
OPERATING PROFIT (LOSS)	137	(92)	633	342
Interest income	8	3	23	8
Interest expense	(46)	(45)	(132)	(134)
Gain on sale of assets	274	547	336	667
Gain (loss) on foreign currency transactions and derivatives	(1)	1	—	—
Equity in earnings of affiliates	4	6	13	25
INCOME BEFORE INCOME TAXES	376	420	873	908
Provision for income taxes	(4)	(42)	(22)	(63)
NET INCOME	372	378	851	845
Less: Net income attributable to non-controlling interests	(4)	(56)	(11)	(61)
NET INCOME ATTRIBUTABLE TO HOST HOTELS & RESORTS, INC.	$ 368	$ 322	$ 840	$ 784
Basic earnings per common share	$ .51	$ .43	$ 1.14	$ 1.06
Diluted earnings per common share	$ .51	$ .43	$ 1.14	$ 1.06

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
Quarter and Year-to-date ended September 30, 2019 and 2018
(unaudited, in millions)

	Quarter ended September 30,		Year-to-date ended September 30,	
	2019	**2018**	**2019**	**2018**
NET INCOME	$ 372	$ 378	$ 851	$ 845
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX:				
Foreign currency translation and other comprehensive income of unconsolidated affiliates	(7)	(2)	(4)	(10)
Change in fair value of derivative instruments	1	—	—	—
Amounts reclassified from other comprehensive income (loss)	—	5	1	5
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX	(6)	3	(3)	(5)
COMPREHENSIVE INCOME	366	381	848	840
Less: Comprehensive income attributable to non-controlling interests	(4)	(56)	(11)	(61)
COMPREHENSIVE INCOME ATTRIBUTABLE TO HOST HOTELS & RESORTS, INC.	$ 362	$ 325	$ 837	$ 779

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Year-to-date ended September 30, 2019 and 2018
(unaudited, in millions)

	Year-to-date ended September 30,	
	2019	2018
OPERATING ACTIVITIES		
Net income	$ 851	$ 845
Adjustments to reconcile to cash provided by operations:		
Depreciation and amortization	501	779
Amortization of finance costs, discounts and premiums, net	5	5
Non-cash loss on extinguishment of debt	3	—
Stock compensation expense	11	11
Deferred income taxes	(2)	—
Gain on sale of assets	(336)	(667)
Gain on property insurance settlement	(4)	—
Equity in earnings of affiliates	(13)	(25)
Change in due from managers	(43)	(55)
Distributions from investments in affiliates	8	24
Changes in other assets	8	(7)
Changes in other liabilities	(75)	31
Net cash provided by operating activities	914	941
INVESTING ACTIVITIES		
Proceeds from sales of assets, net	895	1,130
Return of investments in affiliates	—	1
Advances to and investments in affiliates	(5)	(4)
Acquisitions	(602)	(1,025)
Capital expenditures:		
Renewals and replacements	(181)	(214)
Return on investment	(211)	(106)
Property insurance proceeds	30	8
Net cash used in investing activities	(74)	(210)
FINANCING ACTIVITIES		
Financing costs	(15)	—
Issuances of debt	645	—
Draws on credit facility	—	360
Repayment of credit facility	(56)	(225)
Common stock repurchase	(395)	—
Dividends on common stock	(480)	(481)
Distributions and payments to non-controlling interests	(73)	(6)
Other financing activities	(6)	(9)
Net cash used in financing activities	(380)	(361)
Effects of exchange rate changes on cash held	(1)	(4)
INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	459	366
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	1,756	1,109
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	$ 2,215	$ 1,475

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS, CONTINUED
Year-to-date ended September 30, 2019 and 2018
(unaudited)

Supplemental disclosure of cash flow information (in millions):

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the balance sheet to the amount shown in the statements of cash flows:

	September 30, 2019	September 30, 2018
Cash and cash equivalents	$ 2,030	$ 1,269
Restricted cash (included in other assets)	1	1
Cash included in furniture, fixtures and equipment replacement fund	184	205
Total cash and cash equivalents and restricted cash shown in the statements of cash flows	$ 2,215	$ 1,475

The following table presents cash paid during the year-to-date for the following:

	Year-to-date ended September 30,	
	2019	2018
Total interest paid	$ 120	$ 122
Income taxes paid	$ 85	$ 31

Supplemental schedule of noncash investing and financing activities:

In connection with the sale of the Chicago Marriott Suites O'Hare in 2019, we extended a $28 million bridge loan to the purchaser. The proceeds received from the sale were net of this loan.

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
September 30, 2019 and December 31, 2018
(in millions)

	September 30, 2019 (unaudited)	December 31, 2018
ASSETS		
Property and equipment, net	$ 9,688	$ 9,760
Right-of-use assets	549	—
Assets held for sale	349	281
Due from managers	104	71
Advances to and investments in affiliates	59	48
Furniture, fixtures and equipment replacement fund	184	213
Other	169	175
Cash and cash equivalents	2,030	1,542
Total assets	$ 13,132	$ 12,090
LIABILITIES, LIMITED PARTNERSHIP INTERESTS OF THIRD PARTIES AND CAPITAL		
Debt		
Senior notes	$ 3,425	$ 2,782
Credit facility, including term loans of $997 and $998, respectively	989	1,049
Other	28	6
Total debt	4,442	3,837
Lease liabilities	558	—
Accounts payable and accrued expenses	277	293
Liabilities held for sale	38	—
Other	179	266
Total liabilities	5,494	4,396
Limited partnership interests of third parties	133	128
Host Hotels & Resorts, L.P. capital:		
General partner	1	1
Limited partner	7,560	7,552
Accumulated other comprehensive loss	(62)	(59)
Total Host Hotels & Resorts, L.P. capital	7,499	7,494
Non-controlling interests—consolidated partnerships	6	72
Total capital	7,505	7,566
Total liabilities, limited partnership interest of third parties and capital	$ 13,132	$ 12,090

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Quarter and Year-to-date ended September 30, 2019 and 2018
(unaudited, in millions, except per unit amounts)

	Quarter ended September 30, 2019	Quarter ended September 30, 2018	Year-to-date ended September 30, 2019	Year-to-date ended September 30, 2018
REVENUES				
Rooms	$ 830	$ 874	$ 2,618	$ 2,691
Food and beverage	341	337	1,223	1,199
Other	91	88	294	273
Total revenues	1,262	1,299	4,135	4,163
EXPENSES				
Rooms	221	234	664	696
Food and beverage	260	254	835	822
Other departmental and support expenses	320	321	981	972
Management fees	52	56	177	183
Other property-level expenses	85	90	268	287
Depreciation and amortization	165	412	501	779
Corporate and other expenses	26	24	80	82
Gain on insurance and business interruption settlements	(4)	—	(4)	—
Total operating costs and expenses	1,125	1,391	3,502	3,821
OPERATING PROFIT (LOSS)	137	(92)	633	342
Interest income	8	3	23	8
Interest expense	(46)	(45)	(132)	(134)
Gain on sale of assets	274	547	336	667
Gain (loss) on foreign currency transactions and derivatives	(1)	1	—	—
Equity in earnings of affiliates	4	6	13	25
INCOME BEFORE INCOME TAXES	376	420	873	908
Provision for income taxes	(4)	(42)	(22)	(63)
NET INCOME	372	378	851	845
Less: Net income attributable to non-controlling interests	—	(53)	(2)	(53)
NET INCOME ATTRIBUTABLE TO HOST HOTELS & RESORTS, L.P.	$ 372	$ 325	$ 849	$ 792
Basic earnings per common unit	$ .52	$ .44	$ 1.17	$ 1.08
Diluted earnings per common unit	$ .52	$ .44	$ 1.17	$ 1.08

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
Quarter and Year-to-date ended September 30, 2019 and 2018
(unaudited, in millions)

	Quarter ended September 30,		Year-to-date ended September 30,	
	2019	2018	2019	2018
NET INCOME	$ 372	$ 378	$ 851	$ 845
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX:				
Foreign currency translation and other comprehensive income of unconsolidated affiliates	(7)	(2)	(4)	(10)
Change in fair value of derivative instruments	1	—	—	—
Amounts reclassified from other comprehensive income (loss)	—	5	1	5
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX	(6)	3	(3)	(5)
COMPREHENSIVE INCOME	366	381	848	840
Less: Comprehensive income attributable to non-controlling interests	—	(53)	(2)	(53)
COMPREHENSIVE INCOME ATTRIBUTABLE TO HOST HOTELS & RESORTS, L.P.	$ 366	$ 328	$ 846	$ 787

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Year-to-date ended September 30, 2019 and 2018
(unaudited, in millions)

	Year-to-date ended September 30,	
	2019	2018
OPERATING ACTIVITIES		
Net income	$ 851	$ 845
Adjustments to reconcile to cash provided by operations:		
Depreciation and amortization	501	779
Amortization of finance costs, discounts and premiums, net	5	5
Non-cash loss on extinguishment of debt	3	—
Stock compensation expense	11	11
Deferred income taxes	(2)	—
Gain on sale of assets	(336)	(667)
Gain on property insurance settlement	(4)	—
Equity in earnings of affiliates	(13)	(25)
Change in due from managers	(43)	(55)
Distributions from investments in affiliates	8	24
Changes in other assets	8	(7)
Changes in other liabilities	(75)	31
Net cash provided by operating activities	914	941
INVESTING ACTIVITIES		
Proceeds from sales of assets, net	895	1,130
Return of investments in affiliates	—	1
Advances to and investments in affiliates	(5)	(4)
Acquisitions	(602)	(1,025)
Capital expenditures:		
Renewals and replacements	(181)	(214)
Return on investment	(211)	(106)
Property insurance proceeds	30	8
Net cash used in investing activities	(74)	(210)
FINANCING ACTIVITIES		
Financing costs	(15)	—
Issuances of debt	645	—
Draws on credit facility	—	360
Repayment of credit facility	(56)	(225)
Repurchase of common OP units	(395)	—
Distributions on common OP units	(485)	(486)
Distributions and payments to non-controlling interests	(68)	(1)
Other financing activities	(6)	(9)
Net cash used in financing activities	(380)	(361)
Effects of exchange rate changes on cash held	(1)	(4)
INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	459	366
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	1,756	1,109
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	$ 2,215	$ 1,475

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS, CONTINUED
Year-to-date ended September 30, 2019 and 2018
(unaudited)

Supplemental disclosure of cash flow information (in millions):

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the balance sheet to the amount shown in the statements of cash flows:

	September 30, 2019	September 30, 2018
Cash and cash equivalents	$ 2,030	$ 1,269
Restricted cash (included in other assets)	1	1
Cash included in furniture, fixtures and equipment replacement fund	184	205
Total cash and cash equivalents and restricted cash shown in the statements of cash flows	$ 2,215	$ 1,475

The following table presents cash paid during the year-to-date for the following:

	Year-to-date ended September 30,	
	2019	2018
Total interest paid	$ 120	$ 122
Income taxes paid	$ 85	$ 31

Supplemental schedule of noncash investing and financing activities:

In connection with the sale of the Chicago Marriott Suites O'Hare in 2019, we extended a $28 million bridge loan to the purchaser. The proceeds received from the sale were net of this loan.

See notes to condensed consolidated financial statements.

1. Organization

Description of Business

Host Hotels & Resorts, Inc. operates as a self-managed and self-administered real estate investment trust ("REIT"), with its operations conducted solely through Host Hotels & Resorts, L.P. and its subsidiaries. Host Hotels & Resorts, L.P., a Delaware limited partnership, operates through an umbrella partnership structure, with Host Hotels & Resorts, Inc., a Maryland corporation, as its sole general partner. In the notes to these unaudited condensed consolidated financial statements, we use the terms "we" or "our" to refer to Host Hotels & Resorts, Inc. and Host Hotels & Resorts, L.P. together, unless the context indicates otherwise. We also use the term "Host Inc." specifically to refer to Host Hotels & Resorts, Inc. and the term "Host L.P." specifically to refer to Host Hotels & Resorts, L.P. in cases where it is important to distinguish between Host Inc. and Host L.P. As of September 30, 2019, Host Inc. holds approximately 99% of Host L.P.'s OP units.

Consolidated Portfolio

As of September 30, 2019, our consolidated portfolio, primarily consisting of luxury and upper upscale hotels, is located in the following countries:

	Hotels
United States	77
Brazil	3
Canada	2
Total	82

2. Summary of Significant Accounting Policies

We have condensed or omitted certain information and footnote disclosures normally included in financial statements presented in accordance with GAAP in the accompanying unaudited condensed consolidated financial statements. We believe the disclosures made herein are adequate to prevent the information presented from being misleading. However, the financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10–K for the year ended December 31, 2018.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

In our opinion, the accompanying unaudited condensed consolidated financial statements reflect all adjustments necessary to present fairly our financial position as of September 30, 2019, and the results of our operations for the quarter and year-to-date periods ended September 30, 2019 and 2018, respectively, and cash flows for the year-to-date periods ended September 30, 2019 and 2018, respectively. Interim results are not necessarily indicative of full year performance because of the impact of seasonal variations.

Three of the partnerships in which we own an interest are considered variable interest entities (VIEs) as the general partner maintains control over the decisions that most significantly impact the partnerships. These VIEs include the operating partnership, Host L.P., which is consolidated by Host Inc., of which Host Inc. is the sole general partner and holds approximately 99% of its partnership interests; the consolidated partnership that owns the Houston Airport Marriott at George Bush Intercontinental; and the unconsolidated partnership that owns the Philadelphia Marriott Downtown. Host Inc.'s sole significant asset is its investment in Host L.P. and, consequently, substantially all of Host Inc.'s assets and liabilities consists of the assets and liabilities of Host L.P. All of Host Inc.'s debt is an obligation of Host L.P. and may be settled only with assets of Host L.P.

New Accounting Standards

Leases. On January 1, 2019, we adopted Accounting Standard Update (ASU) No. 2016-02, *Leases (Topic 842),* as amended, which affects aspects of accounting for lease agreements. Under the new standard, all leases in which we are the lessee, including operating leases, are recognized as lease assets and lease liabilities on the balance sheet. However, the adoption did not materially affect our statements of operations or statements of cash flows. For lease agreements in which we are the lessor, we have analyzed the impact of the standard and determined that there was no material impact to the recognition, measurement, or presentation of these rental revenues. Rooms revenues, which constitute the majority of our revenues, result from what are considered short term leases. Additionally, we earn rental revenues from retail and office leases at our properties, all of which are included in other revenue. We adopted the standard using the effective date transition method with a cumulative-effect adjustment in the period of adoption. The standard provided several optional practical expedients for use in transition. We elected to use what the Financial Accounting Standards Board ("FASB") has deemed the "package of practical expedients," which allowed us to not reassess our previous conclusions about lease identification, lease classification and the accounting treatment for initial direct costs, and we elected to not reassess previous conclusions about land easements. Consequently, financial information will not be updated and disclosures required under the new standard will not be provided for dates and periods prior to January 1, 2019. Upon adoption, we recognized a right of use ("ROU") asset and a related lease liability of $619 million and $628 million, respectively, with the prior year's straight-line rent liability of $9 million reducing the ROU asset.

3. Earnings Per Common Share (Unit)

Basic earnings per common share (unit) is computed by dividing net income attributable to common stockholders (unitholders) by the weighted average number of shares of Host Inc. common stock or Host L.P. common units outstanding. Diluted earnings per common share (unit) is computed by dividing net income attributable to common stockholders (unitholders), as adjusted for potentially dilutive securities, by the weighted average number of shares of Host Inc. common stock or Host L.P. common units outstanding plus other potentially dilutive securities. Dilutive securities may include shares granted under comprehensive stock plans or the common OP units distributed to Host Inc. to support such shares granted, and other non-controlling interests that have the option to convert their limited partner interests to common OP units. No effect is shown for any securities that are anti-dilutive. We have 7.6 million common OP units, which are convertible into 7.7 million common shares, that are not included in Host Inc.'s calculation of earnings per share as their effect is not dilutive. The calculation of Host Inc. basic and diluted earnings per common share is shown below (in millions, except per share amounts):

	Quarter ended September 30,		Year-to-date ended September 30,	
	2019	2018	2019	2018
Net income	$ 372	$ 378	$ 851	$ 845
Less: Net income attributable to non-controlling interests	(4)	(56)	(11)	(61)
Net income attributable to Host Inc.	$ 368	$ 322	$ 840	$ 784
Basic weighted average shares outstanding	725.5	739.9	735.0	739.6
Assuming distribution of common shares granted under the comprehensive stock plans, less shares assumed purchased at market	0.3	0.6	0.4	0.6
Diluted weighted average shares outstanding	725.8	740.5	735.4	740.2
Basic earnings per common share	$ .51	$ .43	$ 1.14	$ 1.06
Diluted earnings per common share	$ .51	$ .43	$ 1.14	$ 1.06

The calculation of Host L.P. basic and diluted earnings per unit is shown below (in millions, except per unit amounts):

	Quarter ended September 30,		Year-to-date ended September 30,	
	2019	2018	2019	2018
Net income	$ 372	$ 378	$ 851	$ 845
Less: Net income attributable to non-controlling interests	—	(53)	(2)	(53)
Net income attributable to Host L.P.	$ 372	$ 325	$ 849	$ 792
Basic weighted average units outstanding	717.8	732.3	727.1	732.1
Assuming distribution of common units to support shares granted under the comprehensive stock plans, less shares assumed purchased at market	0.3	0.6	0.4	0.6
Diluted weighted average units outstanding	718.1	732.9	727.5	732.7
Basic earnings per common unit	$ .52	$ .44	$ 1.17	$ 1.08
Diluted earnings per common unit	$ .52	$ .44	$ 1.17	$ 1.08

4. Revenue

Substantially all of our operating results represent revenues and expenses generated by property-level operations. Payments are due from customers when services are provided to them. Due to the short-term nature of our contracts and the almost concurrent receipt of payment, we have no material unearned revenue at quarter end. We collect sales, use, occupancy and similar taxes at our hotels, which we present on a net basis (excluded from revenues) on our statements of operations.

Disaggregation of Revenues. While we do not consider the following division by location to consist of reportable segments, we have disaggregated hotel revenues by market location. Our revenues also are presented by country in Note 11 – Geographic Information.

By Location. The following table presents hotel revenues for each of the geographic locations in our consolidated hotel portfolio (in millions):

Location	Quarter ended September 30, 2019	Quarter ended September 30, 2018	Year-to-date ended September 30, 2019	Year-to-date ended September 30, 2018
San Diego	$ 138	$ 136	$ 409	$ 402
San Francisco/San Jose	127	131	392	373
New York	134	172	384	539
Maui/Oahu	99	93	305	270
Washington, D.C. (Central Business District)	76	71	259	252
Florida Gulf Coast	51	37	256	216
Phoenix	45	46	236	220
Boston	86	86	234	231
Orlando	43	44	166	170
Los Angeles	49	48	141	143
Chicago	45	53	128	140
Miami	36	9	125	41
Atlanta	35	37	121	119
Northern Virginia	26	34	103	115
Seattle	35	38	92	99
Houston	25	25	86	88
Orange County	25	32	84	91
San Antonio	22	26	81	86
New Orleans	22	19	80	75
Jacksonville	21	25	79	78
Denver	27	26	72	69
Philadelphia	22	22	67	65
Other	50	61	170	196
Domestic	1,239	1,271	4,070	4,078
International	23	28	65	85
Total	$ 1,262	$ 1,299	$ 4,135	$ 4,163

5. Leases

Taxable REIT Subsidiaries Leases

We lease substantially all of our hotels to a wholly owned subsidiary that qualifies as a taxable REIT subsidiary due to the federal income tax prohibition on the ability of a REIT to derive revenue directly from the operations of a hotel.

Ground Leases

As of September 30, 2019, all or a portion of23 of our hotels are subject to ground leases, generally with multiple renewal options, all of which are accounted for as operating leases. Payments for ground leases account for approximately 80% of our 2019 minimum lease payments and 99% of our total future minimum lease payments. For lease agreements with scheduled rent increases, we recognize the fixed portion of the lease expense ratably over the term of the lease. As the exercise of the renewal options were determined to be reasonably certain, the payments associated with the renewals have been included in the measurement of the lease liability and ROU asset. Contingent rental payments based on a percentage of sales in excess of stipulated amounts are not included in the measurement of the lease liability and ROU asset but will be recognized as variable lease expense if and when they are incurred. However, certain of these leases contain provisions that increase the minimum lease payments based on an average of the variable lease payments made over the previous years, for which we will reevaluate the lease liability and ROU asset, as these payments now represent an increase in the minimum payments for the remainder of the lease term. Certain of these leases also contain provisions that increase the minimum lease payments based on an index such as the Consumer Price Index. Subsequent to the initial adoption of the new standard, such amounts are not included in the measurement of the lease liability and ROU asset but will be recognized as variable lease expense if and when they are incurred. The discount rate used to calculate the lease liability and ROU asset is based on our incremental borrowing rate ("IBR"), as the rate implicit in each lease is not readily determinable. To calculate our IBR, we obtained a forward curve using LIBOR swap rates, with terms ranging from one to fifty years, as well as corresponding bond spreads based on the terms of the leases and our credit risk. The resulting discount rates for our ground leases range from 4.3% to 5.7%.

Office Leases and Other

We have office leases for our headquarters office in Bethesda, which expires in2022, as well as satellite offices in Miami and San Diego, which leases expire in 2022 and 2021, respectively, with no renewal options. In addition, we have entered into a new lease agreement to lease office space in downtown Bethesda for our headquarters office. The lease is expected to commence in the fourth quarter, upon completion of construction. Our leasing activity also includes leases entered into by our hotels for various types of equipment that historically have been accounted for either as operating or capital leases, depending upon the characteristics of the particular lease arrangement. As we have elected to use the package of practical expedients, all existing capital leases now are classified as finance leases, which total $1 million at September 30, 2019.

As disclosed in Note 2 – Summary of Significant Accounting Policies, we adopted ASU No. 2016-02,*Leases (Topic 842)*, as amended, using the effective date transition method. As a result, disclosures required under the new standard will not be provided for dates or periods prior to January 1, 2019. For the comparative periods, we will provide disclosures required by ASC 840, *Leases*.

The following table presents lease cost and other information for the quarter and year-to-date ended September 30, 2019 (in millions):

	Quarter ended September 30, 2019	Year-to-date ended September 30, 2019
Lease cost		
Operating lease cost	$ 11	$ 34
Variable lease cost	10	29
Sublease income	(1)	(1)
Total lease cost	$ 20	$ 62
Other information		
Operating cash flows used for operating leases for the year-to-date ended September 30, 2019		$ 34
Weighted-average remaining lease term - operating leases		53 years
Weighted-average discount rate - operating leases		5.4%

The following table presents a reconciliation of the total amount of lease payments, on an undiscounted basis, to the lease liability in the statement of financial position as of September 30, 2019 (in millions):

	As of September 30, 2019		
	Ground Leases	Office Leases and Other	Total
Weighted-average discount rate - operating leases	5.4%	4.0%	5.4%
October 1, 2019 - December 31, 2019	$ 8	$ 2	$ 10
2020	32	7	39
2021	32	6	38
2022	32	3	35
2023	32	—	32
Thereafter	1,551	—	1,551
Total undiscounted cash flows	$ 1,687	$ 18	$ 1,705
Present values			
Long-term lease liabilities	$ 541	$ 17	$ 558
Total lease liabilities	$ 541	$ 17	$ 558
Difference between undiscounted cash flows and discounted cash flows	$ 1,146	$ 1	$ 1,147

In addition, the $38 million lease liability associated with the ground lease at the Sheraton San Diego Hotel & Marina is classified as held for sale at September 30, 2019. The undiscounted cash flows for this ground lease total $130 million.

The following table presents the future minimum annual rental commitments, excluding renewal periods, as of December 31, 2018, for which we are the lessee, required under non-cancelable operating leases in accordance with ASC 840, under which we report prior to January 1, 2019 (in millions):

	As of December 31, 2018
2019	$ 46
2020	44
2021	43
2022	40
2023	37
Thereafter	1,309
Total minimum lease payments	$ 1,519

6. Property and Equipment

Property and equipment consists of the following (in millions):

	September 30, 2019	December 31, 2018
Land and land improvements	$ 2,061	$ 1,960
Buildings and leasehold improvements	13,213	13,586
Furniture and equipment	2,298	2,411
Construction in progress	320	220
	17,892	18,177
Less accumulated depreciation and amortization	(8,204)	(8,417)
	$ 9,688	$ 9,760

7. Debt

Senior Notes. On September 26, 2019, we issued $650 million of 3.375% Series H senior notes due December 2029 for proceeds of approximately $640 million, net of discounts, underwriting fees and expenses. Interest is payable semi-annually in arrears on June 15 and December 15, commencing December 15, 2019. Subsequent to quarter end, the net proceeds were used, together with cash on hand, to redeem our $300 million 6% Series Z senior notes due 2021 and our $350 million 5.25% Series B senior notes due 2022, including a prepayment premium of $50 million.

Credit Facility. During the quarter, we repaid $56 million on the revolver portion of our credit facility. As of September 30, 2019, we had $1.5 billion of available capacity under the revolver portion of our credit facility.

On August 1, 2019, we amended and restated (the "Restatement") our existing senior unsecured bank credit facility with Bank of America, N.A., as administrative agent. The Restatement increases the capacity of the revolver portion from $1.0 billion to $1.5 billion and extends the maturity to January 2024, with two six-month renewal options. Under the Restatement, we also extended the maturities of the two existing $500 million term loans, from September 2020 and May 2021 to January 2024 and January 2025, respectively, subject to a one-year extension option on the January 2024 maturity. Interest on revolver borrowings under the Restatement consists of floating rates equal to LIBOR plus a margin ranging from 77.5 to 145 basis points or a base rate plus a margin of zero to 45 basis points (depending on Host L.P.'s unsecured long-term debt rating) plus a facility fee ranging from 12.5 to 30 basis points depending on our rating, regardless of usage. Interest on the term loans consists of LIBOR plus a margin ranging from 85 to 165 basis points or a base rate plus a margin ranging from zero to 65 basis points (depending on Host L.P.'s unsecured long-term debt rating). Based on Host L.P.'s unsecured long-term debt rating on the date of the Restatement, we are able to borrow on the revolver at a rate of LIBOR plus 90 basis points and the rate on the term loans is LIBOR plus 100 basis points, representing a decrease of 10 basis points for each, compared to our previous facility. In addition, we are required to pay a facility fee of 20 basis points. The Restatement also contains an option to add $500 million of commitments, which may be used for additional revolving credit facility borrowings and/or term loans.

8. Equity of Host Inc. and Capital of Host L.P.

Equity of Host Inc.

The components of the Equity of Host Inc. are as follows (in millions):

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings / (Deficit)	Non-redeemable, non-controlling interests	Redeemable, non-controlling interests
Balance, December 31, 2018	$ 7	$ 8,156	$ (59)	$ (610)	$ 72	$ 128
Net income	—	—	—	840	2	9
Issuance of common stock for comprehensive stock plans, net	—	6	—	—	—	—
Repurchase of common stock	—	(400)	—	—	—	—
Dividends declared on common stock	—	—	—	(438)	—	—
Distributions to non-controlling interests	—	—	—	—	(68)	(5)
Changes in ownership and other	—	—	—	—	—	1
Other comprehensive loss	—	—	(3)	—	—	—
Balance, September 30, 2019	$ 7	$ 7,762	$ (62)	$ (208)	$ 6	$ 133

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings / (Deficit)	Non-redeemable, non-controlling interests	Redeemable, non-controlling interests
Balance June 30, 2019	$ 7	$ 7,948	$ (56)	$ (432)	$ 7	$ 141
Net income	—	—	—	368	—	4
Issuance of common stock for comprehensive stock plans, net	—	4	—	—	—	—
Repurchase of common stock	—	(200)	—	—	—	—
Dividends declared on common stock	—	—	—	(144)	—	—
Distributions to non-controlling interests	—	—	—	—	(1)	(2)
Changes in ownership and other	—	10	—	—	—	(10)
Other comprehensive loss	—	—	(6)	—	—	—
Balance, September 30, 2019	$ 7	$ 7,762	$ (62)	$ (208)	$ 6	$ 133

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings / (Deficit)	Non-redeemable, non-controlling interests	Redeemable, non-controlling interests
Balance, December 31, 2017	$ 7	$ 8,097	$ (60)	$ (1,071)	$ 29	$ 167
Net income	—	—	—	784	53	8
Issuance of common stock for comprehensive stock plans, net	—	10	—	—	—	—
Dividends declared on common stock	—	—	—	(445)	—	—
Distributions to non-controlling interests	—	—	—	—	(1)	(5)
Changes in ownership and other	—	1	—	—	(8)	—
Other comprehensive loss	—	—	(5)	—	—	—
Cumulative effect of accounting change	—	—	—	4	—	—
Balance, September 30, 2018	$ 7	$ 8,108	$ (65)	$ (728)	$ 73	$ 170

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings / (Deficit)	Non-redeemable, non-controlling interests	Redeemable, non-controlling interests
Balance, June 30, 2018	$ 7	$ 8,100	$ (68)	$ (901)	$ 28	$ 173
Net income	—	—	—	322	53	3
Issuance of common stock for comprehensive stock plans, net	—	4	—	—	—	—
Dividends declared on common stock	—	—	—	(149)	—	—
Distributions to non-controlling interests	—	—	—	—	—	(2)
Changes in ownership and other	—	4	—	—	(8)	(4)
Other comprehensive income	—	—	3	—	—	—
Balance, September 30, 2018	$ 7	$ 8,108	$ (65)	$ (728)	$ 73	$ 170

Capital of Host L.P.

As of September 30, 2019, Host Inc. is the owner of approximately99% of Host L.P.'s common OP units. The remaining common OP units are owned by unaffiliated limited partners. Each common OP unit may be redeemed for cash or, at the election of Host Inc., Host Inc. common stock, based on the conversion ratio of 1.021494 shares of Host Inc. common stock for each common OP unit.

In exchange for any shares issued by Host Inc., Host L.P. will issue common OP units to Host Inc. based on the applicable conversion ratio. Additionally, funds used by Host Inc. to pay dividends on its common stock are provided by distributions from Host L.P.

The components of the Capital of Host L.P. are as follows (in millions):

	General Partner	Limited Partner	Accumulated Other Comprehensive Income (Loss)	Non-controlling interests	Limited partnership interests of third parties
Balance, December 31, 2018	$ 1	$ 7,552	$ (59)	$ 72	$ 128
Net income	—	840	—	2	9
Issuance of common OP units to Host Inc. for comprehensive stock plans, net	—	6	—	—	—
Repurchase of common OP units	—	(400)	—	—	—
Distributions declared on common OP units	—	(438)	—	—	(5)
Distributions to non-controlling interests	—	—	—	(68)	—
Changes in ownership and other	—	—	—	—	1
Other comprehensive loss	—	—	(3)	—	—
Balance, September 30, 2019	$ 1	$ 7,560	$ (62)	$ 6	$ 133

	General Partner	Limited Partner	Accumulated Other Comprehensive Income (Loss)	Non-controlling interests	Limited partnership interests of third parties
Balance June 30, 2019	$ 1	$ 7,522	$ (56)	$ 7	$ 141
Net income	—	368	—	—	4
Issuance of common OP units to Host Inc. for comprehensive stock plans, net	—	4	—	—	—
Repurchase of common OP units	—	(200)	—	—	—
Distributions declared on common OP units	—	(144)	—	—	—
Distributions to non-controlling interests	—	—	—	(1)	(2)
Changes in ownership and other	—	10	—	—	(10)
Other comprehensive loss	—	—	(6)	—	—
Balance, September 30, 2019	$ 1	$ 7,560	$ (62)	$ 6	$ 133

	General Partner	Limited Partner	Accumulated Other Comprehensive Income (Loss)	Non-controlling interests	Limited partnership interests of third parties
Balance, December 31, 2017	$ 1	$ 7,032	$ (60)	$ 29	$ 167
Net income	—	784	—	53	8
Issuance of common OP units to Host Inc. for comprehensive stock plans, net	—	10	—	—	—
Distributions declared on common OP units	—	(445)	—	—	(5)
Distributions to non-controlling interests	—	—	—	(1)	—
Changes in ownership and other	—	1	—	(8)	—
Other comprehensive loss	—	—	(5)	—	—
Cumulative effect of accounting change	—	4	—	—	—
Balance, September 30, 2018	$ 1	$ 7,386	$ (65)	$ 73	$ 170

	General Partner	Limited Partner	Accumulated Other Comprehensive Income (Loss)	Non-controlling interests	Limited partnership interests of third parties
Balance, June 30, 2018	$ 1	$ 7,205	$ (68)	$ 28	$ 173
Net income	—	322	—	53	3
Issuance of common OP units to Host Inc. for comprehensive stock plans, net	—	4	—	—	—
Distributions declared on common OP units	—	(149)	—	—	(2)
Distributions to non-controlling interests	—	—	—	—	—
Changes in ownership and other	—	4	—	(8)	(4)
Other comprehensive income	—	—	3	—	—
Balance, September 30, 2018	$ 1	$ 7,386	$ (65)	$ 73	$ 170

Share Repurchases

On August 5, 2019, Host Inc.'s Board of Directors authorized an increase in its share repurchase program from $500 million to $1 billion. During the third quarter of 2019, we repurchased 12.1 million shares at an average price of $16.51 per share, exclusive of commissions, through our common share repurchase program for a total of $200 million. In total, as of September 30, 2019, we have repurchased 23 million shares at an average price of $17.36 for a total of $400 million. Subsequent to quarter end, we purchased an additional 800,000 shares at an average price of $16.79 per share, for a total of $14 million, pursuant to our trading plan designed to comply with Rule 10b5-1 under the Securities Exchange Act. Following these transactions, we have $586 million available for repurchase under the program.

Dividends/Distributions

On September 13, 2019, Host Inc.'s Board of Directors declared a regular quarterly cash dividend of $0.20 per share on its common stock. The dividend was paid on October 15, 2019 to stockholders of record as of September 30, 2019. Accordingly, Host L.P. made a distribution of $0.2042988 per unit on its common OP units based on the current conversion ratio.

9. Dispositions

During the third quarter of 2019, we sold the following hotels:

- Courtyard Chicago Downtown/River North and Residence Inn Arlington Pentagon City for $150 million, including $9 million for the FF&E replacement funds;
- Chicago Marriott Suites O'Hare for $39 million, including $3 million for the FF&E replacement funds;
- Scottsdale Marriott Suites Old Town, Scottsdale Marriott at McDowell Mountains, Costa Mesa Marriott, and Atlanta Marriott Suites Midtown for $256 million, including $8 million for the FF&E replacement funds; and
- The Westin Indianapolis for $120 million, including $2 million for the FF&E replacement funds.

We recorded a gain on sale of approximately $279 million in the third quarter of 2019 related to the sale of these hotels.

Subsequent to quarter end, we sold the Sheraton San Diego Hotel & Marina and the Hyatt Regency Cambridge, Overlooking Boston, for $297 million. As of September 30, 2019, these hotels were classified as held for sale.

10. Fair Value Measurements

We did not elect the fair value measurement option for any of our financial liabilities. The fair values of our secured debt and our credit facility are determined based on expected future payments discounted at risk-adjusted rates. Our senior notes are valued based on quoted market prices. The fair values of financial instruments not included in this table are estimated to be equal to their carrying amounts.

The fair value of certain financial liabilities is shown below (in millions):

	September 30, 2019		December 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities				
Senior notes (Level 1)	$ 3,425	$ 3,616	$ 2,782	$ 2,808
Credit facility (Level 2)	989	1,000	1,049	1,055

11. Geographic Information

We consider each of our hotels to be an operating segment, none of which meets the threshold for a reportable segment. We also allocate resources and assess operating performance based on individual hotels. All of our other real estate investment activities (primarily office buildings) are immaterial and, with our operating segments, meet the aggregation criteria. Accordingly, we report one reportable segment: hotel ownership. Our consolidated foreign operations consist of hotels in two countries as of September 30, 2019. There were no intersegment sales during the periods presented.

The following table presents total revenues and property and equipment, net, for each of the geographical areas in which we operate (in millions):

	Total Revenues				Property and Equipment, net	
	Quarter ended September 30,		Year-to-date ended September 30,		September 30,	December 31,
	2019	2018	2019	2018	2019	2018
United States	$ 1,239	$ 1,271	$ 4,070	$ 4,078	$ 9,587	$ 9,651
Brazil	6	4	17	14	44	49
Canada	17	17	48	50	57	60
Mexico	—	7	—	21	—	—
Total	$ 1,262	$ 1,299	$ 4,135	$ 4,163	$ 9,688	$ 9,760

12. Non-controlling Interests

Host Inc.'s treatment of the non-controlling interests of Host L.P.: Host Inc. adjusts the non-controlling interests of Host L.P. each period so that the amount presented equals the greater of their carrying amount based on accumulated historical cost or their redemption value. The historical cost is based on the proportional relationship between the historical cost of equity held by our common stockholders relative to that of the unitholders of Host L.P. The redemption value is based on the amount of cash or Host Inc. common stock, at our option, that would be paid to the non-controlling interests of Host L.P. if it were terminated. Therefore, the redemption value of the common OP units is equivalent to the number of shares that would be issued upon conversion of the common OP units held by third parties valued at the market price of Host Inc. common stock at the balance sheet date. One common OP unit may be exchanged for 1.021494 shares of Host Inc. common stock. Redeemable non-controlling interests of Host L.P. are classified in the mezzanine section of our balance sheets as they do not meet the requirements for equity classification because the redemption feature requires the delivery of registered shares.

The table below details the historical cost and redemption values for the non-controlling interests:

	September 30, 2019	December 31, 2018
Common OP units outstanding (millions)	7.6	7.5
Market price per Host Inc. common share	$ 17.29	$ 16.67
Shares issuable upon conversion of one common OP unit	1.021494	1.021494
Redemption value (millions)	$ 133	$ 128
Historical cost (millions)	81	78
Book value (millions) (1)	133	128

(1) The book value recorded is equal to the greater of redemption value or historical cost.

Other Consolidated Partnerships. We consolidate two majority-owned partnerships that have third-party, non-controlling ownership interests. The third party limited partnership interests are included in non-redeemable non-controlling interests — other consolidated partnerships on the balance sheets and totaled $6 million and $72 million as of September 30, 2019 and December 31, 2018, respectively. Approximately $66 million of the balance at December 31, 2018 relates to the partnership that owned the JW Marriott Hotel Mexico City that was sold in September 2018, representing the portion of the net sale proceeds attributable to the third-party interest that was paid in January 2019.

13. Legal Proceedings

We are involved in various legal proceedings in the normal course of business regarding the operation of our hotels and company matters. To the extent not covered by insurance, these legal proceedings generally fall into the following broad categories: disputes involving hotel-level contracts, employment litigation, compliance with laws such as the Americans with Disabilities Act, tax disputes and other general matters. Under our management agreements, our operators have broad latitude to resolve individual hotel-level claims for amounts generally less than $150,000. However, for matters exceeding such threshold, our operators may not settle claims without our consent.

Based on our analysis of legal proceedings with which we currently are involved or of which we are aware and our experience in resolving similar claims in the past, we have recorded minimal accruals as of September 30, 2019 related to such claims. We have estimated that, in the aggregate, our losses related to these proceedings would not be material. We are not aware of any matters with a reasonably possible unfavorable outcome for which disclosure of a loss contingency is required. No assurances can be given as to the outcome of any pending legal proceedings.

Item 2.Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements and related notes included elsewhere in this report. Host Inc. operates as a self-managed and self-administered REIT. Host Inc. is the sole general partner of Host L.P. and holds approximately 99% of its partnership interests. Host L.P. is a limited partnership operating through an umbrella partnership structure. The remaining common OP units are owned by various unaffiliated limited partners.

Forward-Looking Statements

In this report on Form 10-Q, we make forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are identified by their use of terms and phrases such as "anticipate," "believe," "could," "expect," "may," "intend," "predict," "project," "plan," "will," "estimate" and other similar terms and phrases, including references to assumptions and forecasts of future results. Forward-looking statements are based on management's current expectations and assumptions and are not guarantees of future performance. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results to differ materially from those anticipated at the time the forward-looking statements are made.

The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

- the effect on lodging demand of (i) changes in national and local economic and business conditions, including concerns about the duration and strength of U.S. economic growth, global economic prospects, consumer confidence and the value of the U.S. dollar, and (ii) factors that may shape public perception of travel to a particular location such as natural disasters, weather, pandemics, changes in the international political climate, and the occurrence or potential occurrence of terrorist attacks, all of which will affect occupancy rates at our hotels and the demand for hotel products and services;
- the impact of geopolitical developments outside the United States, such as the pace of economic growth in Europe, the effects of the United Kingdom's referendum to withdraw from the European Union, escalating trade tensions between the United States and its trading partners such as China, or conflicts in the Middle East, all of which could affect the relative volatility of global credit markets generally, global travel and lodging demand within the United States;
- risks that U.S. immigration policies and travel ban will suppress international travel to the United States generally;
- volatility in global financial and credit markets, and the impact of budget deficits and potential U.S. governmental action to address such deficits through reductions in spending and similar austerity measures, which could materially adversely affect U.S. and global economic conditions, business activity, credit availability, borrowing costs, and lodging demand;
- operating risks associated with the hotel business, including the effect of labor stoppages or strikes, increasing operating or labor costs or changes in workplace rules that affect labor costs;
- the effect of rating agency downgrades of our debt securities on the cost and availability of new debt financings;
- the reduction in our operating flexibility and the limitation on our ability to pay dividends and make distributions resulting from restrictive covenants in our debt agreements, which limit the amount of distributions from Host L.P. to Host Inc., and other risks associated with the amount of our indebtedness or related to restrictive covenants in our debt agreements, including the risk that a default could occur;
- our ability to maintain our hotels in a first-class manner, including meeting capital expenditures requirements, and the effect of renovations, including temporary closures, on our hotel occupancy and financial results;
- the ability of our hotels to compete effectively against other lodging businesses in the highly competitive markets in which we operate in terms of access, location, quality of accommodations and room rate structures;
- our ability to acquire or develop additional hotels and the risk that potential acquisitions or developments may not perform in accordance with our expectations;
- relationships with property managers and joint venture partners and our ability to realize the expected benefits of our joint ventures and other strategic relationships;
- risks associated with a single manager, Marriott International, managing a significant portion of our hotels;
- changes in the desirability of the geographic regions of the hotels in our portfolio or in the travel patterns of hotel customers;
- the ability of third-party internet and other travel intermediaries to attract and retain customers;

- our ability to recover fully under our existing insurance policies for terrorist acts and our ability to maintain adequate or full replacement cost "all-risk" property insurance policies on our hotels on commercially reasonable terms;
- the effect of a data breach or significant disruption of hotel operator information technology networks as a result of cyber attacks;
- the effects of tax legislative action and other changes in laws and regulations, or the interpretation thereof, including the need for compliance with new environmental and safety requirements;
- the ability of Host Inc. and each of the REITs acquired, established or to be established by Host Inc. to continue to satisfy complex rules in order to qualify as REITs for federal income tax purposes and Host Inc.'s and Host L.P.'s ability and the ability of our subsidiaries, and similar entities to be acquired or established by us, to operate effectively within the limitations imposed by these rules; and
- risks associated with our ability to execute our dividend policy, including factors such as investment activity, operating results and the economic outlook, any or all of which may influence the decision of our board of directors as to whether to pay future dividends at levels previously disclosed or to use available cash to pay special dividends.

We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events, or otherwise. Achievement of future results is subject to risks, uncertainties and potentially inaccurate assumptions, including those risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2018 and in other filings with the Securities and Exchange Commission ("SEC"). Although we believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that we will attain these expectations or that any deviations will not be material.

Operating Results and Outlook

Operating Results

The following table reflects certain line items from our statements of operations and significant operating statistics (in millions, except per share and hotel statistics):

Historical Income Statement Data:

	Quarter ended September 30,			Year-to-date ended September 30,		
	2019	2018	Change	2019	2018	Change
Total revenues	$ 1,262	$ 1,299	(2.8)%	$ 4,135	$ 4,163	(0.7)%
Net income	372	378	(1.6)%	851	845	0.7%
Operating profit (loss)	137	(92)	N/M	633	342	85.1%
Operating profit (loss) margin under GAAP	10.9%	(7.1)%	1,800bps	15.3%	8.2%	710bps
EBITDA*re* (1)	$ 316	$ 344	(8.1)%	$ 1,183	$ 1,190	(0.6)%
Adjusted EBITDA*re* (1)	312	344	(9.3)%	1,179	1,190	(0.9)%
Diluted earnings per common share	0.51	0.43	18.6%	1.14	1.06	7.5%
NAREIT FFO per diluted share (1)	0.35	0.37	(5.4)%	1.36	1.34	1.5%
Adjusted FFO per diluted share (1)	0.35	0.37	(5.4)%	1.37	1.34	2.2%

Comparable Hotel Data:

	2019 Comparable Hotels (2)					
	Quarter ended September 30,			Year-to-date ended September 30,		
	2019	2018	Change	2019	2018	Change
Comparable hotel revenues (1)	$ 1,089	$ 1,076	1.2%	$ 3,420	$ 3,404	0.5%
Comparable hotel EBITDA (1)	289	294	(1.9)%	996	996	—
Comparable hotel EBITDA margin (1)	26.5%	27.35%	(85bps)	29.1%	29.25%	(15bps)
Change in comparable hotel Total RevPAR - Constant US$	1.2%			0.5%		
Change in comparable hotel RevPAR - Constant US$	(0.2)%			(0.9)%		
Change in comparable hotel RevPAR - Nominal US$	(0.2)%			(1.0)%		
Change in comparable domestic RevPAR	(0.3)%			(1.1)%		
Change in comparable international RevPAR - Constant US$	4.1%			6.7%		

(1) EBITDA*re,* Adjusted EBITDA*re*, NAREIT FFO per diluted share and Adjusted FFO per diluted share and comparable hotel operating results (including comparable hotel revenues and comparable hotel EBITDA and margins) are non-GAAP (U.S. Generally Accepted Accounting Principles) financial measures within the meaning of the rules of the SEC. See "Non-GAAP Financial Measures" for more information on these measures, including why we believe that these supplemental measures are useful, reconciliations to the most directly comparable GAAP measure, and the limitations on the use of these supplemental measures.

(2) Comparable hotel operating statistics for 2019 and 2018 are based on 75 hotels as of September 30, 2019.

Revenue

Total revenues declined $37 million, or 2.8%, for the third quarter and $28 million, or 0.7%, year-to-date, as the net effect of our recent acquisitions and dispositions led to reductions of $60 million and $54 million for the third quarter and year-to-date periods, respectively. Comparable hotel revenues increased $13 million, or 1.2%, for the third quarter and $16 million, or 0.5%, year-to-date. For the third quarter, comparable revenue per available room ("RevPAR") on a constant US$ basis decreased 0.2% due primarily to a 0.2% decrease in average room rate. Year-to-date, comparable RevPAR on a constant US$ basis declined 0.9% as a result of a decrease in occupancy of 110 basis points, partially offset by a 0.5% increase in average room rate. Comparable Total RevPAR, which also includes food and beverage and other revenues, increased 1.2% for the quarter and 0.5% year-to-date on a constant US$ basis. For the third quarter and year-to-date, comparable food and beverage revenues increased $7 million, or 2.2%, and $9 million, or 0.9%, respectively, due to an increase in banquet and audio-visual revenues, partially offset by a decline in outlet revenues Comparable other revenues grew by $8 million, or 12.1%, for the third quarter and $29 million, or 15.1%, year-to-date, due to an increase in attrition and cancelation revenues and resort and destination fees.

The strongest markets for the quarter were New Orleans and Florida Gulf Coast, which had Total RevPAR increases of 14.2% and 8.4%, respectively. The improvements primarily were the result of an increase in group business and banquet revenues in both markets. The New Orleans Marriott also benefited from stronger citywide events, while the Don Cesar and the Ritz-Carlton Golf Resort in the Florida Gulf Coast market benefited from recently completed renovations. The Maui/Oahu, Phoenix and Washington, D.C. (CBD) markets also outperformed our portfolio, with Total RevPAR increases of 6.8%, 6.4%, and 6.4%, respectively. In Maui/Oahu, increases in both occupancy and rate drove Total RevPAR as demand remains robust in Maui and airfare to the islands has become relatively affordable as airlines open new routes. In Phoenix, the improvement in Total RevPAR was due to an increase in food and beverage revenues, as The Phoenician reopened two restaurants after completing renovations. In Washington, D.C. (CBD), stronger group performance drove the 2.5% increase in average rate and the 10.7% increase in food and beverage revenue. These strong performances were offset by Total RevPAR declines at our Jacksonville and Seattle hotels of 14.5% and 8.5%, respectively. The decline in Jacksonville was driven by a decrease in occupancy of 870 basis points due to Hurricanes Dorian and Humberto which caused cancelations in both transient and group bookings, as well as a forced hotel closure. The decline in Seattle was driven by new supply and fewer group room nights due to a decrease in citywide events. Our New York properties also lagged the portfolio, with a Total RevPAR decline of 2.2%, due to continued increases in supply and weak demand in the Times Square submarket.

On a constant US$ basis, Total RevPAR at our comparable international properties improved 7% for the third quarter and 4.8% for year-to-date, primarily due to an increase in occupancy of 1,530 basis points at our hotels in Brazil for the quarter, as well as an increase in food and beverage revenue of 31.2% at the hotels in Brazil.

Operating profit

Operating profit margin (calculated based on GAAP operating profit as a percentage of GAAP revenues) increased 1,800 basis points, to 10.9%, for the third quarter and 710 basis points, to 15.3%, year-to-date, due primarily to the third quarter 2018 impairment expense of $239 million. Operating profit margins are also affected by several other items, including dispositions, depreciation expense and corporate expenses. Our comparable hotel EBITDA margin, which excludes these items, declined 85 basis points, to 26.5%, for the third quarter and declined 15 basis points, to 29.1%, year-to-date. For the quarter and year-to-date, downward pressure on margins was due to the decline in RevPAR, increasing labor costs due to tightening labor markets and a rebate received from Marriott in the third quarter of 2018, which was partially offset by an increase in ancillary revenues, the operating guarantees provided by Marriott related to the Marriott transformational capital program and realized benefits from the Marriott and Starwood merger.

Net income, Adjusted EBITDAre and Adjusted FFO per Diluted Share

Net income decreased $6 million, or 1.6%, for the quarter and increased $6 million, or 0.7%, year-to-date. For the quarter, the decline primarily was due to a decrease in gain on sale of assets of $273 million, mostly offset by the decline in depreciation expense. The increase year-to-date was due to a decline in depreciation expense, partially offset by a decline in gain on sale of assets. The net effect of our recent acquisitions and dispositions increased net income by $17 million for the quarter and $75 million year-to-date, while the sale of our interest in the Euro JV in December 2018 reduced net income by $2 million for the quarter and $11 million year-to-date. These changes led to an increase in diluted earnings per share of $0.08, or 18.6%, for the quarter and $0.08, or 7.5%, year-to-date. Adjusted EBITDA*re*, which excludes gain on sale of assets and impairment expense, decreased $32 million, or 9.3%, for the quarter and $11 million, or 0.9%, year-to-date. The net effect of our recent acquisitions and dispositions reduced Adjusted EBITDA*re* by $18 million for the quarter and $2 million year-to-date, while the sale of our interest in the Euro JV reduced Adjusted EBITDA*re* by $13 million for the quarter and $36 million year-to-date, as compared to the prior year. Adjusted FFO per diluted share decreased $0.02, or 5.4%, for the quarter and increased $0.03, or 2.2%, year-to-date.

The trends and transactions described for Host Inc. affected similarly the operating results for Host L.P., as the only significant difference between the Host Inc. and the Host L.P. statements of operations relates to the treatment of income attributable to the unaffiliated limited partners of Host L.P.

Outlook

Expectations of the overall growth in lodging demand for the remainder of 2019 have continued to weaken, as concerns surrounding an economic slowdown and political and trade uncertainty have weighed on business sentiment, despite positive economic indicators in the broader U.S. economy. Consensus estimates anticipate real GDP growth of 2.3%, implying growth above the long-term trend, albeit at a slight deceleration from 2018 growth of 2.9%. Additionally, the economic outlook is supported by strong consumer confidence and a robust labor market, which typically will buoy travel demand. However, slower economic growth abroad has constrained growth in inbound international travel and the outlook for business investment growth has softened. Specifically, uncertainty surrounding U.S./China trade disputes, Great Britain's anticipated exit from the European Union, and the stronger U.S. dollar have impacted lodging demand.

At the same time, industry supply growth in 2019 continues to be above the long-term average, but below historical peak levels. Some of our markets, such as New York and Seattle, continue to experience above-average supply growth, which has made it more challenging for our operators to maintain high levels of occupancy and to grow average rates. Therefore, constrained lodging demand and targeted supply growth are expected to limit overall RevPAR growth for our portfolio for the balance of 2019.

Based on these trends, we estimate that for the full year 2019 comparable RevPAR will decrease between 1.0% and 0.25%, on a constant US$ basis. Disruption due to the Marriott transformational capital program discussed below is anticipated to reduce comparable hotel RevPAR by approximately 50 basis points in 2019 (in addition to disruptions at our non-comparable hotels). However, the estimated effect to earnings caused by this disruption is offset by Marriott's operating profit guarantees, of which we expect to receive $23 million in 2019. Despite the outlook discussed above, there can be no assurances that any increases in hotel revenues or earnings at our properties will continue for any number of reasons, including, but not limited to, slower than anticipated growth in the U.S. economy, changes in travel patterns, increased market volatility, escalating trade tensions and international economic and political instability.

Strategic Initiatives

Balance Sheet. On September 26, 2019, we issued $650 million of 3.375% Series H senior notes due December 2029 for proceeds of approximately $640 million, net of discounts, underwriting fees and expenses. The Series H senior notes have been designated as green bonds, as an amount equal to the net proceeds will be allocated to eligible green projects. Interest is payable semi-annually in arrears on June 15 and December 15, commencing December 15, 2019. Subsequent to quarter end, the net proceeds were used, together with cash on hand, to redeem our $300 million 6% Series Z senior notes due 2021 and our $350 million 5.25% Series B senior notes due 2022, including a prepayment premium of $50 million. Following the repayment of the Series Z senior notes and Series B senior notes, we have no material debt maturities until 2023. Additionally, during the quarter, we repaid $56 million outstanding on the revolver portion of our credit facility and amended and restated our credit facility agreement, extending the maturity on our outstanding term loans and decreasing interest rates by 10 basis points compared to the previous facility.

Share Repurchases. On August 5, 2019, Host Inc.'s Board of Directors authorized an increase in its share repurchase program from $500 million to $1 billion. During the third quarter, we repurchased 12.1 million shares at an average price of $16.51 per share, through our common share repurchase program, for a total of $200 million. Subsequent to quarter end, we purchased an additional 800,000 shares for a total of $14 million, pursuant to our trading plan designed to comply with Rule 10b5-1 under the Securities Exchange Act. Following these transactions, we have $586 million available for repurchase under the program.

Dispositions. During the third quarter of 2019, we sold the Courtyard Chicago Downtown/River North, Residence Inn Arlington Pentagon City, Chicago Marriott Suites O'Hare, Scottsdale Marriott Suites Old Town, Scottsdale Marriott at McDowell Mountains, Costa Mesa Marriott, Atlanta Marriott Suites Midtown and The Westin Indianapolis for a combined sale price of approximately $565 million. Subsequent to quarter end, we sold the Sheraton San Diego Hotel & Marina and Hyatt Regency Cambridge for a combined total of $297 million. Year-to-date we have sold 14 hotels for a total of $1.3 billion.

Capital Projects. For full year 2019, we expect total capital expenditures of $550 million to $590 million. Thistotal amount consists of return on investment ("ROI") projects of approximately $315 million to $335 million and renewal and replacement expenditures of $235 million to $255 million. ROI projects include approximately $225 million for ten hotels related to the Marriott transformational capital program discussed below.

During the first three quarters of 2019, we spent approximately $211 million on ROI capital projects and $181 million on renewal and replacement projects. Significant projects completed during the quarter included an extensive renovation of all 1,500 rooms at the San Francisco Marriott Marquis, the renovation of over 22,000 square feet of public space at the JW Marriott Houston, and an updated lobby bar at The Don CeSar.

In collaboration with Marriott, we initiated a transformational capital program in 2018 on 17 properties that is expected to occur over a four-year period. We believe these investments will make these hotels more competitive in their respective markets and will enhance long-term performance through increases in RevPAR and market yield index. To accelerate this process, we agreed to invest amounts in excess of the FF&E reserves required under our management agreements, or approximately an average of $175 million per year, which amounts are included in the forecast range of 2019 capital expenditures reflected above. In exchange, Marriott has provided additional priority returns on the agreed upon investments and operating profit guarantees of up to $84 million, before reductions for incentive management fees, over the four years to offset expected business disruption. Of the 17 properties included in the program, work is underway or will be completed on 13 of the 17 properties by December 31, 2019 We have substantially completed the projects at the Coronado Island Marriott Resort & Spa, New York Marriott Downtown and San Francisco Marriott Marquis, while the Santa Clara Marriott project is also expected to be completed in 2019. We anticipate completing nearly 40% of the total estimated spend for the transformational capital program by year-end.In 2020, we expect to substantially complete additional projects at the JW Marriott Atlanta Buckhead, Minneapolis Marriott City Center, and San Antonio Marriott Rivercenter.

Results of Operations

The following table reflects certain line items from our statements of operations (in millions, except percentages):

	Quarter ended September 30,			Year-to-date ended September 30,		
	2019	2018	Change	2019	2018	Change
Total revenues	$ 1,262	$ 1,299	(2.8)%	$ 4,135	$ 4,163	(0.7)%
Operating costs and expenses:						
Property-level costs (1)	1,103	1,367	(19.3)	3,426	3,739	(8.4)
Corporate and other expenses	26	24	8.3	80	82	(2.4)
Gain on insurance and business interruption settlements	4	—	N/M	4	—	N/M
Operating profit (loss)	137	(92)	N/M	633	342	85.1
Interest expense	46	45	2.2	132	134	(1.5)
Gain on sale of assets	274	547	(49.9)	336	667	(49.6)
Provision for income taxes	4	42	(90.5)	22	63	(65.1)
Host Inc.:						
Net income attributable to non-controlling interests	4	56	(92.9)	11	61	(82.0)
Net income attributable to Host Inc.	368	322	14.3	840	784	7.1
Host L.P.:						
Net income attributable to non-controlling interests	—	53	N/M	2	53	(96.2)
Net income attributable to Host L.P.	372	325	14.5	849	792	7.2

(1) Amount represents total operating costs and expenses from our unaudited condensed consolidated statements of operations, less corporate and other expenses.

N/M=Not meaningful.

Statement of Operations Results and Trends

For the third quarter and year-to-date 2019, the results of hotels acquired or sold during the comparable periods impacted our year-over-year comparisons. Comparisons of our operations were affected by the acquisition of the 1 Hotel South Beach in February 2019 and full year-to-date results for the three Hyatt hotels acquired in March 2018. These acquisitions were offset by the sale of 12 hotels in the first three quarters of 2019 as well as the disposition of four hotels in 2018. The table below presents the net increase/reduction in revenues and earnings due to the results of hotels acquired or sold during the comparable periods, collectively the “Property Transactions” (in millions):

	Quarter ended	September 30,		Year-to-date ended September 30,		
	2019	2018	Change	2019	2018	Change
Revenues:						
Acquisitions	$ 78	$ 55	$ 23	$ 266	$ 114	$ 152
Dispositions	11	94	(83)	124	330	(206)
Total revenues	$ 89	$ 149	$ (60)	$ 390	$ 444	$ (54)
Net income (loss) (excluding gain on sale, net of tax):						
Acquisitions	$ 4	$ 6	$ (2)	$ 44	$ 14	$ 30
Dispositions	3	(16)	19	34	(11)	45
Net income (loss) (excluding gain on sale, net of tax):	$ 7	$ (10)	$ 17	$ 78	$ 3	$ 75

Hotel Sales Overview

The following table presents total revenues in accordance with GAAP and includes both comparable and non-comparable hotels (in millions, except percentages):

	Quarter ended	September 30,		Year-to-date ended September 30,		
	2019	2018	Change	2019	2018	Change
Revenues:						
Rooms	$ 830	$ 874	(5.0)%	$ 2,618	$ 2,691	(2.7)%
Food and beverage	341	337	1.2	1,223	1,199	2.0
Other	91	88	3.4	294	273	7.7
Total revenues	$ 1,262	$ 1,299	(2.8)	$ 4,135	$ 4,163	(0.7)

Rooms. Total rooms revenues decreased $44 million, or 5.0%, and $73 million, or 2.7%, for the quarter and year-to-date, respectively. Rooms revenues at our comparable hotels decreased $2 million, or 0.2%, and $22 million, or 1.0%, for the quarter and year-to-date, respectively, due to a decline in room rate for the quarter and a decline in occupancy year-to-date. The net effect of our Property Transactions was a decrease in rooms revenues of $48 million, or 5.5%, and $53 million, or 2%, for the quarter and year-to-date, respectively, while total room revenues also benefited from renovations completed in the prior year at certain non-comparable hotels.

Food and beverage. Total food and beverage (“F&B”) revenues increased $4 million, or 1.2%, for the quarter and $24 million, or 2.0%, year-to-date. Comparable F&B revenues increased $7 million, or 2.2%, for the quarter, and $9 million, or 0.9%, year-to-date. The increases reflect an increase in banquet and audio visual revenues. The net effect of our Property Transactions on F&B revenues was a decrease of $6 million, or 1.9%, for the quarter and an increase of $11 million, or 0.9%, for the year-to-date.

Other revenues. Total other revenues increased $3 million, or 3.4%, for the quarter and $21 million, or 7.7%, year-to-date. At our comparable hotels, other revenues increased $8 million, or 12.1%, for the quarter and $29 million, or 15.1%, year-to-date, primarily due to an increase in attrition and cancellation fees and resort and destination fees. The net effect of our Property Transactions was a decrease in other revenues of $6 million, or 7.3%, and $12 million, or 4.4%, for the quarter and year-to-date, respectively.

Property-level Operating Expenses

The following table presents property-level operating expenses in accordance with GAAP and includes both comparable and non-comparable hotels (in millions, except percentages):

	Quarter ended September 30,			Year-to-date ended September 30,		
	2019	2018	Change	2019	2018	Change
Expenses:						
Rooms	$ 221	$ 234	(5.6)%	$ 664	$ 696	(4.6)%
Food and beverage	260	254	2.4	835	822	1.6
Other departmental and support expenses	320	321	(0.3)	981	972	0.9
Management fees	52	56	(7.1)	177	183	(3.3)
Other property-level expenses	85	90	(5.6)	268	287	(6.6)
Depreciation and amortization	165	412	(60.0)	501	779	(35.7)
Total property-level operating expenses	$ 1,103	$ 1,367	(19.3)	$ 3,426	$ 3,739	(8.4)

Our operating costs and expenses, which have both fixed and variable components, are affected by changes in occupancy, inflation, and revenues (which affect management fees), though the effect on specific costs and expenses will differ. Our wages and benefits expenses account for approximately 57% of the operating expenses at our hotels (excluding depreciation). For the third quarter and year-to-date 2019, wages and benefits expenses increased 4.3% and 2.7%, respectively, at our comparable hotels due to higher hourly wage rate and benefit cost increases. The increase in wages and benefits accelerated during the third quarter, reflecting tight labor markets, a trend we expect to continue. Other property-level expenses consist of property taxes, the amounts and structure of which are highly dependent on local jurisdiction taxing authorities, and property and general liability insurance, all of which do not necessarily increase or decrease based on similar changes in revenues at our hotels.

Rooms. Rooms expenses declined $13 million, or 5.6%, for the third quarter and $32 million, or 4.6%, year-to-date. Our comparable hotels rooms expenses declined $1 million, or 0.1%, for the quarter. Comparable hotel expenses declined $6 million, or 1.0%, year-to-date, reflecting the decrease in occupancy offset by an increase in wages and benefits expenses. The net effect of our Property Transactions decreased rooms expenses by$14 million, or 6%, for the quarter and $27 million, or 3.9%, year-to-date.

Food and beverage. F&B expenses increased $6 million, or 2.4%, for the quarter and $13 million, or 1.6%, year-to-date. For our comparable hotels, F&B expenses increased $8 million, or 3.9%, for the quarter and $11 million, or 1.6%, year-to-date, primarily reflecting increases in F&B wages and benefits, while food costs improved. The net effect of our Property Transactions decreased F&B expenses by $5 million, or 1.9%, and $1 million, or 0.1%, for the quarter and year-to-date, respectively.

Other departmental and support expenses. Other departmental and support expenses decreased $1 million, or 0.3%, for the third quarter and increased $9 million, or 0.9%, year-to-date. On a comparable hotel basis, other departmental and support expenses increased $12 million, or 4.7%, for the quarter and $23 million, or 2.9%, year-to-date, primarily due to increases in wages and benefits costs. The net effect of our Property Transactions decreased other departmental and support expenses by $16 million, or 4.9%, for the quarter and $16 million, or 1.7%, year-to-date.

Management fees. Base management fees, generally which are calculated as a percentage of total revenues, decreased $2 million, or 5.0%, in the third quarter and $3 million, or 2.3%, year-to-date. On a comparable hotel basis, base management fees were flat for both the third quarter and year-to-date. Incentive management fees, generally which are based on the amount of operating profit at each property after we receive a priority return on our investment, decreased $3 million, or 15.8%, for the quarter and $1 million, or 1.6%, year-to-date. On a comparable hotel basis, incentive management fees increased $1 million, or 4.4%, for the quarter and were flat for the year-to-date. The net effect of our Property Transactions decreased management fees by $3 million, or 6.1%, for the quarter and $4 million, or 2%, year-to-date.

Other property-level expenses. These expenses generally do not vary significantly based on occupancy and include expenses such as property taxes and insurance. Other property level expenses decreased $5 million, or 5.6%, for the quarter and $19 million, or 6.6%, year-to-date. Other property-level expenses at our comparable hotels decreased $3 million, or 3.4%, for the quarter and $11 million, or 4.8%, year-to-date, primarily due to the receipt of operating profit guarantees from Marriott under the transformational capital program, in addition to benefits from synergies of the Marriott merger with Starwood Hotels, partially offset by a rebate received in the third quarter of 2018. The net effect of our Property Transactions decreased other property-level expenses by $4 million, or 4.3%, for the quarter and $4 million, or 1.3%, year-to-date.

Depreciation and amortization. Depreciation and amortization expense decreased $247 million, or 60.0%, for the quarter and $278 million, or 35.7%, year-to-date, as a result of impairment expenses that were recorded in 2018.

Other Income and Expense

Corporate and other expenses. The following table details our corporate and other expenses for the quarter and year-to-date (in millions):

	Quarter ended September 30,		Year-to-date ended September 30,	
	2019	**2018**	**2019**	**2018**
General and administrative costs	$ 22	$ 20	$ 69	$ 71
Non-cash stock-based compensation expense	4	4	11	11
Total	$ 26	$ 24	$ 80	$ 82

Interest expense. Interest expense increased for the quarter due to accelerated recognition of interest expense associated with refinancing our credit facility and decreased year-to-date due to lower interest rates. The following table details our interest expense for the quarter and year-to-date (in millions):

	Quarter ended September 30,		Year-to-date ended September 30,	
	2019	**2018**	**2019**	**2018**
Cash interest expense(1)	$ 41	$ 43	$ 124	$ 129
Non-cash interest expense	2	2	5	5
Non-cash debt extinguishment costs	3	—	3	—
Total interest expense	$ 46	$ 45	$ 132	$ 134

(1) Including the change in accrued interest, total cash interest paid was $120 million and $122 million for year-to-date 2019 and 2018, respectively.

Gain on sale of assets. During the third quarter, we recognized gain on sale of assets of $274 million related to the sale of eight hotels. Year-to-date, the gain on sale of assets of $336 million also includes the sale of four hotels during the first half of the year. We recognized a gain on sale of assets of $667 million related to the sale of four hotels during the first three quarters of 2018.

Provision for income taxes. We lease substantially all our properties to consolidated subsidiaries designated as taxable REIT subsidiaries ("TRS") for federal income tax purposes. The difference between hotel-level operating cash flow and the aggregate rent paid to Host L.P. by the TRS represents its taxable income or loss, with regard to which we record an income tax provision or benefit. The income tax provision recorded in the third quarter and year-to-date 2019 decreased by $38 million and $41 million, respectively, due to the foreign corporate income taxes recorded in 2018 related to the disposition of the JW Marriott Hotel Mexico City.

Comparable Hotel RevPAR Overview

We discuss operating results for our hotels on a comparable basis. Comparable hotels are those hotels that we have consolidated for the entirety of the reporting periods being compared. Comparable hotels do not include the results of hotels acquired or sold, that incurred significant property damage or business interruption, or have undergone large scale capital projects during these periods. As of September 30, 2019, 75 of our 82 owned hotels are classified as comparable hotels. See "Comparable Hotel Operating Statistics" for a complete description of our comparable hotels. We also discuss our comparable RevPAR results by geographic location and mix of business (i.e. transient, group, or contract).

Comparable Hotel Sales by Location

The following tables set forth performance information for our comparable hotels by geographic location as of September 30, 2019 and 2018, respectively:

	As of September 30, 2019		Quarter ended September 30, 2019				Quarter ended September 30, 2018					
Location	No. of Properties	No. of Rooms	Average Room Rate	Average Occupancy Percentage	RevPAR	Total RevPAR	Average Room Rate	Average Occupancy Percentage	RevPAR	Total RevPAR	Percent Change in RevPAR	Percent Change in Total RevPAR
Maui/Oahu	3	1,682	$ 354.84	91.9%	$ 326.13	$ 498.71	$ 344.07	89.9%	$ 309.41	$ 467.05	5.4%	6.8%
Jacksonville	1	446	363.69	69.0	251.05	516.90	360.43	77.7	280.14	604.87	(10.4)	(14.5)
New York	3	4,259	271.11	92.0	249.40	341.59	279.01	90.2	251.60	349.44	(0.9)	(2.2)
Phoenix	3	1,654	197.07	57.9	114.19	287.59	180.36	63.3	114.20	270.35	—	6.4
Washington, D.C. (CBD)	5	3,238	211.15	84.4	178.19	254.63	205.95	83.7	172.41	239.43	3.4	6.4
Florida Gulf Coast	3	940	212.88	64.4	137.03	246.66	205.16	61.6	126.32	227.56	8.5	8.4
Los Angeles	4	1,726	238.54	87.3	208.32	303.73	238.09	87.2	207.53	300.81	0.4	1.0
Boston	4	3,185	243.62	91.4	222.58	293.17	249.19	91.1	227.10	291.81	(2.0)	0.5
Seattle	2	1,315	260.45	90.2	234.96	291.64	280.39	92.6	259.59	318.83	(9.5)	(8.5)
San Diego	4	4,341	235.94	84.9	200.22	347.13	239.77	85.0	203.73	338.42	(1.7)	2.6
San Francisco/ San Jose	5	2,353	237.15	81.8	193.89	261.50	235.07	87.2	205.07	269.79	(5.4)	(3.1)
Philadelphia	2	810	207.13	88.2	182.60	295.52	204.34	85.9	175.60	291.59	4.0	1.3
Orange County	2	925	207.20	82.8	171.54	273.03	207.97	82.5	171.54	269.20	—	1.4
Chicago	4	1,800	220.91	85.5	188.78	264.29	228.65	87.8	200.81	262.54	(6.0)	0.7
Atlanta	4	1,682	168.37	85.6	144.09	219.82	183.41	77.8	142.74	214.39	0.9	2.5
New Orleans	1	1,333	156.82	77.0	120.78	175.05	138.93	73.9	102.70	153.27	17.6	14.2
Northern Virginia	3	1,252	199.70	72.7	145.09	217.46	195.16	71.8	140.21	218.31	3.5	(0.4)
San Antonio	1	512	163.90	77.4	126.91	168.52	171.79	72.4	124.29	166.99	2.1	0.9
Denver	3	1,340	184.28	84.5	155.64	218.16	175.61	85.4	150.02	211.80	3.7	3.0
Miami	2	843	123.77	73.9	91.44	126.89	119.78	73.0	87.49	121.12	4.5	4.8
Houston	4	1,716	170.32	67.0	114.07	159.84	170.82	67.1	114.70	159.57	(0.5)	0.2
Orlando	1	2,004	155.29	59.2	91.97	231.78	150.91	64.1	96.80	238.77	(5.0)	(2.9)
Other	6	2,509	173.28	81.0	140.40	198.24	163.93	83.0	136.07	195.24	3.2	1.5
Domestic	70	41,865	223.28	81.7	182.36	276.71	223.35	81.9	182.93	273.77	(0.3)	1.1
International	5	1,499	159.14	75.9	120.86	166.88	163.65	70.9	116.08	155.89	4.1	7.0
All Locations - Constant US$	75	43,364	221.21	81.5	180.24	272.92	221.56	81.5	180.61	269.69	(0.2)	1.2

Comparable Hotels in Nominal US$

	As of September 30, 2019		Quarter ended September 30, 2019				Quarter ended September 30, 2018					
	No. of Properties	No. of Rooms	Average Room Rate	Average Occupancy Percentage	RevPAR	Total RevPAR	Average Room Rate	Average Occupancy Percentage	RevPAR	Total RevPAR	Percent Change in RevPAR	Percent Change in Total RevPAR
International	5	1,499	$ 159.14	75.9%	$ 120.86	$ 166.88	$ 165.21	70.9%	$ 117.20	$ 157.38	3.1%	6.0%
Domestic	70	41,865	223.28	81.7	182.36	276.71	223.35	81.9	182.93	273.77	(0.3)	1.1
All Locations	75	43,364	221.21	81.5	180.24	272.92	221.60	81.5	180.65	269.75	(0.2)	1.2

Comparable Hotels by Location in Constant US$

Location	No. of Properties (As of September 30, 2019)	No. of Rooms (As of September 30, 2019)	Average Room Rate (YTD Sep 30, 2019)	Average Occupancy Percentage (YTD Sep 30, 2019)	RevPAR (YTD Sep 30, 2019)	Total RevPAR (YTD Sep 30, 2019)	Average Room Rate (YTD Sep 30, 2018)	Average Occupancy Percentage (YTD Sep 30, 2018)	RevPAR (YTD Sep 30, 2018)	Total RevPAR (YTD Sep 30, 2018)	Percent Change in RevPAR	Percent Change in Total RevPAR
Maui/Oahu	3	1,682	$ 369.14	91.2%	$ 336.78	$ 515.00	$ 360.97	91.0%	$ 328.41	$ 497.81	2.5%	3.5%
Jacksonville	1	446	383.37	77.2	296.02	652.91	373.17	77.9	290.68	636.50	1.8	2.6
New York	3	4,259	268.50	83.0	222.99	329.67	279.51	86.3	241.30	353.53	(7.6)	(6.7)
Phoenix	3	1,654	292.22	71.7	209.42	472.19	271.38	73.1	198.34	431.59	5.6	9.4
Washington, D.C (CBD)	5	3,238	246.65	83.1	204.99	293.15	248.62	81.8	203.28	285.16	0.8	2.8
Florida Gulf Coast	3	940	273.15	74.9	204.59	375.07	266.35	72.9	194.20	353.39	5.3	6.1
Los Angeles	4	1,726	230.36	87.6	201.87	297.83	232.82	88.6	206.29	301.32	(2.1)	(1.2)
Boston	4	3,185	237.01	82.6	195.81	268.56	235.72	83.7	197.34	265.35	(0.8)	1.2
Seattle	2	1,315	231.59	84.3	195.17	256.01	248.28	85.5	212.25	276.50	(8.0)	(7.4)
San Diego	4	4,341	236.69	81.5	192.90	345.20	234.70	83.8	196.79	338.84	(2.0)	1.9
San Francisco/ San Jose	5	2,353	240.77	79.6	191.72	260.86	230.22	84.2	193.86	265.58	(1.1)	(1.8)
Philadelphia	2	810	216.10	85.4	184.46	301.70	207.10	86.2	178.43	295.01	3.4	2.3
Orange County	2	925	199.26	80.4	160.27	264.63	201.82	80.5	162.45	261.90	(1.3)	1.0
Chicago	4	1,800	207.76	76.2	158.28	224.27	214.14	79.2	169.50	230.06	(6.6)	(2.5)
Atlanta	4	1,682	193.72	79.7	154.41	241.44	187.34	78.4	146.83	231.77	5.2	4.2
New Orleans	1	1,333	188.24	79.9	150.35	219.33	178.86	80.6	144.23	206.59	4.2	6.2
Northern Virginia	3	1,252	208.03	72.1	150.02	245.90	203.30	73.4	149.26	250.07	0.5	(1.7)
San Antonio	1	512	186.29	78.3	145.78	198.15	192.78	75.5	145.47	194.45	0.2	1.9
Denver	3	1,340	175.15	76.3	133.61	195.92	167.17	78.1	130.63	188.15	2.3	4.1
Miami	2	843	162.96	80.2	130.67	180.26	159.30	80.7	128.63	178.90	1.6	0.8
Houston	4	1,716	178.46	72.4	129.22	184.58	176.15	72.8	128.23	188.05	0.8	(1.8)
Orlando	1	2,004	182.58	69.5	126.97	303.48	185.03	73.5	136.06	311.50	(6.7)	(2.6)
Other	6	2,509	172.53	79.1	136.41	193.77	168.87	79.5	134.31	194.29	1.6	(0.3)
Domestic	70	41,865	232.30	80.0	185.85	293.54	231.03	81.3	187.90	292.17	(1.1)	0.5
International	5	1,499	154.30	71.1	109.74	159.00	154.55	66.5	102.82	151.78	6.7	4.8
All Locations - Constant US$	75	43,364	229.90	79.7	183.22	288.89	228.85	80.8	184.96	287.31	(0.9)	0.5

Comparable Hotels in Nominal US$

	No. of Properties (As of September 30, 2019)	No. of Rooms (As of September 30, 2019)	Average Room Rate (YTD Sep 30, 2019)	Average Occupancy Percentage (YTD Sep 30, 2019)	RevPAR (YTD Sep 30, 2019)	Total RevPAR (YTD Sep 30, 2019)	Average Room Rate (YTD Sep 30, 2018)	Average Occupancy Percentage (YTD Sep 30, 2018)	RevPAR (YTD Sep 30, 2018)	Total RevPAR (YTD Sep 30, 2018)	Percent Change in RevPAR	Percent Change in Total RevPAR
International	5	1,499	$ 154.30	71.1%	$ 109.74	$ 159.00	$ 161.22	66.5%	$ 107.26	$ 158.21	2.3%	0.5%
Domestic	70	41,865	232.30	80.0	185.85	293.54	231.03	81.3	187.90	292.17	(1.1)	0.5
All Locations	75	43,364	229.90	79.7	183.22	288.89	229.04	80.8	185.11	287.54	(1.0)	0.5

Hotels Sales by Business Mix

The majority of our customers fall into three broad categories: transient, group, and contract business. The information below is derived from business mix data for 75 of our hotels for which business mix data is available from our managers. For additional detail on our business mix, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our most recent Annual Report on Form 10-K.

Group demand was down 4.4% for the quarter, with rates up 1.8%, leading to an overall decline of 2.7%. Corporate group revenues were up 8.3%, driven by a 7.0% increase in demand, while association business declined 13.1% for the quarter. For the third quarter, transient revenues increased 0.7%, reflecting a 2.8% increase in demand, partially offset by a decrease in average rate of 2.0%, as properties worked to replace group volume loss with discounted transient business. Additionally, the improvement in transient revenues reflects an increase in loyalty program redemption revenues of 7.1%, with growth in both demand and average rate. Contract revenues increased 3.7% for the quarter driven by an 8.4% increase in rate.

Year-to-date, group revenues declined 3.1% reflecting a 4.9% decrease in group demand, offset by a 1.8% increase in average rate. Corporate group revenues were up 7.0%, while association business declined 13.7%. Transient demand was up 0.9%, while rates were down 1.3%, leading to an overall revenue decrease of 0.4%. Contract revenues increased 8.5%, driven by a 9.8% increase in rate.

Liquidity and Capital Resources

Liquidity and Capital Resources of Host Inc. and Host L.P. The liquidity and capital resources of Host Inc. and Host L.P. are derived primarily from the activities of Host L.P., which generates the capital required by our business from hotel operations, the incurrence of debt, the issuance of OP units or the sale of hotels. Host Inc. is a REIT and its only significant asset is the ownership of partnership interests of Host L.P.; therefore, its financing and investing activities are conducted through Host L.P., except for the issuance of its common and preferred stock. Proceeds from stock issuances by Host Inc. are contributed to Host L.P. in exchange for OP units. Additionally, funds used by Host Inc. to pay dividends or to repurchase its stock are provided by Host L.P. Therefore, while we have noted those areas in which it is important to distinguish between Host Inc. and Host L.P., we have not included a separate discussion of liquidity and capital resources as the discussion below applies to both Host Inc. and Host L.P.

Overview. We look to maintain a capital structure and liquidity profile with an appropriate balance of cash, debt, and equity in order to provide financial flexibility given the inherent volatility of the lodging industry. This strategy has resulted in a lower overall cost of capital for us, allowing us to complete opportunistic investments and acquisitions and positions us to manage potential declines in operations throughout the lodging cycle. Over the past several years, we have decreased our leverage as measured by our net debt-to-EBITDA ratio and reduced our debt service obligations, leading to an increase in our fixed charge coverage ratio.

We intend to use available cash predominantly for acquisitions or other investments in our portfolio. If we are unable to find appropriate investment opportunities, we will consider other uses, such as a return of capital through dividends or common stock repurchases, the amounts of which will be determined by our operations and other market factors. Significant factors we review to determine the amount and timing of common stock repurchases include our current stock price compared to our determination of the underlying value of our assets, appropriate leverage levels, current and forecast operating results, the completion of hotel sales and cash on hand.

We have structured our debt profile to maintain a balanced maturity schedule and to minimize the number of assets that are encumbered by mortgage debt. Currently, none of our consolidated hotels are encumbered by mortgage debt. We have access to multiple types of financing, as substantially all of our debt consists of senior notes and borrowings under our credit facility, none of which are collateralized by specific hotels. We believe that we have sufficient liquidity and access to capital markets in order to take advantage of opportunities to make acquisitions to enhance our portfolio, withstand declines in operating cash flow, pay near-term debt maturities, and fund our capital expenditures programs. We may continue to access capital markets if favorable conditions exist in order to enhance our liquidity, refinance senior notes and to fund cash needs.

Cash Requirements. We use cash for acquisitions, capital expenditures, debt payments, operating costs, and corporate and other expenses, as well as for dividends and distributions to stockholders and OP unitholders and stock and OP unit repurchases. As a REIT, Host Inc. is required to distribute to its stockholders at least 90% of its taxable income, excluding net capital gain, on an annual basis. On October 15, 2019, we paid a dividend of $0.20 per share on Host Inc.'s common stock, which dividend totaled approximately $143 million.

Capital Resources. As of September 30, 2019, we had $2,030 million of cash and cash equivalents, $184 million in our FF&E escrow reserve and all $1.5 billion of available capacity under the revolver portion of our credit facility. Subsequent to quarter end, we redeemed all of our $300 million 6.0% Series Z Senior Notes due 2021 and our $350 million 5.25% Series B Senior Notes due 2022 using $702 million of our cash balance. As a result, we have no material debt maturities until 2023, and since June 30, 2019, we have lowered our average interest rate by 40 basis points to 3.9% and extended our weighted average debt maturity to 5.7 years. We depend primarily on external sources of capital to finance growth, including acquisitions. As a result, the liquidity and debt capacity provided by our credit facility and the ability to issue senior unsecured debt are key components of our capital structure. Our financial flexibility, including our ability to incur debt, to make distributions and to make investments, is contingent on our ability to maintain compliance with the financial covenants of such indebtedness, which include, among other things, the allowable amounts of leverage, interest coverage and fixed charges.

If, at any time, we determine that market conditions are favorable, after considering our liquidity requirements, we may cause Host L.P. to issue senior notes or debentures exchangeable for shares of Host Inc. common stock. Given the total amount of our debt and our maturity schedule, we will continue to redeem or refinance senior notes from time to time, taking advantage of favorable market conditions. In July 2019, Host Inc.'s Board of Directors authorized repurchases of up to $1.0 billion of senior notes other than in accordance with their respective terms, of which the entire amount remains available under this authority. We may purchase senior notes for cash through open market purchases, privately negotiated transactions, a tender offer or, in some cases, through the early redemption of such securities pursuant to their terms. Repurchases of debt will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. Any refinancing or retirement before the maturity date will affect earnings and NAREIT FFO per diluted share as a result of the payment of any applicable call premiums and the accelerated expensing of previously deferred and capitalized financing costs. In addition, while we intend to use any available cash predominantly for acquisitions or other investments in our hotel portfolio, to the extent that we do not identify appropriate investments, we may elect in the future to use available cash for other purposes, including share repurchases, subject to market conditions. Accordingly, considering our priorities in managing our capital structure and liquidity profile and given prevailing conditions and relative pricing in the capital markets, we may, at any time, subject to applicable securities laws, be considering, or be in discussions with respect to, the repurchase or issuance of exchangeable debentures and/or senior notes or the repurchase or sale of common stock. Any such transactions may, subject to applicable securities laws, occur simultaneously.

In order to have the flexibility to engage in repurchases and/or sales of common stock, depending upon prevailing market conditions, the following programs currently are in place. First, through a distribution agreement entered into in May 2018, we may issue and sell, from time to time, shares of common stock having a combined aggregate offering price of up to $500 million. The sales will be made in “at the market” offerings under SEC rules, including sales made directly on the NYSE. No shares were sold during the first three quarters of 2019.

Additionally, on August 5, 2019, Host Inc.’s Board of Directors authorized an increase in its common stock share repurchase program to $1 billion from the $500 million which was previously authorized. The common stock may be purchased from time to time depending upon market conditions, and may be purchased in the open market or through private transactions or by other means, including through trading plans designed to comply with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended. The program does not obligate us to repurchase any specific number or any specific dollar amount of shares and may be suspended at any time at our discretion. The number of shares purchased will depend upon operating results, funds generated by sales activity, dividends that may be required by those sales and investment options that may be available, including reinvesting in the portfolio or acquiring new hotels, as well as maintaining our strong leverage position. During the third quarter we repurchased 12.1 million shares at an average price of $16.51 per share, exclusive of commissions, for a total purchase price of approximately $200 million. Subsequent to quarter end, we purchased an additional 800,000 shares at an average price of $16.79 per share, for a total of $14 million, pursuant to our trading plan designed to comply with Rule 10b5-1 under the Securities Exchange Act. Following these transactions, we have $586 million available for repurchase under the program.

Sources and Uses of Cash. Our sources of cash generally include cash from operations, proceeds from debt and equity issuances, and proceeds from asset sales. Uses of cash include acquisitions, capital expenditures, operating costs, debt repayments, and repurchases of and distributions to equity holders.

Cash Provided by Operations. Net cash provided by operations decreased $27 million to $914 million for the year-to-date ended September 30, 2019 compared to the same period of 2018 due primarily to the payment of 2018 federal and state capital gain tax in the first quarter of 2019 related to the $77 million tax obligation on sales proceeds we elected to pay taxes on rather than distribute the gain to our stockholders, partially offset by improvement in operations.

Cash Used in Investing Activities. Net cash used in investing activities was $74 million during the first three quarters of 2019 compared to $210 million for the first three quarters of 2018. Cash used in investing activities during the first three quarters of 2019 related to the acquisition of the 1 Hotel South Beach, while the first three quarters of 2018 included the acquisition of a portfolio of three Hyatt hotels. We also spent approximately $392 million on capital expenditures for the first three quarters of 2019 compared to $320 million in the first three quarters of 2018. Cash provided by investing activities consisted of proceeds from the disposition of twelve hotels in 2019 and four hotels in 2018.

The following tables summarize significant acquisitions and dispositions that have been completed as of November 7, 2019 (in millions):

Transaction Date		Description of Transaction	Investment
Acquisitions			
February	2019	1 Hotel South Beach(1)	$ (610)
		Total acquisitions	$ (610)

(1) Investment includes the issuance of $26 million of preferred and common OP units.

Transaction Date		Description of Transaction	Net Proceeds(1)	Sales Price
Dispositions				
October	2019	Sheraton San Diego Hotel & Marina and Hyatt Regency Cambridge	$ 296	$ 297
August	2019	Atlanta Marriott Suites Midtown, Costa Mesa Marriott, Scottsdale Marriott at McDowell Mountains, and Scottsdale Marriott Old Town	246	256
August	2019	The Westin Indianapolis	116	120
August	2019	Chicago Marriott Suites O'Hare(2)	7	39
July	2019	Courtyard Chicago Downtown/River North and Residence Inn Arlington Pentagon City	141	150
June	2019	Washington Dulles Airport Marriott	9	11
April and June	2019	The Westin Mission Hills and Newport Beach Marriott Bayview	100	107
January	2019	The Westin New York Grand Central	276	302
		Total dispositions	$ 1,191	

(1) Proceeds are net of transfer taxes, other sales costs and FF&E replacement funds deposited directly to the property or hotel manager by the purchaser.
(2) In connection with the sale of the Chicago Marriott Suites O'Hare, we extended a $28 million bridge loan to the purchaser which we expect to be repaid in full. The proceeds shown are net of the bridge loan.

Cash Used in Financing Activities. In the first three quarters of 2019, net cash used in financing activities was $380 million compared to $361 million for the first three quarters of 2018. Cash used in financing activities in the first three quarters of 2019 primarily consisted of the repurchase of common stock, dividend payments and repayments on our credit facility, while 2018 consisted of dividend payments. Cash provided by financing activities in the first three quarters of 2019 included the issuance of $650 million 3⅜% Series H Senior Notes, which proceeds were used subsequent to quarter end to redeem all of our $300 million 6.0% Series Z Senior Notes due 2021 and our $350 million 5¼% Series B Senior Notes due 2022. Cash provided by financing activities in the first three quarters of 2018 included draws on the credit facility.

The following table summarizes significant debt issuances, net of deferred financing costs, that were completed as of November 7, 2019 (in millions):

Transaction Date		Description of Transaction	Net Proceeds
Debt Issuances			
September	2019	Proceeds from the issuance of $650 million 3⅜% Series H senior notes	$ 640
		Total issuances	$ 640

The following table presents significant debt repayments, including prepayment premiums, that were completed as of November 7, 2019 (in millions):

Transaction Date		Description of Transaction	Transaction Amount
Debt Repayments			
October	2019	Redemption of $300 million of 6% Series Z senior notes	$ (323)
October	2019	Redemption of $350 million of 5¼% Series B senior notes	(377)
September	2019	Net repayment on the revolver portion of credit facility	(56)
		Total cash repayments	$ (756)

The following table summarizes significant equity transactions that have been completed throughNovember 7, 2019 (in millions):

Transaction Date		Description of Transaction		Transaction Amount
Equity of Host Inc.				
January - October	2019	Dividend payments (1)(2)	$	(623)
May - October	2019	Repurchase of 24 million shares of Host Inc. common stock		(414)
		Cash payments on equity transactions	$	(1,037)

(1) In connection with the dividend payments, Host L.P. made distributions of $630 million to its common OP unit holders.
(2) Includes the fourth quarter 2018 dividend that was paid in January 2019.

Debt

As of September 30, 2019, our total debt was $4.4 billion, with a weighted average interest rate of 4.1% and a weighted average maturity of 5.2 years. Additionally, 78% of our debt has a fixed rate of interest and none of our consolidated hotels are encumbered by mortgage debt.

On September 26, 2019, we completed an underwritten public offering of $650 million aggregate principal amount of Series H senior notes bearing interest at a rate of 3⅜% due in 2029. The Series H senior notes are not redeemable prior to 90 days before the December 15, 2029 maturity date, except at a price equal to 100% of their principal amount, plus a make-whole premium as set forth in the senior notes indenture, plus accrued and unpaid interest to the applicable redemption date. The senior notes have covenants customary for investment grade debt, primarily limitations on our ability to incur debt. There are no restrictions on our ability to pay dividends. These senior notes have covenants similar to our Series D, Series E, Series F and Series G senior notes, but are different than the covenants applicable to our prior series of senior notes issued before the receipt of our investment grade rating.

On August 1, 2019, Host L.P. entered into an amendment and restatement (the "Restatement") of its existing senior unsecured bank credit facility, dated as of May 31, 2017, with Bank of America, N.A., as administrative agent and certain other agents and lenders (the "Existing Credit Agreement"), for the purpose of replacing and refinancing (1) its existing $1 billion revolving credit facility tranche that was scheduled to mature in May 2021 (excluding any available extension option) with a new revolving credit facility tranche in the amount of $1.5 billion; (2) its existing $500 million term loan facility tranche that would have matured in May 2021 (excluding any available extension option) with a new term loan facility tranche in the same principal amount; and (3) its existing $500 million term loan facility tranche that would have matured in September 2020 with a new term loan facility tranche in the same principal amount. The Restatement provides, among other things, for:

- an interest rate on all borrowings based on LIBOR or a base rate plus a margin that varies according to Host L.P.'s unsecured long-term debt rating, with such rate being (1) in the case of revolver borrowings, either LIBOR plus a margin ranging from 77.5 to 145 basis points or a base rate plus a margin ranging from zero to 45 basis points and (2) in the case of the term loan borrowings, either LIBOR plus a margin ranging from 85 to 165 basis points or a base rate plus a margin ranging from zero to 65 basis points;

- in the case of the revolver, a facility fee payable on the total amount of the revolver commitment at a rate ranging from 12.5 to 30 basis points, with the actual rate determined according to Host L.P.'s unsecured long-term debt rating;

- a maturity date of (1) in the case of the revolver, January 11, 2024, which date may be extended by up to a year by the exercise of up to two 6-month extension options, each of which is subject to certain conditions, including the payment of an extension fee; (2) in the case of one term loan tranche, January 11, 2024, which date may be extended up to a year by the exercise of one 1-year extension option, which is subject to certain conditions, including the payment of an extension fee; and (3) in the case of the second term loan tranche, January 9, 2025, which date may not be extended;

- a foreign currency subfacility for Canadian dollars, Australian dollars, Euros, British pounds sterling and, if available to the lenders, Mexican pesos of up to the foreign currency equivalent of $500 million, subject to a lower amount in the case of Mexican pesos borrowings;

- an option for Host L.P. to add in the future $500 million of commitments which may be used for additional revolving credit facility borrowings and/or term loans, subject to obtaining additional loan commitments (which we have not currently obtained) and the satisfaction of certain conditions specified in the Restatement;

- a subfacility of up to $100 million for swingline borrowings in currencies other than U.S. dollars and a subfacility of up to $100 million for issuances of letters of credit;
- no required scheduled amortization payments prior to the maturity date of the revolver or either term loan tranches; and
- financial covenants that are the same as under the Existing Credit Agreement.

Borrowings under the Restatement may be used for working capital, repayment of debt and other general corporate purposes, including for the consummation of acquisitions. As of September 30, 2019, we had $1 billion in term loans outstanding and no amounts under the revolver portion of the Restatement outstanding. Based on Host L.P.'s unsecured long-term debt rating on the date of the Restatement, we are able to borrow on the revolver at a rate of LIBOR plus 90 basis points and pay a facility fee of 20 basis points, and the rate on the term loans is LIBOR plus 100 basis points.

The Restatement imposes restrictions on customary matters that also were restricted in the Existing Credit Agreement. As with the Existing Credit Agreement, certain covenants are less restrictive at any time that our leverage ratio is below 6:1. In particular, at any time that our leverage ratio is below 6:1, the covenants in respect of dividends and other restricted payments are not applicable, and acquisition and investment transactions generally are permitted without limitation so long as, after giving effect to any such transaction, we are in compliance with the financial covenants under the Restatement. The Restatement also includes financial covenant tests applicable to the incurrence of debt generally that are consistent with the limitations applicable under the indentures for our investment grade senior notes. The Restatement also includes usual and customary events of default for facilities of this nature, and provides that, upon occurrence and continuation of an event of default, payment of all amounts payable under the credit facilities may be accelerated, and the lenders' commitments may be terminated. In addition, upon the occurrence of certain insolvency or bankruptcy related events of default, all amounts payable under the credit facilities automatically will become due and payable and the lenders' commitments automatically will terminate.

Financial Covenants

Credit Facility Covenants. Our credit facility contains certain important financial covenants concerning allowable leverage, unsecured interest coverage, and required fixed charge coverage. Total debt used in the calculation of our leverage ratio is based on a "net debt" concept, under which cash and cash equivalents in excess of $100 million are deducted from our total debt balance for purposes of measuring compliance. To the extent that no amounts are outstanding under the credit facility, breaching these covenants is not an event of default thereunder.

We are in compliance with all of our financial covenants under the credit facility. The following table summarizes the results of the financial tests required by the credit facility as of September 30, 2019:

	Actual Ratio	Covenant Requirement for all years
Leverage ratio	1.7x	Maximum ratio of 7.25x
Fixed charge coverage ratio	7.0x	Minimum ratio of 1.25x
Unsecured interest coverage ratio (1)	10.3x	Minimum ratio of 1.75x

(1) If, at any time, our leverage ratio exceeds 7.0x, our minimum unsecured interest coverage ratio will be reduced to 1.5x.

Senior Notes Indenture Covenants

Covenants for Senior Notes Issued After We Attained an Investment Grade Rating

We are in compliance with all of the financial covenants applicable to our Series D, Series E, Series F, Series G and Series H senior notes. The following table summarizes the results of the financial tests required by the senior notes indentures for our Series D, Series E, Series F, Series G and Series H senior notes and our actual credit ratios as of September 30, 2019:

	Actual Ratio	Covenant Requirement
Unencumbered assets tests	555%	Minimum ratio of 150%
Total indebtedness to total assets	18%	Maximum ratio of 65%
Secured indebtedness to total assets	0%	Maximum ratio of 40%
EBITDA-to-interest coverage ratio	10.0x	Minimum ratio of 1.5x

Covenants for Senior Notes Issued Before We Attained an Investment Grade Rating

The terms of our senior notes that were issued before we attained an investment grade rating contained provisions providing that many of the restrictive covenants in the senior notes indenture would not apply should Host L.P. attain an investment grade rating. Accordingly, because our senior notes currently are rated investment grade by both Moody's and Standard & Poor's, the covenants in our senior notes indenture (for all series prior to the Series D senior notes) that previously limited our ability to incur indebtedness or pay dividends no longer are applicable. Even if we were to lose the investment grade rating, however, we would be in compliance with all of our financial covenants under the senior notes indenture. The following table summarizes the actual credit ratios for our existing senior notes (other than the Series D, Series E, Series F, Series G and Series H senior notes) as of September 30, 2019 and the covenant requirements contained in the senior notes indenture that would be applicable at such times as our existing senior notes no longer are rated investment grade by either Moody's or Standard & Poor's:

	Actual Ratio*	Covenant Requirement
Unencumbered assets tests	556%	Minimum ratio of 125%
Total indebtedness to total assets	18%	Maximum ratio of 65%
Secured indebtedness to total assets	0%	Maximum ratio of 45%
EBITDA-to-interest coverage ratio	10.0x	Minimum ratio of 2.0x

* Because of differences in the calculation methodology between our Series D, Series E, Series F, Series G and Series H senior notes and our other senior notes with respect to covenant ratios, our actual ratios for the two sets of senior notes differ slightly.

For additional details on our credit facility and senior notes, see our Annual Report on Form 10-K for the year ended December 31, 2018.

Dividend Policy

Host Inc. is required to distribute at least 90% of its annual taxable income, excluding net capital gain, to its stockholders in order to maintain its qualification as a REIT. Funds used by Host Inc. to pay dividends on its common stock are provided by distributions from Host L.P. As of September 30, 2019, Host Inc. is the owner of approximately 99% of the Host L.P. common OP units. The remaining common OP units are owned by unaffiliated limited partners. Each Host L.P. OP unit may be redeemed for cash or, at the election of Host Inc., Host Inc. common stock based on the conversion ratio. The conversion ratio is 1.021494 shares of Host Inc. common stock for each Host L.P. OP unit.

Investors should consider the non-controlling interest in the Host L.P. common OP units when analyzing dividend payments by Host Inc. to its stockholders, as these common OP unitholders share, on a pro rata basis, in cash distributed by Host L.P. to all of its common OP unitholders. For example, if Host Inc. paid a $1 per share dividend on its common stock, it would be based on the payment of a $1.021494 per common OP unit distribution by Host L.P. to Host Inc., as well as to the other unaffiliated Host L.P. common OP unitholders.

Host Inc.'s policy on common dividends generally is to distribute, over time, 100% of its taxable income, which primarily is dependent on Host Inc.'s results of operations, as well as tax gains and losses on property sales. Host Inc. paid a regular quarterly cash dividend of $0.20 per share on its common stock on October 15, 2019 to stockholders of record on September 30, 2019. The $0.20 per share dividend represents Host Inc.'s intended regular quarterly cash dividend for the next several quarters, subject to Board approval. While Host Inc. intends to use available cash predominantly for acquisitions or other investments in its portfolio, to the extent that we do not identify appropriate investments, we may decide in the future, subject to market conditions, to use available cash for other purposes, such as common stock repurchases or increased dividends, the amount of which dividends could be in excess of taxable income. Any special dividend will be subject to Board approval.

Critical Accounting Policies

Our unaudited condensed consolidated financial statements have been prepared in conformity with GAAP, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of our financial statements and the reported amounts of revenues and expenses during the reporting period. While we do not believe that the reported amounts would be materially different, application of these policies involves the exercise of judgment and the use of assumptions as to future uncertainties and, as a result, actual results could differ from these estimates. We evaluate our estimates and judgments on an ongoing basis. We base our estimates on experience and on various other assumptions that we believe are reasonable under the circumstances. All of our significant accounting policies, including certain critical accounting policies, are disclosed in our Annual

Report on Form 10-K for the year ended December 31, 2018. For a detailed discussion of the new accounting standards, see "Note 2. Summary of Significant Accounting Policies" in this quarterly report.

Comparable Hotel Operating Statistics

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

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

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

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

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

We do not include an acquired hotel in our comparable hotel set until the operating results for that hotel have been included in our consolidated results for one full calendar year. For example, we acquired the 1 Hotel South Beach in February of 2019. The hotel will not be included in our comparable hotel set until January 1, 2021. Hotels that we sell are excluded from the comparable hotel set once the transaction has closed. Similarly, hotels are excluded from our comparable hotel set from the date that they sustain substantial property damage or business interruption or commence a large-scale capital project. In each case, these hotels are returned to the comparable hotel set when the operations of the hotel have been included in our consolidated results for one full calendar year after completion of the repair of the property damage or cessation of the business interruption, or the completion of large-scale capital projects, as applicable.

Of the 82 hotels that we owned on September 30, 2019, 75 have been classified as comparable hotels. The operating results of the following hotels that we owned as of September 30, 2019 are excluded from comparable hotel results for these periods:

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

The operating results of 16 hotels disposed of in 2018 and the first three quarters of 2019 are not included in comparable hotel results for the periods presented herein.

CONSTANT US$ AND NOMINAL US$

Operating results denominated in foreign currencies are translated using the prevailing exchange rates on the date of the transaction, or monthly based on the weighted average exchange rate for the period. For comparative purposes, we also present the

RevPAR results for the prior year assuming the results of our foreign operations were translated using the same exchange rates that were effective for the comparable periods in the current year, thereby eliminating the effect of currency fluctuation for the year-over-year comparisons. We believe that this presentation is useful to investors as it provides clarity with respect to the growth in RevPAR in the local currency of the hotel consistent with the manner in which we would evaluate our domestic portfolio. However, the estimated effect of changes in foreign currency has been reflected in the actual and forecast results of net income, EBITDA, Adjusted EBITDA*re*, earnings per diluted share and Adjusted FFO per diluted share. Nominal US$ results include the effect of currency fluctuations, consistent with our financial statement presentation.

Non-GAAP Financial Measures

We use certain "non-GAAP financial measures," which are measures of our historical or future financial performance that are not calculated and presented in accordance with GAAP, within the meaning of applicable SEC rules. These measures include the following:

- Earnings Before Interest Expense, Income Taxes, Depreciation and Amortization ("EBITDA"), Earnings Before Interest Expense, Income Taxes, Depreciation and Amortization for real estate ("EBITDA*re*") and Adjusted EBITDA*re*, as a measure of performance for Host Inc. and Host L.P.,
- Funds From Operations ("FFO") and FFO per diluted share, both calculated in accordance with National Association of Real Estate Investment Trusts ("NAREIT") guidelines and with certain adjustments from those guidelines, as a measure of performance for Host Inc., and
- Comparable hotel operating results, as a measure of performance for Host Inc. and Host L.P.

The following discussion defines these measures and presents why we believe they are useful supplemental measures of our performance.

Set forth below for each such non-GAAP financial measure is a reconciliation of the measure with the financial measure calculated and presented in accordance with GAAP that we consider most directly comparable thereto. We also have included in "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures" in our Annual Report on Form 10-K for the year ended December 31, 2018 further explanations of the adjustments being made, a statement disclosing the reasons why we believe the presentation of each of the non-GAAP financial measures provide useful information to investors regarding our financial condition and results of operations, the additional purposes for which we use the non-GAAP financial measures and limitations on their use.

EBITDA, EBITDAre and Adjusted EBITDAre

EBITDA

EBITDA is a commonly used measure of performance in many industries. Management believes EBITDA provides useful information to investors regarding our results of operations because it helps us and our investors evaluate the ongoing operating performance of our properties after removing the impact of our capital structure (primarily interest expense) and our asset base (primarily depreciation and amortization). Management also believes the use of EBITDA facilitates comparisons between us and other lodging REITs, hotel owners who are not REITs and other capital-intensive companies. Management uses EBITDA to evaluate property-level results and as one measure in determining the value of acquisitions and dispositions and, like FFO and Adjusted FFO per diluted share, it is widely used by management in the annual budget process and for compensation programs.

EBITDAre and Adjusted EBITDAre

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

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

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

In unusual circumstances, we also may adjust EBITDA*re* for gains or losses that management believes are not representative of the company's current operating performance. The last such adjustment was a 2013 exclusion of a gain from an eminent domain claim.

The following table provides a reconciliation of EBITDA, EBITDA*re*, and Adjusted EBITDA*re* to net income, the financial measure calculated and presented in accordance with GAAP that we consider the most directly comparable:

Reconciliation of Net Income to EBITDA, EBITDA*re* and Adjusted EBITDA*re* for Host Inc. and Host L.P.
(in millions)

	Quarter ended September 30,		Year-to-date ended September 30,	
	2019	**2018**	**2019**	**2018**
Net income	$ 372	$ 378	$ 851	$ 845
Interest expense	46	45	132	134
Depreciation and amortization	159	173	495	519
Income taxes	4	42	22	63
EBITDA	581	638	1,500	1,561
Gain on dispositions (1)	(273)	(546)	(332)	(665)
Non-cash impairment expense	6	239	6	260
Equity investment adjustments:				
Equity in earnings of Euro JV (2)	—	(3)	—	(11)
Equity in earnings of affiliates other than Euro JV	(4)	(3)	(13)	(14)
Pro rata EBITDA*re* of Euro JV (2)	—	13	—	36
Pro rata EBITDA*re* of equity investments other than Euro JV	6	6	22	23
EBITDA*re*	316	344	1,183	1,190
Adjustments to EBITDA*re*:				
Gain on property insurance settlement	(4)	—	(4)	—
Adjusted EBITDA*re*	$ 312	$ 344	$ 1,179	$ 1,190

(1) Reflects the sale of 12 hotels in 2019 and the sale of the New York Marriott Marquis Retail and four hotels in 2018.
(2) Represents our share of earnings and pro rata EBITDA*re* from the European Joint Venture ("Euro JV"). We sold our interest on December 21, 2018.

FFO Measures

We present NAREIT FFO and NAREIT FFO per diluted share as non-GAAP measures of our performance in addition to our earnings per share (calculated in accordance with GAAP). We calculate NAREIT FFO per diluted share as our NAREIT FFO (defined as set forth below) for a given operating period, as adjusted for the effect of dilutive securities, divided by the number of fully diluted shares outstanding during such period in accordance with NAREIT guidelines. Effective January 1, 2019, we adopted NAREIT's definition of FFO included in NAREIT's Funds From Operations White Paper – 2018 Restatement. The adoption did not result in a change in the way we calculate NAREIT FFO. NAREIT defines FFO as net income (calculated in accordance with GAAP), excluding depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in control, impairment write-downs of certain real estate assets and investments and adjustments for consolidated partially-owned entities and unconsolidated affiliates. Adjustments for consolidated partially-owned entities and unconsolidated affiliates are calculated to reflect our pro rata share of the FFO of those entities on the same basis.

We also present Adjusted FFO per diluted share when evaluating our performance because management believes that the exclusion of certain additional items described below provides useful supplemental information to investors regarding our ongoing operating performance. Management historically has made the adjustments detailed below in evaluating our performance, in our annual budget process, and for our compensation programs. We believe that the presentation of Adjusted FFO per diluted share, when combined with both the primary GAAP presentation of earnings per share and FFO per diluted share as defined by NAREIT, provides useful supplemental information that is beneficial to an investor's understanding of our operating performance. We adjust NAREIT FFO per diluted share for the following items, which may occur in any period, and refer to this measure as Adjusted FFO per diluted share:

- *Gains and Losses on the Extinguishment of Debt* – We exclude the effect of finance charges and premiums associated with the extinguishment of debt, including the acceleration of the write-off of deferred financing costs from the original issuance of the debt being redeemed or retired and incremental interest expense incurred during the refinancing period. We also exclude the gains on debt repurchases and the original issuance costs associated with the retirement of preferred stock. We believe that these items are not reflective of our ongoing finance costs.
- *Acquisition Costs* – Under GAAP, costs associated with completed property acquisitions that are considered business combinations are expensed in the year incurred. We exclude the effect of these costs because we believe they are not reflective of the ongoing performance of the company.
- *Litigation Gains and Losses* – We exclude the effect of gains or losses associated with litigation recorded under GAAP that we consider outside the ordinary course of business. We believe that including these items is not consistent with our ongoing operating performance.

In unusual circumstances, we also may adjust NAREIT FFO for gains or losses that management believes are not representative of our current operating performance. For example, in 2017, as a result of the reduction of corporate income tax rates from 35% to 21% caused by the Tax Cuts and Jobs Act, we remeasured our domestic deferred tax assets as of December 31, 2017 and recorded a one-time adjustment to reduce the deferred tax assets and increase the provision for income taxes by approximately $11 million. We do not consider this adjustment to be reflective of our ongoing operating performance and therefore excluded this item from Adjusted FFO.

The following table provides a reconciliation of the differences between our non-GAAP financial measures, NAREIT FFO and Adjusted FFO (separately and on a per diluted share basis), and net income, the financial measure calculated and presented in accordance with GAAP that we consider most directly comparable:

Host Inc. Reconciliation of Diluted Earnings per Common Share to NAREIT and Adjusted Funds From Operations per Diluted Share (in millions, except per share amount)

	Quarter ended September 30,		Year-to-date ended September 30,	
	2019	2018	2019	2018
Net income	$ 372	$ 378	$ 851	$ 845
Less: Net income attributable to non-controlling interests	(4)	(56)	(11)	(61)
Net income attributable to Host Inc.	368	322	840	784
Adjustments:				
Gain on dispositions (1)	(273)	(546)	(332)	(665)
Tax on dispositions	(3)	29	(3)	29
Gain on property insurance settlement	(4)	—	(4)	—
Depreciation and amortization	159	171	493	515
Non-cash impairment expense	6	239	6	260
Equity investment adjustments:				
Equity in earnings of affiliates	(4)	(6)	(13)	(25)
Pro rata FFO of equity investments	3	12	16	44
Consolidated partnership adjustments:				
FFO adjustment for non-controlling partnerships	—	53	1	52
FFO adjustments for non-controlling interests of Host L.P.	1	1	(2)	(2)
NAREIT FFO	253	275	1,002	992
Adjustments to NAREIT FFO:				
Loss on debt extinguishment	4	—	4	—
Adjusted FFO	$ 257	$ 275	$ 1,006	$ 992
For calculation on a per share basis (2):				
Diluted weighted average shares outstanding - EPS, NAREIT FFO and Adjusted FFO	725.8	740.5	735.4	740.2
Diluted earnings per common share	$ .51	$ .43	$ 1.14	$ 1.06
NAREIT FFO per diluted share	$ .35	$ .37	$ 1.36	$ 1.34
Adjusted FFO per diluted share	$ .35	$ .37	$ 1.37	$ 1.34

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(1) Refer to the corresponding footnote on the Reconciliation of Net Income to EBITDA, EBITDA *re* and Adjusted EBITDA*re* for Host Inc. and Host L.P.

(2) Diluted earnings per common share, NAREIT FFO per diluted share and Adjusted FFO per diluted share are adjusted for the effects of dilutive securities. Dilutive securities may include shares granted under comprehensive stock plans, preferred OP units held by non-controlling partners and other non-controlling interests that have the option to convert their limited partner interests to common OP units. No effect is shown for securities if they are anti-dilutive.

Comparable Hotel Operating Results

We present certain operating results of our hotels, such as hotel revenues, expenses, food and beverage profit and EBITDA (and the related margins), on a comparable hotel, or "same store," basis as supplemental information for investors. For an explanation of which properties we consider to be "comparable hotels," see "Comparable Hotel Operating Statistics" above.

The following tables present certain operating results and statistics for our comparable hotels for the periods presented herein and a reconciliation of the differences between comparable hotel EBITDA, a non-GAAP financial measure, and net income, the financial measure calculated and presented in accordance with GAAP that we consider most directly comparable. Similar reconciliations of the differences between (i) comparable hotel revenues and (ii) our revenues as calculated and presented in accordance with GAAP (each of which is used in the applicable margin calculation), and between (iii) comparable hotel expenses and (iv) operating costs and expenses as calculated and presented in accordance with GAAP, are also included in the reconciliation:

Comparable Hotel Results for Host Inc. and Host L.P.
(in millions, except hotel statistics)

	Quarter ended September 30, 2019	Quarter ended September 30, 2018	Year-to-date ended September 30, 2019	Year-to-date ended September 30, 2018
Number of hotels	75	75	75	75
Number of rooms	43,364	43,364	43,364	43,364
Change in comparable hotel Total RevPAR -				
Constant US$	1.2%	—	0.5%	—
Nominal US$	1.2%	—	0.5%	—
Change in comparable hotel RevPAR -				
Constant US$	(0.2)%	—	(0.9)%	—
Nominal US$	(0.2)%	—	(1.0)%	—
Operating profit (loss) margin (1)	10.9%	(7.1)%	15.3%	8.2%
Comparable hotel EBITDA margin (1)	26.5%	27.35%	29.1%	29.25%
Food and beverage profit margin (1)	23.8%	24.6%	31.7%	31.4%
Comparable hotel food and beverage profit margin (1)	25.9%	27.1%	32.6%	33.1%
Net income	$ 372	$ 378	$ 851	$ 845
Depreciation and amortization	165	412	501	779
Interest expense	46	45	132	134
Provision for income taxes	4	42	22	63
Gain on sale of property and corporate level income/expense	(259)	(533)	(292)	(618)
Non-comparable hotel results, net (2)	(39)	(50)	(218)	(207)
Comparable hotel EBITDA	$ 289	$ 294	$ 996	$ 996

	Quarter ended September 30, 2019				Quarter ended September 30, 2018			
		Adjustments				Adjustments		
	GAAP Results	Non-comparable hotel results, net(2)	Depreciation and corporate level items	Comparable Hotel Results	GAAP Results	Non-comparable hotel results, net(2)	Depreciation and corporate level items	Comparable Hotel Results
Revenues								
Room	$ 830	$ (111)	$ —	$ 719	$ 874	$ (153)	$ —	$ 721
Food and beverage	341	(44)	—	297	337	(47)	—	290
Other	91	(18)	—	73	88	(23)	—	65
Total revenues	1,262	(173)	—	1,089	1,299	(223)	—	1,076
Expenses								
Room	221	(34)	—	187	234	(46)	—	188
Food and beverage	260	(40)	—	220	254	(42)	—	212
Other	457	(64)	—	393	467	(85)	—	382
Depreciation and amortization	165	—	(165)	—	412	—	(412)	—
Corporate and other expenses	26	—	(26)	—	24	—	(24)	—
Gain on insurance and business interruption settlements	(4)	4	—	—	—	—	—	—
Total expenses	1,125	(134)	(191)	800	1,391	(173)	(436)	782
Operating Profit - Comparable Hotel EBITDA	$ 137	$ (39)	$ 191	$ 289	$ (92)	$ (50)	$ 436	$ 294

	Year-to-date ended September 30, 2019				Year-to-date ended September 30, 2018			
		Adjustments				Adjustments		
	GAAP Results	Non-comparable hotel results, net (2)	Depreciation and corporate level items	Comparable Hotel Results	GAAP Results	Non-comparable hotel results, net (2)	Depreciation and corporate level items	Comparable Hotel Results
Revenues								
Room	$ 2,618	$ (449)	$ —	$ 2,169	$ 2,691	$ (500)	$ —	$ 2,191
Food and beverage	1,223	(197)	—	1,026	1,199	(182)	—	1,017
Other	294	(69)	—	225	273	(77)	—	196
Total revenues	4,135	(715)	—	3,420	4,163	(759)	—	3,404
Expenses								
Room	664	(115)	—	549	696	(141)	—	555
Food and beverage	835	(143)	—	692	822	(141)	—	681
Other	1,426	(243)	—	1,183	1,442	(270)	—	1,172
Depreciation and amortization	501	—	(501)	—	779	—	(779)	—
Corporate and other expenses	80	—	(80)	—	82	—	(82)	—
Gain on insurance and business interruption settlements	(4)	4	—	—	—	—	—	—
Total expenses	3,502	(497)	(581)	2,424	3,821	(552)	(861)	2,408
Operating Profit - Comparable Hotel EBITDA	$ 633	$ (218)	$ 581	$ 996	$ 342	$ (207)	$ 861	$ 996

(1) Profit margins are calculated by dividing the applicable operating profit by the related revenue amount. GAAP profit margins are calculated using amounts presented in the consolidated statements of operations. Comparable hotel margins are calculated using amounts presented in the above tables.

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

Item 3.Quantitative and Qualitative Disclosures about Market Risk

All information in this section applies to Host Inc. and Host L.P.

Interest Rate Sensitivity

As of September 30, 2019 and December 31, 2018, 78% and 73%, respectively, of our outstanding debt bore interest at fixed rates. To manage interest rate risk applicable to our debt, we may enter into interest rate swaps or caps. The interest rate derivatives into which we enter are strictly to hedge interest rate risk, and are not for trading purposes. The percentages above reflect the effect of any derivatives into which we have entered to manage interest rate risk. No interest rate hedging transactions were entered into during the first three quarters of 2019. See Item 7A of our most recent Annual Report on Form 10–K.

Exchange Rate Sensitivity

As we have operations outside of the United States (specifically, the ownership of hotels in Brazil and Canada and a minority investment in a joint venture in India), currency exchange risks arise in the normal course of our business. To manage the currency exchange risk, we may enter into forward or option contracts or hedge our investment through the issuance of foreign currency denominated debt. During the third quarter of 2019, we entered into two foreign currency forward purchase contracts, each with a notional amount of CAD37.1 million ($28 million), maturing in March 2020. We also have one foreign currency forward sale contract with a notional amount of CAD25 million ($19 million). The foreign currency exchange agreements into which we have entered are strictly to hedge foreign currency risk and not for trading purposes.

During the third quarter, we also repaid $56 million outstanding under our credit facility, a portion of which was previously designated as a hedge of our net investments in foreign operations.

See Item 7A of our most recent Annual Report on Form 10-K.

Item 4.Controls and Procedures

Controls and Procedures (Host Hotels & Resorts, Inc.)

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures are effective.

Changes to Internal Control over Financial Reporting

During the second quarter, we completed implementation of a new cloud-based accounting system. In connection with this implementation, we have updated our processes related to internal control over financial reporting, as necessary, to accommodate applicable changes in our business processes.

Other than the implementation of the new accounting system, there have been no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Controls and Procedures (Host Hotels & Resorts, L.P.)

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including Host Inc.'s Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, Host Inc.'s Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures are effective.

Changes to Internal Control over Financial Reporting

During the second quarter, we completed implementation of a new cloud-based accounting system. In connection with this implementation, we have updated our processes related to internal control over financial reporting, as necessary, to accommodate applicable changes in our business processes.

Other than the implementation of the new accounting system, there have been no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 2.Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities (Host Hotels & Resorts, Inc.)

On August 5, 2019, Host Inc. announced an increase from $500 million to $1 billion in the amount authorized under its share repurchase program. The common stock may be purchased from time to time depending upon market conditions, and repurchases may be made in the open market or through private transactions or by other means, including principal transactions with various financial institutions, accelerated share repurchases, forwards, options and similar transactions, and through one or more trading plans designed to comply with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended. The program does not obligate us to repurchase any specific number of shares or any specific dollar amount and may be suspended at any time at our discretion.

Period	Total Number of Host Inc. Common Shares Purchased	Average Price Paid per Common Share*	Total Number of Common Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Common Shares that May Yet Be Purchased Under the Plans or Programs (in millions)
July 1, 2019 – July 31, 2019	163,488	$ 17.48	163,488	$ 797
August 1, 2019 – August 31, 2019	8,574,142	16.28	8,574,142	657
September 1, 2019 – September 30, 2019	3,379,554	17.02	3,379,554	600
Total	12,117,184	$ 16.51	12,117,184	$ 600

* Prices shown are exclusive of commissions paid.

Issuer Purchases of Equity Securities (Host Hotels & Resorts, L.P.)

Period	Total Number of OP Units Purchased	Average Price Paid per Unit	Total Number of OP Units Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Units that May Yet Be Purchased Under the Plans or Programs (in millions)
July 1, 2019 – July 31, 2019	180,991*	1.021494 shares of Host Hotels & Resorts, Inc. common stock	—	—
August 1, 2019 – August 31, 2019	8,758,434*	1.021494 shares of Host Hotels & Resorts, Inc. common stock	—	—
September 1, 2019 – September 30, 2019	3,470,390*	1.021494 shares of Host Hotels & Resorts, Inc. common stock	—	—
Total	12,409,815		—	—

* Reflects 13,989 and 18,196 common OP units redeemed by holders in exchange for shares of Host Inc's common stock for the months of July and September, respectively, and 167,002, 8,758,434 and 3,452,194 common OP units for the months of July, August, and September, respectively, repurchased to fund the repurchase by Host Inc. of the shares of common stock listed above as part of its publicly announced share repurchase program.

Item 6.Exhibits

In reviewing the agreements included as exhibits to this report, please remember they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about the company, its subsidiaries or other parties to the agreements. The agreements contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

- *should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;*
- *have been qualified by disclosures that were made to other parties in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;*
- *may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and*
- *were made only as of the date of the applicable agreement or such other date or date as may be specified in the agreement and are subject to more recent developments.*

Accordingly, these representation and warranties may not describe the actual state of affairs as the date they were made or at any other time.

The exhibits listed on the accompanying Exhibit Index are filed as part of this report and such Exhibit Index is incorporated herein by reference.

Exhibit No.	Description
4	**Instruments Defining Rights of Security Holders**
4.1	Fifth Supplemental Indenture, dated September 26, 2019, between Host Hotels & Resorts, L.P. and The Bank of New York Mellon, as trustee, to the Indenture dated May 15, 2015 (incorporated by reference to Exhibit 4.1 to Host Hotels & Resorts, Inc. and Host Hotels & Resorts, L.P. Current Report on Form 8-K, filed September 26, 2019).
10	**Material Contracts**
10.14*	Form of 2019 Restricted Unit Agreement for use under the Host Hotels & Resorts 2009 Comprehensive Stock and Cash Incentive Plan for corporate objectives- and total stockholder return-based vesting awards.
10.15*	Form of 2019 Restricted Unit Agreement for use under the Host Hotels & Resorts 2009 Comprehensive Stock and Cash Incentive Plan for time-based vesting awards.
10.16	Fifth Amended and Restated Credit Agreement, dated as of August 1, 2019, among Host Hotels & Resorts, L.P., Bank of America, N.A., as administrative agent, JPMorgan Chase Bank, N.A. and Wells Fargo Bank, N.A., as co-syndication agents, and various other agents and lenders (incorporated by reference to Exhibit 10.1 to Host Hotels & Resorts, Inc. and Host Hotels & Resorts, L.P. Current Report on Form 8-K, filed August 6, 2019).
31	**Rule 13a-14(a)/15d-14(a) Certifications**
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Host Hotels & Resorts, Inc.
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Host Hotels & Resorts, Inc.
31.3*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Host Hotels & Resorts, L.P.
31.4*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Host Hotels & Resorts, L.P.
32	**Section 1350 Certifications**
32.1†*	Certificate of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002 for Host Hotels & Resorts, Inc.
32.2†*	Certificate of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002 for Host Hotels & Resorts, L.P.

Exhibit No.	Description
101	**XBRL**
101.SCH	Inline XBRL Taxonomy Extension Schema Document. *Submitted electronically with this report.*
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document. *Submitted electronically with this report.*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document. *Submitted electronically with this report.*
101.LAB	Inline XBRL Taxonomy Label Linkbase Document. *Submitted electronically with this report.*
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document. *Submitted electronically with this report.*
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

The following materials, formatted in iXBRL (Inline Extensible Business Reporting Language): (i) the Condensed Consolidated Statements of Operations for the Quarter and Year-to-date ended September 30, 2019 and 2018, respectively, for Host Hotels & Resorts, Inc.; (ii) the Condensed Consolidated Balance Sheets at September 30, 2019 and December 31, 2018, respectively, for Host Hotels & Resorts, Inc.; (iii) the Condensed Consolidated Statements of Comprehensive Income (Loss) for the Quarter and Year-to-date ended September 30, 2019 and 2018, respectively, for Host Hotels & Resorts, Inc.; (iv) the Condensed Consolidated Statements of Cash Flows for the Year-to-date ended September 30, 2019 and 2018, respectively, for Host Hotels & Resorts, Inc. (v) the Condensed Consolidated Statements of Operations for the Quarter and Year-to-date ended September 30, 2019 and 2018, respectively, for Host Hotels & Resorts, L.P.; (vi) the Condensed Consolidated Balance Sheets at September 30, 2019 and December 31, 2018, respectively, for Host Hotels & Resorts, L.P.; (vii) the Condensed Consolidated Statements of Comprehensive Income (Loss) for the Quarter and Year-to-date ended September 30, 2019 and 2018, respectively, for Host Hotels & Resorts, L.P.; (viii) the Condensed Consolidated Statements of Cash Flows for the Year-to-date ended September 30, 2019 and 2018, respectively, for Host Hotels & Resorts, L.P.; and (ix) Notes to Condensed Consolidated Financial Statements.

* Filed herewith.

† This certificate is being furnished solely to accompany the report pursuant to 18 U.S.C. 1350 and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

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 thereunto duly authorized.

HOST HOTELS & RESORTS, INC.

November 7, 2019

/s/ Brian G. Macnamara

Brian G. Macnamara
Senior Vice President,
Corporate Controller
(Principal Accounting Officer and duly authorized officer)

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 thereunto duly authorized.

HOST HOTELS & RESORTS, L.P.
By: HOST HOTELS & RESORTS, INC., its general partner

November 7, 2019

/s/ BRIAN G. MACNAMARA

Brian G. Macnamara
Senior Vice President,
Corporate Controller of Host Hotels & Resorts, Inc.,
general partner of Host Hotels & Resorts, L.P.
(Principal Accounting Officer and duly authorized officer)

Exhibit 10.14

[Name of Executive]
CORPORATE OBJECTIVES AND NAREIT TSR
RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (this "Agreement"), dated as of __________ (the "Grant Date"), is between ______________ (the "Executive") and Host Hotels & Resorts, Inc. ("Company"), a Maryland corporation, and governs a grant of Restricted Stock Units ("RSUs") to the Executive pursuant to the Host Hotels & Resorts 2009 Comprehensive Stock and Cash Incentive Plan (the "Plan"). Capitalized terms not explicitly defined in this Agreement have the definitions ascribed to them in the Plan or in Exhibit A hereto. The Company and the Executive agree as follows:

1. Grant of Restricted Stock Units. Subject to, and in accordance with the terms, conditions and restrictions set forth in the Plan and in this Agreement, the Company hereby grants ___________ RSUs to the Executive, each of which represents the right to receive one share of Common Stock upon vesting of such RSU.

2. Vesting Schedule and Release. The RSUs subject to this Agreement may vest as follows:

(a) _____ RSUs shall become vested in one (1) installment for the period January 1 to December 31 of the Performance Year as set forth below, based on, and subject to, the Company's performance on Corporate Objectives for the Performance Year, *provided that* the Executive is employed by the Company on the date of determination of the Company's performance. The determination of performance and vesting in the RSUs shall be made by the Compensation Policy Committee (the "Committee") of the Board of Directors of the Company in its sole discretion.

If the level of Satisfaction on Corporate Objectives is	Then the percentage of the RSUs that will vest will be
<Threshold	0%
Threshold	25%
Target	50%
>High	100%

The calculation of performance on Corporate Objectives and the number of RSUs vested under this Section 2 (a) shall be carried out to the third decimal point. The actual number of RSUs which shall vest shall be interpolated between the vesting percentages to the extent that Company performance is between the amounts set forth in the chart above. RSUs that do not vest on the date the Committee determines the level of satisfaction for Company performance shall be forfeited on such date.

(b) ______ RSUs shall become vested in 1 (one) installment based on, and subject to, the Company's performance on Relative NAREIT TSR for the Performance Period, *provided that* the Executive is employed by the Company on the date of determination of the Company's performance. The determination of vesting in the RSUs shall be made by the Committee in its sole discretion based on the Company's results on Relative NAREIT TSR for the Performance Period as follows:

If Relative NAREIT TSR is	**Then the percentage of RSUs which will vest will be**
<30th percentile	0%
30th percentile	25%
50th percentile	50%
>75th percentile	100%

The calculation of Relative NAREIT TSR and the number of RSUs vested under this Section 2(b) shall be carried out to the third decimal point. The actual number of RSUs which shall vest shall be interpolated between the vesting percentages to the extent that Relative NAREIT TSR is between the amounts set forth in the chart above. RSUs that do not vest on the date the Committee determines Relative NAREIT TSR for the Performance Period shall be forfeited on such date.

(c) In the event that a vesting date falls on a Saturday or Sunday or a day on which the New York Stock Exchange is not open for the transaction of business, then the applicable portion of the RSUs shall vest on the next business day. Except as provided in Section 14 (e), the shares shall be released by the Company and the restrictions shall be removed from the shares within thirty (30) days following each applicable vesting date.

3. Dividends. If the Company declares a cash dividend payable to stockholders of Common Stock that is payable to stockholders of record after the Grant Date and before the RSUs are vested in accordance with this Agreement, the Executive will be entitled to be credited with an amount equal to such cash dividend per share payable per share of Common Stock (a "Dividend Equivalent Right"), which shall accrue in cash without interest.

The Dividend Equivalent Rights will be subject to the same terms, conditions, and restrictions of this Agreement as are the RSUs to which they relate and will be payable at the same time as the underlying RSUs are settled and released following vesting of such RSUs. None of the RSUs will be issued (nor will the Executive have any of the rights of a stockholder with respect to the underlying shares) and no Dividend Equivalent Rights (if any) will be paid until the vesting and other conditions under the Agreement and Plan are satisfied. If such RSUs are forfeited, the Executive shall have no right to such Dividend Equivalent Rights.

4. RSU Account. The Company shall cause an account (the "Unit Account") to be established and maintained on the books of the Company to record the number of RSUs credited to the Executive under the terms of this Agreement. Prior to actual distribution of any shares or payment of any Dividend Equivalent Rights pursuant to the vesting of any RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company. Accordingly, the Executive's interest in the Unit Account shall be that of a general, unsecured creditor of the Company.

5. No Rights as Stockholder; Change in Shares. The Executive's interest in the RSUs shall not entitle the Executive to any rights or privileges as a stockholder of the Company. The Executive shall not be deemed to have any of the rights or privileges of a stockholder of the Company in respect of the RSUs or the shares deliverable under the Agreement unless and until the RSUs vest and electronic delivery representing such shares has been completed, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Executive. After such issuance, recordation and delivery, the Executive shall have all the rights of a stockholder of the Company with respect to voting such shares and receipt of dividends and distributions on such shares. In the event any or all of the shares subject to the RSUs are split, or combined, or in any other manner changed, modified or amended, or the Company is recapitalized, restructured, or reorganized, the RSUs may be adjusted as provided in Article 12 of the Plan.

6. Restrictions and Forfeiture.

(a) No Assignment or Transfer. The Executive shall not sell, pledge, transfer, subject to lien, assign, encumber or otherwise hypothecate the RSUs unless and until the RSUs have vested, and shares have been issued, recorded and delivered and all other terms and conditions set forth in this Agreement and the Plan have been satisfied. Any attempt to do so contrary to the provisions of this Agreement shall be null and void.

(b) Recoupment Policy. The RSU are subject to the terms and conditions of the Company's Compensation Recoupment Policy (such policy, as it may be amended from time to time, the "Recoupment Policy"). The Recoupment Policy provides for determinations by the Board that, as a result of, in whole or in part, fraud, intentional misconduct, or illegal behavior by the Executive, the Company's financial results were restated or materially misstated (a "Policy Restatement"). In the event of a Policy Restatement, the Board may require, among other things (i) cancellation of any of the RSUs that remain outstanding; and/or (ii) reimbursement of any gains in respect of the shares vested, if and to the extent determined by Board under the Recoupment Policy. Any determination made by the Board shall be binding upon the Executive. The Recoupment Policy is in addition to any other remedies which may be otherwise available at law, or in equity to the Company.

(c) Repayment/Forfeiture. Any benefits that the Executive may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with the requirements of the U.S. Securities and Exchange Commission or any applicable law, rule or regulation, including the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations thereunder, as may be in effect from time to time.

(d) Stock Ownership & Retention. The Restricted Stock is subject to the Company's Stock Ownership and Retention Policy as it may be amended from time to time.

7. No Right to Other Long-Term Incentive Awards. The Executive understands and agrees that (a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be suspended or terminated by the Company at any time, to the extent permitted by the Plan; (b) the grant of RSUs is voluntary and does not create any contractual or other right or entitlement to receive future grants of RSUs or other equity, or benefits in lieu of RSUs, even if RSUs have been granted in the past; and (c) all determinations with respect to future grants of RSUs, if any, including the grant date, the number of RSUs granted and the applicable vesting terms, will be at the sole discretion of the Committee.

8. No Effect on Employment. This Agreement is not an employment contract. The terms of the Executive's employment are not affected or changed in any way by the grant of RSUs, and neither the Plan nor this Agreement afford the Executive any rights to compensation or damages, including for loss or potential loss that the Executive may suffer by reason of the RSUs (including any Dividend Equivalent Rights) not vesting as a result of the termination of the Plan, forfeiture of the RSUs or the termination of the Executive's employment.

9. The Plan. The RSUs awarded by the Committee and described in this Agreement are made in accordance with and subject to the Plan. The terms of this Agreement are intended to be in full accordance with the Plan. However, in the event of any potential or actual conflict between any term of this Agreement and the Plan, this Agreement shall automatically be amended to comply with the terms of the Plan.

10. Modifications to Agreement. This Agreement together with any Exhibits represents the full and complete understanding between the Executive and the Company on the subjects covered. The Executive expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations or inducements other than those contained in this Agreement. Except as otherwise provided in the Plan, this Agreement cannot be modified or changed by any prior or contemporaneous or future oral agreement of the parties. Except as otherwise provided in the Plan, this Agreement shall only be modified by the express written agreement of the parties.

11. Binding Agreement. This Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

12. Address for Notices. Any notice to be given to the Company under the terms of this Agreement will be addressed to the Company, Host Hotels & Resorts, 6903 Rockledge Drive, Bethesda, MD 20817, Attention: Human Resources, or at such other address as the Company may designate in writing.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland, without regard to choice of law or conflict of law rules.

14. Termination; Retirement.

(a) This Agreement is subject to the Company's Severance Plan, attached hereto. Subject to Sections 14 (b), (c), or (d) below, in the event that the Executive's employment with the Company terminates for any reason, including but not limited to, by the Company for Cause or by the Executive without Good Reason, then any unvested RSUs shall be forfeited and all of the Executive's rights hereunder with respect to such unvested RSUs shall cease as of the effective date of termination (the "Termination Date").

(b) All RSUs granted hereunder shall become immediately fully vested as of the Termination Date and settled in accordance with Section 14 e if the Executive's employment with the Company shall be terminated:

(i) by the Company due to, or during, the Executive's Disability or due to the Executive's death; or

(ii) by the Company without Cause following a Change in Control, or by the Executive with Good Reason following a Change in Control, subject in each case to the execution of a Release Agreement between the Executive and the Company.

(c) Subject to the execution and effectiveness of a Release Agreement between the Executive and the Company, if the Executive's employment with the Company is terminated by the Company without Cause or by the Executive with Good Reason not following a Change in Control, then:

(i) the Executive shall immediately vest in the number of unvested RSUs under Section 2(a) of this Agreement at the "Target" level of performance on Corporate Objectives as set forth in Section 2(a); and

(ii) *provided that* the Executive's Termination Date is in the final year of the Performance Period, the Executive shall be eligible to vest in the unvested RSUs under Section 2(b) of this Agreement based on the Company's actual performance on Relative NAREIT TSR during Performance Period as determined by the Committee.

(d) If the Executive's employment with the Company is terminated due to Executive's Retirement, then

(i) unvested RSUs under Section 2(a) of this Agreement that may have vested based on Corporate Objectives shall be forfeited and all of the Executive's rights hereunder with respect to such unvested RSUs shall cease as of the Termination Date, unless otherwise determined by the Committee in its sole discretion; and

(ii) *provided that* the Executive's Termination Date is in the final year of the Performance Period, then the Executive shall be eligible to vest in the unvested

RSUs under Section 2(b) of this Agreement based on the Company's actual performance on Relative NAREIT TSR during Performance Period as determined by the Committee.

(e) Payment in respect of awards that vest pursuant to this Section 14 will occur no later than March 15 of the year following the year in which the applicable RSUs vest. Any distribution or delivery to be made to the Executive under this Agreement shall, if the Executive is then deceased, be made to the Executive's designated beneficiary, or if no beneficiary survives the transferee must furnish the Company with (i) written notice of his or her status as transferee, and (ii) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any laws or regulations pertaining to said transfer.

15. Taxation. Regardless of any action the Company and/or the Subsidiary or affiliate employing the Executive (the "Employer") take with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Executive's participation in the Plan and legally applicable to the Executive ("Tax-Related Items"), the Executive acknowledges that the ultimate liability for all Tax-Related Items is and remains the Executive's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Executive further acknowledges that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including, but not limited to, the grant, vesting or settlement of the RSUs, the issuance of shares in settlement of the RSUs, the subsequent sale of shares acquired at vesting and the receipt of any dividends and/or any dividend equivalents; and (b) do not commit to and are under no obligation to structure the terms of the Award or any aspect of the RSUs to reduce or eliminate the Executive's liability for Tax-Related Items or achieve any particular tax result. Further, if the Executive has become subject to tax in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, the Executive acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable or tax withholding event, as applicable, the Executive shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In the event the Executive fails to pay or make such adequate arrangements, as determined by the Company and/or the Employer, the Executive hereby authorizes the Company and/or the Employer, or their respective agents, at their discretion and without any notice or authorization by Executive, to satisfy the obligations with regard to all Tax-Related Items by withholding in shares to be issued upon vesting/settlement of the RSUs.

In the event the Company withholds shares to satisfy Tax-Related Items, the Company shall withhold an amount of shares equal to the maximum statutory withholding amount in the applicable jurisdiction (rounded down to the nearest whole share), or such lesser amount as may be determined by the Executive or the Committee using the Fair Market Value on the date such shares are withheld. If the obligation for Tax-Related Items is satisfied by withholding in shares, for tax purposes, the Executive is deemed to have been issued the full number of shares subject to the vested RSUs, notwithstanding that a number of the shares is held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Executive's participation in the Plan. No fractional shares will be withheld or issued pursuant to the grant of RSUs and the issuance of shares thereunder.

Finally, the Executive shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Executive's participation in the Plan that cannot be satisfied by the means previously described. The Executive hereby agrees to indemnify and keep indemnified the Company, any subsidiary, any parent and the Employer, if different, from and against any liability for or obligation to pay any liability for income tax, employee's National Insurance contributions (if applicable) or any other social security contributions and employment related taxes wherever in the world arising that is attributable to (1) the grant or any benefit derived by the Executive from the RSUs, (2) the vesting of the RSUs, distribution of shares and the removal of restrictions on the RSUs and shares, or (3) the disposal of any RSUs or shares. The Company may refuse to issue or deliver the shares or the proceeds of the sale of shares, if the Executive fails to comply with the Executive's obligations in connection with the Tax-Related Items. The Executive shall have no further rights with respect to any shares that are retained by the Company pursuant to this provision, and under no circumstances will the Company be required to issue any fractional shares.

16. Confidential Information. In consideration of the grant of RSUs (including any Dividend Equivalent Rights) the Executive hereby agrees that the Company and/or its affiliates has made and will make available to the Executive, and the Executive will have access to, certain Confidential Information (as defined herein) of the Company and its affiliates. The Executive acknowledges and agrees that any and all Confidential Information learned or obtained by the Executive during the course of the Executive's employment with the Company or any of its affiliates, whether developed by the Executive alone or in conjunction with others or otherwise, shall be and is the property of the Company and its affiliates. Accordingly, the Executive shall at all times keep all Confidential Information confidential and will not use such Confidential Information other than in connection with the Executive's discharge of Executive's employment with the Company and/or its affiliates, and will safeguard the Confidential Information from unauthorized disclosure. This covenant is not intended to, and does not limit in any way the Executive's duties and obligations to the Company and its affiliates the Company's Code of Business Conduct and Ethics or to the Company and its affiliates under statutory and common law not to disclose or make personal use of the Confidential Information or trade secrets.

17. Electronic Communications. The Company and its affiliates may choose to deliver any documents related to your current or future participation in the Plan by electronic means. By accepting this grant, the Executive consents and agrees to electronic delivery of any Plan documents, proxy materials, annual reports and other related documents, including all materials required to be distributed pursuant to applicable securities laws. The Company has established procedures for an electronic signature system for delivery and acceptance of Plan documents (including documents relating to any programs adopted under the Plan). The Executive consents to such procedures and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company. The Executive agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Executive understands that, unless earlier revoked by the Executive, this consent shall be effective for the duration of the Agreement and that he or she shall have the right at any time to request written copies of any and all materials referred to above.

18. Insider-Trading Notification. The Executive should be aware of the insider-trading rules and acknowledges review of the Company's Insider Trading Policy Statement, which, may affect the sale of shares issued to the Executive upon settlement of the RSUs. In particular, the Executive may be prohibited from effectuating certain transactions involving shares if the Executive has material nonpublic information about the Company. If the Executive is uncertain whether the insider-trading rules are applicable, the Executive should consult with a personal legal advisor.

19. Data Privacy. By signing this Agreement, the Executive acknowledges and agrees that the Company and any of its affiliates is permitted to hold and process personal (and sensitive) information and data about the Executive as part of its personnel and other business records; and may use such information in the course of the Company's (or any Company affiliate's) business. The Executive agrees that the Company and any Company affiliate may disclose such information to third parties, including where they are situated outside the European Economic Area, the United States or such other area in which the Executive may be located, in the event that such disclosure is in the Company's or one of its affiliate's view required for the proper conduct of the Company's and/or one of its affiliate's business. Note that countries outside the European Economic Area may not provide for a similar level of data protection as within the European Economic Area pursuant to the European Data Protection Directive 95/46/EC. This Section applies to information held, used or disclosed in any medium.

20. Designation of Beneficiary. The executive may designate a beneficiary on the Stock Plan Beneficiary form that will be provided.

Accepted by the Executive:		**For the Company:**
		Joanne G. Hamilton
		Joanne G. Hamilton Executive Vice President, HR

EXHIBIT A

Definitions. Whenever the following capitalized terms are used in this Agreement they shall have the meanings set forth below, unless the context clearly indicates otherwise. Capitalized terms used in this Agreement and not defined herein shall have the meaning ascribed to them in the Plan.

"Cause" shall have the meaning set forth in Section 2.4 of the Severance Plan.

"Change in Control" shall have the meaning set forth in Section 2.5 of the Severance Plan.

"Confidential Information" shall mean all confidential and proprietary information of the Company, and its affiliates, including, without limitation, financial information, contracts and agreements, strategic and business plans concerning the Company, its business, assets or prospects and any and all analyses related thereto, offers, proposals and analyses related to acquisitions, dispositions and other transactions, contractor, supplier and vendor lists and information, designs, software systems, codes, marketing studies, research, reports, investigations, trade secrets or other information of similar character. Confidential Information shall not include (i) information which is generally available to the public, (ii) information obtained by the Executive from third persons other than employees of the Company, its subsidiaries, and affiliates not under agreement to maintain the confidentiality of the same, and (iii) information which is required to be disclosed by law or legal process."

"Corporate Objectives" shall mean the corporate-level goals for the Company approved by the Committee for the Performance Year, as such goals may be modified or changed by the Committee in its sole discretion.

"Disability" shall have the meaning set forth in Section 2.6 of the Severance Plan.

"Ending Price" for the Company and the companies comprising the NAREIT Equity Lodging/Resort Index, shall mean the closing prices of the common stock of the Company and the common stock of companies comprising each of the respective indices on the trading days occurring on the last sixty (60) calendar days of the last calendar year of the Performance Period. *By way of example only, if the Performance Period were the three-year period January 1, 2050 through December 31, 2052, then the Ending Price would be determined on the last sixty (60) calendar days of calendar year 2052.*

"Good Reason" shall have the meaning set forth in Section 2.10 of the Severance Plan.

"NAREIT Lodging/Resort Equity Index" shall mean the index of North American Real Estate Investment Trusts and publicly-traded real estate companies that own and manage hotels and resorts as established by the Committee, *provided that* if a constituent company of the NAREIT Equity Lodging/Resort Index ceases to be actively traded, due, for example, to merger or bankruptcy or the Committee otherwise reasonably determines that it is no longer suitable for the purposes of this Agreement, then such company shall be removed and the Committee in its reasonable discretion shall select a comparable company to be added to the NAREIT Equity Lodging/Resort Index for purposes of making the Relative NAREIT TSR comparison required hereunder meaningful and consistent across the relevant measurement period.

"Performance Period" shall mean the three (3) calendar years, January 1 through December 31, beginning with the Performance Year. *By way of example only, if grants were made in 2050, then the Performance Year would calendar year 2050, and the Performance Period would be the three-year period of January 1, 2050 through December 31, 2052.*

"Performance Year" shall mean calendar year of the Grant Date, which is 2019.

"Relative NAREIT TSR" shall mean the percentile rank of the Company in a period as compared to companies comprising the NAREIT Equity Lodging/Resort Index for such period. The percentile rank shall be determined by comparing the increase in the Starting Price over the Ending Price, plus dividends paid on the Company's common stock during the applicable period, to the increase in the Starting Price over the Ending Price, plus dividends paid on the common stock of companies comprising the NAREIT Equity Lodging/Resort Index for such period. Additionally, the Committee may make, in its reasonable discretion, appropriate adjustments to the Relative NAREIT TSR to take into account all stock dividends, stock splits, reverse stock splits and the other events with respect to a constituent company of the NAREIT Equity Lodging/Resort Index that occur prior to the end of the relevant measurement period.

"Release Agreement" shall have the meaning set forth in Section 2.15 of the Severance Plan.

"Retirement" shall mean, with the consent of the Committee, the voluntary termination of Executive's employment with the Company by the Executive where (i) the Executive's full-time employment with the Company equals or exceeds five (5) years of service and (ii) the Executive's age plus years of service with the Company as a full time Employee equals or exceeds 68.

"Severance Plan" shall mean the "Host Hotels & Resorts, Inc. Severance Plan for Executives", together with all amendments.

"Starting Price" for the Company and the companies comprising the NAREIT Equity Lodging/Resort Index, shall mean the average of the closing prices of the common stock of the Company and the common stock of companies comprising each of the respective indices, on the trading days occurring on the last sixty (60) calendar days of the year prior to the Performance Year. *By way of example only, if the Performance Year were 2050, the Starting Price would be determined on the last sixty (60) calendar days of calendar year 2049.*

[Name of Executive]
TIME BASED
RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (this "Agreement"), dated as of __________ (the "Grant Date"), is between ______________ (the "Executive") and Host Hotels & Resorts, Inc. ("Company"), a Maryland corporation, and governs a grant of Restricted Stock Units ("RSUs") to the Executive pursuant to the Host Hotels & Resorts 2009 Comprehensive Stock and Cash Incentive Plan (the "Plan"). Capitalized terms not explicitly defined in this Agreement have the definitions ascribed to them in the Plan or in Exhibit A hereto. The Company and the Executive agree as follows:

1. Grant of Restricted Stock Units. Subject to, and in accordance with the terms, conditions and restrictions set forth in the Plan and in this Agreement, the Company hereby grants __________ RSUs to the Executive, each of which represents the right to receive one share of Common Stock upon vesting of such RSU.

2. Vesting Schedule and Release. The RSUs subject to this Agreement shall become vested in 3 (three) installments over the three-year period with the first installment occurring on the first anniversary of the Grant Date, *provided that* the Executive is employed by the Company on each applicable vesting date. The determination of vesting in the RSUs shall be made by the Compensation Policy Committee (the "Committee") of the Board of Directors of the Company in its sole discretion.

In the event that a vesting date falls on a Saturday or Sunday or a day on which the New York Stock Exchange is not open for the transaction of business, then the applicable portion of the RSUs shall vest on the next business day. Except as provided in Section 14 e, the shares shall be released by the Company and the restrictions shall be removed from the shares within thirty (30) days following each applicable vesting date.

3. Dividends. If the Company declares a cash dividend payable to stockholders of Common Stock that is payable to stockholders of record after the Grant Date and before the RSUs are vested in accordance with this Agreement, the Executive will be entitled to be credited with an amount equal to such cash dividend per share payable per share of Common Stock (a "Dividend Equivalent Right"), which shall accrue in cash without interest.

The Dividend Equivalent Rights will be subject to the same terms, conditions, and restrictions of this Agreement as are the RSUs to which they relate and will be payable at the same time as the underlying RSUs are settled and released following vesting of such RSUs. None of the RSUs will be issued (nor will the Executive have any of the rights of a stockholder with respect to the underlying shares) and no Dividend Equivalent Rights (if any) will be paid until the vesting and other conditions under the Agreement and Plan are satisfied. If such RSUs are forfeited, the Executive shall have no right to such Dividend Equivalent Rights.

4. RSU Account. The Company shall cause an account (the "Unit Account") to be established and maintained on the books of the Company to record the number of RSUs credited to the Executive under the terms of this Agreement. Prior to actual distribution of any shares or payment of any Dividend Equivalent Rights pursuant to the vesting of any RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company. Accordingly, the Executive's interest in the Unit Account shall be that of a general, unsecured creditor of the Company.

5. No Rights as Stockholder; Change in Shares. The Executive's interest in the RSUs shall not entitle the Executive to any rights or privileges as a stockholder of the Company. The Executive shall not be deemed to have any of the rights or privileges of a stockholder of the Company in respect of the RSUs or the shares deliverable under the Agreement unless and until the RSUs vest and electronic delivery representing such shares has been completed, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Executive. After such issuance, recordation and delivery, the Executive shall have all the rights of a stockholder of the Company with respect to voting such shares and receipt of dividends and distributions on such shares. In the event any or all of the shares subject to the RSUs are split, or combined, or in any other manner changed, modified or amended, or the Company is recapitalized, restructured, or reorganized, the RSUs may be adjusted as provided in Article 12 of the Plan.

6. Restrictions and Forfeiture.

a. No Assignment or Transfer. The Executive shall not sell, pledge, transfer, subject to lien, assign, encumber or otherwise hypothecate the RSUs unless and until the RSUs have vested, and shares have been issued, recorded and delivered and all other terms and conditions set forth in this Agreement and the Plan have been satisfied. Any attempt to do so contrary to the provisions of this Agreement shall be null and void.

b. Recoupment Policy. The RSU are subject to the terms and conditions of the Company's Compensation Recoupment Policy (such policy, as it may be amended from time to time, the "Recoupment Policy"). The Recoupment Policy provides for determinations by the Board that, as a result of, in whole or in part, fraud, intentional misconduct, or illegal behavior by the Executive, the Company's financial results were restated or materially misstated (a "Policy Restatement"). In the event of a Policy Restatement, the Board may require, among other things (i) cancellation of any of the RSUs that remain outstanding; and/or (ii) reimbursement of any gains in respect of the shares vested, if and to the extent determined by Board under the Recoupment Policy. Any determination made by the Board shall be binding upon the Executive. The Recoupment Policy is in addition to any other remedies which may be otherwise available at law, or in equity to the Company.

c. Repayment/Forfeiture. Any benefits that the Executive may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with the requirements of the U.S. Securities and Exchange Commission or any applicable law, rule or regulation, including the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations thereunder, as may be in effect from time to time.

d. Stock Ownership & Retention. The Restricted Stock is subject to the Company's Stock Ownership and Retention Policy as it may be amended from time to time.

7. No Right to Other Long-Term Incentive Awards. The Executive understands and agrees that (a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be suspended or terminated by the Company at any time, to the extent permitted by the Plan; (b) the grant of RSUs is voluntary and does not create any contractual or other right or entitlement to receive future grants of RSUs or other equity, or benefits in lieu of RSUs, even if RSUs have been granted in the past; and (c) all determinations with respect to future grants of RSUs, if any, including the grant date, the number of RSUs granted and the applicable vesting terms, will be at the sole discretion of the Committee.

8. No Effect on Employment. This Agreement is not an employment contract. The terms of the Executive's employment are not affected or changed in any way by the grant of RSUs, and neither the Plan nor this Agreement afford the Executive any rights to compensation or damages, including for loss or potential loss that the Executive may suffer by reason of the RSUs (including any Dividend Equivalent Rights) not vesting as a result of the termination of the Plan, forfeiture of the RSUs or the termination of the Executive's employment.

9. The Plan. The RSUs awarded by the Committee and described in this Agreement are made in accordance with and subject to the Plan. The terms of this Agreement are intended to be in full accordance with the Plan. However, in the event of any potential or actual conflict between any term of this Agreement and the Plan, this Agreement shall automatically be amended to comply with the terms of the Plan.

10. Modifications to Agreement. This Agreement together with any Exhibits represents the full and complete understanding between the Executive and the Company on the subjects covered. The Executive expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations or inducements other than those contained in this Agreement. Except as otherwise provided in the Plan, this Agreement cannot be modified or changed by any prior or contemporaneous or future oral agreement of the parties. Except as otherwise provided in the Plan, this Agreement shall only be modified by the express written agreement of the parties.

11. Binding Agreement. This Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

12. Address for Notices. Any notice to be given to the Company under the terms of this Agreement will be addressed to the Company, Host Hotels & Resorts, 6903 Rockledge Drive, Bethesda, MD 20817, Attention: Human Resources, or at such other address as the Company may designate in writing.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland, without regard to choice of law or conflict of law rules.

14. Termination; Retirement.

a. This Agreement is subject to the Company's Severance Plan, attached hereto. Subject to Sections 14 b, c, or d below, in the event that the Executive's employment with the Company terminates for any reason, including but not limited to, by the Company for Cause or by the Executive without Good Reason, then any unvested RSUs shall be forfeited and all of the Executive's rights hereunder with respect to such unvested RSUs shall cease as of the effective date of termination (the "Termination Date").

b . All RSUs granted hereunder shall become immediately fully vested as of the Termination Date and settled in accordance with Section 14 e if the Executive's employment with the Company shall be terminated:

(i) by the Company due to, or during, the Executive's Disability or due to the Executive's death; or

(ii) by the Company without Cause following a Change in Control, or by the Executive with Good Reason following a Change in Control, subject in each case to the execution of a Release Agreement between the Executive and the Company.

c. Subject to the execution and effectiveness of a Release Agreement, if the Executive's employment with the Company is terminated by the Company without Cause or by the Executive with Good Reason not following a Change in Control while any RSUs remain unvested, then the Executive shall immediately vest in the number of unvested RSUs which had been scheduled to vest pursuant to Section 2 of this Agreement during the twelve month period following the Termination Date.

d. If the Executive's employment with the Company is terminated due to Executive's Retirement and if the Termination Date occurs after December 31 of the Performance Year, then, subject to the consent of the Committee, Executive shall immediately vest in the then unvested portion of the RSUs.

e. Payment in respect of awards that vest pursuant to this Section 14 will occur no later than March 15 of the year following the year in which the applicable RSUs vest. Any distribution or delivery to be made to the Executive under this Agreement shall, if the Executive is then deceased, be made to the Executive's designated beneficiary, or if no beneficiary survives the transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any laws or regulations pertaining to said transfer.

15. Taxation. Regardless of any action the Company and/or the Subsidiary or affiliate employing the Executive (the "Employer") take with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Executive's participation in the Plan and legally applicable to the Executive ("Tax-Related Items"), the Executive acknowledges that the ultimate liability for all Tax-Related Items is and remains the Executive's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Executive further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including, but not limited to, the grant, vesting or settlement of the RSUs, the issuance of shares in settlement of the RSUs, the subsequent sale of shares acquired at vesting and the receipt of any dividends and/or any dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the Award or any aspect of the RSUs to reduce or eliminate the Executive's liability for Tax-Related Items or achieve any particular tax result. Further, if the Executive has become subject to tax in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, the Executive acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable or tax withholding event, as applicable, the Executive shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In the event the Executive fails to pay or make such adequate arrangements, as determined by the Company and/or the Employer, the Executive hereby authorizes the Company and/or the Employer, or their respective agents, at their discretion and without any notice or authorization by Executive, to satisfy the obligations with regard to all Tax-Related Items by withholding in shares to be issued upon vesting/settlement of the RSUs.

In the event the Company withholds shares to satisfy Tax-Related Items, the Company shall withhold an amount of shares equal to the maximum statutory withholding amount in the applicable jurisdiction (rounded down to the nearest whole share), or such lesser amount as may be determined by the Executive or the Committee using the Fair Market Value on the date such shares are withheld. If the obligation for Tax-Related Items is satisfied by withholding in shares, for tax purposes, the Executive is deemed to have been issued the full number of shares subject to the vested RSUs, notwithstanding that a number of the shares is held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Executive's participation in the Plan. No fractional shares will be withheld or issued pursuant to the grant of RSUs and the issuance of shares thereunder.

Finally, the Executive shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Executive's participation in the Plan that cannot be satisfied by the means previously described. The Executive hereby agrees to indemnify and keep indemnified the Company, any subsidiary, any parent and the Employer, if different, from and against any liability for or obligation to pay any liability for income tax, employee's National Insurance contributions (if applicable) or any other social security contributions and employment related taxes wherever in the world arising that is attributable to (1) the grant or any benefit derived by the Executive from the RSUs, (2) the vesting of the RSUs, distribution of shares and the removal of restrictions on the RSUs and shares, or (3) the disposal of any RSUs or shares. The Company may refuse to issue or deliver the shares or the proceeds of the sale of shares, if the Executive fails to comply with the Executive's obligations in connection with the Tax-Related Items. The Executive shall have no further rights with respect to any shares that are retained by the Company pursuant to this provision, and under no circumstances will the Company be required to issue any fractional shares.

16. Confidential Information. In consideration of the grant of RSUs (including any

Dividend Equivalent Rights) the Executive hereby agrees that the Company and/or its affiliates has made and will make available to the Executive, and the Executive will have access to, certain Confidential Information (as defined herein) of the Company and its affiliates. The Executive acknowledges and agrees that any and all Confidential Information learned or obtained by the Executive during the course of the Executive's employment with the Company or any of its affiliates, whether developed by the Executive alone or in conjunction with others or otherwise, shall be and is the property of the Company and its affiliates. Accordingly, the Executive shall at all times keep all Confidential Information confidential and will not use such Confidential Information other than in connection with the Executive's discharge of Executive's employment with the Company and/or its affiliates, and will safeguard the Confidential Information from unauthorized disclosure. This covenant is not intended to, and does not limit in any way the Executive's duties and obligations to the Company and its affiliates the Company's Code of Business Conduct and Ethics or to the Company and its affiliates under statutory and common law not to disclose or make personal use of the Confidential Information or trade secrets.

17. **Electronic Communications.** The Company and its affiliates may choose to deliver any documents related to your current or future participation in the Plan by electronic means. By accepting this grant, the Executive consents and agrees to electronic delivery of any Plan documents, proxy materials, annual reports and other related documents, including all materials required to be distributed pursuant to applicable securities laws. The Company has established procedures for an electronic signature system for delivery and acceptance of Plan documents (including documents relating to any programs adopted under the Plan). The Executive consents to such procedures and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company. The Executive agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Executive understands that, unless earlier revoked by the Executive, this consent shall be effective for the duration of the Agreement and that he or she shall have the right at any time to request written copies of any and all materials referred to above.

18. **Insider-Trading Notification.** The Executive should be aware of the insider-trading rules and acknowledges review of the Company's Insider Trading Policy Statement, which, may affect the sale of shares issued to the Executive upon settlement of the RSUs. In particular, the Executive may be prohibited from effectuating certain transactions involving shares if the Executive has material nonpublic information about the Company. If the Executive is uncertain whether the insider-trading rules are applicable, the Executive should consult with a personal legal advisor.

19. **Data Privacy.** By signing this Agreement, the Executive acknowledges and agrees that the Company and any of its affiliates is permitted to hold and process personal (and sensitive) information and data about the Executive as part of its personnel and other business records; and may use such information in the course of the Company's (or any Company affiliate's) business. The Executive agrees that the Company and any Company affiliate may disclose such information to third parties, including where they are situated outside the European Economic Area, the United States or such other area in which the Executive may be located, in the event that such disclosure is in the Company's or one of its affiliate's view required for the proper conduct of the Company's and/or one of its affiliate's business. Note that countries outside the European Economic Area may not provide for a similar level of data protection as within the European Economic Area pursuant to the European Data Protection Directive 95/46/EC. This Section applies to information held, used or disclosed in any medium.

20. **Designation of Beneficiary.** The executive may designate a beneficiary on the Stock Plan Beneficiary form that will be provided.

Accepted by the Executive:		**For the Company:**
		Joanne G. Hamilton
		Joanne G. Hamilton Executive Vice President, HR

EXHIBIT A

Definitions. Whenever the following capitalized terms are used in this Agreement they shall have the meanings set forth below, unless the context clearly indicates otherwise. Capitalized terms used in this Agreement and not defined herein shall have the meaning ascribed to them in the Plan.

"Cause" shall have the meaning set forth in Section 2.4 of the Severance Plan.

"Change in Control" shall have the meaning set forth in Section 2.5 of the Severance Plan.

"Confidential Information" shall mean all confidential and proprietary information of the Company, and its affiliates, including, without limitation, financial information, contracts and agreements, strategic and business plans concerning the Company, its business, assets or prospects and any and all analyses related thereto, offers, proposals and analyses related to acquisitions, dispositions and other transactions, contractor, supplier and vendor lists and information, designs, software systems, codes, marketing studies, research, reports, investigations, trade secrets or other information of similar character. Confidential Information shall not include (i) information which is generally available to the public, (ii) information obtained by the Executive from third persons other than employees of the Company, its subsidiaries, and affiliates not under agreement to maintain the confidentiality of the same, and (iii) information which is required to be disclosed by law or legal process."

"Disability" shall have the meaning set forth in Section 2.6 of the Severance Plan.

"Good Reason" shall have the meaning set forth in Section 2.10 of the Severance Plan.

"Performance Year" shall mean calendar year of the Grant Date, which is 2019.

"Release Agreement" shall have the meaning set forth in Section 2.15 of the Severance Plan.

"Retirement" shall mean, with the consent of the Committee, the voluntary termination of Executive's employment with the Company by the Executive where (i) the Executive's full-time employment with the Company equals or exceeds five (5) years of service and (ii) the Executive's age plus years of service with the Company as a full time Employee equals or exceeds 68.

"Severance Plan" shall mean the "Host Hotels & Resorts, Inc. Severance Plan for Executives", together with all amendments.

Exhibit 31.1

Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, James F. Risoleo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Host Hotels & Resorts, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 7, 2019

/s/ JAMES F. RISOLEO

James F. Risoleo
President, Chief Executive Officer

Exhibit 31.2

Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael D. Bluhm, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Host Hotels & Resorts, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Dated: November 7, 2019

/s/ MICHAEL D. BLUHM

Michael D. Bluhm
Executive Vice President, Chief Financial Officer

Exhibit 31.3

<u>Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>

I, James F. Risoleo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Host Hotels & Resorts, L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 7, 2019

By: /s/ JAMES F. RISOLEO

James F. Risoleo

President, Chief Executive Officer of Host Hotels & Resorts, Inc.,

general partner of Host Hotels & Resorts, L.P.

Exhibit 31.4

Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael D. Bluhm, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Host Hotels & Resorts, L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Dated: November 7, 2019

/s/ MICHAEL D. BLUHM

Michael D. Bluhm
Executive Vice President, Chief Financial Officer of
Host Hotels & Resorts, Inc.,
general partner of Host Hotels & Resorts, L.P.

Exhibit 32.1

<u>Section 906 Certification</u>

Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. § 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. § 1350, updated pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officers of Host Hotels & Resorts, Inc. (the "Company") hereby certify, to such officers' knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2019 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 7, 2019

/s/ JAMES F. RISOLEO
James F. Risoleo
Chief Executive Officer

/s/ MICHAEL D. BLUHM
Michael D. Bluhm
Chief Financial Officer

Exhibit 32.2

<u>Section 906 Certification</u>

Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. § 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. § 1350, updated pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officers of Host Hotels & Resorts, Inc., the general partner of Host Hotels & Resorts, L.P., hereby certify, to such officers' knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of Host Hotels & Resorts, L.P. for the period ended September 30, 2019 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Host Hotels & Resorts, L.P.

Dated: November 7, 2019

/s/ JAMES F. RISOLEO
James F. Risoleo
Chief Executive Officer of Host Hotels & Resorts, Inc.

/s/ MICHAEL D. BLUHM
Michael D. Bluhm
Chief Financial Officer of Host Hotels & Resorts, Inc.