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 June 30, 2023

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.)
4747 Bethesda Ave, Suite 1300 **Bethesda, Maryland** (Address of Principal Executive Offices)	**20814** (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, $0.01 par value	HST	The Nasdaq Stock Market LLC
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.

<u>Host Hotels & Resorts, Inc.</u>

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

<u>Host Hotels & Resorts, L.P.</u>

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 August 2, 2023, there were 711,604,872 shares of Host Hotels & Resorts, Inc.'s common stock, $0.01 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,” “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 the filings of Host Inc. and Host L.P. is 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, 2022 under the heading “Explanatory Note.”

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

INDEX

PART I. FINANCIAL INFORMATION

PART II. OTHER INFORMATION

HOST HOTELS & RESORTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
June 30, 2023 and December 31, 2022
(in millions, except share and per share amounts)

	June 30, 2023	December 31, 2022
	unaudited	
ASSETS		
Property and equipment, net	$ 9,717	$ 9,748
Right-of-use assets	555	556
Due from managers	87	94
Advances to and investments in affiliates	144	132
Furniture, fixtures and equipment replacement fund	213	200
Notes receivable	485	413
Other	362	459
Cash and cash equivalents	802	667
Total assets	$ 12,365	$ 12,269
LIABILITIES, NON-CONTROLLING INTERESTS AND EQUITY		
Debt		
Senior notes	$ 3,117	$ 3,115
Credit facility, including the term loans of $997 and $998, respectively	987	994
Mortgage and other debt	106	106
Total debt	4,210	4,215
Lease liabilities	567	568
Accounts payable and accrued expenses	209	372
Due to managers	67	67
Other	167	168
Total liabilities	5,220	5,390
Redeemable non-controlling interests - Host Hotels & Resorts, L.P.	168	164
Host Hotels & Resorts, Inc. stockholders' equity:		
Common stock, par value $.01, 1,050 million shares authorized, 711.4 million shares and 713.4 million shares issued and outstanding, respectively	7	7
Additional paid-in capital	7,671	7,717
Accumulated other comprehensive loss	(70)	(75)
Deficit	(636)	(939)
Total equity of Host Hotels & Resorts, Inc. stockholders	6,972	6,710
Non-redeemable non-controlling interests—other consolidated partnerships	5	5
Total equity	6,977	6,715
Total liabilities, non-controlling interests and equity	$ 12,365	$ 12,269

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Quarter and Year-to-date ended June 30, 2023 and 2022
(unaudited, in millions, except per share amounts)

	Quarter ended June 30,		Year-to-date ended June 30,	
	2023	**2022**	**2023**	**2022**
REVENUES				
Rooms	$ 850	$ 850	$ 1,670	$ 1,505
Food and beverage	415	405	846	702
Other	128	126	258	248
Total revenues	1,393	1,381	2,774	2,455
EXPENSES				
Rooms	201	189	394	349
Food and beverage	263	245	532	445
Other departmental and support expenses	323	300	638	573
Management fees	69	62	134	102
Other property-level expenses	93	78	184	162
Depreciation and amortization	168	162	337	334
Corporate and other expenses	30	25	61	48
Gain on insurance and business interruption settlements	(3)	(7)	(3)	(7)
Total operating costs and expenses	1,144	1,054	2,277	2,006
OPERATING PROFIT	249	327	497	449
Interest income	20	6	34	7
Interest expense	(45)	(37)	(94)	(73)
Other gains	—	1	69	14
Equity in earnings of affiliates	4	2	11	4
INCOME BEFORE INCOME TAXES	228	299	517	401
Provision for income taxes	(14)	(39)	(12)	(23)
NET INCOME	214	260	505	378
Less: Net income attributable to non-controlling interests	(4)	(4)	(8)	(6)
NET INCOME ATTRIBUTABLE TO HOST HOTELS & RESORTS, INC.	$ 210	$ 256	$ 497	$ 372
Basic earnings per common share	$ 0.30	$ 0.36	$ 0.70	$ 0.52
Diluted earnings per common share	$ 0.29	$ 0.36	$ 0.70	$ 0.52

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 June 30, 2023 and 2022
(unaudited, in millions)

	Quarter ended June 30,		Year-to-date ended June 30,	
	2023	2022	2023	2022
NET INCOME	$ 214	$ 260	$ 505	$ 378
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX:				
Foreign currency translation and other comprehensive income of unconsolidated affiliates	4	(6)	6	1
Change in fair value of derivative instruments	(1)	1	(1)	1
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX	3	(5)	5	2
COMPREHENSIVE INCOME	217	255	510	380
Less: Comprehensive income attributable to non-controlling interests	(4)	(4)	(8)	(6)
COMPREHENSIVE INCOME ATTRIBUTABLE TO HOST HOTELS & RESORTS, INC.	$ 213	$ 251	$ 502	$ 374

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Year-to-date ended June 30, 2023 and 2022
(unaudited, in millions)

	Year-to-date ended June 30,	
	2023	**2022**
OPERATING ACTIVITIES		
Net income	$ 505	$ 378
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	337	334
Amortization of finance costs, discounts and premiums, net	5	5
Loss on extinguishment of debt	4	—
Stock compensation expense	13	10
Other gains	(69)	(14)
Gain on property insurance settlement	—	(6)
Equity in earnings of affiliates	(11)	(4)
Change in due from/to managers	3	(53)
Distributions from investments in affiliates	18	20
Property insurance proceeds - remediation costs	83	—
Changes in other assets	16	43
Changes in other liabilities	(84)	(5)
Net cash provided by operating activities	820	708
INVESTING ACTIVITIES		
Proceeds from sales of assets, net	34	217
Advances to and investments in affiliates	(20)	(44)
Capital expenditures:		
Renewals and replacements	(226)	(78)
Return on investment	(97)	(162)
Property insurance proceeds	34	7
Net cash used in investing activities	(275)	(60)
FINANCING ACTIVITIES		
Financing costs	(10)	—
Repayment of credit facility	—	(683)
Mortgage debt and other prepayments and scheduled maturities	(1)	(1)
Debt extinguishment costs	(3)	—
Common stock repurchases	(50)	—
Dividends on common stock	(313)	(21)
Distributions and payments to non-controlling interests	(6)	—
Other financing activities	(13)	(10)
Net cash used in financing activities	(396)	(715)
Effects of exchange rate changes on cash held	2	(1)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	151	(68)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	874	953
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	$ 1,025	$ 885

See notes to condensed consolidated financial statements.

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:

	June 30, 2023	June 30, 2022
Cash and cash equivalents	$ 802	$ 699
Restricted cash (included in other assets)	10	7
Cash included in furniture, fixtures and equipment replacement fund	213	179
Total cash and cash equivalents and restricted cash shown in the statements of cash flows	$ 1,025	$ 885

The following table presents cash paid (received) for the following:

	Year-to-date ended June 30,	
	2023	2022
Total interest paid	$ 90	$ 69
Income taxes paid (refunds received)	$ 2	$ (7)

Supplemental schedule of noncash investing and financing activities:

In connection with the sales of The Camby, Autograph Collection in March 2023, the Sheraton Boston Hotel in February 2022, and the Sheraton New York Times Square Hotel in April 2022, we issued loans to the buyers for $72 million, $163 million, and $250 million, respectively. The proceeds received from the sales are net of the loans.

On January 20, 2022, we entered into definitive agreements with Noble Investment Group, LLC, and certain other entities and persons related to Noble Investment Group, LLC, pursuant to which we made an investment in a joint venture with Noble Investment Group. In connection with the investment, Host Hotels & Resorts, L.P. issued approximately 3.2 million OP units valued at approximately $56 million.

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
June 30, 2023 and December 31, 2022
(in millions)

	June 30, 2023 unaudited	December 31, 2022
ASSETS		
Property and equipment, net	$ 9,717	$ 9,748
Right-of-use assets	555	556
Due from managers	87	94
Advances to and investments in affiliates	144	132
Furniture, fixtures and equipment replacement fund	213	200
Notes receivable	485	413
Other	362	459
Cash and cash equivalents	802	667
Total assets	$ 12,365	$ 12,269
LIABILITIES, LIMITED PARTNERSHIP INTERESTS OF THIRD PARTIES AND CAPITAL		
Debt		
Senior notes	$ 3,117	$ 3,115
Credit facility, including the term loans of $997 and $998, respectively	987	994
Mortgage and other debt	106	106
Total debt	4,210	4,215
Lease liabilities	567	568
Accounts payable and accrued expenses	209	372
Due to managers	67	67
Other	167	168
Total liabilities	5,220	5,390
Limited partnership interests of third parties	168	164
Host Hotels & Resorts, L.P. capital:		
General partner	1	1
Limited partner	7,041	6,784
Accumulated other comprehensive loss	(70)	(75)
Total Host Hotels & Resorts, L.P. capital	6,972	6,710
Non-controlling interests—consolidated partnerships	5	5
Total capital	6,977	6,715
Total liabilities, limited partnership interests of third parties and capital	$ 12,365	$ 12,269

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 June 30, 2023 and 2022
(unaudited, in millions, except per unit amounts)

	Quarter ended June 30,		Year-to-date ended June 30,	
	2023	2022	2023	2022
REVENUES				
Rooms	$ 850	$ 850	$ 1,670	$ 1,505
Food and beverage	415	405	846	702
Other	128	126	258	248
Total revenues	1,393	1,381	2,774	2,455
EXPENSES				
Rooms	201	189	394	349
Food and beverage	263	245	532	445
Other departmental and support expenses	323	300	638	573
Management fees	69	62	134	102
Other property-level expenses	93	78	184	162
Depreciation and amortization	168	162	337	334
Corporate and other expenses	30	25	61	48
Gain on insurance and business interruption settlements	(3)	(7)	(3)	(7)
Total operating costs and expenses	1,144	1,054	2,277	2,006
OPERATING PROFIT	249	327	497	449
Interest income	20	6	34	7
Interest expense	(45)	(37)	(94)	(73)
Other gains	—	1	69	14
Equity in earnings of affiliates	4	2	11	4
INCOME BEFORE INCOME TAXES	228	299	517	401
Provision for income taxes	(14)	(39)	(12)	(23)
NET INCOME	214	260	505	378
Less: Net (income) loss attributable to non-controlling interests	(1)	1	(1)	—
NET INCOME ATTRIBUTABLE TO HOST HOTELS & RESORTS, L.P.	$ 213	$ 261	$ 504	$ 378
Basic earnings per common unit	$ 0.30	$ 0.37	$ 0.71	$ 0.53
Diluted earnings per common unit	$ 0.30	$ 0.37	$ 0.71	$ 0.53

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 June 30, 2023 and 2022
(unaudited, in millions)

	Quarter ended June 30,		Year-to-date ended June 30,	
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NET INCOME	$ 214	$ 260	$ 505	$ 378
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX:				
Foreign currency translation and other comprehensive income of unconsolidated affiliates	4	(6)	6	1
Change in fair value of derivative instruments	(1)	1	(1)	1
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX	3	(5)	5	2
COMPREHENSIVE INCOME	217	255	510	380
Less: Comprehensive (income) loss attributable to non-controlling interests	(1)	1	(1)	—
COMPREHENSIVE INCOME ATTRIBUTABLE TO HOST HOTELS & RESORTS, L.P.	$ 216	$ 256	$ 509	$ 380

See notes to condensed consolidated financial statements.

HOST HOTELS & RESORTS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Year-to-date ended June 30, 2023 and 2022
(unaudited, in millions)

	Year-to-date ended June 30,	
	2023	2022
OPERATING ACTIVITIES		
Net income	$ 505	$ 378
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	337	334
Amortization of finance costs, discounts and premiums, net	5	5
Loss on extinguishment of debt	4	—
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Other gains	(69)	(14)
Gain on property insurance settlement	—	(6)
Equity in earnings of affiliates	(11)	(4)
Change in due from/to managers	3	(53)
Distributions from investments in affiliates	18	20
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Changes in other assets	16	43
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Net cash provided by operating activities	820	708
INVESTING ACTIVITIES		
Proceeds from sales of assets, net	34	217
Advances to and investments in affiliates	(20)	(44)
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Renewals and replacements	(226)	(78)
Return on investment	(97)	(162)
Property insurance proceeds	34	7
Net cash used in investing activities	(275)	(60)
FINANCING ACTIVITIES		
Financing costs	(10)	—
Repayment of credit facility	—	(683)
Mortgage debt and other prepayments and scheduled maturities	(1)	(1)
Debt extinguishment costs	(3)	—
Repurchase of common OP units	(50)	—
Distributions on common OP units	(318)	(21)
Distributions and payments to non-controlling interests	(1)	—
Other financing activities	(13)	(10)
Net cash used in financing activities	(396)	(715)
Effects of exchange rate changes on cash held	2	(1)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	151	(68)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	874	953
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	$ 1,025	$ 885

See notes to condensed consolidated financial statements.

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:

	June 30, 2023	June 30, 2022
Cash and cash equivalents	$ 802	$ 699
Restricted cash (included in other assets)	10	7
Cash included in furniture, fixtures and equipment replacement fund	213	179
Total cash and cash equivalents and restricted cash shown in the statements of cash flows	$ 1,025	$ 885

The following table presents cash paid (received) for the following:

	Year-to-date ended June 30,	
	2023	2022
Total interest paid	$ 90	$ 69
Income taxes paid (refunds received)	$ 2	$ (7)

Supplemental schedule of noncash investing and financing activities:

In connection with the sales of The Camby, Autograph Collection in March 2023, the Sheraton Boston Hotel in February 2022, and the Sheraton New York Times Square Hotel in April 2022, we issued loans to the buyers for $72 million, $163 million, and $250 million, respectively. The proceeds received from the sales are net of the loans.

On January 20, 2022, we entered into definitive agreements with Noble Investment Group, LLC, and certain other entities and persons related to Noble Investment Group, LLC, pursuant to which we made an investment in a joint venture with Noble Investment Group. In connection with the investment, Host Hotels & Resorts, L.P. issued approximately 3.2 million OP units valued at approximately $56 million.

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 June 30, 2023, Host Inc. holds approximately 99% of Host L.P.'s partnership interests.

Consolidated Portfolio

As of June 30, 2023, our consolidated portfolio, primarily consisting of luxury and upper upscale hotels, is located in the following countries:

	Hotels
United States	72
Brazil	3
Canada	2
Total	77

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 U.S. generally accepted accounting principles, or 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, 2022.

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 June 30, 2023, and the results of our operations for the quarter and year-to-date periods ended June 30, 2023 and 2022, respectively, and cash flows for the year-to-date periods ended June 30, 2023 and 2022, respectively. Interim results are not necessarily indicative of full year performance because of the effect of seasonal variations.

Four of the partnerships in which we own an interest are considered variable interest entities ("VIEs"), as the general partner of these partnerships maintains control over the decisions that most significantly impact such 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 the limited partner interests; the consolidated partnership that owns the Houston Airport Marriott at George Bush Intercontinental; and two unconsolidated partnerships that own hotel properties, of which we hold limited partner interests ranging from 11% - 19%. 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.

3. Earnings Per Common Share (Unit)

Basic earnings (loss) per common share (unit) is computed by dividing net income (loss) 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 (loss) per common share (unit) is computed by dividing net income (loss) 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 Host L.P. common units distributed to Host Inc. to support such granted shares, and other non-controlling interests that have the option to convert their limited partner interests to Host L.P. common units. No effect is shown for any securities that are anti-dilutive. We have 9.8 million Host L.P. common units, which are convertible into 10.0 million Host Inc. common shares, that are not included in Host Inc.'s calculation of earnings (loss) 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 June 30,		Year-to-date ended June 30,	
	2023	2022	2023	2022
Net income	$ 214	$ 260	$ 505	$ 378
Less: Net income attributable to non-controlling interests	(4)	(4)	(8)	(6)
Net income attributable to Host Inc.	$ 210	$ 256	$ 497	$ 372
Basic weighted average shares outstanding	711.3	714.8	712.3	714.6
Assuming distribution of common shares granted under the comprehensive stock plans, less shares assumed purchased at market	1.9	2.2	1.9	2.2
Diluted weighted average shares outstanding	713.2	717.0	714.2	716.8
Basic earnings per common share	$ 0.30	$ 0.36	$ 0.70	$ 0.52
Diluted earnings per common share	$ 0.29	$ 0.36	$ 0.70	$ 0.52

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

	Quarter ended June 30,		Year-to-date ended June 30,	
	2023	2022	2023	2022
Net income	$ 214	$ 260	$ 505	$ 378
Less: Net (income) loss attributable to non-controlling interests	(1)	1	(1)	—
Net income attributable to Host L.P.	$ 213	$ 261	$ 504	$ 378
Basic weighted average units outstanding	706.3	710.0	707.3	709.5
Assuming distribution of common units granted under the comprehensive stock plans, less units assumed purchased at market	1.8	2.2	1.8	2.1
Diluted weighted average units outstanding	708.1	712.2	709.1	711.6
Basic earnings per common unit	$ 0.30	$ 0.37	$ 0.71	$ 0.53
Diluted earnings per common unit	$ 0.30	$ 0.37	$ 0.71	$ 0.53

4. Revenue

Substantially all 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 from our customers, 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 disclosure of hotel revenues by location to consist of reportable segments, we have disaggregated hotel revenues by market location. Our revenues also are presented by country in Note 8 – 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 June 30, 2023	Quarter ended June 30, 2022	Year-to-date ended June 30, 2023	Year-to-date ended June 30, 2022
Orlando	$ 121	$ 129	$ 262	$ 237
San Diego	130	118	255	205
Maui/Oahu	124	126	250	242
Phoenix	92	101	221	212
San Francisco/San Jose	88	90	188	142
Washington, D.C. (Central Business District)	102	92	178	130
Florida Gulf Coast	71	100	167	231
New York	96	93	166	143
Miami	63	69	146	152
Houston	36	31	73	57
Boston	42	30	71	48
Jacksonville	39	39	70	68
Los Angeles/Orange County	34	35	68	60
San Antonio	30	29	66	56
Chicago	43	39	62	53
New Orleans	29	29	58	49
Austin	23	26	48	46
Seattle	29	27	47	37
Northern Virginia	24	23	43	35
Philadelphia	25	23	42	36
Denver	23	24	37	36
Atlanta	17	17	35	30
Other	86	72	176	123
Domestic	1,367	1,362	2,729	2,428
International	26	19	45	27
Total	$ 1,393	$ 1,381	$ 2,774	$ 2,455

5. Property and Equipment

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

	June 30, 2023	December 31, 2022
Land and land improvements	$ 2,012	$ 2,020
Buildings and leasehold improvements	13,919	13,849
Furniture and equipment	2,247	2,249
Construction in progress	403	313
	18,581	18,431
Less accumulated depreciation and amortization	(8,864)	(8,683)
	$ 9,717	$ 9,748

6. 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	Total equity	Redeemable, non-controlling interests
Balance, December 31, 2022	$ 7	$ 7,717	$ (75)	$ (939)	$ 5	$ 6,715	$ 164
Net income	—	—	—	497	1	498	7
Issuance of common stock for comprehensive stock plans, net	—	4	—	—	—	4	—
Repurchase of common stock	—	(50)	—	—	—	(50)	—
Dividends declared on common stock	—	—	—	(194)	—	(194)	—
Distributions to non-controlling interests	—	—	—	—	(1)	(1)	(3)
Other comprehensive income	—	—	5	—	—	5	—
Balance, June 30, 2023	$ 7	$ 7,671	$ (70)	$ (636)	$ 5	$ 6,977	$ 168

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings / (Deficit)	Non-redeemable, non-controlling interests	Total equity	Redeemable, non-controlling interests
Balance, March 31, 2023	$ 7	$ 7,663	$ (73)	$ (739)	$ 5	$ 6,863	$ 167
Net income	—	—	—	210	1	211	3
Issuance of common stock for comprehensive stock plans, net	—	8	—	—	—	8	—
Dividends declared on common stock	—	—	—	(107)	—	(107)	—
Distributions to non-controlling interests	—	—	—	—	(1)	(1)	(2)
Other comprehensive income	—	—	3	—	—	3	—
Balance, June 30, 2023	$ 7	$ 7,671	$ (70)	$ (636)	$ 5	$ 6,977	$ 168

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings / (Deficit)	Non-redeemable, non-controlling interests	Total equity	Redeemable, non-controlling interests
Balance, December 31, 2021	$ 7	$ 7,702	$ (76)	$ (1,192)	$ 5	$ 6,446	$ 126
Net income	—	—	—	372	—	372	6
Issuance of common stock for comprehensive stock plans, net	—	3	—	—	—	3	—
Dividends declared on common stock	—	—	—	(65)	—	(65)	—
Issuance of common OP units	—	—	—	—	—	—	56
Distributions to non-controlling interests	—	—	—	—	—	—	(1)
Changes in ownership and other	—	24	—	—	—	24	(24)
Other comprehensive income	—	—	2	—	—	2	—
Balance, June 30, 2022	$ 7	$ 7,729	$ (74)	$ (885)	$ 5	$ 6,782	$ 163

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings / (Deficit)	Non-redeemable, non-controlling interests	Total equity	Redeemable, non-controlling interests
Balance, March 31, 2022	$ 7	$ 7,680	$ (69)	$ (1,098)	$ 5	$ 6,525	$ 203
Net income (loss)	—	—	—	256	(1)	255	5
Issuance of common stock for comprehensive stock plans, net	—	12	—	—	—	12	—
Dividends declared on common stock	—	—	—	(43)	—	(43)	—
Distributions to non-controlling interests	—	—	—	—	—	—	(1)
Changes in ownership and other	—	37	—	—	1	38	(44)
Other comprehensive loss	—	—	(5)	—	—	(5)	—
Balance, June 30, 2022	$ 7	$ 7,729	$ (74)	$ (885)	$ 5	$ 6,782	$ 163

Capital of Host L.P.

As of June 30, 2023, Host Inc. is the owner of approximately 99% 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	Total capital	Limited partnership interests of third parties
Balance, December 31, 2022	$ 1	$ 6,784	$ (75)	$ 5	$ 6,715	$ 164
Net income	—	497	—	1	498	7
Issuance of common OP units to Host Inc. for comprehensive stock plans, net	—	4	—	—	4	—
Repurchase of common OP units	—	(50)	—	—	(50)	—
Distributions declared on common OP units	—	(194)	—	—	(194)	(3)
Distributions to non-controlling interests	—	—	—	(1)	(1)	—
Other comprehensive income	—	—	5	—	5	—
Balance, June 30, 2023	$ 1	$ 7,041	$ (70)	$ 5	$ 6,977	$ 168

	General Partner	Limited Partner	Accumulated Other Comprehensive Income (Loss)	Non-controlling interests	Total capital	Limited partnership interests of third parties
Balance, March 31, 2023	$ 1	$ 6,930	$ (73)	$ 5	$ 6,863	$ 167
Net income	—	210	—	1	211	3
Issuance of common OP units to Host Inc. for comprehensive stock plans, net	—	8	—	—	8	—
Distributions declared on common OP units	—	(107)	—	—	(107)	(2)
Distributions to non-controlling interests	—	—	—	(1)	(1)	—
Other comprehensive income	—	—	3	—	3	—
Balance, June 30, 2023	$ 1	$ 7,041	$ (70)	$ 5	$ 6,977	$ 168

	General Partner	Limited Partner	Accumulated Other Comprehensive Income (Loss)	Non-controlling interests	Total capital	Limited partnership interests of third parties
Balance, December 31, 2021	$ 1	$ 6,516	$ (76)	$ 5	$ 6,446	$ 126
Net income	—	372	—	—	372	6
Issuance of common OP units to Host Inc. for comprehensive stock plans, net	—	3	—	—	3	—
Distributions declared on common OP units	—	(65)	—	—	(65)	(1)
Issuance of common OP units	—	—	—	—	—	56
Changes in ownership and other	—	24	—	—	24	(24)
Other comprehensive income	—	—	2	—	2	—
Balance, June 30, 2022	$ 1	$ 6,850	$ (74)	$ 5	$ 6,782	$ 163

	General Partner	Limited Partner	Accumulated Other Comprehensive Income (Loss)	Non-controlling interests	Total capital	Limited partnership interests of third parties
Balance, March 31, 2022	$ 1	$ 6,588	$ (69)	$ 5	$ 6,525	$ 203
Net income (loss)	—	256	—	(1)	255	5
Issuance of common OP units to Host Inc. for comprehensive stock plans, net	—	12	—	—	12	—
Distributions declared on common OP units	—	(43)	—	—	(43)	(1)
Changes in ownership and other	—	37	—	1	38	(44)
Other comprehensive loss	—	—	(5)	—	(5)	—
Balance, June 30, 2022	$ 1	$ 6,850	$ (74)	$ 5	$ 6,782	$ 163

Share Repurchases

During the first quarter of 2023, we repurchased 3.2 million shares at an average price of $15.65 per share, exclusive of commissions, through our common share repurchase program for a total of $50 million. There were no share repurchases in the second quarter of 2023. As of June 30, 2023, there was $923 million available for repurchase under our common share repurchase program.

Issuance of Common Stock

On May 31, 2023, we entered into a distribution agreement with J. P. Morgan Securities LLC, BofA Securities, Inc., Goldman Sachs & Co. LLC, Jefferies LLC, Morgan Stanley & Co. LLC, Scotia Capital (USA) Inc., Truist Securities, Inc. and Wells Fargo Securities, LLC, as sales agents pursuant to which Host Inc. may offer and sell, from time to time, shares of Host Inc. common stock having an aggregate offering price of up to $600 million. The sales will be made in transactions that are deemed to be “at the market” offerings under the SEC rules. We may sell shares of Host Inc. common stock under this program from time to time based on market conditions, although we are not under an obligation to sell any shares. The agreement also contemplates that, in addition to the offering and sale of shares to or through the sales agents, we may enter into separate forward sale agreements with each of the forward purchasers named in the agreement. No shares were issued during the first half of 2023. As of June 30, 2023, there was $600 million of remaining capacity under the agreement.

Dividends/Distributions

On June 14, 2023, Host Inc.'s Board of Directors announced a regular quarterly cash dividend of $0.15 per share on its common stock. The dividend was paid on July 17, 2023 to stockholders of record as of June 30, 2023. Accordingly, Host L.P. made a distribution of $0.1532241 per unit on its common OP units based on the current conversion ratio.

7. Fair Value Measurements

We did not elect the fair value measurement option for any of our financial assets or liabilities. The fair values of notes receivable, secured debt and our credit facility are determined based on the 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 assets and financial liabilities is shown below (in millions):

	June 30, 2023		December 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Notes receivable (Level 2)	$ 485	$ 483	$ 413	$ 404
Financial liabilities				
Senior notes (Level 1)	3,117	2,815	3,115	2,768
Credit facility (Level 2)	987	1,000	994	1,000
Mortgage debt (Level 2)	101	87	102	95

Notes receivable consists of three loans issued to the buyers in connection with the sales of The Camby, Autograph Collection, the Sheraton Boston Hotel and the Sheraton New York Times Square Hotel. The loan to the buyer of the Sheraton Boston Hotel matured on August 1, 2023. We entered into a forbearance agreement with the buyer on August 1, 2023, by which we will forbear exercising our remedies until September 30, 2023. In exchange, the all-in interest rate on the loan was increased from 6.5% to 12% and the buyer made a principal paydown of 10% of the outstanding principal balance, among other consideration.

8. Geographic Information

We consider each one of our hotels to be an operating segment, as we allocate resources and assess operating performance based on individual hotels. All of our hotels meet the aggregation criteria for segment reporting and our other real estate investment activities (primarily our retail spaces and office buildings) are immaterial. As such, we report one segment: hotel ownership. Our consolidated foreign operations consist of hotels in two countries as of June 30, 2023. 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 June 30,		Year-to-date ended June 30,		June 30,	December 31,
	2023	2022	2023	2022	2023	2022
United States	$ 1,367	$ 1,362	$ 2,729	$ 2,428	$ 9,645	$ 9,678
Brazil	5	3	11	7	37	33
Canada	21	16	34	20	35	37
Total	$ 1,393	$ 1,381	$ 2,774	$ 2,455	$ 9,717	$ 9,748

9. Non-controlling Interests

Host Inc.'s treatment of the non-controlling interests of Host L.P.: Host Inc. adjusts the amount of the non-controlling interests of Host L.P. each period so that the amount presented equals the greater of its carrying amount based on accumulated historical cost or its 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 common 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. We have estimated that the redemption value of the common OP units is equivalent to the number of common shares issuable 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 of Host L.P.:

	June 30, 2023		December 31, 2022	
Common OP units outstanding (millions)		9.8		10.0
Market price per Host Inc. common share	$	16.83	$	16.05
Shares issuable upon conversion of one common OP unit		1.021494		1.021494
Redemption value (millions)	$	168	$	164
Historical cost (millions)		99		97
Book value (millions) [1]		168		164

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

Other Consolidated Partnerships. As of June 30, 2023, we consolidate two majority-owned partnerships that have third-party, non-controlling ownership interests. The third-party limited partner interests are included in non-redeemable non-controlling interests — other consolidated partnerships on the balance sheets and totaled $5 million as of both June 30, 2023 and December 31, 2022.

10. Contingencies

While the majority of our hotels in Florida were affected by Hurricane Ian, which made landfall on September 28, 2022, the most significant damage sustained during the storm occurred at The Ritz-Carlton, Naples and Hyatt Regency Coconut Point Resort and Spa. The Hyatt Regency Coconut Point reopened to guests in November 2022, and the final phase of reconstruction, the resort's waterpark, was completed in June 2023. On July 6, 2023, The Ritz-Carlton, Naples reopened the guestrooms, suites and amenities, including the new tower expansion.

We are still evaluating the complete property and business interruption impacts of the storm. During the second quarter of 2023, we recorded an additional $25 million of property damage and remediation costs, increasing our total estimate to $130 million. We have recorded a corresponding insurance receivable of $130 million. As of June 30, 2023, we have received $113 million of property insurance proceeds related to these claims, reducing the receivable to $17 million. Our expected potential insurance recovery is $310 million for covered costs, including the property remediation and reconstruction costs and the near-term loss of business; however, there can be no assurances that this coverage will be sufficient to cover the entirety of the impact from the storm.

11. Legal Proceedings

We are involved in various legal proceedings in the ordinary 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 are involved or of which we currently are aware and our experience in resolving similar claims in the past, we have recorded immaterial accruals as of June 30, 2023 related to such claims. We have estimated that, in the aggregate, our losses related to these proceedings will 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 quarterly 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 U.S. economic growth and the potential for an economic recession in the United States or globally, the current high level of inflation, rising interest rates, 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 events (including Hurricane Ian in 2022), pandemics and other public health crises, such as the COVID-19 pandemic, 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 large-scale wars or international conflicts, slowing global growth, or trade tensions and tariffs between the United States and its trading partners such as China, all of which could affect global travel and lodging demand within the United States;
- volatility in global financial and credit markets, including volatility caused by recent failures of several financial institutions and liquidity concerns at other financial institutions, which could materially adversely affect U.S. and global economic conditions, business activity, and lodging demand as well as negatively impact our ability to obtain financing and increase our borrowing costs;
- pending and future U.S. governmental action to address budget deficits through reductions in spending and similar austerity measures, as well as the impact of potential U.S. government shutdowns, all of which could materially adversely affect U.S. economic conditions, business activity, credit availability and borrowing costs;
- operating risks associated with the hotel business, including the effect of labor stoppages or strikes, increasing operating or labor costs, including increased labor costs in the current inflationary environment, the ability of our managers to adequately staff our hotels as a result of shortages in labor, severance and furlough payments to hotel employees or changes in workplace rules that affect labor costs, and risks relating to the continued response to the COVID-19 pandemic by our hotel managers, such as increased hotel costs for cleaning protocols;
- the effect of rating agency downgrades of our debt securities or on the cost and availability of new debt financings;
- the reduction in our operating flexibility and the limitation on our ability to incur debt, pay dividends and make distributions resulting from restrictive covenants in our debt agreements 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 areas such as 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;
- the ability to complete hotel renovations on schedule and on, or under, budget and the potential for increased costs and construction delays due to shortages of supplies as a result of supply chain disruptions;

- 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 percentage 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 growth of third-party internet and other travel intermediaries in attracting and retaining customers which compete with our hotels;
- our ability to recover fully under our existing insurance policies for terrorist acts and natural disasters 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 U.S. 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, 2022 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 unaudited condensed consolidated statements of operations and significant operating statistics (in millions, except per share and hotel statistics):

Historical Income Statement Data:

	Quarter ended June 30,			Year-to-date ended June 30,		
	2023	2022	Change	2023	2022	Change
Total revenues	$ 1,393	$ 1,381	0.9 %	$ 2,774	$ 2,455	13.0 %
Net income	214	260	(17.7)%	505	378	33.6 %
Operating profit	249	327	(23.9)%	497	449	10.7 %
Operating profit margin under GAAP	17.9 %	23.7 %	(580 bps)	17.9 %	18.3 %	(40 bps)
EBITDA*re*[1]	$ 446	$ 506	(11.9)%	$ 890	$ 812	9.6 %
Adjusted EBITDA*re*[1]	446	500	(10.8)%	890	806	10.4 %
Diluted earnings per common share	0.29	0.36	(19.4)%	0.70	0.52	34.6 %
NAREIT FFO per diluted share[1]	0.53	0.58	(8.6)%	1.07	0.97	10.3 %
Adjusted FFO per diluted share[1]	0.53	0.58	(8.6)%	1.08	0.97	11.3 %

Comparable Hotel Data:

	Quarter ended June 30,			Year-to-date ended June 30,		
	2023	**2022**	**Change**	**2023**	**2022**	**Change**
Comparable hotel revenues [(1)]	$ 1,375	$ 1,324	3.9 %	$ 2,728	$ 2,334	16.9 %
Comparable hotel EBITDA [(1)]	449	490	(8.4)%	888	795	11.7 %
Comparable hotel EBITDA margin [(1)]	32.7 %	37.1 %	(440 bps)	32.6 %	34.1 %	(150 bps)
Comparable hotel Total RevPAR [(1)]	$ 367.54	$ 353.95	3.8 %	$ 366.74	$ 313.73	16.9 %
Comparable hotel RevPAR [(1)]	225.12	219.23	2.7 %	221.46	192.82	14.9 %

(1) EBITDA*re*, Adjusted EBITDA*re*, NAREIT FFO per diluted share and Adjusted FFO per diluted share and comparable hotel operating results (including hotel revenues and hotel EBITDA and margins) are non-GAAP financial measures within the meaning of the rules of the SEC. See "Non-GAAP Financial Measures" and "Comparable Hotel Operating Statistics and Results" for more information on these measures, including why we believe these supplemental measures are useful, reconciliations to the most directly comparable GAAP measure, and the limitations on the use of these supplemental measures. Additionally, comparable hotel results and statistics are based on 75 comparable hotels as of June 30, 2023 and include adjustments for non-comparable hotels, dispositions and acquisitions. See Comparable Hotel RevPAR Overview for results of the portfolio based on our ownership period, without these adjustments.

Operations

Total revenues increased $12 million, or 0.9%, and $319 million, or 13.0%, as compared to the second quarter of 2022 and year-to-date 2022, respectively, driven by improvements in group business and continued strength in rates for the portfolio overall, despite some moderation at our resort properties. In the second quarter, the growth was offset by moderating transient demand in the San Francisco and Seattle markets and resort hotels, as well as elevated outbound travel without a corresponding increase in international inbound travel. Comparable hotel RevPAR and comparable hotel Total RevPAR for the second quarter increased 2.7% and 3.8%, respectively, compared to the second quarter of 2022, primarily due to rate growth. Year-to-date, comparable hotel RevPAR and comparable hotel Total RevPAR increased 14.9% and 16.9%, respectively, compared to 2022. The significant improvement year-to-date was buoyed by first quarter 2023 results, as the Omicron variant of COVID-19 significantly impaired travel during January and the first part of February in 2022. In addition, the recovery at our city-center properties during the first half of 2023 allowed for significant improvements at some of the markets such as New York, Washington, D.C. and Boston that lagged in 2022.

The recovery at our city-center properties led the portfolio, as comparable hotel Total RevPAR in our Boston, Houston and Chicago markets increased by 39.3%, 18.3% and 16.3%, respectively, in the second quarter, primarily driven by transient rate and city-wide events. Hotels in our Washington, D.C., San Diego and New York markets, some of our larger markets by room counts, also outperformed our portfolio with comparable hotel Total RevPAR increases of 11.0%, 10.4% and 10.0%, respectively. These strong performances were offset by comparable hotel Total RevPAR declines at our Austin, Miami and Orlando markets of 14.5%, 7.3% and 6.6%, respectively. The declines were driven primarily by decreases in transient demand, while Austin also experienced a decline in short-term group demand in the second quarter.

Our second quarter 2023 results when compared to 2022 are as follows:

- Net income decreased $46 million for the quarter and increased $127 million year-to-date;
- Diluted earnings per share decreased $0.07 for the quarter and increased $0.18 year-to-date;
- Adjusted EBITDA*re* decreased $54 million for the quarter and increased $84 million year-to-date; and
- Adjusted FFO per diluted share decreased $0.05 for the quarter and increased $0.11 year-to-date.

For the second quarter of 2023, operating profit margin under GAAP was 17.9% and comparable hotel EBITDA margin was 32.7%, a decrease of 580 basis points and 440 basis points, respectively, due to closer to stable staffing levels and higher wages, insurance and utility expenses, compared to second quarter of 2022. Year-to-date, operating profit margin under GAAP was 17.9% and comparable hotel EBITDA margin was 32.6%, a decrease of 40 basis points and 150 basis points, respectively.

Outlook

Although we have not experienced significant signs of a weakening in the overall lodging industry, current macroeconomic headwinds and concerns surrounding the potential for an economic slowdown have created uncertainty around operating results for the remainder of 2023. Further improvement in operations will be dependent on the broader macroeconomic environment, which will affect our ability to maintain high-rated business in our resort markets, as well as the continued improvement of group, business transient and international inbound travel. Accordingly, we believe that operations in specific markets and asset types will continue to be uneven.

Blue Chip Economic Indicators consensus currently estimates an increase in real U.S. GDP of 1.6% for 2023, with a slight decline in the fourth quarter, while business investment is anticipated to increase 2.1%. Inflation has eased but remains above the Federal Reserve's target of 2%. Monetary policy, geopolitical uncertainty, and liquidity concerns at financial institutions has led to ongoing concerns surrounding a potential economic slowdown over the next 12 months. The range of potential outcomes on the economy and the lodging industry specifically remains exceptionally wide, reflecting varying analyst assumptions surrounding the impact of higher interest rates, inflation, ongoing labor shortages in key industries, and geopolitical conflicts.

Hotel supply growth is anticipated to remain below the long-term historical average in 2023. Supply chain challenges have resulted in project delays across the U.S., and regional banking stress has created construction financing challenges for future projects. We anticipate that the new project pipeline will remain suppressed until macroeconomic concerns abate. While the pandemic had an outsized impact on our industry, particularly in luxury and upper upscale hotels in top U.S. markets, where a majority of our hotels are located, our hotels have been able to maintain rates even as leisure travel moderates. We also have seen steady increases in group business and a gradual recovery in business transient demand in 2023. However, transient demand has moderated in the San Francisco and Seattle markets, as well as at resort hotels in recent months.

Based on the trends noted above, we expect comparable hotel RevPAR growth for the full year 2023 will be between 7.0% and 9.0%.

As noted above, the current outlook for the lodging industry remains highly uncertain; therefore, there can be no assurances as to the continued recovery in lodging demand for any number of reasons, including, but not limited to, slower than anticipated return of group and business travel or deteriorating macroeconomic conditions.

Strategic Initiatives

Capital Projects. During the first half of 2023, we spent approximately $97 million on return on investment ("ROI") capital projects, $133 million on renewal and replacement projects, and $93 million on hurricane restoration work. Significant projects completed during the second quarter include the renovation of rooms and public spaces at the final hotel in the Marriott transformational capital program, the Washington Marriott at Metro Center. In addition, we continued our restoration efforts following Hurricane Ian, for which we estimate the total property reconstruction and remediation costs, including significant enhancements, to be approximately $260 million to $285 million of which approximately 35% relates to remediation costs. The Ritz-Carlton, Naples reopened on July 6, 2023, including the guestrooms, suites and amenities, and the new tower expansion. The Hyatt Regency Coconut Point Resort and Spa reopened to guests in November 2022, and the final phase of reconstruction, the resort's waterpark, was completed in June 2023.

We have completed the Marriott transformational capital program, which began in 2018. We believe this program will position these hotels to be more competitive in their respective markets and will enhance long-term performance through increases in RevPAR and market yield index. We agreed to invest amounts in excess of the furniture fixture and equipment ("FF&E") reserves required under our management agreements and, in exchange, Marriott has provided additional priority returns on the agreed upon investments and operating profit guarantees of $83 million, before reductions for incentive management fees, to offset expected business disruption.

The Marriott transformational capital program included projects at 16 hotels, which were completed as follows: projects at Coronado Island Marriott Resort & Spa, New York Marriott Downtown, San Francisco Marriott Marquis and Santa Clara Marriott in 2019; projects at the Minneapolis Marriott City Center, San Antonio Marriott Rivercenter and JW Marriott Atlanta Buckhead in 2020; projects at The Ritz-Carlton Amelia Island, New York Marriott Marquis and Orlando World Center Marriott in 2021; projects at Boston Marriott Copley Place, the Houston Marriott Medical Center, JW Marriott Houston by the Galleria, and Marina del Rey Marriott in 2022; and projects at the Marriott Marquis San Diego Marina and Washington Marriott at Metro Center in 2023.

For full year 2023, we expect total capital expenditures of $625 million to $725 million, consisting of ROI projects of approximately $225 million to $250 million, renewal and replacement expenditures of $275 million to $300 million, and restoration work for the damage caused by Hurricane Ian of $125 million to $175 million. The ROI projects include approximately $25 million to $30 million for the Marriott transformational capital program discussed above.

Results of Operations

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

	Quarter ended June 30, 2023	Quarter ended June 30, 2022	Change	Year-to-date ended June 30, 2023	Year-to-date ended June 30, 2022	Change
Total revenues	$ 1,393	$ 1,381	0.9 %	$ 2,774	$ 2,455	13.0 %
Operating costs and expenses:						
Property-level costs [(1)]	1,117	1,036	7.8	2,219	1,965	12.9
Corporate and other expenses	30	25	20.0	61	48	27.1
Gain on insurance and business interruption settlements	3	7	(57.1)	3	7	(57.1)
Operating profit	249	327	(23.9)	497	449	10.7
Interest expense	45	37	21.6	94	73	28.8
Other gains	—	1	(100.0)	69	14	392.9
Provision for income taxes	14	39	(64.1)	12	23	(47.8)
Host Inc.:						
Net income attributable to non-controlling interests	4	4	—	8	6	33.3
Net income attributable to Host Inc.	210	256	(18.0)	497	372	33.6
Host L.P.:						
Net income (loss) attributable to non-controlling interests	1	(1)	N/M	1	—	N/M
Net income attributable to Host L.P.	213	261	(18.4)	504	378	33.3

(1) Amount represents total operating costs and expenses from our unaudited condensed consolidated statements of operations, less corporate and other expenses and gain on insurance and business interruption settlements.

N/M=Not meaningful.

Statement of Operations Results and Trends

Hotel Sales Overview

The following table presents total revenues in accordance with GAAP and includes all consolidated hotels (in millions, except percentages):

	Quarter ended June 30, 2023	Quarter ended June 30, 2022	Change	Year-to-date ended June 30, 2023	Year-to-date ended June 30, 2022	Change
Revenues:						
Rooms	$ 850	$ 850	—	$ 1,670	$ 1,505	11.0 %
Food and beverage	415	405	2.5 %	846	702	20.5
Other	128	126	1.6	258	248	4.0
Total revenues	$ 1,393	$ 1,381	0.9	$ 2,774	$ 2,455	13.0

Second quarter total revenues improved 0.9% over 2022 reflecting improvements in group business and continued strength in rates for the portfolio overall, despite some moderation at our resort properties. In the second quarter, the growth was offset by moderating transient demand in the San Francisco and Seattle markets and resort hotels and elevated international outbound travel without a corresponding increase in international inbound travel. Year-to-date revenue improvement benefitted from easier comparisons to 2022, as the Omicron variant of COVID-19 significantly impaired travel during January and the first part of February in 2022 as noted previously. Operations in the second quarter and year-to-date 2023 in comparison to 2022 were impacted by lost revenues due to the closure of The Ritz-Carlton, Naples caused by Hurricane Ian, which reopened on July 6, 2023. In addition, the Four Seasons Resort and Residences Jackson Hole, which we acquired in November 2022, contributed $11 million and $42 million to the growth in revenues for the second quarter and year-to-date 2023, respectively, compared to the negative impact on revenues resulting from 2022 and 2023 dispositions of $15 million and $40 million, for the second quarter and year-to-date 2023, respectively.

Rooms. Total rooms revenues were flat for the second quarter and increased $165 million, or 11.0%, year-to-date, compared to 2022. The results reflect the increases at our comparable hotels of $22 million, or 2.7%, and $212 million, or 14.8%, for the second quarter and year-to-date, respectively, driven by strong average room rates, which remain above 2019, but have started to moderate. The increases in revenues at our comparable hotels were partially offset by lost revenues from dispositions and the closure of The Ritz-Carlton, Naples, which is included in non-comparable hotels, caused by Hurricane Ian as noted above.

Food and beverage. Total food and beverage ("F&B") revenues increased $10 million, or 2.5%, and $144 million, or 20.5%, for the quarter and year-to-date, respectively, compared to 2022. The improvements reflect the increases at our comparable hotels of $22 million, or 5.7%, and $166 million, or 25.2%, for the quarter and year-to-date, respectively, primarily driven by improvements in banquet and audio-visual revenues at convention hotels, as well as increased outlet spend per occupied room across our portfolio. Similar to rooms revenues, the increases in F&B revenues from our comparable hotels were partially offset by lost revenues from dispositions and the closure of The Ritz-Carlton, Naples, which is included in non-comparable hotels, caused by Hurricane Ian as noted above.

Other revenues. Total other revenues increased $2 million, or 1.6%, and $10 million, or 4.0%, for the quarter and year-to-date, respectively, compared to 2022. The improvements reflect the increases at our comparable hotels of $7 million, or 5.8%, and $16 million, or 6.7%, for the quarter and year-to-date, respectively, primarily due to an increase in ancillary revenues from improved occupancy levels and continued strong golf and spa revenues.

Property-level Operating Expenses

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

	Quarter ended June 30,			Year-to-date ended June 30,		
	2023	2022	Change	2023	2022	Change
Expenses:						
Rooms	$ 201	$ 189	6.3 %	$ 394	$ 349	12.9 %
Food and beverage	263	245	7.3	532	445	19.6
Other departmental and support expenses	323	300	7.7	638	573	11.3
Management fees	69	62	11.3	134	102	31.4
Other property-level expenses	93	78	19.2	184	162	13.6
Depreciation and amortization	168	162	3.7	337	334	0.9
Total property-level operating expenses	$ 1,117	$ 1,036	7.8	$ 2,219	$ 1,965	12.9

Our operating costs and expenses, which consist of both fixed and variable components, are affected by several factors. Rooms expenses are affected mainly by occupancy, which drives costs related to items such as housekeeping, reservation systems, room supplies, laundry services and front desk costs. Food and beverage expenses correlate closely with food and beverage revenues and are affected by occupancy and the mix of business between banquet, audio-visual and outlet sales. However, the most significant expense for the rooms, food and beverage, and other departmental and support expenses is wages and employee benefits, which comprise approximately 56% of these expenses. For the second quarter and year-to-date 2023, these expenses increased 13%, and 22%, respectively, compared to 2022, reflecting an increase in hiring as operations have recovered. In addition, early in 2022, hiring was temporarily paused in many areas due to the Omicron variant, as well as seasonality in certain markets. Specifically, in the second quarter of 2022, the significant acceleration in demand further challenged the ability of our hotels managers to increase hotel staffing commensurate with the increase in demand. Hiring pace has since improved, and managers at the majority of our hotels now are operating at desired staffing levels. Wage and benefit rate inflation is expected to be approximately 5% in 2023.

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.

The increase in expenses for the second quarter and year-to-date 2023 compared to 2022 for rooms, food and beverage, other departmental and support, and management fees was generally due to the corresponding increase in revenues from improvements in occupancy and hotel operations, and an increase in staffing, as follows:

Rooms. Rooms expenses increased $12 million, or 6.3%, and $45 million, or 12.9%, for the quarter and year-to-date, respectively. Our comparable hotels rooms expenses increased $16 million, or 8.7%, and $62 million, or 19.0%, for the quarter and year-to-date, respectively. These increases reflect the increase in staffing described above.

Food and beverage. F&B expenses increased $18 million, or 7.3%, and $87 million, or 19.6%, for the quarter and year-to-date, respectively. For our comparable hotels, F&B expenses increased $25 million, or 10.8%, and $103 million, or 24.8% for the quarter and year-to-date, respectively. Overall, F&B costs as a percentage of revenues increased slightly for the quarter as staffing levels normalized. F&B costs as a percentage of revenues declined year-to-date, benefiting from improved banquet revenues and ongoing productivity improvement.

Other departmental and support expenses. Other departmental and support expenses increased $23 million, or 7.7%, and $65 million, or 11.3%, for the quarter and year-to-date, respectively. On a comparable hotel basis, other departmental and support expenses increased $27 million, or 9.6%, and $79 million, or 14.7%, for the quarter and year-to-date, respectively. These increases were primarily due to the increase in staffing.

Management fees. Base management fees, which generally are calculated as a percentage of total revenues, were flat for the second quarter and increased $8 million, or 11.6%, year-to-date. At our comparable hotels, base management fees increased $1 million, or 2.9%, and $10 million, or 15.7%, for the quarter and year-to-date, respectively. Incentive management fees, which generally are based on the amount of operating profit at each hotel after we receive a priority return on our investment, increased $7 million, or 30.4%, and $24 million, or 72.7%, for the quarter and year-to-date, respectively. At our comparable hotels, incentive management fees increased $8 million, or 34.9%, and $22 million, or 62.8% for the quarter and year-to-date, respectively. The increase in incentive management fees primarily reflects the improved operations at our properties.

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 increased $15 million, or 19.2%, and $22 million, or 13.6%, for the quarter and year-to-date, respectively, due to increases in property insurance premiums and rent on a portion of our ground leases that are based on a percentage of sales. Other property-level expenses also were partially offset by the receipt of operating profit guarantees received from Marriott under the transformational capital program in both 2022 and 2023, with the last of the payments received in the second quarter of 2023. Other property-level expenses at our comparable hotels increased $17 million, or 20.8%, and $27 million, or 17.0%, for the quarter and year-to-date, respectively.

Other Income and Expense

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

	Quarter ended June 30,		Year-to-date ended June 30,	
	2023	2022	2023	2022
General and administrative costs	$ 20	$ 20	$ 41	$ 38
Non-cash stock-based compensation expense	6	5	13	10
Litigation accruals	4	—	7	—
Total	$ 30	$ 25	$ 61	$ 48

Interest expense. Interest expense increased for the quarter and year-to-date due to an increase in interest rates on our floating rate debt. The following table details our interest expense for the quarter (in millions):

	Quarter ended June 30,		Year-to-date ended June 30,	
	2023	2022	2023	2022
Cash interest expense (1)	$ 42	$ 35	$ 85	$ 68
Non-cash interest expense	3	2	5	5
Non-cash debt extinguishment costs	—	—	1	—
Cash debt extinguishment costs (1)	—	—	3	—
Total interest expense	$ 45	$ 37	$ 94	$ 73

(1) Including the change in accrued interest, total cash interest paid was $50 million and $41 million for the quarters ended June 30, 2023 and 2022, respectively, and $90 million and $69 million for year-to-date 2023 and 2022, respectively.

Other gains. Other gains increased $55 million year-to-date, reflecting the sale of The Camby, Autograph Collection in the first quarter of 2023.

Equity in earnings of affiliates. Equity in earnings of affiliates increased $2 million for the quarter and $7 million for the year-to-date, consisting of earnings from our investment in the Noble Joint Venture.

Provision for income taxes. We lease substantially all our properties to consolidated subsidiaries designated as taxable REIT subsidiaries ("TRS") for U.S. federal income tax purposes. Taxable income or loss generated/incurred by the TRS primarily represents hotel-level operations and the aggregate rent paid to Host L.P. by the TRS, on which we record an income tax provision or benefit. For the second quarter and year-to-date 2023, we recorded an income tax provision of $14 million and $12 million, respectively, due primarily to the profitability of hotel operations retained by the TRS.

Comparable Hotel RevPAR Overview

Effective January 1, 2023, we have ceased presentation of All Owned Hotel results, and returned to a comparable hotel presentation for our hotel level results. Comparable hotels are those properties that we have consolidated for the entirety of the reporting periods being compared. Comparable hotels do not include the results of hotels sold or classified as held-for-sale, hotels that have sustained substantial property damage or business interruption, or hotels that have undergone large-scale capital projects, in each case requiring closures lasting one month or longer during the reporting periods being compared. We believe this will provide investors with a better understanding of underlying growth trends for our current portfolio, without impact from properties that experienced closures. We have removed Hyatt Regency Coconut Point Resort and Spa and The Ritz-Carlton, Naples from our comparable operations for 2023 due to closures caused by Hurricane Ian. See "Comparable Hotel Operating Statistics and Results" below for more information on how we determine our comparable hotels.

We also include, following the comparable hotels results by geographic location, the same operating statistics presentation on an actual basis, which includes results for our portfolio for the time period of our ownership, including the results of non-comparable properties, dispositions through their date of disposal and acquisitions beginning as of the date of acquisition. Lastly, we discuss our hotel results by mix of business (i.e., transient, group, or contract).

Hotel Operating Data by Location

The following tables set forth performance information for our hotels by geographic location for the quarters and year-to-date ended June 30, 2023 and 2022, respectively, on a comparable hotel and actual basis:

Comparable Hotel Results by Location

	As of June 30, 2023		Quarter ended June 30, 2023				Quarter ended June 30, 2022					
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	4	2,006	$ 594.07	73.7 %	$ 437.96	$ 678.06	$ 567.20	78.0 %	$ 442.56	$ 690.02	(1.0)%	(1.7)%
Miami	2	1,033	538.70	69.6	374.98	646.85	618.60	67.4	416.89	697.72	(10.1)	(7.3)
Jacksonville	1	446	549.95	82.1	451.53	974.60	572.46	81.1	463.99	974.04	(2.7)	0.1
Phoenix	3	1,545	372.81	73.6	274.51	651.73	394.21	76.0	299.63	677.94	(8.4)	(3.9)
Florida Gulf Coast	3	941	387.60	76.3	295.81	615.07	386.13	79.0	304.90	640.76	(3.0)	(4.0)
Orlando	2	2,448	363.44	73.4	266.90	542.00	402.61	73.8	297.06	580.59	(10.2)	(6.6)
New York	2	2,486	346.21	84.3	291.87	423.84	326.39	80.3	261.97	385.41	11.4	10.0
Los Angeles/Orange County	3	1,067	297.22	82.4	245.01	352.37	278.61	87.4	243.48	356.01	0.6	(1.0)
San Diego	3	3,294	281.16	83.1	233.70	432.22	271.84	81.0	220.07	391.37	6.2	10.4
Washington, D.C. (CBD)	5	3,240	312.23	78.0	243.43	346.51	286.32	77.0	220.58	312.13	10.4	11.0
Boston	2	1,496	293.70	83.0	243.74	311.38	277.40	60.7	168.38	223.59	44.8	39.3
Austin	2	767	257.48	70.8	182.18	327.53	272.13	80.7	219.57	383.03	(17.0)	(14.5)
Philadelphia	2	810	249.51	83.5	208.44	327.91	229.82	86.6	199.08	303.95	4.7	7.9
Northern Virginia	2	916	261.74	73.7	192.88	292.30	228.38	75.8	173.05	266.99	11.5	9.5
San Francisco/San Jose	6	4,162	235.44	66.6	156.72	230.73	237.03	72.7	172.26	237.65	(9.0)	(2.9)
New Orleans	1	1,333	208.75	75.0	156.55	241.38	219.22	76.4	167.55	237.37	(6.6)	1.7
Chicago	3	1,562	278.93	76.2	212.54	303.24	253.18	74.0	187.35	260.67	13.4	16.3
San Antonio	2	1,512	214.90	63.9	137.37	219.40	202.69	70.3	142.44	213.86	(3.6)	2.6
Houston	5	1,942	208.54	72.3	150.82	207.78	184.11	67.1	123.53	175.70	22.1	18.3
Atlanta	2	810	194.10	76.0	147.44	239.70	186.06	77.5	144.28	236.30	2.2	1.4
Seattle	2	1,315	241.55	72.9	176.09	237.33	228.80	74.6	170.62	218.92	3.2	8.4
Denver	3	1,340	196.19	66.2	129.88	190.82	188.02	69.4	130.52	189.86	(0.5)	0.5
Other	10	3,061	287.69	69.7	200.45	306.65	272.79	66.3	180.80	267.34	10.9	14.7
Domestic	70	39,532	306.78	74.7	229.05	374.40	300.38	74.6	224.05	361.94	2.2	3.4
International	5	1,499	193.42	62.7	121.31	184.99	155.80	59.0	91.91	140.79	32.0	31.4
All Locations	75	41,031	303.29	74.2	225.12	367.54	296.18	74.0	219.23	353.95	2.7	3.8

Comparable Hotel Results by Location

Location	As of June 30, 2023		Year-to-date ended June 30, 2023				Year-to-date ended June 30, 2022					
	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	4	2,006	$ 599.89	75.0 %	$ 449.74	$ 689.14	$ 556.16	77.2 %	$ 429.37	$ 665.56	4.7 %	3.5 %
Miami	2	1,033	594.02	73.8	438.09	753.95	677.26	69.1	468.18	758.30	(6.4)	(0.6)
Jacksonville	1	446	532.21	74.7	397.60	872.26	555.35	70.8	393.31	846.75	1.1	3.0
Phoenix	3	1,545	455.18	78.0	355.17	764.31	442.80	74.8	331.38	709.91	7.2	7.7
Florida Gulf Coast	3	941	433.52	80.2	347.70	747.93	434.49	79.5	345.27	699.72	0.7	6.9
Orlando	2	2,448	395.90	74.7	295.85	591.62	427.24	66.0	281.89	534.73	5.0	10.6
New York	2	2,486	316.51	78.8	249.47	369.18	303.32	61.0	184.91	269.63	34.9	36.9
Los Angeles/Orange County	3	1,067	296.97	81.2	241.12	352.91	282.52	76.2	215.25	311.32	12.0	13.4
San Diego	3	3,294	282.01	80.1	225.75	427.16	265.79	71.3	189.62	343.77	19.1	24.3
Washington, D.C. (CBD)	5	3,240	293.53	71.1	208.82	304.05	269.82	57.9	156.21	222.15	33.7	36.9
Boston	2	1,496	256.23	76.1	195.06	262.66	235.57	54.2	127.70	168.31	52.8	56.1
Austin	2	767	273.23	70.4	192.43	343.15	274.92	71.3	196.03	334.68	(1.8)	2.5
Philadelphia	2	810	229.68	78.9	181.17	283.96	206.81	76.7	158.68	244.18	14.2	16.3
Northern Virginia	2	916	245.58	69.7	171.08	259.21	216.27	64.4	139.18	208.25	22.9	24.5
San Francisco/San Jose	6	4,162	261.73	63.7	166.68	249.04	221.94	58.9	130.72	188.52	27.5	32.1
New Orleans	1	1,333	215.24	74.0	159.23	240.08	212.83	66.2	140.90	202.78	13.0	18.4
Chicago	3	1,562	238.80	64.0	152.79	219.73	220.82	57.4	126.78	174.77	20.5	25.7
San Antonio	2	1,512	227.23	67.0	152.20	242.68	195.73	68.8	134.67	205.78	13.0	17.9
Houston	5	1,942	206.36	72.8	150.32	208.68	182.12	64.0	116.60	162.56	28.9	28.4
Atlanta	2	810	195.42	75.0	146.53	241.17	180.13	72.0	129.60	207.01	13.1	16.5
Seattle	2	1,315	223.18	63.1	140.79	196.97	211.55	55.1	116.53	153.56	20.8	28.3
Denver	3	1,340	185.96	57.5	106.90	152.98	173.91	57.4	99.84	146.61	7.1	4.3
Other	10	3,061	319.34	64.0	204.29	314.22	323.74	59.1	191.24	284.58	6.8	10.4
Domestic	70	39,532	314.70	71.7	225.60	374.31	304.95	64.8	197.64	321.78	14.1	16.3
International	5	1,499	182.51	61.5	112.29	165.31	133.14	49.3	65.66	99.56	71.0	66.1
All Locations	75	41,031	310.54	71.3	221.46	366.74	300.14	64.2	192.82	313.73	14.9	16.9

Results by Location - actual, based on ownership period[1]

Location	As of June 30,		Quarter ended June 30, 2023				Quarter ended June 30, 2022					
	2023	2022										
	No. of Properties	No. of Properties	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	4	4	$ 594.07	73.7 %	$ 437.96	$ 678.06	$ 567.20	78.0 %	$ 442.56	$ 690.02	(1.0)%	(1.7)%
Miami	2	2	538.70	69.6	374.98	646.85	596.12	68.2	406.35	676.00	(7.7)	(4.3)
Jacksonville	1	1	549.95	82.1	451.53	974.60	572.46	81.1	463.99	974.04	(2.7)	0.1
Phoenix	3	4	372.81	73.6	274.51	651.73	367.35	75.5	277.29	612.01	(1.0)	6.5
Florida Gulf Coast	5	5	347.63	56.5	196.31	418.07	411.67	70.2	288.94	598.02	(32.1)	(30.1)
Orlando	2	2	363.44	73.4	266.90	542.00	402.61	73.8	297.06	580.59	(10.2)	(6.6)
New York	2	2	346.21	84.3	291.87	423.84	313.84	78.3	245.88	361.64	18.7	17.2
Los Angeles/Orange County	3	3	297.22	82.4	245.01	352.37	278.61	87.4	243.48	356.01	0.6	(1.0)
San Diego	3	3	281.16	83.1	233.70	432.22	271.84	81.0	220.07	391.37	6.2	10.4
Washington, D.C. (CBD)	5	5	312.23	78.0	243.43	346.51	286.32	77.0	220.58	312.13	10.4	11.0
Boston	2	2	293.70	83.0	243.74	311.38	277.40	60.7	168.38	223.59	44.8	39.3
Austin	2	2	257.48	70.8	182.18	327.53	272.13	80.7	219.57	383.03	(17.0)	(14.5)
Philadelphia	2	2	249.51	83.5	208.44	327.91	229.82	86.6	199.08	303.95	4.7	7.9
Northern Virginia	2	2	261.74	73.7	192.88	292.30	228.38	75.8	173.05	266.99	11.5	9.5
San Francisco/San Jose	6	6	235.44	66.6	156.72	230.73	237.03	72.7	172.26	237.65	(9.0)	(2.9)
New Orleans	1	1	208.75	75.0	156.55	241.38	219.22	76.4	167.55	237.37	(6.6)	1.7
Chicago	3	4	278.93	76.2	212.54	303.24	240.04	71.8	172.32	237.59	23.3	27.6
San Antonio	2	2	214.90	63.9	137.37	219.40	202.69	70.3	142.44	213.86	(3.6)	2.6
Houston	5	5	208.54	72.3	150.82	207.78	184.11	67.1	123.53	175.70	22.1	18.3
Atlanta	2	2	194.10	76.0	147.44	239.70	186.06	77.5	144.28	236.30	2.2	1.4
Seattle	2	2	241.55	72.9	176.09	237.33	228.80	74.6	170.62	218.92	3.2	8.4
Denver	3	3	196.19	66.2	129.88	190.82	188.02	69.4	130.52	189.86	(0.5)	0.5
Other	10	9	287.69	69.7	200.45	306.65	262.88	69.1	181.67	265.61	10.3	15.5
Domestic	72	73	306.27	73.8	226.00	370.80	300.15	74.3	223.13	362.34	1.3	2.3
International	5	5	193.42	62.7	121.31	184.99	155.80	59.0	91.91	140.79	32.0	31.4
All Locations	77	78	302.82	73.4	222.26	364.22	296.11	73.8	218.53	354.65	1.7	2.7

Results by Location - actual, based on ownership period[(1)]

Location	As of June 30, 2023 No. of Properties	As of June 30, 2022 No. of Properties	Year-to-date ended June 30, 2023 Average Room Rate	Average Occupancy Percentage	RevPAR	Total RevPAR	Year-to-date ended June 30, 2022 Average Room Rate	Average Occupancy Percentage	RevPAR	Total RevPAR	Percent Change in RevPAR	Percent Change in Total RevPAR
Maui/Oahu	4	4	$ 599.89	75.0 %	$ 449.74	$ 689.14	$ 556.16	77.2 %	$ 429.37	$ 665.56	4.7 %	3.5 %
Miami	2	2	594.02	73.8	438.09	753.95	609.44	70.9	432.20	690.16	1.4	9.2
Jacksonville	1	1	532.21	74.7	397.60	872.26	555.35	70.8	393.31	846.75	1.1	3.0
Phoenix	3	4	446.98	78.0	348.64	738.46	412.40	74.7	307.94	643.07	13.2	14.8
Florida Gulf Coast	5	5	392.96	58.6	230.46	497.50	485.09	72.1	349.66	691.06	(34.1)	(28.0)
Orlando	2	2	395.90	74.7	295.85	591.62	427.24	66.0	281.89	534.73	5.0	10.6
New York	2	2	316.51	78.8	249.47	369.18	276.49	56.1	155.17	222.91	60.8	65.6
Los Angeles/Orange County	3	3	296.97	81.2	241.12	352.91	282.52	76.2	215.25	311.32	12.0	13.4
San Diego	3	3	282.01	80.1	225.75	427.16	265.79	71.3	189.62	343.77	19.1	24.3
Washington, D.C. (CBD)	5	5	293.53	71.1	208.82	304.05	269.82	57.9	156.21	222.15	33.7	36.9
Boston	2	2	256.23	76.1	195.06	262.66	228.61	51.8	118.39	155.01	64.8	69.4
Austin	2	2	273.23	70.4	192.43	343.15	274.92	71.3	196.03	334.68	(1.8)	2.5
Philadelphia	2	2	229.68	78.9	181.17	283.96	206.81	76.7	158.68	244.18	14.2	16.3
Northern Virginia	2	2	245.58	69.7	171.08	259.21	216.27	64.4	139.18	208.25	22.9	24.5
San Francisco/San Jose	6	6	261.73	63.7	166.68	249.04	221.94	58.9	130.72	188.52	27.5	32.1
New Orleans	1	1	215.24	74.0	159.23	240.08	212.83	66.2	140.90	202.78	13.0	18.4
Chicago	3	4	238.80	64.0	152.79	219.73	210.41	56.0	117.93	161.24	29.6	36.3
San Antonio	2	2	227.23	67.0	152.20	242.68	195.73	68.8	134.67	205.78	13.0	17.9
Houston	5	5	206.36	72.8	150.32	208.68	182.12	64.0	116.60	162.56	28.9	28.4
Atlanta	2	2	195.42	75.0	146.53	241.17	180.13	72.0	129.60	207.01	13.1	16.5
Seattle	2	2	223.18	63.1	140.79	196.97	211.55	55.1	116.53	153.56	20.8	28.3
Denver	3	3	185.96	57.5	106.90	152.98	173.91	57.4	99.84	146.61	7.1	4.3
Other	10	9	319.34	64.0	204.29	314.22	266.94	60.0	160.20	229.80	27.5	36.7
Domestic	72	73	314.56	70.9	223.06	371.22	302.36	64.3	194.28	317.04	14.8	17.1
International	5	5	182.51	61.5	112.29	165.31	133.14	49.3	65.66	99.56	71.0	66.1
All Locations	77	78	310.46	70.6	219.11	363.94	297.88	63.7	189.88	309.66	15.4	17.5

(1) Represents the results of the portfolio for the time period of our ownership, including the results of non-comparable properties, dispositions through their date of disposal and acquisitions beginning as of the date of acquisition.

Hotel Business Mix

Our customers fall into three broad categories: transient, group, and contract business, which accounted for approximately 65%, 32%, and 3%, respectively, of our full year 2022 room sales. The information below is derived from business mix data for the 75 comparable hotels as of June 30, 2023. 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.

Improvements in the second quarter compared to second quarter of 2022 were primarily driven by an increase in group business, through increases in rate. At the same time, the recovery in business transient demand continued, driven by demand from small and medium-sized businesses, which accounted for a greater share of demand as compared to large-companies than prior to the COVID-19 pandemic.

The following are the results of our transient, group and contract business:

	Quarter ended June 30, 2023			**Year-to-date ended June 30, 2023**		
	Transient business	**Group business**	**Contract business**	**Transient business**	**Group business**	**Contract business**
Room nights (in thousands)	1,517	1,085	174	2,849	2,123	332
Percentage change in room nights vs. same period in 2022	(0.8)%	0.0 %	12.6 %	3.7 %	22.5 %	12.0 %
Rooms revenues (in millions)	$ 517	$ 292	$ 33	$ 992	$ 593	$ 62
Percentage change in revenues vs. same period in 2022	0.8 %	4.2 %	23.8 %	6.4 %	30.7 %	30.2 %

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 general and limited partner 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 common and preferred stock issuances by Host Inc. are contributed to Host L.P. in exchange for common and preferred 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 to provide financial flexibility given the inherent volatility of the lodging industry. We believe this strategy has resulted in a better cost of debt capital, allowing us to complete opportunistic investments and acquisitions and positioning us to manage potential declines in operations throughout the lodging cycle. We have structured our debt profile to maintain a balanced maturity schedule and to minimize the number of hotels that are encumbered by mortgage debt. Currently, only one of our consolidated hotels is encumbered by mortgage debt. Over the past several years leading up to the COVID-19 pandemic, we had 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. As a result, we were well positioned at the onset of the COVID-19 pandemic with sufficient liquidity and financial flexibility to withstand the severe slowdown in U.S. economic activity and lodging demand brought on by the pandemic. We believe we have sufficient liquidity to fund corporate expenses, capital expenditures and dividends and remain well positioned to execute additional investment transactions to the extent opportunities arise.

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 to OP unitholders, respectively, and stock and OP unit repurchases. We have no significant debt maturities until April 2024. 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.

Capital Resources. As of June 30, 2023, we had $802 million of cash and cash equivalents, $213 million in our FF&E escrow reserves and $1.5 billion available under the revolver portion of our credit facility. We depend primarily on external sources of capital to finance future 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, pay dividends, make distributions and make investments, is contingent on our ability to maintain compliance with the financial covenants of our credit facility and senior notes indentures, which include, among other things, the allowable amounts of leverage, interest coverage and fixed charges.

Two programs are currently in place relating to potential purchases or sales of our common stock. Under our common stock repurchase program, 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 principal transactions with various financial institutions, like 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 plan 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. There were no share repurchases during the second quarter. At June 30, 2023, we had $923 million available for repurchase under our program.

In addition, on May 31, 2023, we entered into a distribution agreement with J. P. Morgan Securities LLC, BofA Securities, Inc., Goldman Sachs & Co. LLC, Jefferies LLC, Morgan Stanley & Co. LLC, Scotia Capital (USA) Inc., Truist Securities, Inc. and Wells Fargo Securities, LLC, as sales agents pursuant to which Host Inc. may offer and sell, from time to time, shares of Host Inc. common stock having an aggregate offering price of up to $600 million. The sales will be made in transactions that are deemed to be “at the market” offerings under the SEC rules. We may sell shares of Host Inc. common stock under this program from time to time based on market conditions, although we are not under an obligation to sell any shares. The agreement also contemplates that, in addition to the offering and sale of shares to or through the sales agents, we may enter into separate forward sale agreements with each of the forward purchasers named in the agreement. No shares were issued during the first half of 2023. As of June 30, 2023, there was $600 million of remaining capacity under the agreement.

Given the total amount of our debt and our maturity schedule, we may continue to redeem or repurchase senior notes from time to time, taking advantage of favorable market conditions. In February 2023, 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 with 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 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. 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 and the requirements of our credit facility and senior notes indentures, 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 our common stock. Any such transactions may, subject to applicable securities laws, occur simultaneously.

We continue to explore potential acquisitions and dispositions. We anticipate that any such future acquisitions will be funded primarily by proceeds from sales of hotels, but also potentially from equity offerings of Host Inc., issuances of OP units by Host L.P., or available cash. Given the nature of these transactions, we can make no assurances that we will be successful in acquiring any one or more hotels that we may review, bid on or negotiate to purchase or that we will be successful in disposing of any one or more of our hotels. We may acquire additional hotels or dispose of hotels through various structures, including transactions involving single assets, portfolios, joint ventures, acquisitions of the securities or assets of other REITs or distributions of hotels to our stockholders.

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

Cash Provided by Operating Activities. Year-to-date in 2023, net cash provided by operating activities was $820 million compared to $708 million for 2022. The $112 million increase in 2023 was primarily driven by improved operations at our hotels compared to 2022.

Cash Used in Investing Activities. Net cash used in investing activities was $275 million during 2023 year-to-date compared to $60 million for 2022. Cash used in investing activities during year-to-date 2023 primarily related to $323 million of capital expenditures and investment in our joint ventures. Cash used in investing activities during year-to-date 2022 primarily related to $240 million of capital expenditures and an investment in a joint venture. Cash provided by investing activities includes the sale of one hotel in 2023 and three hotels in 2022, with 2023 proceeds of $34 million primarily related to the sale of The Camby, Autograph Collection, which is net of a $72 million loan issued to the buyer in connection with the sale.

Cash Used in Financing Activities. Year-to-date in 2023, net cash used in financing activities was $396 million compared to $715 million for 2022. Cash used in financing activities in 2023 primarily related to the payment of common stock dividends and common stock repurchases. In year-to-date 2022, cash used in financing activities included the repayment of the credit facility revolver.

The following table summarizes significant equity transactions that have been completed through August 2, 2023 (in millions):

Transaction Date		Description of Transaction	Transaction Amount
Equity of Host Inc.			
January - July	2023	Dividend payments[(1)(2)]	$ (420)
March	2023	Repurchase of 3.2 million shares of Host Inc. common stock	(50)
		Cash payments on equity transactions	$ (470)

(1) In connection with the dividend payments, Host L.P. made distributions of $426 million to its common OP unit holders.
(2) Includes the fourth quarter 2022 dividend that was paid in January 2023.

Debt

As of June 30, 2023, our total debt was $4.2 billion, with a weighted average interest rate of 4.5% and a weighted average maturity of 4.7 years. Additionally, 76% of our debt has a fixed rate of interest and only one of our consolidated hotels is encumbered by mortgage debt.

Financial Covenants

On January 4, 2023, we entered into the sixth amended and restated senior revolving credit and term loan facility, with Bank of America, N.A., as administrative agent, Wells Fargo Bank, N.A. and JPMorgan Chase Bank, N.A. as co-syndication agents, and certain other agents and lenders. The credit facility allows for revolving borrowings in an aggregate principal amount of up to $1.5

billion. The revolver also includes 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 peso borrowings. The credit facility also provides for a term loan facility of $1 billion (which is fully utilized), 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. Host L.P. also has the option 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. The revolving credit facility has an initial scheduled maturity date of January 4, 2027, which date may be extended by up to a year, one $500 million term loan tranche has an initial maturity date of January 4, 2027, which date may be extended up to a year and the second $500 million term loan tranche has a maturity date of January 4, 2028, which date may not be extended. The exercise of any extension options is subject to certain various conditions, including the payment of an extension fee. The new credit facility also converted the underlying reference rate from LIBOR to SOFR plus a credit spread adjustment of 10 basis points. The credit facility includes a sustainability pricing adjustment that can result in a change in the interest rate applicable to borrowings. The adjustments will be determined based on our performance against targets established in the credit facility related to green building certifications and electricity used at all our consolidated properties that is generated by renewable resources. As of June 30, 2023, we achieved a milestone in the progress towards our renewable energy goal, resulting in a 2.5 basis point reduction in the interest rate on the outstanding term loans.

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 ratio of consolidated total debt to consolidated EBITDA (our "Leverage Ratio") is based on a "net debt" concept, pursuant to which cash and cash equivalents in excess of $100 million are deducted from our total debt balance for purposes of measuring compliance.

At June 30, 2023, we were 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, which are calculated on a trailing twelve-month basis:

	Actual Ratio	Covenant Requirement for all years
Leverage ratio	2.2 x	Maximum ratio of 7.25x
Fixed charge coverage ratio	8.0 x	Minimum ratio of 1.25x
Unsecured interest coverage ratio (1)	9.3 x	Minimum ratio of 1.75x

(1) If, at any time, our leverage ratio is above 7.0x, our minimum unsecured interest coverage ratio will decrease to 1.50x.

Senior Notes Indenture Covenants

The following table summarizes the results of the financial tests required by the indentures for our senior notes and our actual credit ratios as of June 30, 2023:

	Actual Ratio	Covenant Requirement
Unencumbered assets tests	491 %	Minimum ratio of 150%
Total indebtedness to total assets	20 %	Maximum ratio of 65%
Secured indebtedness to total assets	1 %	Maximum ratio of 40%
EBITDA-to-interest coverage ratio	9.1 x	Minimum ratio of 1.5x

For additional details on our credit facility and senior notes, including the terms of the Amendments, see our Annual Report on Form 10-K for the year ended December 31, 2022.

Dividend Policy

Host Inc. is required to distribute at least 90% of its annual taxable income, excluding net capital gains, 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 June 30, 2023, 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. common 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. common OP unit.

Investors should consider the non-controlling interests in the Host L.P. common OP units when analyzing dividend payments by Host Inc. to its stockholders, as these Host L.P. common OP unitholders share in cash distributed by Host L.P. to all of its common OP unitholders, on a pro rata basis. 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 hotel sales. On June 14, 2023, Host Inc.'s Board of Directors announced a regular quarterly cash dividend of $0.15 per share on Host Inc.'s common stock. The dividend was paid on July 17, 2023 to stockholders as of record on June 30, 2023. All future dividends are subject to Board approval.

Critical Accounting Estimates

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, 2022.

Comparable Hotel Operating Statistics and Results

Effective January 1, 2023, the Company ceased presentation of All Owned Hotel results and returned to a comparable hotel presentation for its hotel level results. Management believes this provides investors with a better understanding of underlying growth trends for our current portfolio, without impact from properties that experienced closures due to renovations or property damage sustained.

To facilitate a year-to-year 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 our reports on a comparable hotel basis in order to enable our investors to better evaluate our operating performance. We define our comparable hotels as those that: (i) are owned or leased by us as of the reporting date and are not classified as held-for-sale; and (ii) have not sustained substantial property damage or business interruption, or undergone large-scale capital projects, in each case requiring closures lasting one month or longer (as further defined below), during the reporting periods being compared.

We make adjustments to include recent acquisitions to include results for periods prior to our ownership. For these hotels, since the year-over-year comparison includes periods prior to our ownership, the changes will not necessarily correspond to changes in our actual results. Additionally, operating results of hotels that we sell are excluded from the comparable hotel set once the transaction has closed or the hotel is classified as held-for-sale.

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 would cause a hotel to be excluded from our comparable hotel set if it requires the entire property to be closed to hotel guests for one month or longer.

Similarly, hotels are excluded from our comparable hotel set from the date that they sustain substantial property damage or business interruption if it requires the property to be closed to hotel guests for one month or longer. 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 the hotel has reopened. Often, related to events that cause property damage and the closure of a hotel, we will collect business interruption insurance proceeds for the near-term loss of business. These proceeds are included in gain on property insurance and business interruption settlements on our consolidated statements of operations. Business interruption insurance gains related to a hotel that was excluded from our comparable hotel set also will be excluded from the comparable hotel results.

Of the 77 hotels that we owned as of June 30, 2023, 75 have been classified as comparable hotels. The operating results of the following hotels that we owned as of June 30, 2023 are excluded from comparable hotel results for these periods, due to closure of the property:

- Hyatt Regency Coconut Point Resort & Spa (business disruption due to Hurricane Ian beginning in September 2022, reopened in November 2022); and
- The Ritz-Carlton, Naples (business disruption due to Hurricane Ian beginning in September 2022, reopened in July 2023).

Foreign Currency Translation

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. Therefore, hotel statistics and results for non-U.S. properties 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 discussion below 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, 2022 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 expense for depreciated property and of investments in unconsolidated affiliates caused by a decrease in value of depreciated property in the affiliate, and adjustments to reflect the entity’s pro rata share of EBITDA*re* of unconsolidated affiliates.

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

- *Property Insurance Gains* – We exclude the effect of property insurance gains reflected in our condensed 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.
- *Severance Expense* – In certain circumstances, we will add back hotel-level severance expenses when we do not believe that such expenses are reflective of the ongoing operation of our properties. Situations that would result in a severance add-back include, but are not limited to: (i) costs incurred as part of a broad-based reconfiguration of the operating model with the specific hotel operator for a portfolio of hotels and (ii) costs incurred at a specific hotel due to a broad-based and significant reconfiguration of a hotel and/or its workforce. We do not add back corporate-level severance costs or severance costs at an individual hotel that we consider to be incurred in the normal course of business.

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 adjustment of this nature 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 June 30,		Year-to-date ended June 30,	
	2023	2022	2023	2022
Net income	$ 214	$ 260	$ 505	$ 378
Interest expense	45	37	94	73
Depreciation and amortization	168	162	337	334
Income taxes	14	39	12	23
EBITDA	441	498	948	808
Gain on dispositions[(1)]	—	(1)	(69)	(13)
Equity investment adjustments:				
Equity in earnings of affiliates	(4)	(2)	(11)	(4)
Pro rata EBITDAre of equity investments[(2)]	9	11	22	21
EBITDA*re*	446	506	890	812
Adjustments to EBITDA*re*:				
Gain on property insurance settlement	—	(6)	—	(6)
Adjusted EBITDA*re*	$ 446	$ 500	$ 890	$ 806

(1) Reflects the sale of one hotel in 2023 and three hotels in 2022.
(2) Unrealized gains of our unconsolidated investments are not recognized in our EBITDA*re*, Adjusted EBITDA*re*, NAREIT FFO or Adjusted FFO until they have been realized by the unconsolidated partnership.

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. NAREIT defines FFO as net income (calculated in accordance with GAAP) excluding depreciation and amortization related to certain real estate assets, gains and losses from the sale of certain real estate assets, gains and losses from change in control, impairment expense 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 diluted 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.
- *Severance Expense* – In certain circumstances, we will add back hotel-level severance expenses when we do not believe that such expenses are reflective of the ongoing operation of our properties. Situations that would result in a severance add-back include, but are not limited to, (i) costs incurred as part of a broad-based reconfiguration of the operating model with the specific hotel operator for a portfolio of hotels and (ii) costs incurred at a specific hotel due to a broad-based and significant reconfiguration of a hotel and/or its workforce. We do not add back corporate-level severance costs or severance costs at an individual hotel that we consider to be incurred in the normal course of business.

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 the U.S. federal corporate income tax rate from 35% to 21% 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 our deferred tax assets and to 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, we 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 June 30,		Year-to-date ended June 30,	
	2023	2022	2023	2022
Net income	$ 214	$ 260	$ 505	$ 378
Less: Net income attributable to non-controlling interests	(4)	(4)	(8)	(6)
Net income attributable to Host Inc.	210	256	497	372
Adjustments:				
Gain on dispositions[1]	—	(1)	(69)	(13)
Gain on property insurance settlement	—	(6)	—	(6)
Depreciation and amortization	168	162	336	333
Equity investment adjustments:				
Equity in earnings of affiliates	(4)	(2)	(11)	(4)
Pro rata FFO of equity investments[2]	6	8	16	17
Consolidated partnership adjustments:				
FFO adjustments for non-controlling interests of Host L.P.	(3)	(1)	(4)	(4)
NAREIT FFO	377	416	765	695
Adjustments to NAREIT FFO:				
Loss on debt extinguishment	—	—	4	—
Adjusted FFO	$ 377	$ 416	$ 769	$ 695
For calculation on a per share basis:[3]				
Diluted weighted average shares outstanding - EPS, NAREIT FFO and Adjusted FFO	713.2	717.0	714.2	716.8
Diluted earnings per common share	$ 0.29	$ 0.36	$ 0.70	$ 0.52
NAREIT FFO per diluted share	$ 0.53	$ 0.58	$ 1.07	$ 0.97
Adjusted FFO per diluted share	$ 0.53	$ 0.58	$ 1.08	$ 0.97

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(1-2) 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.

(3) 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 minority 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 Property Level Operating Results

We present certain operating results for 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 our investors. Our comparable hotel results present operating results for our hotels without giving effect to dispositions or properties that experienced closures due to renovations or property damage, as discussed in "Comparable Hotel Operating Statistics and Results" above. We present comparable hotel EBITDA to help us and our investors evaluate the ongoing operating performance of our comparable hotels after removing the impact of our capital structure (primarily interest expense) and our asset base (primarily depreciation and amortization expense). Corporate-level costs and expenses also are removed to arrive at property-level results. We believe these property-level results provide investors with supplemental information about the ongoing operating performance of our comparable hotels. Comparable hotel results are presented both by location and for our properties in the aggregate. We eliminate from our comparable hotel level operating results severance costs related to broad-based and significant property-level reconfiguration that is not considered to be within the normal course of business, as we believe this elimination provides useful supplemental information that is beneficial to an investor's understanding of our ongoing operating performance. We also eliminate depreciation and amortization expense because, even though depreciation and amortization expense are property-level expenses, these non-cash expenses, which are based on historical cost accounting for real estate assets, implicitly assume that the value of real estate assets diminishes predictably over time. As noted earlier, because real estate values historically have risen or fallen with market conditions, many real estate industry investors have considered presentation of historical cost accounting for operating results to be insufficient.

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

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

The following tables present certain operating results and statistics for our 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) 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) hotel expenses and (iv) operating costs and expenses as calculated and presented in accordance with GAAP, also are included in the reconciliation:

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

	Quarter ended June 30, 2023	Quarter ended June 30, 2022	Year-to-date ended June 30, 2023	Year-to-date ended June 30, 2022
Number of hotels	75	75	75	75
Number of rooms	41,031	41,031	41,031	41,031
Change in comparable hotel Total RevPAR	3.8 %	—	16.9 %	—
Change in comparable hotel RevPAR	2.7 %	—	14.9 %	—
Operating profit margin(1)	17.9 %	23.7 %	17.9 %	18.3 %
Comparable hotel EBITDA margin(1)	32.7 %	37.1 %	32.6 %	34.1 %
Food and beverage profit margin(1)	36.6 %	39.5 %	37.1 %	36.6 %
Comparable hotel food and beverage profit margin(1)	36.9 %	39.8 %	37.2 %	37.2 %
Net income	$ 214	$ 260	$ 505	$ 378
Depreciation and amortization	168	162	337	334
Interest expense	45	37	94	73
Provision for income taxes	14	39	12	23
Gain on sale of property and corporate level income/expense	6	10	(53)	17
Severance expense at hotel properties	—	—	—	2
Property transaction adjustments(2)	—	(3)	(3)	16
Non-comparable hotel results, net(3)	2	(15)	(4)	(48)
Comparable hotel EBITDA	$ 449	$ 490	$ 888	$ 795

(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 unaudited condensed consolidated statements of operations. Comparable hotel margins are calculated using amounts presented in the following tables, which include reconciliations to the applicable GAAP results:

	Quarter ended June 30, 2023				Quarter ended June 30, 2022				
		Adjustments				Adjustments			
	GAAP Results	Non-comparable hotel results, net (4)	Depreciation and corporate level items	**Comparable Hotel Results**	**GAAP Results**	Property transaction adjustments (3)	Non-comparable hotel results, net (4)	Depreciation and corporate level items	**Comparable Hotel Results**
Revenues									
Room	$ 850	$ (8)	$ —	$ 842	$ 850	$ (8)	$ (22)	$ —	$ 820
Food and beverage	415	(9)	—	406	405	(3)	(18)	—	384
Other	128	(1)	—	127	126	—	(6)	—	120
Total revenues	1,393	(18)	—	1,375	1,381	(11)	(46)	—	1,324
Expenses									
Room	201	(2)	—	199	189	(3)	(3)	—	183
Food and beverage	263	(7)	—	256	245	(1)	(13)	—	231
Other	485	(11)	—	474	440	(4)	(15)	—	421
Depreciation and amortization	168	—	(168)	—	162	—	—	(162)	—
Corporate and other expenses	30	—	(30)	—	25	—	—	(25)	—
Gain on insurance and business interruption settlements	(3)	—	—	(3)	(7)	—	—	6	(1)
Total expenses	1,144	(20)	(198)	926	1,054	(8)	(31)	(181)	834
Operating Profit - Comparable hotel EBITDA	$ 249	$ 2	$ 198	$ 449	$ 327	$ (3)	$ (15)	$ 181	$ 490

	Year-to-date ended June 30, 2023					Year-to-date ended June 30, 2022					
		Adjustments					Adjustments				
	GAAP Results	Property transaction adjustments (2)	Non-comparable hotel results, net (3)	Depreciation and corporate level items	**Comparable hotel Results**	**GAAP Results**	Severance at hotel properties	Property transaction adjustments (2)	Non-comparable hotel results, net (3)	Depreciation and corporate level items	**Comparable hotel Results**
Revenues											
Room	$ 1,670	$ (5)	$ (18)	$ —	$ 1,647	$ 1,505	$ —	$ (13)	$ (57)	$ —	$ 1,435
Food and beverage	846	(2)	(18)	—	826	702	—	—	(42)	—	660
Other	258	—	(3)	—	255	248	—	4	(13)	—	239
Total revenues	2,774	(7)	(39)	—	2,728	2,455	—	(9)	(112)	—	2,334
Expenses											
Room	394	(1)	(4)	—	389	349	—	(13)	(9)	—	327
Food and beverage	532	(1)	(13)	—	518	445	—	(3)	(27)	—	415
Other	956	(2)	(18)	—	936	837	(2)	(9)	(28)	—	798
Depreciation and amortization	337	—	—	(337)	—	334	—	—	—	(334)	—
Corporate and other expenses	61	—	—	(61)	—	48	—	—	—	(48)	—
Gain on insurance and business interruption settlements	(3)	—	—	—	(3)	(7)	—	—	—	6	(1)
Total expenses	2,277	(4)	(35)	(398)	1,840	2,006	(2)	(25)	(64)	(376)	1,539
Operating Profit - Comparable hotel EBITDA	$ 497	$ (3)	$ (4)	$ 398	$ 888	$ 449	$ 2	$ 16	$ (48)	$ 376	$ 795

(2) Property transaction adjustments represent the following items: (i) the elimination of results of operations of hotels sold or held-for-sale as of June 30, 2023, which operations are included in our unaudited condensed consolidated statements of operations as continuing operations, and (ii) the addition of results for periods prior to our ownership for hotels acquired as of June 30, 2023.
(3) Non-comparable hotel results, net, includes the following items: (i) the results of operations of our non-comparable hotels, which operations are included in our consolidated statements of operations as continuing operations, and (ii) gains on business interruption proceeds relating to events that occurred while the hotels were classified as non-comparable.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

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

Interest Rate Sensitivity

As of June 30, 2023 and December 31, 2022, 76% 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 may enter are strictly to hedge interest rate risk, and are not for trading purposes. As of June 30, 2023, we do not have any interest rate derivatives outstanding. 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. No foreign currency hedging transactions were entered into during 2023. We currently have three foreign currency forward purchase contracts with a total notional amount of CAD 99 million ($75 million), which will mature in August and September 2023. The foreign currency exchange agreements into which we have entered are strictly to hedge foreign currency risk and are not for trading purposes.

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

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

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 3, 2022, the Board of Directors authorized an increase in the amount authorized under the Company's share repurchase program from the existing $371 remaining available to $1 billion. 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)
April 1, 2023 – April 30, 2023	—	$ —	—	$ 923
May 1, 2023 – May 31, 2023	—	—	—	923
June 1, 2023 – June 30, 2023	—	—	—	923
Total	—	$ —	—	$ 923

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

Period	Total Number of Host L.P. Common OP Units Purchased		Average Price Paid per Common OP 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)
April 1, 2023 – April 30, 2023	4,953	*	1.021494 shares of Host Hotels & Resorts, Inc. common stock	—	—
May 1, 2023 – May 31, 2023	23,691	*	1.021494 shares of Host Hotels & Resorts, Inc. common stock	—	—
June 1, 2023 – June 30, 2023	115,219	*	1.021494 shares of Host Hotels & Resorts, Inc. common stock	—	—
Total	143,863	*		—	—

*Reflects common OP units offered for redemption by limited partners in exchange for shares of Host Inc.'s common stock.

Item 5. Other Information

During the period covered by this report, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

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 of 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
10.	**Material Contracts**
10.9	Distribution Agreement, dated May 31, 2023, among Host Hotels & Resorts, Inc., J.P. Morgan Securities LLC, BofA Securities, Inc., Goldman Sachs & Co. LLC, Jefferies LLC, Morgan Stanley & Co. LLC, Scotia Capital (USA) Inc., Truist Securities, Inc. and Wells Fargo Securities, LLC, as sales agents and forward sellers, and JPMorgan Chase Bank, National Association, Bank of America, N.A., Goldman Sachs & Co. LLC, Jefferies LLC, Morgan Stanley & Co. LLC, The Bank of Nova Scotia, Truist Bank and Wells Fargo Bank, National Association, as forward purchasers (incorporated by reference to Exhibit 1.1 to the Current Report on Form 8-K of Host Hotels & Resorts, Inc., filed on May 31, 2023).
10.11*	Form of Restricted Stock Unit Agreement for use under the Host Hotels & Resorts 2020 Comprehensive Stock and Cash Incentive Plan for time-based vesting awards.
10.12*	Form of Restricted Stock Unit Agreement for use under the Host Hotels & Resorts 2020 Comprehensive Stock and Cash Incentive Plan for performance objectives based vesting awards.
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.
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 (formatted as inline XBRL and contained in Exhibit 101).

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 June 30, 2023 and 2022, respectively, for Host Hotels & Resorts, Inc.; (ii) the Condensed Consolidated Balance Sheets at June 30, 2023 and December 31, 2022, respectively, for Host Hotels & Resorts, Inc.; (iii) the Condensed Consolidated Statements of Comprehensive Income (Loss) for the Quarter and Year-to-date ended June 30, 2023 and 2022, respectively, for Host Hotels & Resorts, Inc.; (iv) the Condensed Consolidated Statements of Cash Flows for the Year-to-date ended June 30, 2023 and 2022, respectively, for Host Hotels & Resorts, Inc.; (v) the Condensed Consolidated Statements of Operations for the Quarter and Year-to-date ended June 30, 2023 and 2022, respectively, for Host Hotels & Resorts, L.P.; (vi) the Condensed Consolidated Balance Sheets at June 30, 2023 and December 31, 2022, respectively, for Host Hotels & Resorts, L.P.; (vii) the Condensed Consolidated Statements of Comprehensive Income (Loss) for the Quarter and Year-to-date ended June 30, 2023 and 2022, respectively, for Host Hotels & Resorts, L.P.; (viii) the Condensed Consolidated Statements of Cash Flows for the Year-to-date ended June 30, 2023 and 2022, respectively, for Host Hotels & Resorts, L.P.; and (ix) Notes to Condensed Consolidated Financial Statements.

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* 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.
August 4, 2023	/s/ Joseph C. Ottinger
	Joseph C. Ottinger ***Senior Vice President,*** ***Corporate Controller***

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

August 4, 2023	/s/ Joseph C. Ottinger
	Joseph C. Ottinger ***Senior Vice President,*** ***Corporate Controller of Host Hotels & Resorts, Inc.,*** ***general partner of Host Hotels & Resorts, L.P.***

EXHIBIT 10.11

HOST HOTELS & RESORTS, INC.
TIME-BASED
RESTRICTED STOCK UNIT AGREEMENT

Host Hotels & Resorts, Inc. ("Company"), a Maryland corporation, pursuant to the Host Hotels & Resorts 2020 Comprehensive Stock and Cash Incentive Plan (the "Plan"), hereby awards to you as Executive an award of Restricted Stock Units (the "RSUs") set forth below. This award of RSUs is subject to all of the terms and conditions as set forth in this Restricted Stock Unit Agreement (including Exhibit A, the "Agreement") and the Plan, which is incorporated by reference herein in its entirety. Defined terms not explicitly defined in this Agreement but defined in the Plan shall have the same definitions as in the Plan.

Executive:	
Grant Date:	
Total Number of Restricted Stock Units:	

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, effective as of the Grant Date the Company has granted the Total Number of RSUs to the Executive. Each RSU represents the right to receive one share of Common Stock or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Executive will have no right to the distribution of any shares of Common Stock or payment of any cash until the time (if ever) the RSUs have vested.

2. Vesting Schedule. Except as otherwise provided in Section 14, the RSUs are eligible to vest in three (3) substantially equal installments on each of the first three anniversaries of the Grant Date, *provided that* the Executive remains continuously employed by the Company through each applicable vesting date. Notwithstanding the foregoing, any fraction of an RSU that would otherwise be vested will be rounded to the nearest whole RSU.

3. Settlement.

(a) In the event that a vesting date falls on a Saturday or Sunday or a day on which the NASDAQ Stock Market is not open for the transaction of business, then the RSUs shall vest on the next business day. The RSUs will be settled in shares of Common Stock, or at the Company's option, paid in cash, in either case, within thirty (30) days following the applicable vesting date; provided that, any RSUs that vest pursuant to Section 14 will be settled no later than March 15 of the year following the year in which the applicable RSUs vest.

(b) If the RSUs are paid in cash, the amount of cash paid with respect to each RSU will equal the Fair Market Value of a share of Common Stock on the business day immediately preceding the payment date.

4. Dividends. If the Company declares a cash dividend payable to substantially all holders of Common Stock with a record date after the Grant Date and before the RSUs are settled or forfeited in accordance with this Agreement, the Executive will be credited, for each RSU, with an amount equal to such cash dividend payable per share of Common Stock (a "Dividend Equivalent Right"), which shall accrue in cash without interest.

The Dividend Equivalent Rights will vest or be forfeited, as applicable, upon the vesting or forfeiture of the RSUs to which they relate and will be payable at the same time as the underlying RSUs are settled following vesting of such RSUs. None of the RSUs will be settled (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.

5. 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 and amount of Dividend Equivalent Rights credited to the Executive under the terms of this Agreement. Prior to settlement of any RSUs or payment of any Dividend Equivalent Rights, such RSUs and Dividend Equivalent Rights 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.

6. No Rights as Stockholder; Adjustments. 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 any shares of Common Stock 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. Executive acknowledges that the RSUs, the shares of Common Stock subject to the RSUs and the Dividend Equivalent Rights are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

7. 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 or any underlying shares 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 RSUs are subject to the terms and conditions of the Company's Compensation Recoupment Policy (as 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 outstanding RSUs; and/or (ii) reimbursement of any cash payment in respect of the RSUs or gains in respect of the shares issued, 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. The RSUs (including any proceeds, gains or other economic benefit the Executive actually or constructively receives with respect to the RSUs) will 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. Any shares of Common Stock issued upon settlement of the RSUs will be subject to the Company's Stock Ownership and Retention Policy as it may be amended from time to time.

8. No Effect on Employment. This Agreement is not an employment contract and nothing in the Plan or this Agreement confers upon Executive any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Executive at any time for any reason whatsoever. 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.

9. The Plan. The RSUs are subject to the terms and conditions of this Agreement and the Plan, which is incorporated herein by reference. 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, the terms of the Plan will control.

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 Executive 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 and 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 must be in writing and addressed to the Company in care of the Company's Human Resources Department at the Company's principal office. Any notice to be given to the Executive under the terms of this Agreement must be in writing and addressed to Executive at Executive's last known mailing address or email address in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party.

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 and Retirement.

(a) Termination Generally. Except as otherwise provided in Sections 14(b), (c), (d) or (e) 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 (and Dividend Equivalent Rights) shall be immediately cancelled and forfeited as of the effective date of such termination (the "Termination Date").

(b) Death or Disability. In the event that the Executive's employment is terminated by the Company due to Executive's Disability or due to Executive's death, any unvested RSUs will vest as of the Termination Date.

(c) Without Cause or with Good Reason on or following a Change in Control. In the event that the Executive's employment is terminated by the Company without Cause or by the Executive with Good Reason, in either case, on the date of or following a Change in Control, subject to the Executive's execution and non-revocation of a Release Agreement within the time period specified in such Release Agreement, any unvested RSUs will vest as of the Termination Date.

(d) Without Cause or with Good Reason prior to a Change in Control. In the event that the Executive's employment with the Company is terminated by the Company without Cause or by the Executive with Good Reason, in either case, prior to a Change in Control, subject to the Executive's execution and non-revocation of a Release Agreement within the time period specified in such Release Agreement, any unvested RSUs that would have vested during the twelve (12) month period immediately following the Termination Date will vest as of the Termination Date and all other unvested RSUs will be cancelled and forfeited as of the Termination Date.

(e) Retirement. If the Executive's employment with the Company is terminated due to Executive's Retirement upon at least 60 days' prior written notice to the Company, then, subject to the consent of the Committee, Executive shall immediately vest in the then unvested portion of the RSUs.

15.Taxation. Executive acknowledges that Executive is ultimately liable and responsible for all taxes owed in connection with the RSUs and the Dividend Equivalent Rights, regardless of any action the Company or any Subsidiary or affiliate employing the Executive (the "Employer") takes with respect to any tax withholding obligations that arise in connection with the RSUs or Dividend Equivalents (the "Tax-Related Items"). Neither the Company nor any Subsidiary or Employer makes any representation or undertaking regarding the treatment of any Tax-Related Items in connection with the awarding, vesting or payment of the RSUs or the Dividend Equivalents or the subsequent sale of shares of Common Stock. The Company, the

Subsidiaries and the Employer do not commit and are under no obligation to structure the RSUs or Dividend Equivalent Rights to reduce or eliminate the Executive's liability for Tax-Related Items. 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 further authorization by Executive, to satisfy the obligations with regard to all Tax-Related Items by withholding in shares of Common Stock to be issued upon settlement of the RSUs.

If the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, the Executive is deemed to have been issued the full number of shares subject to the vested RSUs. No fractional shares will be withheld or issued pursuant to the grant of RSUs and the issuance of shares thereunder.

16.Confidential Information. In consideration of the grant of RSUs (including any Dividend Equivalent Rights) the Executive acknowledges 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). The Executive acknowledges and agrees that any and all Confidential Information learned or obtained by the Executive during the course of the Executive's service 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 duties 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 under 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 Executive's current or future participation in the Plan by electronic means. By accepting this Award, 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 acknowledges review of the Company's Insider Trading Policy Statement, which may affect the sale of shares that may be 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, Executive consents to the collection, use and transfer, in electronic or other form, of personal data as described in this section by and among the Company and its Subsidiaries and affiliates exclusively for implementing, administering and managing the Executive's participation in the Plan. The Company and its Subsidiaries and affiliates may hold certain personal information about Executive to implement, manage and administer the Plan and this Award (the "Data"). The Company and its Subsidiaries and affiliates may transfer the Data amongst themselves as necessary to implement, administer and manage Executive's participation in the Plan, and the Company and its Subsidiaries and affiliates may transfer the Data to third parties assisting the Company with Plan implementation, administration and management. These recipients may be located in the Executive's country, or elsewhere, and the Executive's country may have different data privacy laws and protections than the recipients' country. By accepting this Award, Executive authorizes such recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, to implement, administer and manage the Executive's participation in the Plan.

20.Designation of Beneficiary. The Executive may designate a beneficiary on the Stock Plan Beneficiary form that will be provided by the Company. 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, be made in accordance with the Plan to the person entitled thereto pursuant to the Executive's will or the laws of descent and distribution.

By Executive's signature below, Executive agrees to be bound by the terms of this Agreement and the Plan. Executive has reviewed the Plan and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understands all provisions of the Plan and this Agreement. Executive hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan or this Agreement.

Accepted by the Executive:		**For the Company:**
		Mari Sifo

		Executive Vice President and Chief Human Resources Officer

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.

"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 has attained age 55, (ii) the Executive's full-time employment with the Company equals or exceeds five (5) years of service and (iii) 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, as amended from time to time.

HOST HOTELS & RESORTS, INC.
PERFORMANCE-BASED
RESTRICTED STOCK UNIT AGREEMENT

Host Hotels & Resorts, Inc. ("Company"), a Maryland corporation, pursuant to the Host Hotels & Resorts 2020 Comprehensive Stock and Cash Incentive Plan (the "Plan"), hereby awards to you as Executive an award of Restricted Stock Units (the "RSUs") set forth below. This award of RSUs is subject to all of the terms and conditions as set forth in this Restricted Stock Unit Agreement (including Exhibits A and B, the "Agreement") and the Plan, which is incorporated by reference herein in its entirety. Defined terms not explicitly defined in this Agreement but defined in the Plan shall have the same definitions as in the Plan.

Executive:	
Grant Date:	
Total Number of Restricted Stock Units:	
EBITDA RSUs **Relative NAREIT TSR RSUs:**	

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, effective as of the Grant Date the Company has granted the Total Number of RSUs to the Executive. Each RSU represents the right to receive one share of Common Stock or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Executive will have no right to the distribution of any shares of Common Stock or payment of any cash until the time (if ever) the RSUs have vested.

2. Vesting Schedule. Except as otherwise provided in Section 14, the RSUs are eligible to vest at such time(s) as set forth in Exhibit B based on the achievement of the performance conditions set forth in Exhibit B.

3. Settlement.

(a) In the event that a vesting date falls on a Saturday or Sunday or a day on which the NASDAQ Stock Market is not open for the transaction of business, then the RSUs shall vest on the next business day. Except as otherwise provided in Exhibit B, the RSUs will be settled in shares of Common Stock, or at the Company's option, paid in cash, in either case, within thirty

(30) days following the applicable vesting date, but in no event later than March 15 of the calendar year following the calendar year in which the applicable performance period ends.

(b) Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate applicable law until the earliest date the Company reasonably determines the making of the payment will not cause such a violation (in accordance with Treasury Regulation Section 1.409A-2(b)(7)(ii)); provided the Company reasonably believes the delay will not result in the imposition of excise taxes under Section 409A of the Code and all regulations, guidance, compliance programs and other interpretative authority thereunder ("Section 409A").

(c) If the RSUs are paid in cash, the amount of cash paid with respect to each RSU will equal the Fair Market Value of a share of Common Stock on the business day immediately preceding the payment date.

4. Dividends. If the Company declares a cash dividend payable to substantially all holders of Common Stock with a record date after the Grant Date and before the RSUs are settled or forfeited in accordance with this Agreement, the Executive will be credited, for each RSU, with an amount equal to such cash dividend payable per share of Common Stock (a "Dividend Equivalent Right"), which shall accrue in cash without interest.

The Dividend Equivalent Rights will vest or be forfeited, as applicable, upon the vesting or forfeiture of the RSUs to which they relate and will be payable at the same time as the underlying RSUs are settled following vesting of such RSUs. None of the RSUs will be settled (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.

5. 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 and amount of Dividend Equivalent Rights credited to the Executive under the terms of this Agreement. Prior to settlement of any RSUs or payment of any Dividend Equivalent Rights, such RSUs and Dividend Equivalent Rights 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.

6. No Rights as Stockholder; Adjustments. 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 any shares of Common Stock 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. Executive acknowledges that the RSUs, the shares of Common Stock subject to the RSUs and the Dividend Equivalent Rights are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

7. 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 or any underlying shares 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 RSUs are subject to the terms and conditions of the Company's Compensation Recoupment Policy (as 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 outstanding RSUs; and/or (ii) reimbursement of any cash payment in respect of the RSUs or gains in respect of the shares issued, 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. The RSUs (including any proceeds, gains or other economic benefit the Executive actually or constructively receives with respect to the RSUs) will 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. Any shares of Common Stock issued upon settlement of the RSUs will be subject to the Company's Stock Ownership and Retention Policy as it may be amended from time to time.

8. No Effect on Employment. This Agreement is not an employment contract and nothing in the Plan or this Agreement confers upon Executive any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Executive at any time for any reason whatsoever. 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.

9. The Plan. The RSUs are subject to the terms and conditions of this Agreement and the Plan, which is incorporated herein by reference. 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, the terms of the Plan will control.

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 Executive 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 and 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 must be in writing and addressed to the Company in care of the Company's Human Resources Department at the Company's principal office. Any notice to be given to the Executive under the terms of this Agreement must be in writing and addressed to Executive at Executive's last known mailing address or email address in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party.

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. Except as otherwise provided in Exhibit B, 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 (and Dividend Equivalent Rights) shall be immediately cancelled and forfeited as of the effective date of such termination (the "Termination Date").

15.Taxation. Executive acknowledges that Executive is ultimately liable and responsible for all taxes owed in connection with the RSUs and the Dividend Equivalent Rights, regardless of any action the Company or any Subsidiary or affiliate employing the Executive (the "Employer") takes with respect to any tax withholding obligations that arise in connection with the RSUs or Dividend Equivalents (the "Tax-Related Items"). Neither the Company nor any Subsidiary or Employer makes any representation or undertaking regarding the treatment of any Tax-Related Items in connection with the awarding, vesting or payment of the RSUs or the Dividend Equivalents or the subsequent sale of shares of Common Stock. The Company, the Subsidiaries and the Employer do not commit and are under no obligation to structure the RSUs or Dividend Equivalent Rights to reduce or eliminate the Executive's liability for Tax-Related Items. 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 further authorization by Executive, to satisfy the obligations with regard to all Tax-Related Items by withholding in shares of Common Stock to be issued upon settlement of the RSUs.

Notwithstanding anything to the contrary in this Agreement or the Plan, in the event that the Executive's eligibility for Retirement results in deemed vesting of the RSUs such that the Company is required to withhold applicable tax obligations, the Company may, to the extent permitted by Section 409A, at the time the withholding obligations arise, withhold a number of shares of Common Stock otherwise issuable upon the later settlement of the RSUs having a Fair Market Value equal to (i) the Federal Insurance Contributions Act taxes imposed under Code Sections 3101, 3121(a) and 3121(v)(2) with respect to the RSUs (the "FICA Amount") or state, local, or foreign tax obligations arising from the deemed vesting of the RSUs (together, the "Other Taxes") and (ii) the additional income tax at source on wages under Code Section 3401 (or the corresponding withholding provisions of applicable state, local, or foreign tax laws) as a result of the payment of the FICA Amount or Other Taxes or attributable to the "pyramiding" of Code Section 3401 wages and taxes (or the corresponding withholding provisions of applicable state, local, or foreign tax laws) (together, the "Additional Taxes"). The Fair Market Value of the total number of shares of Common Stock withheld from the shares otherwise issuable upon settlement of the RSUs shall not exceed the aggregate of the FICA Amount, the Other Taxes, and the Additional Taxes, as applicable. Any fractional shares that result from such share withholding will be rounded up to the nearest whole share.

If the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, the Executive is deemed to have been issued the full number of shares subject to the vested RSUs. No fractional shares will be withheld or issued pursuant to the grant of RSUs and the issuance of shares thereunder.

16.Section 409A. The intent of the parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. If at any time the Committee determines that the RSUs (or any portion thereof) may result in adverse tax consequences as a result of Section 409A, the Committee shall have the right in its sole discretion (without any obligation to do so or to indemnify Executive or any other person for failure to do so) to adopt such amendments to the Plan or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Committee determines are necessary or appropriate for the RSUs either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. The Company makes no representations or warranties as to the tax treatment of the RSUs under Section 409A or otherwise. The Company will have no obligation under this Section 16 or otherwise to avoid the taxes, penalties or interest under Section 409A with respect to the RSUs and will have no liability to the Executive or any other person if all or any portion of the RSUs are determined to constitute noncompliant "nonqualified deferred compensation" subject to taxes, penalties or interest under Section 409A.

Notwithstanding anything in this Agreement to the contrary, if the Executive is deemed by the Company at the time of the Executive's "separation from service" (within in the meaning of Section 409A) to be a "specified employee" for purposes of Section 409A, to the extent delayed payment or distribution of the RSUs is required in order to avoid a prohibited distribution under

Section 409A, such payment or distribution shall not be made prior to the earlier of (a) the expiration of the six-month period measured from the date of the Executive's "separation from service" (within the meaning of Section 409A) or (b) the date of the Executive's death. Notwithstanding any provisions of this Agreement or the Plan to the contrary, the time of distribution of the RSUs under this Agreement may not be changed except as may be permitted by the Committee in accordance with Section 409A.

Each RSU and payment thereunder shall be treated as a separate and distinct RSU and payment for purposes of Section 409A.

17.Confidential Information. In consideration of the grant of RSUs (including any Dividend Equivalent Rights) the Executive acknowledges 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). The Executive acknowledges and agrees that any and all Confidential Information learned or obtained by the Executive during the course of the Executive's service 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 duties 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 under 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.

18.Electronic Communications. The Company and its affiliates may choose to deliver any documents related to Executive's current or future participation in the Plan by electronic means. By accepting this Award, 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.

19.Insider-Trading Notification. The Executive acknowledges review of the Company's Insider Trading Policy Statement, which may affect the sale of shares that may be 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.

20.Data Privacy. By signing this Agreement, Executive consents to the collection, use and transfer, in electronic or other form, of personal data as described in this section by and among the Company and its Subsidiaries and affiliates exclusively for implementing, administering and managing the Executive's participation in the Plan. The Company and its Subsidiaries and affiliates may hold certain personal information about Executive to implement, manage and administer the Plan and this Award (the "Data"). The Company and its Subsidiaries and affiliates may transfer the Data amongst themselves as necessary to implement, administer and manage Executive's participation in the Plan, and the Company and its Subsidiaries and affiliates may transfer the Data to third parties assisting the Company with Plan implementation, administration and management. These recipients may be located in the Executive's country, or elsewhere, and the Executive's country may have different data privacy laws and protections than the recipients' country. By accepting this Award, Executive authorizes such recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, to implement, administer and manage the Executive's participation in the Plan.

21.Designation of Beneficiary. The Executive may designate a beneficiary on the Stock Plan Beneficiary form that will be provided by the Company. 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, be made in accordance with the Plan to the person entitled thereto pursuant to the Executive's will or the laws of descent and distribution.

By Executive's signature below, Executive agrees to be bound by the terms of this Agreement and the Plan. Executive has reviewed the Plan and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understands all provisions of the Plan and this Agreement. Executive hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan or this Agreement.

Accepted by the Executive:		**For the Company:**
Signature		Mari Sifo Executive Vice President and Chief Human Resources Officer

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.

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

2. "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.

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

4. "Severance Plan" shall mean the Host Hotels & Resorts, Inc. Severance Plan for Executives, as amended from time to time.

Exhibit 31.1

<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, 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: August 4, 2023

/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, Sourav Ghosh, 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: August 4, 2023

/s/ Sourav Ghosh

Sourav Ghosh
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: August 4, 2023

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, Sourav Ghosh, 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: August 4, 2023

/s/ Sourav Ghosh

Sourav Ghosh
Chief Financial Officer of
Host Hotels & Resorts, Inc.,
general partner of Host Hotels & Resorts, L.P.

Exhibit 32.1

Section 906 Certification

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 June 30, 2023 (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: August 4, 2023

/s/ James F. Risoleo

James F. Risoleo
Chief Executive Officer

/s/ Sourav Ghosh

Sourav Ghosh
Chief Financial Officer

Exhibit 32.2

Section 906 Certification

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 June 30, 2023 (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: August 4, 2023

/s/ JAMES F. RISOLEO

James F. Risoleo

Chief Executive Officer of Host Hotels & Resorts, Inc.

/s/ SOURAV GHOSH

Sourav Ghosh

Chief Financial Officer of Host Hotels & Resorts, Inc.