AMERICAN HOTEL INCOME PROPERTIES REIT LP

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF RESULTS AND OPERATIONS AND FINANCIAL CONDITION
For the three months and nine months ended September 30, 2015
(Expressed in U.S. Dollars)

Dated: November 12, 2015

AMERICAN HOTEL INCOME PROPERTIES REIT LP

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FORWARD-LOOKING DISCLAIMER

This Management's Discussion and Analysis of Results of Operations and Financial Condition ("**MD&A**") contains forward-looking information within the meaning of applicable securities laws (also known as forward-looking statements). Forward-looking statements generally can be identified by words such as "anticipate", "believe", "continue", "expect", "estimates", "intend", "may", "outlook", "objective", "plans", "should", "will" and similar expressions suggesting future outcomes or events. Forward-looking-statements include, but are not limited to, statements made or implied relating to the objectives of American Hotel Income Properties REIT LP ("**AHIP**"), AHIP's strategies to achieve those objectives and AHIP's beliefs, plans, estimates, projections and intentions and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Some specific forward-looking statements in this MD&A include, but are not limited to, statements with respect to: the expected use of the remaining net proceeds from the August 2015 Offering (as defined below) including, without limitation, to partially fund expansion, conversion, and new-build opportunities for Oak Tree Inn hotels (as defined below); references to potential expansion, conversion and new build opportunities of the Oak Tree Inn railway lodging facilities; the expectations of STR (as defined below) with respect to key performance indicators in the U.S. hotel and lodging industry; AHIP management's expectations and outlook with respect to RevPAR (as defined below), ADR (as defined below), occupancy rates, cash flows from hotel operations, real estate values and other key performance indicators; AHIP's expectation of its operating results for the remainder of 2015; AHIP management's expectations with respect to how it will pay expenses, service debt and pay distributions to unitholders if cash flow from operations is insufficient to cover such obligations in a given quarter; the expansion of the Oak Tree Inn hotels in Glendive, Montana, North Platte, Nebraska, Hermiston, Oregon and Hearne, Texas and the expected cost and completion timing therefor; expected ongoing impact of low oil prices on the U.S. hotel and lodging industry and on AHIP's future performance; AHIP's reliance on the strength and expertise of the Hotel Manager (as defined below) to deliver strong yield management and to implement cost controls to maintain cash flows and margins; expected improvement in competitive position and operating results of recently renovated Branded Hotels (as defined below); expectations for the Pittsburgh and Oklahoma hotel markets; expected terms of future debt financings; AHIP's review of other potential portfolio acquisition opportunities of select service hotels; the expected impact of the Contract Renewal (as defined below) on AHIP's ability to proceed with additional hotel room expansions; the maturities and amortization periods on AHIP's long term debt; the expected increase in RevPAR for the Oak Tree Inn Hotels that is to result from contractual cost of living rate increases; the expected impact of continued growth in intermodal traffic on demand for hotel rooms by rail crews; the expected impacts of AHIP's investment in yield management technology on, among other things, commercial room night demand at Oak Tree Inn Hotels; AHIP's intention to make capital expenditures necessary to comply with loan and franchisor requirements and otherwise to optimize operating performance; the targeted date for completion of the design of the DC&P and ICFR (as defined) for certain Branded Hotels acquired within the 12 months prior to September 30, 2015; AHIP's intention to maintain total indebtedness at approximately 50-55% of AHIP's gross book value; management's intention to obtain additional equity financing and/or secured debt financing with similar interest rates and terms as past financings to meet AHIP's planned growth strategy; AHIP's intention to provide stable, sustainable and growing cash flows through operation of its properties and AHIP's other stated objectives; AHIP's intention to declare regular monthly cash distributions and the expected timing of the record and payment dates for monthly distributions.

Although AHIP believes that the expectations reflected in the forward-looking information contained in this MD&A are reasonable, AHIP can give no assurance that these expectations will prove to have been correct, and since forward-looking information inherently involves risks and uncertainties, undue reliance should not be placed on such information. The estimates and assumptions, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth in this MD&A as well as the following: capital markets will provide AHIP with readily available access to equity and/or debt financing on terms acceptable to AHIP; AHIP's future level of indebtedness and AHIP's future growth potential will remain consistent with AHIP's current expectations; there will be no changes to tax laws adversely affecting AHIP's financing capability, operations, activities, structure or distributions; the useful lives of AHIP's assets being consistent with management's estimates therefor; the U.S. REIT (as defined below) will continue to qualify as a real estate investment trust for U.S. federal income tax purposes; the SIFT measures in the *Income Tax Act* (Canada) will continue to not apply to AHIP; AHIP will retain and continue to attract qualified and knowledgeable personnel as AHIP expands its portfolio and business; the impact of the current

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economic climate and the current global financial conditions on AHIP's operations, including AHIP's financing capability and asset value, will remain consistent with AHIP's current expectations; there will be no material changes to government and environmental regulations adversely affecting AHIP's operations; and conditions in the international and, in particular, the U.S. hotel and lodging industry, including competition for acquisitions, will be consistent with the economic climate.

Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such forward-looking statements. In addition, forward-looking statements involve significant risks and uncertainties and should not be read as guarantees of future performance or results. Those risks and uncertainties include, among other things, risks related to: general economic conditions and consumer confidence; the growth in the U.S. hotel and lodging industry; unit prices; liquidity; tax risks; ability to access debt and capital markets; financing risks; changes in interest rates; real property risks, including environmental risks; the degree and nature of competition; ability to acquire accretive hotel investments; ability to integrate new hotels; construction of new hotels; renewal of rail crew lodging contracts; environmental matters; and changes in legislation. Additional information about risks and uncertainties is contained in this MD&A and in AHIP's annual information form ("**AIF**") for the year ended December 31, 2014, a copy of which is available on SEDAR at www.sedar.com.

The forward-looking information contained in this MD&A is expressly qualified in its entirety by these cautionary statements. All forward-looking statements in this MD&A are made as of November 12, 2015. AHIP does not undertake any obligation to update any such forward looking information, whether as a result of new information, future events or otherwise, except as required by applicable law.

BASIS OF PRESENTATION

This MD&A for the three months and nine months ended September 30, 2015 has been prepared and includes material financial information as of November 12, 2015. This MD&A should be read in conjunction with AHIP's unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2015 and 2014 and AHIP's audited consolidated financial statements for the years ended December 31, 2014 and 2013, prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. Historical results, including trends which might appear, should not be taken as indicative of future operations or results.

All amounts presented in this MD&A are in United States dollars ("**U.S. dollars**"), unless otherwise noted.

Additional information relating to AHIP, including AHIP's AIF for the year ended December 31, 2014, is available on SEDAR at www.sedar.com.

AHIP's Board of Directors, upon recommendation of its Audit Committee, approved the contents of this MD&A for release on November 12, 2015.

NON-IFRS MEASURES

AHIP has included certain non-IFRS financial measures throughout this MD&A. Management believes that in addition to conventional measures prepared in accordance with IFRS, investors in the real estate industry use these non-IFRS financial measures to evaluate AHIP's performance, ability to generate cash flows and financial condition. Accordingly, these non-IFRS financial measures are intended to provide additional information and should not be considered in isolation or as a substitute for performance measures prepared in accordance with IFRS. In addition, they do not have standardized meanings and may not be comparable to measures used by other issuers in the real estate industry. The non-IFRS financial measures used in this MD&A include debt-to-gross book value, funds from operations, adjusted funds from operations, FFO per Unit, Core FFO per Unit, AFFO per Unit, Core AFFO per Unit, gross operating profit, net operating income, furniture, fixtures and equipment reserves, earnings before interest, taxes, depreciation and amortization, interest coverage ratio, same property metrics, occupancy, average daily rate, revenue per available room and payout ratio.

a) Debt-to-Gross Book Value

AHIP believes that debt-to-gross book value is an important supplemental measure of financial condition.

"**Debt**" means the face value (excluding deferred financing costs and unamortized mark-to-market adjustments) of the revolving line of credit, term loans, contingent consideration and deferred compensation payable.

"**Gross book value**" means, at any time, the book value of the total assets of AHIP and its consolidated subsidiaries, as shown on its then most recent consolidated statement of financial position, plus the amount of accumulated depreciation and amortization in respect of such assets (and related intangible assets) shown thereon or in the notes thereto, less: (i) the amount of any receivable reflecting interest rate subsidies on any debt assumed by AHIP; and (ii) deferred income tax liabilities arising out of fair value adjustments in respect of indirect acquisitions.

b) Funds from Operations ("**FFO**") and Adjusted Funds from Operations ("**AFFO**")

AHIP believes FFO and AFFO are important measures of operating performance of real estate properties. In addition, AHIP believes that AFFO is indicative of AHIP's ability to pay distributions.

"FFO" is not defined under IFRS. AHIP calculates FFO in accordance with the Real Property Association of Canada ("**REALpac**") White Paper on Funds from Operations issued April 2014. FFO is defined as net income (loss) and comprehensive income (loss) calculated in accordance with IFRS excluding: (i) depreciation and amortization; (ii) gains (or losses) from sales of hotel properties and equipment; (iii) business acquisition costs related to the purchase of a property being accounted for as a business combination; (iv) deferred income tax expense (recovery); (v) foreign exchange gains and losses on monetary items such as loans and receivables due to a net investment in a foreign operation; and (vi) adjustments for property taxes accounted for under IFRIC 21 *Levies* ("**IFRIC 21**"), an interpretation of the requirements under IFRS in IAS 37 *Provisions, Contingent Liabilities, and Contingent Assets* for the recognition of liabilities for obligations to pay levies and taxes.

"AFFO" is not defined under IFRS and may not be comparable to AFFO used by other issuers. AHIP has defined AFFO as FFO subject to certain adjustments including: (i) amortization of deferred financing costs; (ii) amortization of mark-to-market adjustments on assumed term loans; (iii) accretion of contingent consideration; (iv) accretion of deferred compensation payable; (v) securities-based compensation; and (vi) deducting FF&E Reserves (as defined below) for normalized maintenance capital expenditures. Other adjustments may be made to AFFO as determined by the General Partner (as defined below) at its discretion. Upon the acquisition of certain hotels, AHIP has negotiated FF&E Reserve waivers with its lenders for periods of up to 48 months. AHIP does not factor in the benefit of these FF&E Reserve waivers in calculating AFFO.

c) Core FFO per Unit and Core AFFO per Unit

Management believes that the computation of FFO per Unit and AFFO per Unit includes certain items that are not indicative of the results provided by AHIP's operating portfolio and affect the comparability of AHIP's period-over-period performance. This includes the dilutive impact of the proceeds from the August 2015 Offering (as defined below) and securities-based compensation. Therefore, in addition to FFO per Unit and AFFO per Unit, management uses Core FFO per Unit and Core AFFO per Unit to exclude these items. Management believes that Core FFO per Unit and Core AFFO per Unit are useful supplemental measures, however, this may not be comparable to the modified FFOs per Unit or modified AFFOs per Unit of other issuers.

d) Gross Operating Profit ("**GOP**") and Net Operating Income ("**NOI**")

AHIP believes GOP and NOI are important measures of operating performance of real estate properties.

"GOP" is defined as total revenues less hotel operating expenses, energy and property maintenance (excluding depreciation and amortization).

"NOI" is defined as GOP less property taxes and insurance (excluding depreciation and amortization).

AHIP calculates "**GOP Margin**" as GOP divided by total revenues. AHIP calculates "**NOI Margin**" as NOI divided by total revenues.

e) Furniture, Fixtures and Equipment Reserves ("**FF&E Reserves**")

"FF&E Reserves" are calculated as three percent of room revenues for the Rail Hotels portfolio and four percent of total revenues for the Branded Hotels portfolio.

f) Earnings before interest, taxes, depreciation and amortization ("**EBITDA**")

AHIP calculates "EBITDA" as NOI less corporate and administrative expenses.

AHIP calculates "**EBITDA Margin**" as EBITDA divided by total revenues.

g) Interest Coverage Ratio

AHIP calculates the "**Interest Coverage Ratio**" as EBITDA for the period divided by interest expensed during the period. Specifically, interest expense is computed as net finance costs less non-cash items including accretion of contingent consideration, accretion of deferred compensation payable, amortization of deferred financing costs and amortization of mark-to-market adjustments on assumed term loans. The interest coverage ratio is a measure of AHIP's ability to service its debt.

h) Same Property Metrics

Same property metrics represent operating results for the same properties over comparable reporting periods, and is intended to measure the period-over-period performance of the same asset base. A property must be owned for the entire quarter for inclusion in this metric. These metrics exclude the impact of properties that have been acquired during the comparable reporting periods.

i) Occupancy

"**Occupancy**" represents the total number of hotel rooms sold in a given period divided by the total number of rooms available during such period. Occupancy measures the utilization of a hotel's available capacity.

j) Average Daily Rate ("**ADR**")

"ADR" represents the total room revenues divided by total number of rooms sold in a given period. ADR is a measure of the average rate paid for rooms sold.

k) Revenue Per Available Room ("**RevPAR**")

"RevPAR" is the product of occupancy and ADR for the period.

l) Payout Ratio

AHIP calculates its "**Payout Ratio**" as distributions declared divided by AFFO for the period.

SEASONALITY

The lodging industry is seasonal in nature, which can be expected to cause quarterly fluctuations in occupancy rates, room rates, revenues, operating expenses and cash flows. Historically, occupancies, revenues and cash flows tend to be higher in the second and third quarters and lower in the first and fourth quarters. Quarterly earnings may also be influenced by factors beyond AHIP's control including overall economic cycles and weather conditions. To the extent the cash flow from operations is insufficient during any quarter, due to temporary or seasonal fluctuations in revenues, AHIP expects to utilize cash on hand or borrowings under our credit facility to pay expenses, service debt or to make distributions to unitholders.

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OVERVIEW

ABOUT AHIP

AHIP is a limited partnership formed under the *Limited Partnerships Act* (Ontario) to invest in hotel real estate properties primarily in the U.S. AHIP was established by American Hotel Income Properties REIT (GP) Inc. (the "**General Partner**") and Maverick Management Corp., as the initial limited partner, pursuant to the terms of AHIP's Limited Partnership Agreement dated October 12, 2012, which was subsequently amended and restated on February 20, 2013 and further amended as of June 9, 2015 ("**Limited Partnership Agreement**"). AHIP's head office and address for service is located at 1660 – 401 West Georgia Street, Vancouver, British Columbia, Canada, V6B 5A1.

AHIP was established for the purposes of:

(i) acquiring common shares and a ROC share of American Hotel Income Properties REIT Inc. (the "**U.S. REIT**"). A ROC share is defined as a share in the capital of the U.S. REIT which is designated as a preferred share;

(ii) temporarily holding cash and investments for the purposes of paying the expenses and liabilities of AHIP and making distributions to unitholders; and

(iii) in connection with the undertaking set out above, reinvesting income and gains of AHIP and taking other actions besides the mere protection and preservation of AHIP's property.

The principal business of AHIP is to issue limited partnership units ("**Units**") and to acquire and hold shares of the U.S. REIT. The U.S. REIT was established for the purposes of indirectly acquiring and owning hotel real estate properties in the U.S. AHIP has two operating segments: (i) "**Rail Hotels**", which are properties that have railway lodging agreements including Oak Tree Inn hotels and the Railway Portfolio; and (ii) "**Branded Hotels**", which are properties that have franchise agreements.

AHIP's long-term objectives are to:

(i) generate stable and growing cash distributions from hotel properties substantially in the U.S.;

(ii) enhance the value of its assets and maximize the long-term value of the hotel properties through active management; and

(iii) expand its asset base and increase its AFFO per Unit through an accretive acquisition program, participation in strategic development opportunities and improvements to the properties through targeted value-added capital expenditure programs.

AHIP's Units trade on the Toronto Stock Exchange ("**TSX**") under the symbol HOT.UN and on the OTCQX International Marketplace in the U.S. under the symbol AHOTF.

As of November 12, 2015, AHIP's diversified portfolio is comprised of 79 hotels located in 27 states across the U.S., representing an aggregate of 6,891 guestrooms. AHIP's operating properties include 39 hotels (comprised of 2,975 guestrooms) which operate under AHIP's proprietary "**Oak Tree Inn**" brand. These Oak Tree Inn hotels plus the five hotels in the Railway Portfolio (as defined below) acquired on September 16, 2015, have been specifically designed for freight railway employee lodging customers while also providing transient customers with a superior quality, select service experience. Management estimates that approximately 76% of the total available room-nights within the Rail Hotels portfolio are covered under contracts containing minimum occupancy guarantees. AHIP's 35 Branded Hotels (comprised of 3,330 guestrooms) are located near transportation hubs and other major demand generators that cater primarily to corporate transient travelers and are supported by distribution networks of the world's largest hotel brands. This operating segment includes 12 properties which operate under various Marriott Hotels brands (Courtyard, Fairfield Inn & Suites, Residence Inn, and Springhill Suites), 11 properties under various Intercontinental Hotels Group Hotels ("**IHG**") brands (Holiday Inn, Holiday Inn Express and Staybridge Suites), 10 properties under a Hilton Hotels brand (Hampton Inn), one property under a Carlson-Rezidor Hotel brand (Country Inn & Suites) and one property under a Choice Hotel brand (Sleep Inn).

RECENT DEVELOPMENTS

a) Completion of $3.3 million Renovation at the Residence Inn Cranberry Township (Pittsburgh)

On June 26, 2015, AHIP announced the grand re-opening of the 96-room Residence Inn Cranberry Township (Pittsburgh), Pennsylvania after successfully completing a $3.3 million brand mandated property improvement plan.

b) Expansion of Oak Tree Inn hotel in Glendive, Montana

On July 2, 2015, AHIP announced increased railway room commitments at the recently acquired 50-room Oak Tree Inn hotel located in Glendive, Montana (the "**Glendive Property**"). The railway customer at the Glendive Property increased its daily room commitment from 40 guestrooms to 55 guestrooms. In order to accommodate this increased demand, AHIP entered into an agreement with SunOne Developments Inc. to construct a 24-room expansion at the Glendive Property for a total cost of US$2.8 million. The expansion is part of AHIP's previously announced railway growth strategy of constructing additional guestrooms at existing, high occupancy Oak Tree Inn hotels. The expansion is expected to be completed by December 31, 2015.

c) Appointment of Mr. Ian McAuley as Executive Vice President – Asset Management, effective September 1, 2015

On July 17, 2015, AHIP announced the appointment of Mr. Ian McAuley as Executive Vice President – Asset Management. Mr. McAuley oversees and interfaces with the Hotel Manager on property operating performance, capital investments, risk management and brand relations for AHIP's growing portfolio of Rail Hotels and Branded Hotels. As a key member of AHIP's executive team, Mr. McAuley actively participates in implementing AHIP's growth strategy, delivering industry leading operating performance and creating value for AHIP's unitholders.

d) Completion of Acquisition of the Florida Portfolio ("**Florida Portfolio**") for $30.8 million

On August 6, 2015, AHIP completed the acquisition of the previously announced three-hotel Florida Portfolio for $30.8 million excluding brand mandated property improvement plans, defeasance costs and closing costs. The acquisition was financed with cash proceeds from the April 2015 Offering and a new 10-year, $19.0 million interest-only mortgage with a fixed interest rate of 4.21%.

e) Completion of Cdn$42.9 million Bought Deal Offering of Units in August 2015 ("**August 2015 Offering**")

On August 11, 2015, AHIP completed a public offering of 3,800,000 Units, on a bought deal basis, at a price of Cdn$10.15 per Unit, for total gross proceeds of Cdn$38.6 million (US$29.5 million). As described in the short form prospectus dated August 5, 2015, AHIP used the net proceeds of the offering to: (i) partially fund the acquisition of the Railway Portfolio; (ii) partially fund potential expansion, conversion, and new-build opportunities; and (iii) fund working capital and for general corporate purposes.

On August 31, 2015, AHIP obtained additional gross proceeds of Cdn$4.3 million (US$3.3 million) from the completion of a partial exercise of the over-allotment option in connection with the August 2015 Offering. The underwriters purchased an additional 425,000 units pursuant to the over-allotment option increasing the total gross proceeds from the August 2015 Offering to Cdn$42.9 million (US$32.8 million).

f) Acquisition of Strategic Railway Hotel Portfolio for $44.8 million ("**Railway Portfolio**")

On September 16, 2015, AHIP completed the acquisition of a strategic portfolio of five railway lodging facilities comprising 586 guestrooms servicing one of the top three major railway companies in the U.S. The hotels are located along major rail lines in Nebraska, New Mexico, South Dakota and Wyoming. The acquisition was significant as it expanded AHIP's relationship with one of the largest railway companies in the U.S. and further enhances AHIP's ability to acquire strategically located hotels with guaranteed rail crew business for conversion to Oak Tree Inn hotels. The properties were purchased for approximately $44.8 million before closing costs representing a weighted average trailing twelve month capitalization rate of approximately 10% after taking into account all hotel management fees and an FF&E reserve. The rail crew lodging contracts guarantee in excess of 80% of the available guestrooms with average contract terms of approximately nine years. The acquisition was financed with cash from the August 2015 Offering and a new 10-year $20 million mortgage with a fixed interest rate of 4.25% for the first five years.

g) Completion of $4.4 million Renovation at the Hampton Inn Harrisonburg University in Virginia

On September 21, 2015, AHIP announced the grand re-opening of the 159-room Hampton Inn Harrisonburg University in Virginia after successfully completing a $4.4 million brand mandated property improvement plan.

h) New Appointment

On September 17, 2015, AHIP announced that Mr. Robert Pratt had resigned from the Board of the General Partner. Mr. Pratt was appointed as President of ONE Hospitality Group ("**ONE**"), a wholly-owned subsidiary of O'Neill Hotels & Resorts Ltd.

OUTLOOK

The U.S. hotel industry continues to perform well with robust travel activity with both group and transient demand exhibiting positive momentum contributing to record breaking occupancy levels. According to data from STR, Inc. ("**STR**") the U.S. hotel industry reported positive results in the three key performance metrics for the third quarter of 2015:

US Hotel Industry Q3 2015 Key Operating Metrics		
STR Performance Metrics	**Year-over-Year Results**	**Year-to-date September 30, 2015**
Occupancy	Up 1.4% 71.3%	Up 2.0% 67.3%
ADR	Up 4.5% $122.66	Up 4.7% $120.35
RevPAR	Up 5.9% $87.47	Up 6.7% $80.94

RevPAR has now increased for 67 consecutive months and this trend is expected to continue. STR reported that industry demand increased 2.5% during the third quarter, while supply was up 1.2%. For the remainder of 2015, STR is expecting strong and steady room night demand growth coupled with limited new supply resulting in occupancy growth of 1.7% and ADR growth of 5.1%. This trend is expected to translate into RevPAR growth rates of 6.8% for 2015 and a further 6.0% in 2016 driven primarily by ADR growth. Generally, management expects AHIP's diversified, Branded Hotel portfolio to participate in the expected growth over the next 24 months.

AHIP's Branded Hotels in Oklahoma are heavily reliant upon the energy industry. As a result of the decline in oil prices, STR reported that RevPAR in Oklahoma decreased during the quarter by approximately 14%. AHIP's Branded Hotels in Oklahoma were not immune from the overall market weakness but were still able to outperform their respective competitive sets with a RevPAR decrease of approximately 5%. The impact to operating results was also somewhat mitigated as management was able to utilize its relationship with one of its railway partners to secure a long term railway contract in Oklahoma City. Management expects lodging demand within energy related markets to remain weak until energy exploration and drilling programs return. During the current cycle, AHIP is relying on the strength and expertise of its hotel manager to deliver strong yield management to outperform its competitive set and implement strong cost controls to maintain cash flows and margins.

PKF has reported that approximately 1,500 new hotel rooms involving 13 new projects are entering the overall Pittsburgh hotel market during 2015 and 2016. This represents a supply increase of approximately 7.4% to the Pittsburgh hotel market. It is expected that over the short term, this will have some impact on the operating performance of AHIP's Pittsburgh Portfolio. It is expected that these additional guestrooms will be absorbed in the

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coming quarters and AHIP's newly renovated hotels are well positioned to participate in the growth over the coming quarters.

AHIP continues to evaluate opportunities to acquire high quality, select service hotel assets in the U.S. on an accretive basis at prices below replacement costs. AHIP specifically targets markets that have strong demand generators and where demand growth is expected to outpace new supply. The Florida Portfolio acquisition is an example of the newer, good physical quality assets with strong in-place cash flows and yields that AHIP is targeting. The Commercial Mortgage Backed Securities ("**CMBS")** market continues to drive transaction activity with 10-year interest only term loans for conservatively leveraged transactions in the 50-55% range priced with interest rates of approximately 4.25%. Collectively, this type of financing provides a highly accretive environment for hotel acquisitions priced at trailing, capitalization rates of 8.0% to 9.0%, after deduction for market management fees and an FF&E Reserve.

As a result of the recent 5-year contract renewal of 15 railway crew lodging agreements, accretive acquisitions, and strategic expansions, the Rail Hotels are expected by management to generate RevPAR growth arising from contractual cost of living rate increases negotiated in the various railway contracts and guaranteed occupancies from rail crews. According to Rail Time Indicators, an independent railroad industry publication, total rail traffic for the third quarter of 2015 was down 5.4% due to lower coal shipments as many electricity producers are increasing the use of low cost natural gas to generate electricity coupled with lower coal exports arising from the strong U.S. dollar. This was offset by a 2.7% increase in intermodal traffic during the third quarter reflecting the underlying strength of the U.S. economy. The continued growth in intermodal traffic coupled with minimum room guarantees is expected by management to result in continued strong demand from the rail crews for hotel rooms.

The Hotel Manager continues to explore opportunities to capture additional commercial room night demand for the Oak Tree Inn hotels to supplement the rail crew business, and expects this strategy will be assisted through AHIP's planned capital investment in yield management technology. This investment will provide the Rail Hotels Portfolio with "state-of-the-art" property management and guestroom inventory management, in addition to enhanced web visibility and access to e-commerce booking technologies, which will increase management's ability to sell guest rooms to non-rail crew market segments during periods of unutilized capacity.

AHIP has proven its ability to execute on its strategy with a diversified and unique hotel portfolio that has grown in size and scale using a conservative capital structure. Management is focused on optimizing operating performance and creating value for unitholders.

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FINANCIAL HIGHLIGHTS AND KEY PERFORMANCE INDICATORS

(US$000s unless otherwise noted and except per unit amounts)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Number of rooms(1)	6,797	3,958	6,797	3,958
Number of properties(1)	78	47	78	47
Number of restaurants(1)	31	24	31	24
Rooms under development(1)	96	185	96	185
Occupancy rate	78.7%	85.1%	78.0%	82.9%
Average daily room rate	$ 81.63	$ 72.04	$ 78.74	$ 70.02
Revenue per available room	$ 64.24	$ 61.31	$ 61.42	$ 58.05
Revenues	$ 40,349	$ 25,529	$ 104,009	$ 65,293
Net operating income	$ 15,527	$ 9,448	$ 37,754	$ 22,872
EBITDA	$ 12,809	$ 7,638	$ 30,767	$ 17,278
EBITDA Margin %	*31.7%*	*29.9%*	*29.6%*	*26.5%*
Funds from operations ("FFO") – As Reported	$ 8,923	$ 5,408	$ 20,883	$ 11,846
Diluted FFO per unit – As Reported	$ 0.27	$ 0.28	$ 0.73	$ 0.71
Diluted Core FFO per unit	$ 0.29	$ 0.32	n/a	n/a
Adjusted funds from operations ("AFFO") – As Reported	$ 7,895	$ 4,869	$ 18,187	$ 10,871
Diluted AFFO per unit – As Reported	$ 0.24	$ 0.25	$ 0.63	$ 0.65
Diluted Core AFFO per unit	$ 0.26	$ 0.29	n/a	n/a
Distributions declared – US$	$ 5,758	$ 3,983	$ 15,834	$ 10,260
AFFO payout ratio	72.9%	81.8%	87.1%	94.4%
Debt-to-gross book value(1)	50.1%	47.9%	50.1%	47.9%
Interest coverage ratio	3.9x	3.9x	3.5x	3.4x
Weighted average loan face interest rate(1)	4.65%	4.92%	4.65%	4.92%
Weighted average loan term to maturity(1)	7.6 years	6.6 years	7.6 years	6.6 years
Number of units outstanding(1)	34,808,740	19,467,547	34,808,740	19,467,547
Diluted weighted average number of units outstanding – As Reported	32,870,578	19,497,547	28,692,815	16,653,043
Diluted weighted average number of units outstanding – Core	30,666,774	16,887,505	n/a	n/a
Same property occupancy	83.0%	86.1%	80.4%	82.6%
Same property ADR	$ 73.64	$ 71.98	$ 71.09	$ 70.52
Same property RevPAR	$ 61.12	$ 61.97	$ 57.16	$ 58.25

(1) At period end.

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OPERATIONAL AND FINANCIAL HIGHLIGHTS

The increase in ADR, RevPAR, revenues and NOI for the three and nine months ended September 30, 2015 compared to the same periods last year resulted from the growth of AHIP's total portfolio during the past 12 months. Specifically, the acquisition of 23 Branded Hotels totaling 2,070 guestrooms, the acquisition of the Railway Portfolio totaling 586 guestrooms, coupled with the opening of three newly-built Oak Tree Inn Hotels totaling 185 guestrooms since September 30, 2014 all contributed to the improved operating results. The change in portfolio mix between Rail Hotels and Branded Hotels led to lower occupancy and higher ADR in the three and nine months ended September 30, 2015 compared to the same period last year as Branded Hotels typically have lower occupancy and higher ADR than Rail Hotels. ADR for the quarter was up 13.3% due to the addition of 23 high-ADR Branded Hotels compared to the same period last year. The continued weakness in the oil and gas industry coupled with guest displacement caused by hotel renovations at the Harrisonburg University hotel and the Residence Inn Cranberry Township (Pittsburgh) hotel and the impacts of new supply in certain markets during 2015 also resulted in lower occupancy. Overall, these factors have resulted in RevPAR increasing by 4.8% for the quarter compared to the same period in the prior year.

FFO was $8.9 million and $20.9 million for the three and nine months ended September 30, 2015, respectively (2014 - $5.4 million and $11.8 million, respectively). The increase was due to higher NOI from the addition of new hotels to the portfolio during the period. Diluted FFO per Unit – As Reported was $0.27 and $0.73 for the three and nine months ended September 30, 2015, respectively, compared to $0.28 and $0.71 for the same periods last year. The decrease in Diluted FFO per Unit – As Reported for the current quarter reflected lower revenues from displacement caused by the extensive renovations at the Harrisonburg University property and softness at the Oklahoma and Pittsburgh properties. As at September 30, 2015 and September 30, 2014, the August 2015 Offering and the June 2014 Offering, respectively, had a dilutive impact on FFO per Unit – As Reported and AFFO per Unit – As Reported. In order to normalize the dilutive impact arising from unit offerings, management has also calculated Diluted Core FFO per Unit and Diluted Core AFFO per Unit as it improves the comparability of operating results between reporting periods. Diluted Core FFO per Unit was $0.29 for the three months ended September 30, 2015, compared to $0.32 for the same period in the prior year.

AFFO was $7.9 million and $18.2 million for the three and nine months ended September 30, 2015, respectively (2014 - $4.9 million and $10.9 million, respectively). The increase was due to higher NOI arising from new hotels in the portfolio offset by higher FF&E Reserves based on higher revenues. Diluted AFFO per Unit – As Reported was $0.24 and $0.63 for the three and nine months ended September 30, 2015, compared to $0.25 and $0.65 for the same periods in the prior year. The decrease in Diluted AFFO per Unit – As Reported reflected displacement from renovations coupled with market softness as described above. Diluted Core AFFO per Unit, which removes the dilutive impact arising from unit offerings, was $0.26 for the three months ended September 30, 2015 compared to $0.29 in the prior year.

RESULTS OF OPERATIONS

OPERATIONS

The following discussion highlights selected financial information for AHIP for the three months and nine months ended September 30, 2015 and September 30, 2014. This information should be read in conjunction with the condensed consolidated interim financial statements and the related notes to the financial statements for the three and nine months ended September 30, 2015 and September 30, 2014.

(US$000s unless otherwise noted and except per unit amounts)	**Three months ended September 30, 2015**	**Three months ended September 30, 2014**	**Nine months ended September 30, 2015**	**Nine months ended September 30, 2014**
Revenues	$ 40,349	$ 25,529	$ 104,009	$ 65,293
Hotel expenses	24,822	16,081	66,255	42,421
Net operating income	15,527	9,448	37,754	22,872
Depreciation and amortization	5,040	2,929	13,609	8,021
Income from operating activities	10,487	6,519	24,145	14,851
Corporate and administrative	2,718	1,810	6,987	5,594
Loss on disposal of property and equipment	36	84	149	331
Business acquisition costs	1,235	703	2,730	1,615
Income before finance costs and income taxes	6,498	3,922	14,279	7,311
Finance income	(5)	(23)	(47)	(72)
Finance costs	3,496	2,162	9,279	5,594
Income before income taxes	3,007	1,783	5,047	1,789
Current income tax expense	-	91	-	91
Deferred income tax expense (recovery)	295	(337)	295	(222)
Net income and comprehensive income	$ 2,712	$ 2,029	$ 4,752	$ 1,920
Basic and diluted net income per unit	$ 0.08	$ 0.10	$ 0.17	$ 0.12
Basic weighted average number of units outstanding	32,787,544	19,467,547	28,641,181	16,608,741
Diluted weighted average number of units outstanding	32,870,578	19,497,547	28,692,815	16,653,043

The increase in revenues, expenses and NOI arose from the hotel additions that occurred between reporting periods. Hotel expenses consist of hotel operating expenditures including labour costs, sales and marketing, franchise fees, energy, property maintenance, property taxes and insurance.

Depreciation and amortization expenses consist of depreciation charges on property, buildings and equipment, and amortization of intangible assets. Depreciation and amortization expenses for the quarter were $5.0 million (2014 - $2.9 million) and $13.6 million for the nine months ended September 30, 2015 (2014 - $8.0 million). The increase reflects the portfolio changes between the reporting periods.

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Corporate and administrative expenses consist of hotel management fees, salaries, benefits and directors' fees, foreign exchange gains and losses, securities-based compensation, professional fees and office and general expenses as noted in the following table.

(US$000s)	**Three months ended September 30, 2015**	**Three months ended September 30, 2014**	**Nine months ended September 30, 2015**	**Nine months ended September 30, 2014**
Hotel management fees	$ 1,814	$ 1,097	$ 4,724	$ 2,833
Salaries, benefits and directors fees	257	257	718	758
Foreign exchange losses (gains)	(40)	5	(162)	277
Securities-based compensation	89	55	181	445
Professional fees	513	311	1,139	757
Office and general	85	85	387	524
Total corporate and administrative expenses	$ 2,718	$ 1,810	$ 6,987	$ 5,594

The increase in corporate and administrative expenses was due primarily to higher management fees resulting from higher revenues for the current period compared to the same period last year. As a percentage of total revenues, corporate and administrative expenses have decreased to 6.7% (2014 – 7.1%) for the current quarter compared to the same period last year. Professional fees were higher for the three and nine months ended September 30, 2015 arising from higher tax compliance expenses due to the increase in the number of hotels compared to the same periods in 2014.

Business acquisition costs consisted primarily of professional fees directly attributable to the acquisition of hotel properties. Under IFRS, all transactional costs related to business combinations are expensed in the period incurred irrespective of the final outcome of the acquisition. Business acquisition costs were approximately $1.2 million and $2.7 million for the three and nine months ended September 30, 2015, respectively, compared to approximately $0.7 million and $1.6 million for the same periods in 2014. The difference is due to the specific transactions undertaken during each period. For the three and nine months ended September 30, 2015, a significant portion of the business acquisition costs related to the acquisition of the Florida and Railway Portfolios.

Finance costs consist of interest on term loans, preferred share dividends, accretion on contingent consideration and deferred compensation payable, amortization of deferred financing costs and the mark-to-market adjustment on assumed loans offset by interest income.

Net finance costs were $3.5 million and $9.2 million for the three and nine months ended September 30, 2015, respectively, compared to $2.1 million and $5.5 million for the same periods in 2014. The increase was the result of new loans used to acquire various hotel properties since the third quarter of 2014.

AHIP is not a SIFT limited partnership pursuant to the *Income Tax Act* (Canada). Under the *Income Tax Act* (Canada), as long as AHIP meets prescribed conditions relating to the nature of its assets and revenues, it is not liable to pay Canadian income taxes provided that its taxable income is fully distributed to unitholders during the period. AHIP's indirect subsidiaries, Lodging Enterprises LLC, IML Enterprises LLC and AHIP Enterprises LLC are taxable real estate investment trust ("**REIT**") subsidiaries ("**TRS**") of the U.S. REIT and are subject to income taxes. Deferred income tax is recognized in respect of temporary differences between the carrying amounts of the intangible assets and contingent consideration for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date. AHIP has used a blended tax rate of approximately 40% to calculate its related deferred income tax provisions.

The U.S. REIT is taxed as a REIT for U.S. federal income tax purposes. For purposes of the REIT qualification rules, the U.S. REIT cannot directly operate any of its hotels. Instead, it must lease its hotels to a third party lessee or to a TRS, provided that the TRS engages an eligible independent contractor to manage the hotels. As of September 30, 2015, the U.S. REIT had leased all of its hotels to its wholly-owned TRS entities (or wholly-owned

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subsidiaries of such entities). Each of these TRS entities, or its wholly-owned subsidiary, pays qualifying rent, and the TRS entities, or their applicable wholly-owned subsidiaries, have entered into management contracts with qualified external managers. The TRS entities directly receive all revenues from, and funds all expenses relating to, hotel operations.

TOTAL PORTFOLIO OPERATING STATEMENTS

(US$000s unless otherwise noted)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Number of rooms[1]	6,797	3,958	6,797	3,958
Number of properties[1]	78	47	78	47
Number of restaurants[1]	31	24	31	24
Occupancy %	78.7%	85.1%	78.0%	82.9%
Average daily room rate	$ 81.63	$ 72.04	$ 78.74	$ 70.02
Revenue per available room	$ 64.24	$ 61.31	$ 61.42	$ 58.05
Revenues				
Rooms	$ 36,467	$ 22,239	$ 93,055	$ 56,389
Food and beverage	3,533	3,127	9,967	8,386
Other	349	163	987	518
TOTAL REVENUES	40,349	25,529	104,009	65,293
Expenses				
Operating expenses	19,465	12,457	51,876	32,426
Energy	1,911	1,153	4,764	3,218
Property maintenance	1,797	1,292	4,748	3,414
TOTAL EXPENSES	23,173	14,902	61,388	39,058
GROSS OPERATING PROFIT	17,176	10,627	42,621	26,235
GOP Margin %	*42.6%*	*41.6%*	*41.0%*	*40.2%*
Taxes and insurance	1,649	1,179	4,867	3,363
NET OPERATING INCOME	$ 15,527	$ 9,448	$ 37,754	$ 22,872
NOI Margin %	*38.5%*	*37.0%*	*36.3%*	*35.0%*

(1) At period end.

Overall portfolio ADR increased by 13.3% and RevPAR increased by 4.8% for the three month period ended September 30, 2015 compared to the same period in 2014. This was due to the change in the portfolio mix with the addition of 23 Branded Hotels and eight Rail Hotels between the reporting periods. Branded Hotels typically achieve higher ADR than the Rail Hotels. For the three and nine months ended September 30, 2015, the Branded Hotels achieved an ADR of $103.88 and $102.42, respectively, compared to the Rail Hotels' ADR of $59.00 and $58.14 for the same periods.

Several markets within the Branded Hotel Portfolio achieved quarter-over-quarter RevPAR gains for the three months ended September 30, 2015. The NC/GA Portfolio increased by 14.1%, the NC/FL Portfolio increased by 10.0%, the Texas Portfolio increased by 4.4% and the Virginia Portfolio increased by 2.2%. Year-over-year for the nine months ended September 30, 2015, the NC/FL Portfolio's RevPAR increased by 12.3%, the Florida Portfolio increased by 8.0%, the Virginia Portfolio increased by 5.7%, the Texas Portfolio increased by 5.5%, the NC/GA Portfolio increased by 5.2%, and the Midwestern Portfolio increased by 5.2%. Note that some of the comparative RevPAR data is from periods before AHIP's ownership of the properties.

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Overall portfolio occupancy was 78.7% and 78.0% for the three and nine months ended September 30, 2015, respectively, compared to 85.1% and 82.9% for the same periods last year. The decline in occupancy was attributable to changes in the portfolio mix between the two reporting periods. Rail Hotels typically achieve higher occupancy than the Branded Hotels due to the minimum guarantees in the railway contracts. In the prior year, approximately 68% of the available rooms were high occupancy rail guestrooms and as at September 30, 2015, the ratio between Rail and Branded Hotel guestrooms was approximately 50/50. Other factors that affected occupancy included lower activity at certain hotels due to the continued weakness in the oil and gas industry and new hotel supply. During the nine months ended September 2015, two significant planned renovation programs totaling approximately $7.7 million were also completed. Specifically, the $3.3 million renovation at the Residence Inn Cranberry (Pittsburgh) was completed in June 2015, and the $4.4 million renovation at the Hampton Inn Harrisonburg (Virginia) was completed in September 2015. As a result of the extensive nature of these renovations, there was some guest displacement. Rail Hotel occupancies remained stable during the quarter compared to the prior year.

Total revenues grew by 58.0% to $40.3 million for the quarter and by 59.3% to $104.0 million for the nine months ended September 30, 2015 (2014 - $25.5 million and $65.3 million). The increase in total revenues is directly attributable to the portfolio changes compared to the prior year.

GOP margin increased to 42.6% in the current quarter compared to 41.6% during the same quarter in 2014, and GOP margin increased to 41.0% for the nine months ended September 30, 2015 compared to 40.2% last year. The improvement in GOP margin reflected the impacts of a greater weighting of Branded Hotels in the current year compared to the prior year, which provided higher ADR growth and higher margins.

NOI margin increased during the current quarter to 38.5% from 37.0% in the prior year due to the increase in Branded Hotels, which have higher margins compared to Rail Hotels, in AHIP's portfolio compared to last year. Branded Hotels realized 39.6% in NOI margin for the three months ended September 30, 2015 compared to 36.8% for the Rail Hotels.

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RAIL HOTELS OPERATING STATEMENTS

(US$000s unless otherwise noted)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Number of rooms(1)	3,467	2,697	3,467	2,697
Number of properties(1)	43	35	43	35
Number of restaurants(1)	27	24	27	24
Occupancy %	80.9%	86.5%	80.1%	83.7%
Average daily room rate	$ 59.00	$ 57.10	$ 58.14	$ 57.05
Revenue per available room	$ 47.73	$ 49.39	$ 46.57	$ 47.75
Revenues				
Rooms	$ 13,068	$ 12,259	$ 36,741	$ 34,703
Food and beverage	3,156	3,127	8,818	8,386
Other	67	59	261	290
TOTAL REVENUES	16,291	15,445	45,820	43,379
Expenses				
Operating expenses	7,898	7,859	23,266	22,510
Energy	864	794	2,339	2,385
Property maintenance	929	931	2,551	2,545
TOTAL EXPENSES	9,691	9,584	28,156	27,440
GROSS OPERATING PROFIT	6,600	5,861	17,664	15,939
GOP Margin%	*40.5%*	*38.0%*	*38.6%*	*36.7%*
Taxes and insurance	603	840	2,202	2,484
NET OPERATING INCOME	$ 5,997	$ 5,021	$ 15,462	$ 13,455
NOI Margin %	*36.8%*	*32.5%*	*33.7%*	*31.0%*

(1) At period end.

Total revenues were higher in 2015 reflecting the addition of the Railway Portfolio in September 2015 coupled with the acquisition of three newly-built Oak Tree Inn Hotels after September 30, 2014.

The decline in occupancy arose from lower non-rail room sales at certain hotels due to the decline in oil and gas activity throughout the U.S., fewer construction projects and limited mining activity in certain markets.

ADR increased by 3.3% to $59.00 and by 1.9% to $58.14 for the three and nine months ended September 30, 2015, respectively, from $57.10 and $57.05 for the same periods in 2014, due to contractual cost of living rate increases in the railway contracts.

GOP margin for the current quarter was 40.5% compared to 38.0% in the prior period. GOP margin for the nine months ended September 30, 2015 was 38.6% compared to 36.7% for the same period in 2014. The GOP margin improved due to higher ADR, lower occupancy-related hotel operating expenses, and better cost containment by the hotel manager.

For the three and nine months ended September 30, 2015, NOI margin was 36.8% and 33.7%, respectively (2014 – 32.5% and 31.0%). The increase in NOI margin arose from higher ADR and improved cost management.

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BRANDED HOTELS OPERATING STATEMENTS

(US$000s unless otherwise noted)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Number of rooms[1]	3,330	1,261	3,330	1,261
Number of properties[1]	35	12	35	12
Number of restaurants[1]	4	-	4	-
Occupancy %	76.7%	82.1%	75.6%	80.5%
Average daily room rate	$ 103.88	$ 106.15	$ 102.42	$ 110.06
Revenue per available room	$ 79.68	$ 87.15	$ 77.43	$ 88.60
Revenues				
Rooms	$ 23,399	$ 9,980	$ 56,314	$ 21,686
Food and beverage	377	-	1,149	-
Other	282	104	726	228
TOTAL REVENUES	24,058	10,084	58,189	21,914
Expenses				
Operating expenses	11,567	4,598	28,610	9,916
Energy	1,047	359	2,425	833
Property maintenance	868	361	2,197	869
TOTAL EXPENSES	13,482	5,318	33,232	11,618
GROSS OPERATING PROFIT	10,576	4,766	24,957	10,296
GOP Margin %	*44.0%*	*47.3%*	*42.9%*	*47.0%*
Taxes and insurance	1,046	339	2,665	879
NET OPERATING INCOME	$ 9,530	$ 4,427	$ 22,292	$ 9,417
NOI Margin %	*39.6%*	*43.9%*	*38.3%*	*43.0%*

(1) At period end.

The higher NOI margin for the Branded Hotels compared to the Rail Hotels reflects the rooms-only and transient guest focus of these limited service properties, which have higher average daily rates. The significant growth in revenues and GOP was primarily due to the acquisition of 23 Branded Hotels since September 2014.

During 2015, significant planned renovation programs totaling approximately $10.0 million at several Branded Hotels resulted in some guest displacement and lost revenues, thereby negatively impacting operating results. Specifically, there was a $3.3 million renovation of the Residence Inn Cranberry, a $4.4 million renovation of the Hampton Inn Harrisonburg University and a $1.5 million renovation of both the Hampton Inn and Fairfield Inn hotels in Asheboro. The renovations were completed in June 2015 at the Residence Inn Cranberry and in September 2015 at the Hampton Inn Harrisonburg University and the two Asheboro properties. The newly renovated Residence Inn Cranberry (Pittsburgh) and Hampton Inn Harrisonburg University hotels are expected to regain market share and outperform their competitive set in the coming months. We anticipate improving operating results at these hotels; however, certain Pittsburgh sub-markets have experienced negative RevPAR growth in 2015 due to significant new hotel supply which may temper the recovery at the Residence Inn Cranberry.

In addition to the impacts of new supply in certain markets, Branded Hotels in Oklahoma in particular continue to face headwinds due to weakness in the oil and gas industry, resulting in lower corporate room night demand.

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Lower occupancy and revenues at those hotels under renovation during the period and at those hotels facing competitive market forces led to lower NOI and NOI margins as hotel operations consist of a number of fixed expenditures such as property taxes, insurance and energy charges.

SAME PROPERTY OPERATING METRICS

RAIL HOTELS – SAME PROPERTY

The following table presents same property Rail Hotel operating metrics for the three and nine months ended September 30, 2015 and September 30, 2014. A property must be owned for the entire quarter for inclusion in this table, which adjusts for the impact of properties that have been acquired during the year. Therefore, only the Oak Tree Inn hotels are reflected in the table below.

(US$000s unless otherwise noted)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Number of rooms[1]	2,616	2,616	2,616	2,616
Number of properties[1]	34	34	34	34
Number of restaurants[1]	23	23	23	23
Occupancy %	82.4%	85.6%	81.2%	82.7%
Average daily room rate	$ 59.33	$ 57.77	$ 58.35	$ 57.70
Revenue per available room	$ 48.89	$ 49.45	$ 47.38	$ 47.72
Revenues				
Rooms	$ 11,766	$ 11,909	$ 33,834	$ 33,648
Food and beverage	2,733	2,897	7,579	7,926
Other	59	59	249	203
TOTAL REVENUES	14,558	14,865	41,662	41,777
Expenses				
Operating expenses	7,085	7,556	21,093	21,700
Energy	764	785	2,097	2,295
Property maintenance	848	846	2,360	2,450
TOTAL EXPENSES	8,697	9,187	25,550	26,445
GROSS PROFIT	5,861	5,678	16,112	15,332
GOP Margin %	*40.3%*	*38.2%*	*38.7%*	*36.7%*
Taxes and insurance[2]	735	810	2,400	2,394
NET OPERATING INCOME	$ 5,126	$ 4,868	$ 13,712	$ 12,938
NOI Margin %	*35.2%*	*32.7%*	*32.9%*	*31.0%*

(1) At period end.
(2) Same-store property taxes are not adjusted for IFRIC 21.

Total revenues were lower during the quarter ended September 30, 2015 primarily due to lower non-rail occupancy arising from the decline in the oil and gas industry which led to fewer corporate sales.

GOP margin for the current quarter was 40.3% compared to 38.2% for the prior period reflecting improved cost controls achieved by the manager coupled with lower energy costs. NOI margin improved to 35.2% for the current quarter compared to 32.7% for the prior period. This is in line with the increase in GOP margins.

BRANDED HOTELS – SAME PROPERTY

The following table presents same property Branded Hotel operating metrics for the three and nine months ended September 30, 2015 and September 30, 2014, respectively. A property must be owned for the entire quarter for inclusion in this table, which adjusts for the impact of properties that have been acquired during the year. Same property calculations included only the eight hotels in the Pittsburgh and Virginia Portfolios.

(US$000s unless otherwise noted)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Number of rooms(1)	874	874	874	874
Number of properties(1)	8	8	8	8
Occupancy %	84.6%	87.3%	77.9%	82.3%
Average daily room rate	$ 115.33	$ 113.68	$ 110.86	$ 113.67
Revenue per available room	$ 97.57	$ 99.24	$ 86.36	$ 93.55
Revenues				
Rooms	$ 7,846	$ 7,984	$ 20,596	$ 19,692
Food and beverage	-	-	-	-
Other	69	72	214	191
TOTAL REVENUES	7,915	8,056	20,810	19,883
Expenses				
Operating expenses	3,489	3,469	9,707	8,786
Energy	280	252	831	725
Property maintenance	288	281	857	789
TOTAL EXPENSES	4,057	4,002	11,395	10,300
GROSS OPERATING PROFIT	3,858	4,054	9,415	9,583
GOP Margin %	*48.7%*	*50.3%*	*45.2%*	*48.2%*
Taxes and insurance(2)	320	244	923	782
NET OPERATING INCOME	$ 3,538	$ 3,810	$ 8,492	$ 8,801
NOI Margin %	*44.7%*	*47.3%*	*40.8%*	*44.3%*

(1) At period end.
(2) The same store property tax figure does not reflect IFRIC 21

For the current quarter, the decline in occupancy and operating performance can be attributed to the significant renovations undertaken at the 159-room Hampton Inn Harrisonburg University coupled with the impacts of new supply in the Pittsburgh hotel market. The renovations were pre-planned to minimize guest impacts. However, the extensive nature of the renovations resulted in moderate displacement as rooms were taken out of service. The Hampton Inn renovations were completed in September 2015, and operating results are expected to improve over the coming quarters.

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RECONCILIATION OF NON-IFRS OPERATING RESULTS

FUNDS FROM OPERATIONS (“FFO”)

FFO is a supplemental non-IFRS financial measure of operating performance widely used in the Canadian real estate industry. FFO is not defined under IFRS and should not be used as a substitute for net income (loss), cash flow from operations, or any other operating or liquidity measure prescribed under IFRS. Instead, FFO has been included to provide readers and investors with additional information to improve their understanding of AHIP’s operating results. AHIP calculates FFO in accordance with the REALpac White Paper on Funds from Operations as described under the heading “Non-IFRS Measures” above. Net income and comprehensive income reconciled to FFO is calculated as follows:

(US$000s unless otherwise noted and except unit and per unit amounts)	**Three months ended September 30, 2015**	**Three months ended September 30, 2014**	**Nine months ended September 30, 2015**	**Nine months ended September 30, 2014**
Net income and comprehensive income	**$ 2,712**	**$ 2,029**	**$ 4,752**	**$ 1,920**
Add/(deduct):				
Depreciation and amortization	5,040	2,929	13,609	8,021
Loss on disposal of property and equipment	36	84	149	331
Business acquisition costs	1,235	703	2,730	1,615
IFRIC 21 property taxes	(395)	-	(652)	-
Foreign exchange losses	-	-	-	181
Deferred income tax expense (recovery)	295	(337)	295	(222)
Funds from operations (“FFO”) – As reported	**$ 8,923**	**$ 5,408**	**$ 20,883**	**$ 11,846**
Add/(deduct):				
Securities based compensation expense	89	55		
Railway Portfolio – net income	(69)	-		
FFO – Core	**$ 8,943**	**$ 5,463**		
Diluted weighted average number of units outstanding – As Reported	32,870,578	19,497,547	28,692,815	16,653,043
Diluted FFO per Unit – As Reported	**$ 0.27**	**$ 0.28**	**$ 0.73**	**$ 0.71**
Diluted weighted average number of units outstanding – Core	30,666,774	16,887,505		
Diluted Core FFO per Unit	**$ 0.29**	**$ 0.32**		

FFO increased by 65.0% to $8.9 million for the current quarter (2014 - $5.4 million) and increased by 76.3% to $20.9 million for the nine months ended September 30, 2015 (2014 - $11.8 million). The increase was due to higher NOI arising from hotel acquisitions. The higher business acquisition costs were due to higher transactional activity in 2015 compared to the same periods in the prior year.

Diluted FFO per Unit – As Reported was $0.27 and $0.73 for the three and nine months ended September 30, 2015, respectively, compared to $0.28 and $0.71 for the same periods last year. The proceeds from the August 2015 Offering were deployed later during the third quarter for the acquisition of the Railway Portfolio. Diluted Core FFO per Unit, which adjusts for the dilutive impact of the August 2015 Offering and securities-based compensation expense, was $0.29 for the three months ended September 30, 2015.

ADJUSTED FUNDS FROM OPERATIONS ("AFFO")

Hotel operations require maintenance capital expenditures to maintain the occupancy and revenue streams of the business. AFFO is a widely used non-IFRS measure in the Canadian real estate industry to indicate economic performance and available cash flow after maintenance capital expenditures. AFFO is not defined under IFRS and the method applied by AHIP to calculate AFFO may differ from methods applied by other issuers and as a result may not be comparable with measures used by other issuers.

In calculating AFFO, AHIP makes certain adjustments to FFO as described under the heading "Non-IFRS Measures" above. The reconciliation of FFO to AFFO is calculated as follows:

(US\$000s unless otherwise noted and except unit and per unit amounts)	**Three months ended September 30, 2015**	**Three months ended September 30, 2014**	**Nine months ended September 30, 2015**	**Nine months ended September 30, 2014**
Funds from operations ("FFO")	**\$ 8,923**	**\$ 5,408**	**\$ 20,883**	**\$ 11,846**
Add/(deduct):				
Securities-based compensation expense	89	55	181	445
Accretion of contingent consideration	53	56	158	156
Accretion of deferred compensation	6	-	17	-
Amortization of deferred financing costs	178	139	376	360
Amortization of mark to market adjustment	(19)	(18)	(55)	(18)
FF&E Reserves(1)	(1,335)	(771)	(3,373)	(1,918)
Adjusted Funds from operations ("AFFO") – As Reported	**\$ 7,895**	**\$ 4,869**	**\$ 18,187**	**\$ 10,871**
Deduct:				
Railway Portfolio – net income	(69)	-		
AFFO – Core	**\$ 7,826**	**\$ 4,869**		
Diluted weighted average number of units outstanding – As Reported	32,870,578	19,497,547	28,692,815	16,653,043
Diluted AFFO per Unit – As Reported	**\$ 0.24**	**\$ 0.25**	**\$ 0.63**	**\$ 0.65**
Diluted weighted average number of units outstanding – Core	30,666,774	16,857,505		
Diluted Core AFFO per Unit	**\$ 0.26**	**\$ 0.29**		

(1) AHIP has negotiated FF&E Reserve waivers with its lenders for periods of up to 48 months. AHIP does not factor in the benefit of these FF&E Reserve waivers in calculating AFFO.

AFFO increased by 62.1% to \$7.9 million for the current quarter (2014 - \$4.9 million) and was up by 67.3% to \$18.2 million for the nine months ended September 30, 2015 (2014 - \$10.9 million). The increase in AFFO reflected higher revenues and NOI arising from portfolio acquisitions compared to the prior year and was offset by higher FF&E Reserves.

AFFO per Unit – As Reported was \$0.24 and \$0.63 for the three and nine months ended September 30, 2015, respectively, compared to \$0.25 and \$0.65 for the same periods last year with the higher NOI resulting from hotel acquisitions being offset by the increase in the number of Units outstanding during these relative periods. The proceeds from the August 2015 Offering were deployed during the third quarter for the acquisition of the Railway Portfolio. Diluted Core AFFO per Unit, which adjusts for the dilutive impact of the August 2015 Offering, was \$0.26 for the three months ended September 30, 2015.

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CAPITAL EXPENDITURES

After AHIP acquires a Branded Hotel property, it may be required to complete a property improvement plan ("**PIP**") in order to be granted a new franchise license for that particular hotel property. PIPs are intended to bring the hotel property up to the franchisors' current standards. AHIP's lenders require that AHIP escrows the funds required for the completion of these PIPs. In addition, on a regular basis, AHIP is required by its lenders to escrow additional FF&E Reserves over the term of the respective loans. AHIP intends to spend the amounts necessary to comply with any reasonable loan or franchisor requirements and otherwise to the extent that such expenditures are in the best interests of the hotel to optimize operating performance and ensure the hotels are competitive within their respective competitive market segments.

AHIP has made significant investments at certain properties including approximately $4.4 million at the Hampton Inn Harrisonburg University Hotel in Virginia during the current quarter, along with $3.3 million at the Residence Inn Cranberry Township (Pittsburgh) and $1.5 million at the Hampton Inn and Fairfield Inn Asheboro.

RECONCILIATION OF CASH FLOW FROM OPERATIONS TO AFFO

As an alternative measure of cash flow from operations, AFFO is indicative of AHIP's ability to pay distributions to Unitholders. In calculating AFFO, AHIP makes certain adjustments to cash flow from operations as calculated below:

(US$000s unless otherwise noted)	**Three months ended September 30, 2015**	**Three months ended September 30, 2014**	**Nine months Ended September 30, 2015**	**Nine months ended September 30, 2014**
Cash flow from operations	**$ 8,669**	**$ 4,986**	**$ 16,778**	**$ 11,506**
Add/(deduct):				
Change in non-cash working capital	148	(222)	2,703	(161)
Current income tax recovery	-	(91)	-	(91)
Business acquisition costs	1,235	703	2,730	1,615
IFRIC 21 property tax adjustment	(395)	-	(652)	-
Foreign exchange losses	-	-	-	181
Interest paid	2,851	2,249	8,784	4,835
Interest expense	(3,278)	(1,985)	(8,783)	(5,096)
FF&E Reserves (excluding any waivers)	(1,335)	(771)	(3,373)	(1,918)
AFFO – As Reported	**7,895**	**4,869**	**18,187**	**10,871**
Distributions declared	$ 5,758	$ 3,983	$ 15,834	$ 10,262
Payout ratio	**72.9%**	**81.8%**	**87.1%**	**94.4%**

The decrease in the payout ratio reflects higher cash flows generated during the seasonally strong third quarter and the increased cash flows arising from a larger, diversified portfolio.

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DISTRIBUTIONS DECLARED COMPARED TO OPERATING CASH FLOWS

(US$000s)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Cash flow from operations (includes interest paid)	$ 8,669	$ 4,986	$ 16,778	$ 11,506
Distributions declared	(5,758)	(3,334)	(15,834)	(10,262)
Excess of cash flow to distributions	$ 2,911	$ 1,652	$ 944	$ 1,244

For the three and nine months ended September 30, 2015, cash flow from operations exceeded declared distributions.

USE OF PROCEEDS

USE OF PROCEEDS FROM AUGUST 2015 OFFERING

In AHIP's short-form prospectus dated August 5, 2015, AHIP disclosed that the total net proceeds from the sale of the Offered Units under the August 2015 Offering was estimated to be Cdn$41,881,280 (inclusive of the estimated net proceeds if the Over-Allotment Option was exercised in full) after deducting the Underwriters' Fees of Cdn$1,774,220 and deducting the estimated expenses of the August 2015 Offering of Cdn$700,000. In its prospectus, AHIP estimated the net proceeds would be used: (i) as to approximately Cdn$32.5 million, to partially fund the potential acquisition of the Railway Portfolio; (ii) as to approximately Cdn$3.8 million to partially fund potential expansion, conversion and new-build opportunities for railway lodging facilities; and (iii) as to the balance, if any, to fund working capital and for general corporate purposes.

The table below compares the estimated and actual use of proceeds in connection with AHIP's August 2015 Offering for the specific identified uses:

Item	Estimated Use of Proceeds (Cdn$)	Actual Use of Proceeds (Cdn$)	Variance (Cdn$)
Expenses of Offering and related overallotment	$ 2,474,220	$ 2,263,126	$ 211,094
Equity proceeds used for purchase of the Railway Portfolio	32,500,000	34,473,850	(1,973,850)
Equity proceeds used for potential conversion, expansion and new build opportunities	3,800,000	2,300,000	1,500,000
TOTAL	**$ 38,774,220**	**$ 39,036,976**	**$ (262,756)**

Net proceeds used for the purchase of the Railway Portfolio were higher than estimated as closing and other expenses were greater than expected. As a result, more proceeds from the offering were utilized to complete this transaction. The net proceeds for the potential expansion and other opportunities were only partially deployed during the period and will be utilized during the latter part of the year as additional projects are completed. The total variance to these estimates was Cdn$262,756 and had no impact on AHIP's ability to achieve its business objectives.

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SUMMARY OF QUARTERLY RESULTS

In accordance with Item 1.5 of Form 51-102F1 – *Management's Discussion & Analysis*, quarterly information has been presented for the prior eight quarters.

(US$000s except Units and per Unit amounts)	**Q3 2015**	**Q2 2015**	**Q1 2015**	**Q4 2014**	**Q3 2014**	**Q2 2014**	**Q1 2014**	**Q4 2013**
Revenues	$ 40,349	$ 34,131	$ 29,529	$ 27,849	$ 25,529	$ 22,541	$ 17,224	$ 14,495
NOI	15,527	13,507	8,720	9,126	9,448	8,043	5,380	4,400
Net income (loss) and comprehensive income (loss)	2,712	2,386	(346)	209	2,029	651	(760)	(955)
FFO	$ 8,923	$ 7,605	$ 4,355	$ 4,741	$ 5,408	$ 4,440	$ 1,998	$ 1,297
AFFO	7,895	6,741	3,547	4,167	4,869	4,098	1,900	1,690
Distributions	5,758	5,642	4,434	4,807	3,983	3,334	2,945	2,802
Total assets	$579,829	$512,731	$431,684	$433,715	$321,813	$304,577	$258,684	$236,502
Total debt (face value)	$305,831	$266,920	$235,997	$232,328	$160,395	$142,012	$139,657	$114,429
Basic weighted average number of Units outstanding (000s)	32,788	28,682	24,362	22,897	19,468	15,974	14,438	13,051
Amounts on a per Unit Basis								
Basic and diluted net income (loss) per Unit	$ 0.08	$ 0.08	$ (0.01)	$ 0.01	$ 0.10	$ 0.04	$ (0.05)	$ (0.07)
Diluted FFO per Unit	$ 0.27	$ 0.27	$ 0.18	$ 0.21	$ 0.28	$ 0.28	$ 0.14	$ 0.10
Diluted AFFO per Unit	$ 0.24	$ 0.24	$ 0.15	$ 0.18	$ 0.25	$ 0.26	$ 0.13	$ 0.13

The hotel industry is seasonal in nature. Generally, occupancy rates, revenues and operating results for hotels located in the U.S. are greater in the second and third quarters of the calendar year than in the first and fourth quarters. These fluctuations may impact earnings and cash flow.

Furthermore, the seasonality of revenues also has an impact on earnings, specifically EBITDA margin, due to certain fixed expenditures such as property taxes, insurance and utilities.

FINANCIAL CONDITION

LIQUIDITY

The principal liquidity needs of AHIP are for working capital requirements, debt servicing and repayment obligations, distributions to Unitholders, maintenance capital expenditures, and future hotel acquisitions.

Cash flows from operations, cash on hand and AHIP's operating line of credit represent the primary sources of liquidity. Cash flows from operations are dependent on hotel operations including occupancy levels, room rates and operating costs. AHIP will repay maturing debt with proceeds from refinancing such debt, and raises new equity by issuing units from treasury to finance investment activities.

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The following table provides an overview of AHIP's change in cash from operating, financing and investing activities for the three and nine months ended September 30, 2015 and September 30, 2014:

(US$000s)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Net change in cash related to:				
Operating activities	$ 8,669	$ 4,986	$ 16,778	$ 11,506
Investing activities	(83,275)	(7,558)	(148,326)	(71,967)
Financing activities	61,345	(132)	137,345	63,998
(Decrease)/Increase in cash	$ (13,261)	$ (2,704)	$ 5,797	$ 3,537

The change in cash for the three and nine months ended September 30, 2015 compared to the same periods in 2014 was largely due to:

- Operating activities – higher NOI in 2015 from the Branded Hotel and Rail Hotel acquisitions;
- Investing activities – acquisition of the Midwestern Portfolio, Florida Portfolio and Railway Portfolio in 2015 compared to the NC/GA portfolio which was acquired in July 2014 and the Virginia Portfolio in March 2014;
- Financing activities – loan proceeds related to the acquisition of the Midwestern Portfolio, Florida Portfolio and Railway Portfolio in 2015 as well as two public offerings in April 2015 and August 2015 compared to one public offering in June 2014.

The following table sets out AHIP's contractual obligations at their face values over the next five years and thereafter.

(US$000s)	TOTAL	2015	2016	2017	2018	2019	Thereafter
Term loans	$ 298,831	$ 1,095	$ 4,814	$ 5,882	$ 60,476	$ 9,425	$ 217,139
Operating leases	1,660	335	631	452	161	81	-
Deferred compensation payable	1,500	63	750	250	250	187	-
Contingent consideration	5,500	-	5,500	-	-	-	-
	$ 307,491	$ 1,493	$ 11,695	$ 6,584	$ 60,887	$ 9,693	$ 217,139

Under the terms of AHIP's franchise agreements arising from its acquisition of Branded Hotels, AHIP is required to complete various PIPs. AHIP's operating subsidiaries have entered into contracts or commitments with various suppliers to supply products and services in compliance with these renovation plans. Payments for these items are held as restricted cash and funds are dispersed in the ordinary course of business. As at September 30, 2015, AHIP's total restricted cash balance related to PIPs, FF&E Reserves and other reserves was $19.4 million (December 31, 2014 - $17.6 million).

DEBT STRATEGY

AHIP's overall borrowing policy is to obtain secured mortgage financing on a primarily fixed rate basis with terms to maturity that allow AHIP to:

i) achieve and maintain staggered debt maturities that reduce its exposure to interest rate fluctuations and re-financing risk in any particular period; and

ii) fix rates and extend loan terms when borrowing conditions are favorable.

The fixed rate mortgages are expected to be primarily first charge mortgages. Management currently intends to maintain total indebtedness at approximately 50-55% of AHIP's gross book value. In accordance with AHIP's Limited

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Partnership Agreement, the maximum debt limit is 60% (65% including convertible debentures) of AHIP's gross book value. As at September 30, 2015, AHIP's debt-to-gross book value was 50.1% (December 31, 2014 – 51.5%).

(US$000s unless otherwise noted)	September 30, 2015	December 31, 2014
Debt	$ 305,831	$ 228,541
Gross Book Value	$ 609,910	$ 443,457
Debt-to-Gross Book Value	50.1%	51.5%

The following table calculates AHIP's interest coverage ratio for the three and nine months ended September 30, 2015 compared to the same periods in the prior year:

(US$000s unless otherwise noted)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
EBITDA	$ 12,809	$ 7,638	$ 30,767	$ 17,278
Interest expense[1]	$ 3,278	$ 1,985	$ 8,783	$ 5,096
Interest coverage ratio (times)	3.9x	3.9x	3.5x	3.4x

(1) Interest expense is computed as finance costs adjusted for non-cash items including accretion of contingent consideration, accretion of deferred compensation payable, amortization of deferred financing costs and amortization of mark-to-market adjustments on assumed term loans.

The following table sets out the interest rates and terms of AHIP's existing debt financing obligations:

(US$000s unless otherwise noted)	Balance at September 30, 2015	Interest Rate	Initial Term (years)	Maturity Date
Oak Tree Inn Hotel Loan	$ 61,544	4.85%	5	March 1, 2018
NC/GA Portfolio Assumed Loan #1	5,512	5.69%	5	August 1, 2018
Oak Tree Hotel Loan Amendment	1,508	4.25%	5	May 1, 2019
Pittsburgh Portfolio Term Loans	38,000	5.02%	10	December 6, 2023
NC/GA Portfolio Assumed Loan #2	7,574	5.28%	10	February 1, 2024
Virginia Portfolio Term Loan	24,500	4.97%	10	April 6, 2024
NC/GA Portfolio Term Loan	6,000	4.72%	10	July 6, 2024
Texas Portfolio Term Loan	16,000	4.20%	10	November 6, 2024
Oklahoma Portfolio Term Loan	25,500	4.20%	10	November 6, 2024
NC/FL Portfolio Term Loan	26,110	4.27%	10	November 25, 2024
Oak Tree Hotel Loan Amendment	10,933	4.76%	10	January 1, 2025
Oak Tree Hotel Loan Amendment	4,650	4.00%[1]	10	April 1, 2025
Midwestern Portfolio Term Loan	32,000	4.24%	10	June 18, 2025
Florida Portfolio Term Loan	19,000	4.21%	10	July 6, 2025
Railway Portfolio Term Loan	20,000	4.25%[2]	10	September 16, 2025
	$ 298,831			

(1) Floating rate loan bears interest at 30-day LIBOR plus 3.00% with a minimum rate of 4.00%.
(2) Fixed rate of 4.25% for the first five years.

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The weighted average face interest rate as at September 30, 2015 was 4.65% (2014 – 4.92%) and the weighted average loan term to maturity as at September 30, 2015 was 7.6 years (2014 – 6.6 years). As at September 30, 2015, approximately 98.4% (2014 – 100.0%) of AHIP's total mortgages were fixed rate mortgages.

CAPITAL RESOURCES

Management intends to obtain additional equity financing and/or secured debt financing with similar interest rates and terms to meet AHIP's planned strategy. Management has not identified any unfavourable trends or fluctuations that may impact AHIP's ability to obtain additional equity financing and/or secured debt financing. AHIP has not obtained or made use of any additional sources of financing that are not disclosed in its condensed consolidated interim financial statements.

PARTNERS' CAPITAL

AHIP is authorized to issue an unlimited number of Units.

From the closing date of AHIP's initial public offering ("**IPO**") on February 20, 2013 to December 31, 2013, AHIP issued 13,972,500 Units. For the year ended December 31, 2014, AHIP issued a total of 9,897,763 Units from bought-deal public offerings, as partial consideration for the purchase of new Oak Tree Inn Hotels and employee equity grants.

On February 25, 2015, as partial consideration for the purchase of a new Oak Tree Inn Hotel in Wellington, Kansas, AHIP issued 66,927 Units at a price of Cdn$11.20 per Unit.

On April 28, 2015, AHIP completed a bought-deal public offering of 6,181,250 Units, including 806,250 Units related to the full exercise of the over-allotment option, at a price of Cdn$10.70 per Unit, for total gross proceeds of Cdn$66.1 million (US$54.8 million) ("**April 2015 Offering**").

On August 11, 2015, AHIP completed a bought-deal public offering of 3,800,000 Units, at a price of Cdn$10.15 per Unit, for total gross proceeds of Cdn$38.6 million (US$29.5 million). On August 31, 2015, AHIP completed a public offering of 425,000 Units related to a partial exercise of the over-allotment option, at a price of Cdn$10.15 per Unit, for total gross proceeds of Cdn$4.3 million (US$3.3 million) (collectively known as the "**August 2015 Offering**").

As at September 30, 2015, there were 68,765 Restricted Stock Units ("**Restricted Stock Units**") issued and outstanding related to short-term and long-term incentive plans for senior management. The Restricted Stock Units partially vest over three years and also partially vest based on the achievement of certain performance metrics.

As at September 30, 2015, there were 34,808,740 Units outstanding. On September 30, 2015, the Units were traded on the TSX with a closing price of Cdn$10.31, and on the OTCQX with a closing price of $8.28. As at November 12, 2015, there were 34,847,772 Units outstanding.

DISTRIBUTION HISTORY

DISTRIBUTION POLICY

AHIP's current policy is to declare and pay monthly cash distributions using available cash. Management's goal is to maintain a conservative AFFO payout ratio. The declaration of distributions is subject to the discretion of the Board of Directors of the General Partner and is evaluated periodically and may be revised. AHIP is currently paying monthly cash distributions of Cdn$0.075 per Unit to Unitholders, which is equivalent to Cdn$0.90 per Unit on an annualized basis. Distribution declarations will be paid to Unitholders of record at the close of business on the last business day of each month on or about the 15th day of the following month.

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DISTRIBUTIONS SUMMARY

AHIP declared the following cash distributions to Unitholders of record from January 1, 2015 to September 30, 2015 as per the following table:

Month	Record Date	Payment Date	Distribution per Unit (Cdn$)	Amount (Cdn$000s)	Amount ($000s)
January 2015	January 30, 2015	February 13, 2015	$ 0.075	$ 1,825	$ 1,525
February 2015	February 27, 2015	March 13, 2015	$ 0.075	$ 1,830	$ 1,476
March 2015	March 31, 2015	April 15, 2015	$ 0.075	$ 1,830	$ 1,433
April 2015	April 30, 2015	May 15, 2015	$ 0.075	$ 2,294	$ 1,876
May 2015	May 29, 2015	June 15, 2015	$ 0.075	$ 2,294	$ 1,876
June 2015	June 30, 2015	July 15, 2015	$ 0.075	$ 2,309	$ 1,890
July 2015	July 31, 2015	Aug 15, 2015	$ 0.075	$ 2,294	$ 1,767
August 2015	August 31, 2015	Sept 15, 2015	$ 0.075	$ 2,611	$ 1,994
September 2015	September 30, 2015	Oct 15, 2015	$ 0.075	$ 2,625	$ 1,997
			$ 0.675	$ 19,912	$ 15,834

Distributions totaling Cdn$7.5 million ($5.8 million) and Cdn$19.9 million ($15.8 million) were declared during the three and nine months ended September 30, 2015, respectively (September 30, 2014 – Cdn$4.4 million ($3.9 million and Cdn$11.3 million ($10.3 million)), of which Cdn$2.6 million ($1.9 million) was included in accounts payable and accrued liabilities at September 30, 2015 and subsequently paid on October 15, 2015.

(Cdn$ except as noted)	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Annualized distribution	$ 0.90	$ 0.90	$ 0.90	$ 0.90	$ 0.90	$ 0.90	$ 0.90	$ 0.90
Period-end close price	$ 9.91	$ 10.31	$ 11.21	$ 10.03	$ 10.61	$ 10.29	$ 10.40	$ 10.59
Annualized distribution yield on closing price (%)	9.1%	8.7%	8.0%	9.0%	8.5%	8.7%	8.7%	8.5%

OFF-BALANCE SHEET ARRANGEMENTS

AHIP does not have any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

AHIP has entered into hotel management agreements with various wholly owned subsidiaries of Tower Rock Hotels & Resorts Inc. (the "**Hotel Manager**"), a company indirectly controlled by the Chief Executive Officer of the General Partner, to manage and operate AHIP's hotel properties.

AHIP's operating subsidiaries are responsible for reimbursing the Hotel Manager for any operating expenses and direct costs incurred with respect to the operations of the properties and their lodging businesses, such as salary and benefit costs of hotel staff and other operating expenses.

The hotel management agreements also provide for payment of the following amounts to the Hotel Manager: a base management fee equal to 3.5% of gross revenues; a capital expenditure fee equal to 5.0% of capital expenditures, including maintenance capital expenditures; and an annual administration fee of $20,000 for each property acquired on February 20, 2013 ("**Initial Portfolio**") and $25,000 for each property acquired after February 20, 2013. The annual administration fee for the Initial Portfolio was $15,000 effective February 20, 2013; $20,000 effective February 20, 2015 and $25,000 effective February 20, 2016. Commencing in 2014, the Hotel Manager was also eligible to receive an incentive fee if certain thresholds are met. The incentive fee may not exceed 50% of the aggregate base hotel management fees for the year in which the incentive fee is earned. For the three and nine months ended September 30, 2015 and September 30, 2014, the Hotel Manager did not qualify for any incentive fees and as a result no incentive fee amounts were recorded in the condensed consolidated interim financial statements. AHIP recorded the following fees charged by the Hotel Manager in corporate and administrative expenses for the three and nine months ended September 30, 2015 and September 30, 2014.

(US$000s)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Management fees	$ 1,396	$ 887	$ 3,645	$ 2,278
Administration fees	418	210	1,079	554
	$ 1,814	$ 1,097	$ 4,724	$ 2,832
Total fees as a percentage of total revenues	4.5%	4.3%	4.5%	4.3%

Capital expenditure fees of $162,000 and $472,000 for the three and nine months ended September 30, 2015 (September 30, 2014 - $48,000 and $78,000) were capitalized to property, buildings and equipment. In addition, during the three and nine months ended September 30, 2015, the Hotel Manager was reimbursed $11.1 million and $29.9 million respectively from the hotel properties for payroll and general and administrative costs (September 30, 2014 - $7.1 million and $19.5 million).

During 2015, AHIP acquired the Wellington, Kansas hotel as well as the Dexter, Missouri hotel expansion from SunOne Developments Inc. ("**SunOne**"), a company affiliated with the Chief Executive Officer and a director of the General Partner. The purchase price for each such property was calculated based on the greater of: i) 95% of the fair market value of the property under development as determined by an independent appraisal; and ii) the construction cost of the assets at substantial completion, as defined by the Master Development Agreement with SunOne. The purchase price was paid for as follows:

(US$000s)	Wellington	Dexter[(1)]
Property, buildings and equipment	$ 7,480	$ 2,300
Financed by:		
Cash	$ 1,507	$ 2,000
Mezzanine loan receivable	648	-
New Oak Tree Inn Hotel loan	4,725	-
Issuance of Units	600	300
	$ 7,480	$ 2,300

(1) Dexter hotel expansion included only buildings and equipment

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING STANDARDS

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities as at the date of the condensed consolidated interim financial statements, and the reported amounts of income and expenses during the financial reporting period. Actual results may differ from these estimates.

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ACCOUNTING ESTIMATES

Significant areas of estimates include the following:

i) Business combinations

The acquisition of a business is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange of assets given, liabilities incurred or assumed. The acquiree's identifiable assets, liabilities and contingent liabilities are recognized at their fair values at the acquisition dates. AHIP obtained third-party valuations to support management's determination of the fair value of property, buildings and equipment. Management evaluated the incremental earning stream attributable to the lodging agreements discounted at an expected rate of return to support the determination of the value of intangible assets for the railway portfolios. The value of the intangible assets for the Branded Hotels consists of franchise application fees paid upon the acquisition of these properties. The fair values of loans assumed are determined based on various factors including AHIP's assessment of market interest rates for comparable loans.

ii) Depreciation and amortization

Management has estimated the useful lives of property, buildings and equipment in the determination of depreciation. The estimated useful lives of property, buildings and equipment are determined based on various factors including historical data and AHIP's expected use of the assets. Intangible assets are amortized over the average remaining contractual term of the lodging or franchise agreements.

ACCOUNTING STANDARDS ADOPTED IN THE PERIOD:

No new accounting standards were adopted during the current period.

SUBSEQUENT EVENTS

a) Distributions

On October 19, 2015, AHIP announced a cash distribution of Cdn$0.075 per unit for the period of October 1, 2015 to October 31, 2015. The distribution will be paid on November 13, 2015 to Unitholders of record on October 30, 2015.

b) Expansion of Dexter, Missouri Railway Hotel

On October 30, 2015, AHIP completed the acquisition of a 24-room expansion at the existing Oak Tree Inn Hotel in Dexter, Missouri for a total purchase price of $2.3 million. The expansion was constructed by SunOne pursuant to the Master Development Agreement. AHIP funded the expansion with cash on hand and the issuance of $300,000 in Units (or 39,032 units) from treasury. The Units were issued at a price of Cdn$10.12, which represented the five-day volume-weighted average trading price of the AHIP Units for the five trading days immediately prior to their issuance.

c) Renewal of Railway Lodging Contracts

On October 27, 2015, AHIP completed the renewal of 15 railway hotel lodging contracts (the "**Contract Renewal**") with its largest railway customer for a term of five years, effective November 1, 2015. The Contract Renewal encompasses 15 Oak Tree Inn Hotels located in 13 states covering 1,363 guestrooms, or approximately 40% of AHIP's total railway hotel guestrooms, and guarantees minimum occupancy at 2015 levels over the term of the agreement. The Contract Renewal will increase the weighted average remaining term of AHIP's railway contracts to 5.2 years. As part of the Contract Renewal, AHIP will spend approximately $2.0 million to refurbish these 15 hotels.

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d) Three New Rail Hotel Expansions Announced for Completion in 2016

On November 2, 2015, AHIP announced three new 24-room expansions ("**Expansions**") at existing high occupancy Oak Tree Inn hotels in North Platte, Nebraska, Hermiston, Oregon and Hearne, Texas. The Expansions are being constructed by SunOne pursuant to the Master Development Agreement and will be acquired for an aggregate purchase price of $6.4 million. The Expansions will be completed during the first half of 2016 and will be funded with cash on hand, mortgage debt and the issuance of AHIP Units. The Expansions are part of AHIP's previously announced railway growth strategy of constructing additional guestrooms at existing, high occupancy Oak Tree Inn hotels that have excess land and strong market demand.

e) 70-room Heritage Inn, Fort Scott, Kansas Railway Hotel Acquisition

On November 10, 2015, AHIP completed the acquisition of a 70-room railway lodging hotel in Fort Scott, Kansas for an aggregate purchase price of approximately $3.3 million including capital expenditures and excluding closing and post-acquisition adjustments. The acquisition was funded with cash on hand. AHIP intends to obtain mortgage financing on this property before year end.

INTERNAL CONTROLS

National Instrument 52-109 "*Certification of Disclosure in Issuers' Annual and Interim Filings*" ("**NI 52-109**") requires the Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") to be responsible for establishing and maintaining disclosure controls and procedures ("**DC&P**") and internal controls over financial reporting ("**ICFR**"), as defined in the instrument. DC&P are designed to provide reasonable assurance that material information required to be disclosed by AHIP in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation. Furthermore, DC&P are designed to ensure that material information required to be disclosed by AHIP in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to AHIP's management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

AHIP's ICFR may not prevent or detect all misstatements because of the inherent limitations of any control system. Additionally, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with AHIP's policies and procedures.

As at September 30, 2015, AHIP's management, under the supervision of its CEO and CFO, has designed DC&P and ICFR, with the exception of the scope of design of DC&P and ICFR as noted below. Management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("**COSO**") in Internal Control – Integrated Framework (2013). There has been no change in AHIP's DC&P and ICFR during the three months and nine months ended September 30, 2015 that has materially affected, or is reasonably likely to materially affect AHIP's DC&P and ICFR.

In accordance with Section 3.3(1)(b) of NI 52-109, AHIP's CEO and CFO have limited the scope of design of DC&P and ICFR to exclude the controls, policies and procedures related to the Texas, Oklahoma, NC/FL, Midwestern, and Florida Portfolios within the Branded Hotel portfolio and the Railway Portfolio, as they were acquired less than 365 days before the last day of the three months ended September 30, 2015. The results of these portfolios constitutes approximately 35.0% and 32.1% of AHIP's income from operating activities for the three and nine months ended September 30, 2015, respectively, included in the condensed consolidated interim financial statements and related notes. AHIP intends to complete the design of DC&P and ICFR for the Texas, Oklahoma and NC/FL Portfolios by December 31, 2015 and for the remaining portfolios by September 30, 2016.

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FOREIGN EXCHANGE MANAGEMENT

All of AHIP's investments and almost all of its operations are conducted in U.S. dollars and AHIP pays distributions to Unitholders in Canadian dollars. Therefore, AHIP has exposure to fluctuations in currency exchange rates. In general, AHIP benefits from a stronger U.S. dollar relative to the Canadian dollar with the greatest impact on the monthly distributions. Conversely, a weaker Canadian dollar increases the amount of equity funds required to complete investments in the U.S. For the three and nine months ended September 30, 2015, AHIP did not enter into any currency swap arrangements. Management reviews currency swap arrangements on a regular basis as a risk management tool.

The following table provides the quarterly Canadian dollar/U.S. dollar exchange rates over the past 12 months:

Period end Exchange Rate[(1)]	**September 30, 2015**	**June 30, 2015**	**March 31, 2015**	**December 31, 2014**	**September 30, 2014**
Cdn$/US$	$ 1.3394	$ 1.2474	$ 1.2683	$ 1.1601	$ 1.1208
US$/Cdn$	$ 0.7466	$ 0.8017	$ 0.7885	$ 0.8620	$ 0.8922

(1) Bank of Canada noon rate on the respective dates

RISKS AND UNCERTAINTIES

Investing in Units involves a high degree of risk. In addition to the risks identified in this section and elsewhere in this MD&A, investors should carefully consider all of the risk factors noted in AHIP's AIF, a copy of which is available on SEDAR at www.sedar.com, before purchasing Units. The occurrence of any of such risks, or other risks not presently known to AHIP or that AHIP currently believes are immaterial, could materially and adversely affect AHIP's investments, prospects, cash flows, results of operations or financial condition and AHIP's ability to make cash distributions to Unitholders. In that event, the value of the Units could decline and investors may lose all or part of their investment.

The Units involve a certain degree of risk. Any person currently holding or considering the purchase of Units should be aware of these and other factors set forth in AHIP's AIF and should consult with his or her legal, tax and financial advisors prior to making an investment in the Units. The Units should only be purchased by persons who can afford to lose all of their investment.

ADDITIONAL INFORMATION

Additional information relating to AHIP, including the company's AIF, is available on SEDAR at www.sedar.com.

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DETAILS OF RAIL HOTELS PORTFOLIO AS AT NOVEMBER 12, 2015

Hotel Address	Location	Number of Rooms	Restaurant	Acquisition Date
2407 East Holland Avenue	Alpine, TX	40	Yes	Feb. 20, 2013
3522 N. Highway 59	Bill, WY	112	Yes	Feb. 20, 2013
620 Souder Road	Brunswick, MD	25	Yes	Nov. 24, 2014
3475 Union Road	Buffalo, NY	56	-	Feb. 20, 2013
1625 Stillwater Avenue	Cheyenne, WV	60	Yes	Feb. 20, 2013
2300 Valley West Ct.	Clinton, IA	123	-	Feb. 20, 2013
21233 Coal River Road	Comfort, WY	25	-	Feb. 20, 2013
1608 US 60 Business W	Dexter, MO	133	Yes	Feb. 20, 2013
4000 Siskiyou Avenue	Dunsmuir, CA	21	Yes	Feb. 20, 2013
95 Spruce Road	Elko, NV	120	-	Feb. 20, 2013
2505 US 69	Fort Scott, KS	70	-	Nov. 10, 2015
2700 N. Diers Parkway	Fremont, NE	100	Yes	Feb. 20, 2013
2006 North Merrill Avenue	Glendive, MT	50	Yes	Oct. 29 2014
100 15th Street SE	Glenwood, MN	56	Yes	Feb. 20, 2013
1170 W. Flaming Gorge Way	Green River, WY	191	Yes	Feb. 20, 2013
1051 North Market	Hearne, TX	116	Yes	Feb. 20, 2013
1110 SE 4th Street	Hermiston, OR	62	-	Feb. 20, 2013
1710 Jefferson Street	Jefferson City, MO	77	-	Feb. 4, 2014
501 SW Boulevard	Kansas City, KS	110	-	Feb. 20, 2013
7875 Airline Highway	Livonia, LA	42	Yes	Feb. 20, 2013
8233 Airline Highway	Livonia, LA	60	-	Feb. 20, 2013
123 Westvaco Road	Low Moor, VA	30	Yes	Feb. 20, 2013
1127 Pony Express Highway	Marysville, KS	139	Yes	Feb. 20, 2013
528 S. George Nigh Expressway	McAlester, OK	61	-	Feb. 20, 2013
777 W Center Street	Milford, UT	75	Yes	Feb. 20, 2013
128 S. Willow	Missouri Valley, IA	41	Yes	Feb. 20, 2013
707 E. Webster Street	Morrill, NE	97	Yes	Feb. 20, 2013
451 Halligan Drive	North Platte, NE	111	Yes	Feb. 20, 2013
22 N. Frontage Street	Pecos, TX	61	-	Feb. 20, 2013
2005 E. Daley Street	Rawlins, WY	62	Yes	Feb. 20, 2013
2680 Airport Road	Santa Teresa, NM	56	Yes	May 6, 2014
K27 & Commerce Street	Sharon Springs, KS	50	Yes	Feb. 20, 2013
U.S. 285 & 2nd Street	Vaughn, NM	60	Yes	Feb. 20, 2013
1177 E. 16th Street	Wellington, KS	80	Yes	Feb. 20, 2013
1004 E 16th Street	Wellington, KS	110	-	Feb. 25, 2015
1706 N. Park Drive	Winslow, AZ	72	-	Feb. 20, 2013
98 Moffat Avenue	Yampa, CO	37	Yes	Feb. 20, 2013
35450 Yermo Road	Yermo, CA	65	Yes	Feb. 20, 2013
1731 S. Sunridge Drive	Yuma, AZ	119	Yes	Feb. 20, 2013
TOTAL OAK TREE INNS	**39 properties**	**2,975**	**26**	
2111 Camino Del Llano	Belen, NM	160	Yes	Sept. 16, 2015
100 North 6th Avenue	Edgemont, SD	56	-	Sept. 16, 2015
2307 Wyoming Avenue	Gillette, WY	156	-	Sept. 16, 2015
800 West Laramie Street	Guernsey, WY	96	-	Sept. 16, 2015
101 Grand Avenue	Ravenna, NE	118	-	Sept. 16, 2015
TOTAL RAIL HOTELS	**44 properties**	**3,561**	**27**	

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DETAILS OF BRANDED HOTELS PORTFOLIO AS AT NOVEMBER 12, 2015

Hotel Address	Brand	Location	Number of Rooms	Restaurant	Acquisition Date
Hilton Hotels					
85 University Boulevard	Hampton Inn	Harrisonburg, VA	159	-	Mar. 12, 2014
555 Trumbull Drive	Hampton Inn	Pittsburgh, PA	132	-	Nov. 21, 2013
8514 University Boulevard	Hampton Inn	Moon (Pittsburgh), PA	127	-	Nov. 21, 2013
210 Executive Drive	Hampton Inn	Cranberry Township, PA	116	-	Nov. 21, 2013
1137 E. Dixie Drive	Hampton Inn	Asheboro, NC	111	-	Jul. 3, 2014
43 Covenant Drive	Hampton Inn	Harrisonburg, VA	90	-	Mar. 12, 2014
898 Wiggins Road	Hampton Inn	Emporia, VA	85	-	Mar. 12, 2014
2814 Williams Avenue	Hampton Inn	Woodward, OK	81	-	Nov. 3, 2014
1508 Cinema Drive	Hampton Inn	Statesville, NC	80	-	Nov. 25, 2014
3004 South 4th Street	Hampton Inn	Chickasha, OK	63	-	Jun. 18, 2015
Marriott Hotels					
3712 SW 38th Ct	Courtyard	Ocala, FL	169	Yes	Aug. 6, 2015
10024 US Hwy 15& 501	Springhill Suites	Pinehurst, NC	107	-	Jul. 11, 2014
1308 Freedom Road	Residence Inn	Cranberry Township, PA	96	-	Nov. 21, 2013
4735 Helen Hauser Blvd.	Fairfield Inn & Suites	Titusville, FL	96	-	Nov. 25, 2014
4101 SW 38th Avenue	Fairfield Inn & Suites	Ocala, FL	96	-	Aug. 6, 2015
1530 Cinema Drive	Courtyard	Statesville, NC	94	-	Nov. 25, 2014
3610 SW 38th Avenue	Residence Inn	Ocala, FL	87	-	Aug. 6, 2015
920 Executive Way	Fairfield Inn & Suites	Asheboro, NC	87	-	Jul. 3, 2014
4355 West New Haven Avenue	Fairfield Inn & Suites	Melbourne, FL	83	-	Nov. 25, 2014
1319 East King Avenue	Fairfield Inn & Suites	Kingsland, GA	82	-	Jul. 3, 2014
1740 Airport Boulevard	Fairfield Inn & Suites	Amarillo, TX	79	-	Oct. 27, 2014
150 Arnold Drive	Fairfield Inn & Suites	South Hill, VA	68	-	Mar. 12, 2014
IHG Hotels					
8231 Amarillo Boulevard West	Holiday Inn	Amarillo, TX	151	Yes	Oct. 27, 2014
4401 SW 15th Street	Holiday Inn	Oklahoma City, OK	147	Yes	Nov. 3, 2014
13800 Quail Springs Parkway	Holiday Inn	Oklahoma City, OK	109	Yes	Nov. 3, 2014
4411 SW 15th Street	Staybridge Suites	Oklahoma City, OK	103	-	Nov. 3, 2014
2080 Holliday Drive	Holiday Inn Express	Dubuque, IA	87	-	Jun. 18, 2015
121 Swords Drive	Holiday Inn Express	Mattoon, IL	69	-	Jun. 18, 2015
2501 Holliday Lane	Holiday Inn Express	Jacksonville, IL	69	-	Jun. 18, 2015
7840 NW 39 Expressway	Holiday Inn Express	Bethany, OK	69	-	Jun. 18, 2015
311 S. Johnson Drive	Holiday Inn Express	Nevada, MO	68	-	Jun. 18, 2015
3007 W. 18th Avenue	Holiday Inn Express	Emporia, KS	68	-	Jun. 18, 2015
2610 S. 4th Street	Holiday Inn Express	Chickasha, OK	62	-	Jun. 18, 2015
Carlson-Rezidor Hotel					
960 Ed Noble Parkway	Country Inn	Norman, OK	77	-	Jun. 18, 2015
Choice Hotel					
6915 I-40 West	Sleep Inn & Suites	Amarillo, TX	63	-	Oct. 27, 2014
TOTAL BRANDED HOTELS	**35 properties**		**3,330**	**4**	
GRAND TOTAL	**79 properties**		**6,891**	**31**	

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DETAILS OF PROPERTIES UNDER DEVELOPMENT AS OF NOVEMBER 12, 2015

Hotel Address	Location	Number of Rooms	Restaurant	Completion Date
2006 North Merrill Avenue (expansion)	Glendive, MT	24	-	December 31, 2015
1051 North Market Street (expansion)	Hearne, TX	24	-	June 30, 2016
1110 SE 4th Street (expansion)	Hermiston, OR	24	-	June 30, 2016
451 Halligan Drive (expansion)	North Platte, NE	24	-	June 30, 2016
TOTAL DEVELOPMENTS	**4 Properties**	**96**	**-**	